FRANCHISE DISCLOSURE DOCUMENT

Redbox+ International, LLC
A Michigan limited liability company
731 Fairfield Court
Ann Arbor, Michigan 48108
(734) 864-9799
www.redboxplus.com
Franchising@redboxplus.com

As a franchisee, you will operate a redbox+ business, which offers a roll-off container/portable toilet combination using our patented technology, and other approved waste hauling services.

The total estimated investment necessary to begin the operation of a redbox+ business ranges from $598,222 to $836,447, which includes $404,466 to $543,800 that must be paid to the franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact your sales representative at Redbox+ International, LLC, 731 Fairfield Court, Ann Arbor, Michigan 48108 734-864-9799.

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

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

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

ISSUANCE DATE: April 4, 2024, as amended May 10, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Michigan. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Michigan than in your own states.
2. **Spousal Liability**. Franchisees and spouses must sign a personal guarantee, making you and your spouse individually liable for your financial obligations under the agreement if you are married, even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchisor in a system with a longer operating history.
4. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
5. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
6. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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

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

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

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

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

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

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

(d) A provision that permits a Franchisor to refuse to renew a franchise without fairly compensating the Franchisee by repurchase or other means for the fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the Franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation.

This subsection applies only if:

(i) the term of the franchise is less than 5 years; and

(ii) the Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the Franchisee does not receive at least 6 months' advance notice of Franchisor's intent not to renew the franchise.

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

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

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

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

(ii) The fact that the proposed transferee is a competitor of the Franchisor or Subfranchisor.

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

(iv) The failure of the Franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

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

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

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.

IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, DIRECT THEM TO THE DEPARTMENT OF THE ATTORNEY GENERAL OF THE STATE OF MICHIGAN, 670 LAW BUILDING, 525 WEST OTTAWA, LANSING, MICHIGAN 48913, (517) 373-7117.

If this Franchise Disclosure Document has been registered in any of the states listed in the State Effective Dates Page, the effective date of that authorization is listed in that Page.

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Exhibits to Franchise Disclosure Document

Exhibit A - List of State Administrators/Agents for Service of Process
Exhibit B - Franchise Agreement and Addenda
Exhibit C - State Addenda
Exhibit D - Financial Statements
Exhibit E - Table of Contents-Operations Manual
Exhibit F - List of Franchisees and Franchisee Advisory Council
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Exhibit H - Receipts

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we", "us" or "our" means RedBox+ International, LLC, (the "Franchisor"). "You" means the person (or persons), corporation, partnership, limited liability company or other legal entity that is granted the franchise. If you are a legal entity, each of the following individuals must sign our Guaranty: (i) each of your shareholders if you are a corporation; (ii) each of your partners if you are a partnership; or (iii) each of your members and managers if you are a limited liability company. All of the provisions of our Franchise Agreement (a copy of which is attached as Exhibit B to this Disclosure Document) will apply to you and to each individual who signs the Guaranty. Each individual who signs the Guaranty must also agree to be bound by the confidentiality and non-competition covenants of the Franchise Agreement.

The Franchisor

We are a Michigan limited liability company formed on May 28, 2021. We do business only under our corporate name and the trademark "redbox+". Our principal business address is 731 Fairfield Court, Ann Arbor, Michigan 48108. We do not operate any franchises of the type being offered under this Disclosure Document and do not conduct business in any other line of business. We have never offered franchises in any other line of business. A list of our agents for service of process is attached as Exhibit A to this Disclosure Document.

The Franchise Offered

We grant franchises for the right to operate a redbox+ business (the "Franchised Business" or the "redbox+ Business") which offers residential, industrial, or commercial waste hauling services, roll-off containers, dumpsters, dump trailers, and/or portable toilet rental services, and other approved waste removal, hauling, or waste management services, using among other items, our patent protected roll-off container/portable toilet combination ("Elite Container"). One person, with one truck, can place and pick up each redbox+ unit and maintain the portable toilets. We recommend that franchisees begin operations with two trucks or purchase a second truck after 6 months of operations.

The redbox+ franchises operate under our unique system relating to the establishment, development and operation of the redbox+ business (the "System") and proprietary marks ("Proprietary Marks"). The Proprietary Marks include various trade names, trademarks, service marks, logos, and other indicia of origin including the service mark, but not limited to, "redbox+®" which we have designated or may in the future designate for use in connection with the System. The System includes Proprietary Marks, recognized designs, decor and color schemes, distinctive specifications for the redbox+ units, equipment, display designs; know-how, trade secrets; uniform specifications of products and services; sales techniques, and merchandising, marketing, advertising, and inventory management systems; quality control procedures; and procedures for operation and management of redbox+ businesses. We may periodically make changes to the System, including products, standards, signage, equipment, and fixtures requirements.

Parents, Predecessors and Affiliates

From March 2014 until June 2018, RedBox+, LLC, a Minnesota limited liability company with an address at 818 West Third Street, Winona, MN 55987 was the franchisor of redbox+ Businesses. In June 2018, our predecessor, RedBox+ Franchising, LLC, entered into a transaction with RedBox+, LLC, Jeffrey Matejka, Inc., a Minnesota corporation, and Jeffrey Matejka, an individual resident of Minnesota, whereby all rights, title and interests in and to all trademarks, patents, confidential information, copyrights, and related intellectual property associated with the System or the establishment, development, and operation of redbox+ Business, as well as seven existing franchise agreements were transferred to RedBox+ Franchising, LLC.

From June 2018 until June 30, 2021, our Predecessor, redbox+ Franchising, LLC, a Pennsylvania limited liability company with an address of 95 N. Broad Street, Doylestown, PA 18901 was the franchisor of the redbox+ franchise system. On June 30, 2021, BFG (as defined in the following paragraph) purchased the assets of our Predecessor and transferred such entity to us. Such assets included the redbox+ Marks, business system and existing franchise agreements. As a result, we became the new franchisor of the redbox+ Businesses. We are the exclusive franchisor of the redbox+ Business, and began offering franchises for sale on July 28, 2021. The existing redbox+ franchisees operate under the same marks and offer the same services that you will offer as a redbox+ franchisee. We do not conduct business of the type to be operated by the franchisees.

Our parent company is BELFOR Franchise Group, LLC (f/k/a "DUCTZ Holdings, LLC") a Michigan Limited Liability Company formed on July 3, 2007 ("BFG"), which has a principal business address of 731 Fairfield Court, Ann Arbor, MI 48108. BFG is a wholly owned subsidiary of BELFOR (USA) Group, Inc. ("BELFOR"), a Colorado corporation formed on June 9, 1995, and located at 185 Oakland Ave, Suite 150, Birmingham, MI 48009. BELFOR is a wholly owned subsidiary of BELFOR Holdings, Inc., a Delaware corporation incorporated on May 24, 2006, and located at 185 Oakland Ave, Suite 150, Birmingham, MI 48009. BELFOR offers property and electronic restoration, machinery refurbishment, data and document restoration, mold remediation, emergency and rapid response. As of December 31, 2023, BELFOR owns and operates 174 outlets in the United States and Canada. BELFOR also owns and operates two (2) franchise locations of our affiliate, ZPlumberz.

BELFOR Holdings, Inc. is fully owned by ASP BF Intermediate Sub, LLC, a Delaware limited liability company formed on December 21, 2018. Its principal business address is 590 Madison Ave., 38th Floor, New York, NY 10022. ASP BF Intermediate Sub, LLC purchased BELFOR Holdings, Inc. on April 4, 2019.

Our parent, or BELFOR, also owns our Affiliates, the companies that offer franchises in the chart below. The franchising companies have offered franchises since their year of formation, only offer franchises in the line of business in the chart and have never offered franchises in any other line of business. All of the franchising companies in the chart below have the following principal business address: 731 Fairfield Court, Ann Arbor, MI, except the Canadian companies have the following principal business address: 3300 Bridgeway Street, Vancouver, British Columbia V5K 1H9.

Company	State/Type of Entity	Date of Formation	Number of Outlets	Franchise Offering
BFG				
HOODZ International, LLC ("HOODZ")	Delaware LLC	Oct. 3, 2008	128	Performing commercial kitchen exhaust system cleaning, inspection, maintenance and restoration services.
DUCTZ International, LLC ("DUCTZ")	Michigan LLC	Mar. 30, 2004	66	HVAC system restoration, coil cleaning, and dryer vent services.
1 800 WATER DAMAGE International, LLC ("1 800 WD")	Delaware LLC	Apr. 16, 2015	178	Water damage restoration services, mold remediation, odor removal, fire and smoke and related cleaning services.
PACKOUTZ International, LLC ("BLUE KANGAROO PACKOUTZ")	Delaware LLC	August 29, 2019	103	Contents restoration, packing, cleaning, and permanent climate-controlled storage.
PLUMBERZ International, LLC ("Z PLUMBERZ")	Michigan LLC	Mar. 25, 2019	27	Plumbing, sewer, and drain service to residential, commercial, and industrial buildings.
Patch Boys International, LLC ("The Patch Boys")	Delaware LLC	May 6, 2020	308	Performing light restoration and reconstruction services in residential homes and commercial businesses.
1-800 BOARDUP International, LLC* ("1-800 BOARD UP")	Delaware LLC	July 8, 2022	75	Emergency structural stabilization services
Safer Home Services International, LLC ("SAFER HOME SERVICES")	Michigan LLC	September 29, 2022	3	Pest protection, termite control, rodent control, and other related services to residential and commercial markets
COOL BINZ International, LLC ("COOL BINZ")	Michigan LLC	September 29, 2022	0	Portable storage containers, devices and equipment, including, climate-controlled and non-climate-controlled

Company	State/Type of Entity	Date of Formation	Number of Outlets	Franchise Offering
				storage containers, mobile offices, mobile refrigeration units and freezers
JunkCo+ International, LLC	Delaware LLC	Jan. 25, 2024	0	Junk removal and demolition services
HOODZ Canada, Inc.	Federal company (Canada)	Oct. 4, 2011	1	Performing commercial kitchen exhaust system cleaning, inspection, maintenance and restoration services.
DUCTZ Canada, Inc. (operates as "DUCTBUSTERS")	Federal company (Canada)	Jan. 12, 2018	2	HVAC system restoration, coil cleaning, dryer vent services.
Patch Boys Canada, Inc. (operates as "THE PATCH AUTHORITY")	Federal company (Canada)	Jan. 12, 2018	0	Performing light restoration and reconstruction services in residential homes and commercial businesses.

*1-800 BOARDUP International, LLC is a "fractional franchise," as it is defined in 16 CFR §436.2(d)(2007). In some states, 1-800 BOARDUP International, LLC is not considered a franchise.

Our parent, BFG, also owns the following companies that do not currently have or offer franchises, but reserve the right to do so in the future, and may offer products or services to franchisees:

Company	State/Type of Entity	Date of Formation	Principal Address	Number of Outlets	Industry
DUCTZ North America, LLC ("DZNA")	Delaware LLC	July 24, 2007	731 Fairfield Court, Ann Arbor, MI 48108	5 (company-owned DUCTZ Businesses)	HVAC system restoration, coil cleaning, dryer vent services.
HOODZ North America, LLC ("HZNA")	Delaware LLC	Nov. 12, 2009	731 Fairfield Court, Ann Arbor, MI 48108	6 (company-owned HOODZ Businesses)	Commercial exhaust hood system and oven cleaning, inspection, maintenance and restoration services.
PACKOUTZ North America, LLC ("BLUE KANGAROO PACKOUTZ NA") (predecessor is O'Donnell Brothers' Professional Furniture Service Inc.)	Michigan LLC	March 25, 2019	731 Fairfield Court, Ann Arbor, MI 48108	1	Contents restoration, packing, cleaning, and permanent climate-controlled storage.

Company	State/Type of Entity	Date of Formation	Principal Address	Number of Outlets	Industry
PLUMBERZ North America, LLC ("Z PLUMBERZ NA")	Michigan LLC	March 25, 2019	731 Fairfield Court, Ann Arbor, MI 48108	9	Plumbing, sewer, and drain service to residential, commercial, and industrial buildings.
Safer Home Services North America, LLC ("SHS NA")	Michigan, LLC	October 29, 2022	731 Fairfield Court, Ann Arbor, MI 48108	9	Pest protection, termite control, rodent control, and other related services to residential and commercial customers
COOL BINZ North America, LLC ("CBNA")	Michigan, LLC	October 29, 2022	731 Fairfield Court, Ann Arbor, MI 48108	1	Portable storage containers, devices and equipment, including, climate-controlled and non-climate-controlled storage containers, mobile offices, mobile refrigeration units and freezers
JunkCo North America, LLC	Michigan LLC	December 5, 2023	731 Fairfield Court, Ann Arbor, MI 48108	1	Junk hauling and demolition services
Hidrent, LLC (offering services as "Helpful Hereos")	Delaware LLC	Jan. 22, 2024	731 Fairfield Court, Ann Arbor, MI 48108	1	A pioneering technology platform that connects off-duty fire fighters with residential or commercial customers in need of safe, trustworthy, and reliable handyman-type services
BHI Distribution, LLC ("BHI")	Delaware LLC	Feb. 19, 2008	731 Fairfield Court, Ann Arbor, MI 48108	1	Procurement and distribution of vehicles, equipment and supplies for BELFOR USA and its affiliates and subsidiaries.
CS Holdings, LLC d/b/a Colman Wolf ("Colman Wolf")	Michigan LLC	June 29, 2009	185 Oakland Ave, Birmingham, Michigan 48009	1	Procurement and distribution of equipment and supplies for BELFOR USA and its affiliates and subsidiaries

Company	State/Type of Entity	Date of Formation	Principal Address	Number of Outlets	Industry
DRIPLOC, LLC (predecessor is DRIPLOC, LLC, formed on June 4, 2002)	Delaware LLC	May 12, 2010		1	Grease containment, may provide equipment and related services to franchisees.
BELFOR					
Winmar (Canada) International Ltd. ("Winmar") (predecessor is Winmar International, Inc.)	Federal company (Canada)	Dec. 7, 2018	175 Stonach Crescent, London, ON N5V 3G5	91	Restoration services for residential and commercial properties across Canada that specialize in water damage, fire and smoke restoration services, mold inspection and removal as well as damage restoration and recovery.

BFG Holdco, Inc. ("BFG Holdco," formerly known as HRI Holdings, Inc.) our affiliate, and wholly owned subsidiary of BELFOR also owns the following franchise companies that offer the franchise offerings in the chart below and that may also offer products or services to franchisees:

Company	State/Type of Entity	Date of Formation	Principal Address	Number of Outlets	Industry
Chem-Dry, Inc. (CDI, formerly known as Harris Research, Inc.), doing business under the names "Chem-Dry"	Utah Corp.	March 1994 (originally a California Corp. formed in Nov. 1977)	3310 West End Avenue, Suite 620, Nashville, TN 37203	1,240 U.S. and 44 in Canada	Offers Chem-Dry franchises, which is a carpet cleaning and upholstery cleaning franchise, since 1978. Offered N-Hance franchises in the U.S. and Canada from May 2003 until August 2017.
NHance, Inc. ("NHI")	Delaware Corp.	Dec. 31, 2012	3310 West End Avenue, Suite 620, Nashville, TN 37203	288	Wood cleaning, coating, protection and other wood care and renewal products and services for wood flooring, cabinetry, trim and other wood furnishings
Devere International, Inc. ("DII")	California Corp.	Sept. 1987	3310 West End Avenue, Suite 620, Nashville, TN 37203	27 Master Franchisees	Offers Chem-Dry master franchises outside of the United States and Canada

Except as stated above, we do not have any parents, predecessors or affiliates that are required to be disclosed in this Item 1, and we do not have any other affiliates that: (i) offer or operate franchises in any line of business; or (ii) provide items or services to redbox+ franchisees.

Market and Competition

The market for your products and services is roofers, window and siding and other contractors, remodelers, developers, fire and water repair contractors, landscapers, and homeowners. You can expect to compete in your market with locally owned businesses as well as national and regional businesses that sell similar products. You will compete with all other businesses that offer roll-off containers and portable toilets. The roll-off container market is well developed.

Industry-Specific Laws and Regulations

Your redbox+ Business will be subject to various federal, state and local laws and regulations affecting the refuse business including safety and health codes, and waste disposal requirements. Your Franchised Business must comply with all state and local laws and regulations. State and local agencies routinely conduct inspections for compliance with these requirements. You must obtain permits, licenses and operational licenses. You will need a CDL Class B Driver's License, a Wastewater Disposal License, as well as any other permits and licenses required by your state and local government. These licenses are state regulated.

Certain cities, towns and municipalities may be subject to exclusive or limited hauler arrangements which you will be responsible to investigate prior to purchasing a franchise from us. These regulations vary and may affect residential areas only in some cases. In area where exclusive or limited hauler arrangements exist, you are permitted to apply to be named a permitted hauler. Because such regulations may change during the Term of your agreement, Territories are not adjusted if such exclusive hauler arrangements exist at the time you sign your franchise agreement or arise during the Term.

The Franchised Business will also be subject to various federal, state and local laws, and regulations affecting the business, including, among others, federal, state and local laws, rules and regulations governing franchises, licensing, permits, zoning, the EPA, and other federal and state environmental protection statutes, OSHA, and other federal, state and local laws regarding hazardous substances and waste, land use, construction regulations and various health, sanitation, safety and fire standards. You are also subject to employment laws such as the EEOC, Fair Labor Standards Act, Americans with Disabilities Act and various state laws governing such matters as minimum wages, overtime and working conditions. There may be federal, state and local laws which affect your Franchised Business in addition to those listed here.

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

ITEM 2
BUSINESS EXPERIENCE

President: Sean Foley

Mr. Foley currently serves as our President and has done so since January 2024, in Ann Arbor, Michigan. Prior to being named President, Mr. Foley was a Regional Business Coach and Director of Operations for redbox+ in Ann Arbor, Michigan from August 2022 until January 2024. Prior to joining BFG, Mr. Foley served as a Franchise Business Coach at Best Life Brands in Troy, Michigan from January 2020 to August 2022. Mr. Foley is also an attorney, and most recently worked at Legg Mason in Baltimore, Maryland from July 2019 to January 2020. From August 2018 to December 2019, Mr. Foley was a consultant with Brightway Consulting in Baltimore, Maryland.

President of BFG: Rusty Amarante

Mr. Amarante currently serves as the President of BFG, located in Ann Arbor, MI since March 2012. Mr. Amarante previously served as our President from September 2022 to January 2024, and President of 1 800 WD from April 2015 until August 2018. Mr. Amarante has served as Director of Operations for BELFOR located in Birmingham, MI, since November 1999 to present. Mr. Amarante also serves as Executive Chairman of BFG Holdco, located in Nashville, TN from July 2019 to the present.

Chief Executive Officer of BFG, BELFOR, and BELFOR Holdings, Inc.: Sheldon Yellen

Mr. Yellen has been Chief Executive Officer of HOODZ, BFG and HZNA, located in Ann Arbor, MI from October 2008 to the present. Mr. Yellen also has served as Chief Executive Officer for DUCTZ and DZNA, located in Ann Arbor, MI from July 2007 to the present. Mr. Yellen also serves as Chief Executive Officer of 1 800 WD and WDNA, located in Ann Arbor, MI, from April 2015 to the present. Mr. Yellen has served as Chief Executive Officer for BELFOR, located in Birmingham, MI, from April 2004 to the present. Mr. Yellen also has served as Director and CEO of BELFOR Holdings, Inc., in Birmingham, MI, since its inception in September 2006 to the present. Mr. Yellen also serves as Director of BFG Holdco, located in Nashville, TN from July 2019 to the present.

Treasurer and Secretary of BFG: Chris Jones

Mr. Jones has been Treasurer and Secretary of HOODZ, BFG, and HZNA, located in Ann Arbor, MI, from October 2008 to the present. Mr. Jones also has served as Treasurer and Secretary of DZNA and DUCTZ, located in Ann Arbor, MI, from July 2007 to present. Mr. Jones also serves as Treasurer and Secretary of 1 800 WATER DAMAGE and WDNA, located in Ann Arbor, MI, from April 2015 to the present. Mr. Jones has also served as Group Controller for BELFOR, located in Birmingham, MI, from July 2005 to the present.

Chief Financial Officer of BELFOR Franchise Group, LLC: Dave Robertson

Mr. Robertson became Chief Financial Officer for BELFOR Franchise Group LLC, in Ann Arbor, MI, in October 2023. Prior to joining us, he was President of Lake's Lawn & Landscape, in Waterford, MI, from April 2023 through October 2023. From April 2018 through April 2022, Mr. Robertson was Senior Vice President and CFO of Altarum Institute in Ann Arbor, MI.

Senior Vice President of Legal and Franchise Administration: Melanie Parker

Ms. Parker has been the Senior Vice President of Legal and Franchise Administration for all brands owned by BFG since September 2019 to present. Ms. Parker became the Vice President

of Legal and Franchise Administration for CDI in October 2015, and served in the same capacity for NHI, since October 2015, and DDG, from March 2018 through September 2019.

Senior Vice President of Franchise Sales and Development: Doug Smith

Mr. Smith has been the Senior Vice President of Franchise Sales and Development for all brands owned by BFG since September 2019 to present. Mr. Smith joined the management team at CDI in August 2015 as Senior Vice President of Franchise Sales and Development, and performed such role until September 2019.

Senior Vice President of Marketing: Abigail Baker

Ms. Baker became the Sr. Vice President of Marketing in May 2023 after serving as Vice President of Marketing for NHI and CDI in Nashville, TN beginning February 2021 until May 2023. Previously, she served as the Director of Marketing for CDI and NHI from July 2016 to February 2021, in Nashville, TN.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

The initial franchise fee for a redbox+ Business is $59,500, for a baseline population of 300,000. You may purchase additional population for a cost of $0.20 per person up to a maximum population of 450,000. You may purchase additional redbox+ Businesses with baseline populations of 300,000 at the time of the purchase of your initial redbox+ Business. You must sign separate Franchise Agreements for each additional redbox+ Business purchased along with the master multi-territory addendum in the form attached to the Franchise Agreement as Exhibit 7. If you purchase multiple redbox+ Businesses at once, you must pay the following discounted Initial Franchise Fees for the additional territories:

Territories Purchased	Baseline Population per Territory	Initial Franchise Fee	Cumulative Franchise Fee
1	300,000	$59,500	$59,500
2	300,000	$40,000	$99,500
3	300,000	$35,000	$134,500

We offer a Veteran discount to honorably discharged veterans of the United States armed forces and their spouses. We will discount the Initial Franchise Fee by 20% on the first territory

purchased for those veterans and/or their spouses who have received an honorable discharge from the military. A copy of your DD214 will be required to receive this discount. This discount may not be used in conjunction with the First Responders or Related Franchisee discounts. The Initial Franchise Fee is payable at the time a Franchise Agreement is signed. The Initial Franchise Fee is deemed fully earned upon payment and, in consideration of administrative and other expenses we incur in granting this franchise and for our lost or deferred opportunity to franchise others, is non-refundable.

We also offer a $2,500 discount on the Initial Fee on the first territory to first responders, which include sworn police officers, paid and volunteer firefighters, and paid and volunteer emergency medical technicians and paramedics. This discount may not be used in conjunction with the Veteran or Related Franchisee discounts. We reserve the right to require proof that the applicant qualifies for this discount.

If you are currently a franchisee in good standing, as determined by us, with one of our franchising affiliates (a "Related Franchisee"), then you may qualify to purchase a redbox+ Business with discounted initial fees. The initial fee for a Related Franchisee will be reduced by twenty-five percent (25%) of the then-current Initial Fee for Standard Franchises, and such discounted fee is limited to up to two (2) Standard Franchises, which must be purchased at the same time. This discount may not be used in conjunction with any other discounts, including the Veteran or First Responders discounts.

The Initial Franchise Fee must be paid upon signing the Franchise Agreement is non-refundable.

Required Initial Packages

You must purchase the minimum required initial equipment and container packages consisting of the:

(i) Truck Equipment Package ("TEP") including the hoist, pump & vac system, tarper, wastewater tank and wastewater aggregating tank. The TEP ranges from $87,765 - $99,114, depending on market conditions; and

(ii) Initial Container Package ("Initial Containers") including 24 redbox+ Elite roll-off containers, 8 standard containers, 48 portable restrooms from us. The cost of the Initial Containers ranges from $238,664 to $366,649, depending on market conditions. At all times, you must have at least 24 Elite roll-off containers in your inventory of Containers.

You will pay us a 50% deposit to initiate the order for the TEP and Initial Containers. The balance shall be paid to us upon notification of the delivery date of the TEP. Once the deposit is paid, the total cost of the TEP and the Initial Containers is not refundable. All deposits must be paid prior to attending redbox+ training.

Additionally, you must pay us a $4,000 container assembly and set-up fee (the "Container Assembly and Set-Up Fee"), which is payable upon the delivery of the first set of containers. The Container Assembly and Set-Up Fee and will cover the costs to assemble your containers and is not refundable.

You will also pay us a fee of $1,209 for the set-up fee and first three (3) months of the

redbox+ proprietary point of sale CRM system. This system includes an interactive website that includes an online ordering feature, marketing e-mails, direct text messages, etc. This fee is not refundable.

You will participate in the redbox+ KickStart Marketing Program, beginning roughly 60 days before your Franchised Business opens and continuing for 60 days after, to generate brand awareness and leads, using a combination of Website Set-up, Google Business Profile and other Local Directory Listing Set-Up, Local Search Engine Optimization ("SEO"), Pay-Per-Click ("PPC") Advertising, and other local marketing initiatives. This program includes access to and training in our CRM for managing leads and conversions. The total cost of this program is $6,400 and is due when you sign your Franchise Agreement, and is not refundable.

Lastly, you will purchase a Promotional Package, that includes uniforms, apparel, stationary, and other branded materials to be used in your Franchised Business, for a sum of $6,928, which is due upon signing the Franchise Agreement and is not refundable. The Promotional Package includes a $749 convention allowance (the "Convention Allowance") for the redbox+ convention (the "Convention"). The Convention Allowance covers the registration fee for one person to attend the first redbox+ Convention that is scheduled following your successful completion of our initial training program. The Convention Allowance cannot be used to offset any other expenses or requirements associated with your redbox+ Business, and if you do not attend the convention, we will not refund the Convention Allowance.

There are no other purchases from or payments to us or any affiliate of ours that you must make before your Franchised Business opens.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty	Between 6% and 8% of Gross Sales (See Note 1).	Payable monthly via ACH on the 10th for royalties due for the month immediately preceding.	Royalties are paid to us.
Brand Marketing Fee	Up to 2% of Gross Sales. Currently, 1.25% of Gross Sales.	Payable monthly via ACH on the 10th, based on Gross Sales of the prior month	Brand Marketing Fees are paid to us.
Local Advertising	5% of Gross Sales.	Monthly.	We do not require ongoing local advertising, however, if more than 50% of your container fleet is not in use for

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			more than 30 days, we will require you to spend a minimum of 5% of revenue on approved local advertising strategies, until utilization has increased above 70% for 2 consecutive months.
Transfer Fee	The greater of (i) 20% of the then current initial franchise fee or (ii) $10,000.	Prior to transfer	Transfer fee is paid to us. The transfer fee does not apply to transfers where the transferee is an entity controlled and owned by Franchisee.
Transfer — Broker Fee	If you authorize us to enlist a third-party broker to locate the transferee, there will also be a broker fee, which currently is 10% of the sale price of the redbox+ Business.	Due upon closing of the sale of the redbox+ Business	Payable only if the third-party broker located the transferee. Payable to and imposed and collected by us if a broker fee was paid by us to the third party. Payable to and imposed and collected by the broker if we do not pay a broker fee to the third party.
Renewal Fee	$10,000 per Territory	Upon Franchisor drafting the transferee's new Franchise Agreement	See Item 17 for a further explanation of renewal conditions.
Audit	All of our costs and expenses	As incurred	See Note 2
Collection Costs, Attorneys' Fees and Interest	See Note 2 and 3	As incurred	See Note 3
On-site training, Supplemental training and Regional Training Course	Our then current rates, currently $1,500 to $2,000 per person	As incurred	See Note 4
Indemnification	Amount of loss or damages plus costs.	As incurred.	See Note 5. Your obligation to indemnify us will survive the termination or expiration of your Franchise Agreement.
Bank Charges and Administrative	Our then-current fees.	Upon invoice.	We may charge fees to cover bank charges and administration costs if an electronic funds

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Costs			transfer attempt is unsuccessful or you close your operating account, or any check or other payment is returned not paid.
Testing, New Product or New Supplier Approval	Cost of review and testing with a minimum fee of $500 plus costs which is refunded if approved for use by the Franchisor for entire System.	Upon request by us.	You may request approval of a new service to be offered, product or a supplier under our published procedures. We or the independent testing facility that we designate may charge a fee for the testing. We may also charge you a fee for services in making a determination on the proposed product or supplier.
Insurance	Cost of insurance.	As Incurred.	We may obtain the insurance if you fail to. You will pay the cost of the insurance premiums and a 18% fee to us to cover our reasonable expenses.
Management Fee	20% of Gross Sales plus our expenses in the event we must operate the Franchised Business due to death, disability, etc., in addition to other fees payable under the franchise agreement (royalty, Brand Marketing Fund, etc.).	Weekly with Royalty Payment.	Management Fee is paid to us.
Administrative Fee	Our then-current fee, which is presently $500 per transaction	As incurred	Due upon your request or when we are required due to your actions or request, to amend the Franchise Agreement (e.g. change of your entity name or a guarantor's name) or when you ask us to consent to various transactions or to services for which a specific fee is not imposed elsewhere in the Franchise Agreement.
Late Payment Fee	$50 for each week past due	Weekly, after missed payment	If the Royalty, Brand Marketing Fee, or any other fee is not available in your account for debiting when due, a late

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
			payment fee will be imposed
Late Report Fee	$50 per day	Daily, each day past due	If you do not report Gross Sales as required and/or fail to submit any Royalty reports when due
Interest	18% per annum or the maximum rate permitted by law	Upon invoice	Payable on any amounts past due
Non-Sufficient Fund Fee	$50	Upon invoice	If we debit your account for monies owed and there are insufficient funds available, we will also charge our current non-sufficient fund fee, plus applicable late fees
Convention Non-Attendance Fee	Our then-current fee, which is currently $1,000 per person	Upon missed registration for conference, or 90 days before conference, whichever is earlier.	Attendance by one owner or executive manager is mandatory at the Conference. This fee is charged upon failure to register for the conference, unless approved by us.
Confidential Operations Manual Replacement Fee	Then current cost.	As incurred.	The replacement fee is paid to us.
Technology Fee	$1,500 per year beginning on the first April 1st or October 1st to occur after you sign a Franchise Agreement with us.	50% - April 1st 50% - October 1st	We collect the Technology Fee on your behalf and remit the same to our vendors and suppliers. We reserve the right to increase this fee upon notice to you. See Note 6
Computer and Software Expenses	Currently our mandatory standardized technology platform and proprietary software costs between $200 and $250 per month, depending on scope of services chosen by franchisee. The financial online software costs approximately	As incurred	This covers the use of the redbox+ mandatory standardized technology platform and proprietary software. In addition, this includes our chosen financial online software with our chosen vendor. See Note 7

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	between $70 and $150 per month.		
Website Telephone Fee	$8.80 per month	As incurred.	This covers your monthly use of two business phone lines. Additional optional services will be billed separately if and when you choose to purchase them.
Additional Containers Purchases	See Note 8	As incurred	See Note 8 and Note 9.
NORA Fee	None currently assessed; if we manage accounts through a national or regional accounts program you will pay up to 3% of Gross Sales	As incurred	See Note 9.
Improper Marketing or Service Fee	The current fee for marketing or servicing outside of your Territory and in another franchisee's Territory without permission is $500 or the amount billed to the customer for the job(s), whichever is higher	Due by automatic debit 30 days after written notice	Due after default of marketing or servicing outside of your Territory. See Note 10.

Notes:

General: All fees are imposed by and are payable to us. Except as stated herein, the fees and costs disclosed in this Item 6 are uniformly imposed and nonrefundable.

1. Subject to the Minimum Monthly Royalty, you shall pay to us a monthly royalty (the "Royalty") as follows:
   - 8% of Gross Sales
   - If your total Gross Sales exceed $50,000.00 in a month, the Royalty due on all Gross Sales exceeding the first $50,000.00 in that month shall be 7%
   - If your Gross Sales meet or exceed $100,000.00 in a month, the Royalty due on all Gross Sales exceeding the initial first $100,000.00 in that month shall be 6%.

   By way of illustration, if the Franchised Business generates $125,000.00 in a month, Franchisee's Royalty shall be payable by the 10th of the following month shall be:
   - 8% of $50,000.00;
   - 7% of the next $50,000.00;

- 6% of the remaining $25,000.00

Commissions paid to lead sources are subject to Royalty.

You must enter all work performed through your redbox+ Business in the redbox+ Software within 24 hours of the start of the job. The Royalty due on each job is assessed upon the date of the original invoice issued to the Customer, and on the full amount of the invoice, regardless of whether the invoice is paid. If you Transfer this Agreement, the Royalty for all completed jobs must be paid on (a) the day of closing, or (b) on the effective termination date of this Agreement, whichever occurs first.

Franchisee must report Gross Sales each month, by the 5th of the month. On the 10th of each month, we will calculate the appropriate Royalty percentage owed, based upon the Gross Sales generated in the prior month, and initiate a transfer of funds for the Royalty owed, between our bank account and the bank account designated by you in the electronic funds transfer ("EFT") agreement attached to this Agreement as Exhibit E. We may specify different reporting and Royalty due-dates periodically in our discretion.

Minimum Gross Sales. The Franchised Business will be required to meet the following minimum monthly Gross Sales requirements (the "Minimum Gross Sales Requirement") during the Term of this Agreement:

Months in Operation	Minimum Monthly Gross Sales Requirement	Minimum Monthly Royalty Requirement
1 to 12 Months	$0.00	$0.00
13 to 24 Months	$12,500	$1,000
25 to 36 Months	$25,000	$2,000
37+ Months	$37,500	$3,000

If the Franchised Business fails to achieve the required Minimum Gross Sales Requirement during any consecutive three month period, we reserve the right to terminate the Franchise Agreement, reduce the size of the Territory, elect to establish another franchisee or company owned redbox+ Business in the Territory, or allow other franchisees, company-owned and/or affiliate-owned redbox+ Businesses to advertise, market, solicit and service customers in the Territory. You agree that any franchisee, company-owned and/or affiliate-owned redbox+ Business that we designate may provide Services in the Territory, if you fail to achieve the required Minimum Monthly Gross Sales Requirement. Neither the franchisee, Franchisor, company-owned or affiliate-owned Business are liable or obligated to pay you any compensation for doing so, and the Franchisor will not be considered in breach of any provision of the Franchise Agreement or any other agreement between Franchisor and Franchisee, even if the Minimum Monthly Gross Sales Requirement is achieved in future months of the Term.

If the percentage Royalty due on Gross Sales generated in any given month does not exceed the Minimum Monthly Royalty Requirement, as set forth in the above chart, you will be required

to pay the Minimum Monthly Royalty Requirement that corresponds to your months in operation, in lieu of the percentage Royalty.

If this is a Renewal Term, you will be required to pay the Minimum Monthly Royalty and meet the Minimum Monthly Gross Sales requirement for the greater than 37-month level for the entirety of the Renewal Term.

For the purpose of this section, the second year of operations begins 12 months from the date of successful completion of the Initial Training Program.

Once a Royalty Fee or Minimum Monthly Royalty Fee is paid, it is neither refundable nor applied to any future or past fees owed.

Definition of Gross Sales. "Gross Sales" includes all revenue generated from operating the redbox+ Business, whether in cash, in services in kind, from barter and/or exchange, or otherwise. All barter and/or exchange transactions for which you furnish services and/or products in exchange for goods or services will, for the purpose of determining Gross Sales, be valued at the full retail value of the goods and/or services you provide. Franchisee may deduct from Gross Sales the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if these taxes are separately stated when the customer is charged. In accordance with our policies as published periodically, you may also deduct from Gross Sales the amount of any documented refunds that we consider appropriate."

2. You must maintain accurate business records, reports, accounts, books and data relating to the operation of your Franchised Business. We have the right to inspect and/or audit your business records during normal business hours. If any audit reveals that you have understated any monies due to us by 2% or more, or if you have failed to submit reports and/or remittances for any 2 reporting periods or you do not make them available when requested, you must pay the reasonable cost of the audit, including the cost of auditors and attorneys, together with amounts due for royalty and other fees as a result of the understated amounts due, including interest from the date when the monies should have been reported. In addition, you are required to report monthly activity in a format created by us, as well as reporting financial results on a quarterly basis in a format created by us and included in the initial training.

3. You will be required to pay us interest on any overdue amounts from the due date until paid at the lesser of 18% interest per year or the highest lawful interest rate. If we engage an attorney to collect any unpaid amounts (whether or not formal judicial proceedings are initiated), you must pay all reasonable attorneys' fees, court costs and collection expenses incurred by us. If you are in breach or default of any non-monetary material obligation and we engage an attorney to enforce our rights (whether or not formal judicial proceedings are initiated), you must pay all reasonable attorneys' fees, court costs and litigation expenses.

4. Initial training takes place over 4-5 days at our office location in Mount Clemens, Michigan or any other location we may designate. Training for you and up to 2 other persons is included in the initial franchise fee. However, you will be required to pay personal expenses, including transportation, registration, lodging, meals and salaries for your employees. In our discretion, additional training may be provided to up to 3 additional person(s) if all are trained at

the same time, or in conjunction with already scheduled training classes at a then-current rate for additional training, which as of the date of this disclosure document is $1,500 to $2,000 per person. We may require that you complete additional training as well. If we provide you with additional training, we reserve the right to charge you for such training. You are also responsible, at your own expense, to pay for all travel, room and board and wages for you and your employees during this training.

5. You must defend, indemnify and hold us and our related parties harmless from all fines, suits, proceedings, claims, demands, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising from your ownership, operation or occupation of your Franchised Business and/or Premises, performance or breach of your obligations, breach of any representation or acts or omissions of you or your employees.

6. This fee includes one required license for Microsoft Office 365 Business Premium software, which is provided along with up to two redbox+ e-mail by us. Additional e-mails can be created for an additional fee of $10 per month per additional e-mail. You agree to pay us a fee for these services in the amount of $1,500 per year. The annual fees will be paid in two installments of $750 in April and in October of each year. Your first Technology Fee will be drawn on your first ACH draw after open and will be based on the timing of the execution date of your franchise agreement. Agreements signed prior to May 31st in the calendar year in which your franchise agreement was signed with us will pay both Technology Fee installments, while agreements signed after May 31st will only pay for one Technology Fee installment in the that first calendar year.

7. You must register, train, and use our mandatory proprietary CRM Operating System in operating your redbox+ business. We will provide an integrated website with a dedicated page for you that will be used in the operation of your redbox+ business. In addition, you will be required to use our chosen financial software, which will be integrated with our proprietary CRM Operating System, and we will be given access to this online account in order to track performance on an ongoing basis. Franchisees must provide monthly financial information and supporting detail to us in time for the preparation of financial reports to be delivered by the 15th of each subsequent month.

8. You will be required to increase the number of total containers in accordance with the chart below. As indicated in Item 5, at all times, you must have at least 24 Elite roll-off containers in your inventory of Containers.

Minimum Required Containers				
	Weeks of Operation			
Territories Purchased	**Start-up**	**Week 53**	**Week 105**	**Week 152**
1	32	40	40	40
2	32	40	56	72

3	40	56	64	80
4	40	56	72	88
5	40	80	88	110

You will be required to pay additional royalty as per the schedule listed above but actual delivery and purchase of additional redbox+ containers during the term of the Franchise Agreement beyond the minimums above is at your discretion. The Week of Operation is defined as starting on the first week after delivery and assembly of the initial redbox+ containers. We recommend that franchisees begin operations with two trucks or purchase a second truck after 6 months of operations.

9. NORA Fee. We may manage or provide support services to national and/or regional accounts that require centralized overview and support, and for purposes of responding to requests and referrals for services through our franchise system, managing those relationships, answering calls placed to our toll-free number or a national account on-line access system. In that case, we may charge you a National or Regional Accounts Fee ("NORA Fee") of up to three percent (3%) of Gross Sales generated by the account. The purpose of this fee is to defray the cost of providing national/regional account management services to the franchise system. We do not plan to charge a fee for simple referrals where we do not directly manage the relationship with the customer, but we reserve the right to do so.

10. Advertising outside of your Territory is a default under the Franchise Agreement. After the first occurrence of incident, a written notice of default will be issued. A second default for advertising outside your Territory will result in a fine of $500, or the amount billed to client(s) for the job(s) obtained as a result of unauthorized advertising, soliciting, or servicing clients, whichever is higher. Repeated defaults for advertising outside of your Territory may result in the termination of your Franchise Agreement. We reserve the right to waive the fine if the incident is deemed accidental.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	Payment Payable To
	Low	High			
Initial Franchise Fee[1]	$59,500	$59,500	Lump Sum	At Signing of the Franchise Agreement	RedBox+ International, LLC
Initial Containters[2]	$238,664	$366,649	Lump Sum	Before Opening	RedBox+ International, LLC
Truck Equipment Package ("TEP")	$87,765	$99,114	Lump Sum	Before Opening	Redbox+ International, LLC
Truck[3]	$141,306	$153,547	Lump Sum	Before Opening	Third-Party Providers
Transportation[4]	$10,000	$40,000	Lump Sum	Before Opening	Third-Party Providers
Container Assembly / Set-Up Fee	$4,000	$4,000	Lump Sum	Before Opening	RedBox+ International, LLC
Proprietary GPS Tracking System and Point of Sale/ CRM Software Package[5]	$1,209	$1,209	Lump Sum	$249 Set-Up Fee, Before Opening, $220 per month after opening	RedBox+ International, LLC
Computer Equipment and Software[7]	$3,000	$5,000	Lump Sum	Before Opening	Third-Party Providers
Rent and Utility Deposits[8]	$0	$30,000	As Incurred	Before Opening	Landlord / Utility Providers
Insurance Deposits and Premiums[9]	$10,200	$17,850	As Arranged	Before Opening	Insurance Company
Pre-Opening Travel Expense[10]	$1,000	$3,000	As Incurred	Before Opening	Third-Party Providers (Airline/Hotel/Restaurant)
Kick Start Marketing Program[11]	$6,400	$6,400	As Incurred	Before Opening	Third-Party Providers\ RedBox+ International, LLC
Professional Fees[12]	$2,250	$5,750	As Arranged	Before Opening	Third-Party Providers (Attorneys / Accountants)
Business Permits and Licenses[13]	$250	$1,000	As Incurred	Before Opening	Federal, State and Local Government Agencies

Office and Small Equipment[14]	$750	$1,500	As Incurred	Before Opening	Third-Party Providers
Promotional Package[15]	$6,928	$6,928	As Incurred	Before Opening	RedBox+ International, LLC
Additional Funds – 3 Months[16]	$25,000	$35,000	As Incurred	After Opening	Employees, Suppliers, etc.
TOTAL ESTIMATED INITIAL INVESTMENT	$598,222	$836,447			

Notes: Unless otherwise stated in this Item, all payments to us are non-refundable. For any amounts paid to third parties, the availability and conditions under which you may get refunds will depend on terms offered by those third-party suppliers. We do not offer direct or indirect financing.

1) The initial franchise fee for a baseline population of 300,000 is $59,500. You may purchase additional population for a cost of $0.20 per person up to a maximum population of 450,000.

2) These figures represent the purchase of the minimum necessary equipment from suppliers to operate the Franchised Business. You will need one roll-off truck chassis, which must be a tandem-axle truck. The truck will be equipped with the TEP, that includes a truck hoist, pump & vac system, tarper, wastewater tank and wastewater aggregating tank. You will purchase the truck chassis directly from our approved truck vendor, RIHM Kenworth, and the TEP directly from us. The total cost of the TEP is $87,765 to $99,114, depending on market conditions. You will also purchase the Initial Containers from us. At all times, you must have at least 24 Elite roll-off containers in your inventory of Containers. We recommend that franchisees begin operations with two trucks or purchase a second truck after 6 months of operations. The cost of the Initial Containers is between $238,664 to $366,649, depending on market conditions. The costs listed here do not include any shipping, transportation, set up costs nor the assembly of the toilets. Federal Excise Taxes are included where applicable in these estimates, but local sales taxes and licensing are not included. The equipment being used in the Franchised Business has a proven long-term useful life and you may have the ability to utilize financing from various strategic financial partners to potentially lower your initial cash requirements.

3) You must purchase a tandem-axle roll-off truck chassis directly from an approved truck vendor. The cost of the tandem-axle roll-off truck chassis from our required vendor is between $141,306 to $153,547, depending on market conditions. The payment terms and refundability of fees is determined by the approved truck vendor. We recommend that franchisees begin operations with two trucks or purchase a second truck after 6 months of operations.

4) This estimate is based on four delivery trucks, each carrying 8 containers from or around Chatfield, Minnesota to your franchise location. It also includes a roll-away service delivery charge for the truck, assuming we deliver the truck to you. The low end represents the typical minimum charge while the high end is based on delivery from Chatfield, Minnesota to California. We will work with our transportation brokers to attempt to get the lowest possible rates, but transportation costs will vary based on fuel costs, mileage and tolls, driver and vehicle availability,

and time of year.

5) This estimate is for the set-up fee ($249) and 3 months of services ($220 per month) for the redbox+ proprietary point of sale CRM system. This system includes an interactive website that includes an online ordering feature, as well as approximately 5,000 marketing e-mails and 500 text messages per month. The estimate also includes 3 months of subscription cost for QuickBooks Online, our chosen financial software package.

6) The Technology Fee will be paid bi-annually through an ACH on the first scheduled weekly ACH draw following April 1st and October 1st. Your first Technology Fee will be drawn on your first ACH draw after opening and will be based on the timing of the execution date of your franchise agreement. Agreements signed prior to May 31st in the calendar year in which your franchise agreement was signed with us will pay both Technology Fee installments, while agreements signed after May 31st will only pay for one Technology Fee installment in the that first calendar year.

7) You will need a general-purpose computer system consisting of a desktop or laptop computer, an all-in-one color copier, scanner, printer, fax and a high-speed internet connection. You will also need QuickBooks Online, as well as Microsoft Office 365 Business Premium, which is the redbox+ standardized technology platforms. The Microsoft Office 365 Business Premium licenses along with a redbox+ e-mail address will be provided by us, and the cost is included in the Technology Fee charged by us. The low end of this estimate assumes that a single computer is adequate for your needs. The high end of this estimate assumes that you begin with two computers (a desktop and laptop, or a second unit in the office). For additional details, see Item 8.

8) This estimate represents a 3-month deposit of rent. The low estimate indicates a home office at no additional cost to you while the high estimate indicates a location with 500 square feet in a leased office facility and a half acre of unimproved land to store the containers. Pre-paid rent is generally non-refundable while security or other deposits may be refundable either in full or in part depending upon your lease or rental contract. This estimate also includes an assumption for utility deposit. A credit check may be required by the issuing company prior to the initiation of services, or a higher deposit required for first time customers. These costs will vary depending on the type of services required for the facility and the municipality from which they are being contracted.

9) This estimate is for the cost of deposit in order to obtain the minimum required insurance. You should check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your Franchised Business will be located, your experience with the insurance carrier, the loss experience of the carrier and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may want to carry. The estimated range for annual insurance cost is $20,000 to $28,000, with typical payment terms of a 30% down payment and ten equal monthly payments for the balance. The estimates in the chart represents the down payment and three-monthly payments.

10) This estimate is for the cost for you plus 2 people to attend the initial training program held in Mount Clemens, MI, or another place we designate. We do not charge tuition for training up to 3 people, but you will be responsible for all costs associated with attending the initial

training program for you and your staff. Your costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation and living expenses (food, transportation, etc.). The duration of the training program is 3.5 days in Mount Clemens, MI, or another place we designate. This estimate does not include cost of labor.

11) You participate in the redbox+ Kickstart Marketing Program, beginning roughly 60 days before your Franchised Business opens and continuing for 60 days after, to generate brand awareness and leads, using a combination of Website Set-up, Google Business Profile and other Local Directory Listing Set-Up, Local Search Engine Optimization ("SEO"), Pay-Per-Click ("PPC") Advertising, and other local marketing initiatives. This program includes access to and training in our CRM for managing leads and conversions. The total cost of this program is $6,400 and is due when you sign your Franchise Agreement.

12) These fees are representative of the costs for engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of a Franchised Business. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your Franchised Business.

13) You are responsible for applying for, obtaining and maintaining all required permits and licenses necessary to operate your Franchised Business. The intended driver of the truck will need a CDL Class B Driver's License as well as a Wastewater Disposal License, as well as any other permits and licenses required by your state and local government. These licenses are state regulated. The figures represented here reflect the range of expenditures for licenses and permits in the state of Minnesota. Your state and municipality may be significantly higher. In addition, it is recommended that the owner or a second designated driver also obtain a CDL Class B Driver's License in order to avoid potential issues should the intended driver be unable to work on a particular day.

14) This figure is primarily for office materials and supplies, as well as initial field supplies based on our suggested supply list.

15) The Promotional Package includes apparel, stationery, other branded promotional materials for use in the operation of your Franchised Business and the Convention Allowance.

16) This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate. This estimate also includes such items as initial payroll and payroll taxes, Royalties, Brand Marketing Fund Contributions**,** additional advertising, marketing and/or promotional activities, repairs and maintenance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items as offset by the revenue you take into the Franchised Business. This estimate does not include an owner's salary or draw.

This total amount is based upon the historical experience of our officers and directors in offering franchises and information we have obtained from existing franchisees relating to the establishment of redbox+ Businesses. We strongly recommend that you use these categories and

estimates as a guide to develop your own business plan and budget and investigate specific costs in your area.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

We have spent considerable time, effort and money to develop the System. Your redbox+ Business must conform to our high and uniform standards of quality and service. We anticipate that our standards will change over time. You are expected to adhere to these changes.

You must purchase or lease your roll-off truck, hoist equipment, tarping equipment, roll-off containers, portable toilets, wastewater pumps, wastewater tanks, uniforms, all items and products containing the Proprietary Marks and other specified items exclusively in accordance with our standards and specifications that will be disclosed to you in the Operations Manual or otherwise.

You must purchase your Initial Container Package from us, but subsequent standard roll-off containers may be purchased from a supplier or fabricator of your choice. Additional Elite containers must be purchased from our approved suppliers of Elite Containers, that we designate in the Operations Manual. We reserve the right to designate our self or our affiliates as the only approved supplier for the items noted above. Currently, (a) we are the sole supplier of portable restrooms, truck hoist, pump & vac system, tarper, wastewater tank and the wastewater aggregating tank and (b) you are required to purchase all of your redbox+ containers from us or our approved supplier. As of the issuance date, other than as listed below, there are no approved suppliers in which any of our officers or directors own an interest. Those items for which we have neither designated nor approved suppliers must be purchased in accordance with our standards and specifications as described in the Operations Manual or otherwise. We have the right to modify specifications, standards, suppliers and approval criteria by providing you written notice. There is no limit on our right to do so. Some of our officers have an ownership interest in our affiliates BELFOR, Colman Wolf, CDI, and BHI, which may become approved suppliers in the future. There are no other suppliers in which any of our officers owns an interest at this time, although they reserve the right to do so in the future.

The marketing materials and trademarked office supplies that are included in the Promotional Package are generally shipped, F.O.B. from our approved supplier(s).

We estimate that the current required purchases in accordance with our standards and specifications and designated suppliers are approximately 75% to 85% of the cost to establish your redbox+ Business and approximately 10% to 15% of the ongoing operating expenses of your redbox+ Business.

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Approval of New Suppliers

If we designate one or more exclusive suppliers for a particular good or service, you may not request to utilize an alternative supplier. However, if an exclusive supplier has not been designated and you desire to purchase any item for which approval is required from a supplier that is not on our approved supplier list, you must request approval of the item or supplier in writing and we will evaluate the supplier and/or item for approval. Although we are not contractually bound to evaluate any supplier or item within a definite time period, we will make a good faith effort to evaluate the supplier or item and to notify you of approval or disapproval within 30 days from the date we receive your written request. We or our designated supplier are sole supplier of the Initial Equipment Package and Elite Containers or Standard Containers. We will not consider any alternative suppliers for Elite Containers or Standard Containers.

Before approving any supplier, we may take into consideration: a) consistency of products and/or name brands, b) economies of scale achieved by larger volumes, c) delivery frequency and reliability, and d) certain other benefits that a particular supplier may offer, such as new product development capability. When approving a supplier, we take into consideration the System as a whole, which means that certain franchisees may pay higher prices than they could receive from another supplier that is not approved. We reserve the right to withhold approval of a supplier for any reason. We do not release our standards and specifications or criteria for supplier approval to System franchisees.

You may not purchase any item from any supplier for which approval is required until you have first received written notification of our approval. You must reimburse us for our reasonable costs of evaluating and/or testing the proposed product or item, regardless of whether we approve the supplier or item. The cost of testing will be $500 plus any expenses incurred by us for the testing of the products or items. The cost of testing and expenses will be refunded to the franchisee if the product or item is approved for use for the entire System**.**

We may withdraw our approval at any time if any supplier's performance does not meet our then current criteria, if we change our specifications, standards or requirements or for other reasons.

As of the issuance date of this Disclosure Document, aside from the Initial Equipment Package described in Item 5, neither we nor our affiliates are an Approved Supplier for any items that you are required to purchase. We reserve the right to designate ourselves or an affiliate of ours (if and when established) as an Approved Supplier with respect to any item you must purchase in connection with your Franchised Business in the future.

Revenues of Franchisor and Affiliates

We and our affiliates reserve the right to derive revenue from required franchisee purchases and leases in any manner, including but not limited to volume rebates. We and/or our affiliates have the right to receive payments from any supplier, manufacturer, vendor or distributor to you or to other franchisees within our franchise system and to use these monies without restriction and as we deem appropriate, but did not do so in 2023. Our affiliates, Colman Wolfe and CDI, derived $52,744 and $15,029 in revenue, respectfully, from franchisee required purchases in the 2023 fiscal year. In our fiscal year ending December 31, 2023, we earned $5,470,019 in revenue from

required franchisee purchases and leases, which is 49.5% of our total annual revenue of $11,033,815.

Advertising

All advertising and promotion of your Franchised Business must conform to our specifications and standards and must be approved by us in advance. You must submit to us for our approval copies of all advertising and promotional materials including, but not limited to, business cards, signs, displays and mailouts.

Insurance Requirements

You must obtain and keep in force at a minimum the insurance we require in the Operations Manual or otherwise. The mandatory insurance currently includes: (i) comprehensive general liability insurance covering property damage, with limits of coverage of not less than $1,000,000 single limit coverage for personal injury, $2,000,000 in the aggregate, $2,000,000 for products; (ii) workers' compensation insurance as required by the laws of the state in which the Franchised Business is operated and employer's liability insurance with a limit per claim of not less than $500,000; (iii) automobile liability coverage, including coverage of owned, non-owned, and hired vehicles, with minimum limits of liability at the greater of: (a) the amount required by all applicable state and federal laws; (b) $1,000,000 for each person killed or injured; and, subject to that limit for each person, a total minimum liability of $2,000,000 for any number of persons injured or killed in one accident, and a minimum limit of $1,000,000 for injury, and destruction or loss of use of property of third persons, as the result of any one accident (c) $1,000,000 uninsured motorist coverage; and (d) a CA9948 Endorsement for waste spillage on roadways; (iv) umbrella insurance with a minimum limit of $1,000,000, and (v) contractor's pollution liability insurance covering property spillage issues, with limits of coverage of not less than $1,000,000 single limit coverage and $2,000,000 in the aggregate. All insurance policies must contain a separate endorsement naming us as an additional insured. All insurance providers must have a Best's Insurance Guide minimum rating of A-VI or better. You must maintain any additional insurance required by your landlord or under applicable law. No insurance policy may be subject to cancellation, termination, non-renewal or material modification, except upon at least 30 days' prior written notice from the insurance carrier to us. Upon request, you must provide us with a currently issued certificate of insurance evidencing coverage in conformity with our requirements. We may increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to you, and you must comply with any modification. Your state, municipality or other regulatory agency may also require you to obtain additional insurance coverage.

Purchasing or Distribution Cooperatives

We may negotiate purchase arrangements with some of our suppliers (including price terms and product allocations) for the benefit of System franchisees, but we are under no obligation to do so. There are currently no purchasing or distribution cooperatives related to the System.

Material Benefits

We do not provide material benefits to franchisees, such as renewal rights or ability to purchase additional franchises, based on your use of approved or designated sources.

Computer Hardware and Software Components.

You must purchase the computer hardware and software we designate for use in connection with the operation of your redbox+ Business. Please see Items 6, 7, and 11 for more information regarding required computer hardware and software purchases.

Advertising

We must approve all advertising before first publication or use. Our advertising requirements are discussed more fully in Item 11 of this Disclosure Document.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Item in Disclosure Document
a.	Site selection and acquisition/lease	3	Items 6 and 11
b.	Pre-opening purchases/leases	4, 6	Items 7 and 8
c.	Site development and other pre-opening requirements	5	Items 6, 7 and 11
d.	Initial and ongoing training	5.1, 5.3	Items 6, 7 and 11
e.	Opening	6.1, 6.10	Item 11
f.	Fees	2.2.7, 4, 5.3, 6.2	Items 5, 6 and 7
g.	Compliance with standards and policies/Operating Manual	Background Section E, 5.4, 6.2, 6.8, 6.9, 6.10, 6.14	Items 8 and 11
h.	Trademarks and proprietary information	Background Section B, 6.6	Items 13 and 14
i.	Restrictions on products/services offered	6.9	Items 8 and 16
j.	Warranty and customer service requirements	6.3	Item 11
k.	Territorial development and sales quotas	Not Applicable	Item 12
l.	Ongoing product/service purchases	6.2, 6.10	Item 8
m.	Maintenance, appearance and remodeling requirements	2.2.3, 5.2, 6.2, 6.4, 6.8, 6.14	Items 6 and 11
n.	Insurance	7.6	Items 6, 7 and 8

Obligation		Section in Franchise Agreement	Item in Disclosure Document
o.	Advertising	4.3, 6.6.3	Items 6, 7 and 11
p.	Indemnification	7.2	Item 6
q.	Owner's participation/ management/staffing	6.3, 6.14	Items 11 and 15
r.	Records and reports	4.5, 4.6	Item 6
s.	Inspections/audits	4.5, 6.7	Items 6 and 11
t.	Transfer	8	Item 17
u.	Renewal	2.2	Item 17
v.	Post-termination obligations	7.4, 10	Item 17
w.	Non-competition covenants	7.4, 10	Item 17
x.	Dispute resolution	12	Item 17

ITEM 10
FINANCING

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

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

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

Pre-Opening Obligations

Before you open your Franchised Business, we are obligated under the Franchise Agreement to:

1. Provide initial tuition-free training for up to 3 persons (including you and your manager) (Section 5.1.1 of the Franchise Agreement). We also will provide you continuing consultation and advice as we deem advisable before your Franchised Business opens for business. (Section 5.3 of the Franchise Agreement).

2. Provide you with a list of approved vendors and suppliers, for signs, fixtures, opening inventory, and supplies, and written specifications for each. (Section 5.4 of the Franchise Agreement).

3. Make available for purchase and delivery, the Truck Equipment Package, the Initial Containers from us. (Section 4.8 of the Franchise Agreement).

4. Loan you or otherwise provide you with access to a specifications, operations and procedures manual, one copy of our manuals, books, binders, videos or other electronic media, intranet postings and other materials, referred to collectively as the "Operations

Manual", containing mandatory and suggested standards, operating procedures and rules which we prescribe, as well as information relating to your other obligations under the Franchise Agreement. We have the right to add to and otherwise modify the Operations Manual as we deem necessary and reasonable; however, no change to the Operations Manual will materially alter your fundamental rights under the Franchise Agreement. We may provide the Confidential Operations Manual solely through our website(s) and/or intranets or other electronic means without any need to provide you with a paper copy or other physical format. (Section 5.4 of the Franchise Agreement). Attached as Exhibit E is a copy of the table of contents of our Operations Manual as of the issuance date of this Disclosure Document. The Operations Manual has a total of 159 pages and the subjects in the Operations Manual are reflected in the table of contents.

Site Selection and Opening

We will approve or disapprove an office location if you choose to have an office outside the home. The Franchised Business may be operated from a home-based office, but it must be within your Territory and must be able to accept deliveries associated with the redbox+ Business. We do not provide assistance with conforming the premises to local ordinances, building codes, obtaining required permits, constructing, remodeling, decorating the premises, or providing any specifications for office locations outside your home except that it must be located within your Territory. Should you choose to lease or purchase commercial office space outside of your home, which is not required, you must submit a copy of the lease or sales contract to us prior to signing it. Our review of your proposed Lease Agreement is to ensure that the Lease contains terms that we require for our protection. Our review is not for your benefit and we encourage you to hire your own attorney to review the lease for you. We will respond within 15 days, either approving or disapproving the lease or sales contract. We do not generally own the premises from which our franchisees operate. (Franchise Agreement Section 3).

We expect that Franchisees will typically open their redbox+ franchise for business by the later of 120 days after executing the Franchise Agreement or upon the delivery of the redbox+ equipment. The actual length of time it will take you to open your business will depend upon certain critical factors such as: (i) your ability to obtain acceptable financing; (ii) your ability to timely obtain required permits and licenses; (iii) locate and secure an appropriate location for storage of the equipment; (iv) the scheduling of the training program; and (v) the amount of time necessary to train personnel and to obtain necessary inventory, equipment and supplies. We do not assist you with hiring or training employees. See Items 12 and 17.

You may not open for business until: (i) you pay the initial franchise fee and any other amounts due; (ii) you and any required personnel have completed pre-opening traning requirements, and (iii) you have given us copies of all insurance policies and evidence of coverage and premium payment. If the redbox+ Business is not open for business within 270 days of signing the Franchise Agreement, we have the right to terminate the Franchise Agreement.

Continuing Obligations

During the operation of your Franchised Business, we are obligated under the Franchise Agreement to:

1. Provide, in addition to the assistance rendered to you prior to opening and in connection with your opening, continuing consultation and advice as we deem advisable regarding inventory, sales techniques, personnel development and other business, operational and advertising matters that directly relate to the Franchised Business. You are responsible for setting your own prices for the services your Franchised Business provides to customers. Assistance may be provided by telephone, facsimile, email, postings to our intranet, periodically through on-site assistance by appropriate personnel, and/or other methods. (Section 5.3 of the Franchise Agreement).
2. Furnish you with any specifications for required products and services.
3. Review and approve or disapprove any advertising and/or promotional materials you propose.
4. Administer the Brand Marketing Fund. (Section 4.3.3 of the Franchise Agreement).
5. Provide you with access to all modifications or additions to the Operations Manual electronically via your owner email login. (Section 5.4 of the Franchise Agreement).
6. Schedule, in our discretion, a national business meeting or convention at a location we designate. If we schedule a national business meeting or convention, you and your Operating Principals and managers must attend. You must pay our then current registration fee, if any, your transportation, lodging, meals and other expenses to attend any national business meeting or convention (Franchise Agreement, Section 5.5).

Advertising Programs

Brand Marketing Fund

We have established a Brand Marketing fund (the "Brand Marketing Fund") to be administered for the common benefit of System franchisees. Under the Franchise Agreement, the Brand Marketing Fee requirement is up to 2% of Gross Sales and is payable monthly. The current contribution is 1.25% of Gross Sales (Section 4.3.4 and 4.3.5 of the Franchise Agreement).

We have the sole right to determine contributions and expenditures from the Brand Marketing Fund, or any other advertising program, and sole authority to determine the selection of the advertising materials and programs. We are not required, under the Franchise Agreement, to spend any amount of Brand Marketing Fee in your territory and not all System franchisees will benefit directly or on a pro rata basis from these expenditures. Brand Marketing Fee may be used at our discretion in the development, production and distribution of national, regional and/or local advertising, and in the creation of advertising materials and public relations which, in our sole judgment, promote the products and services offered by System businesses, including development and production of advertising and marketing programs and materials including television, radio, magazine, and newspaper, and social and digital media advertising campaigns, purchase of media, field marketing programs and activities, promotions, new product research and development, quality control (including mystery shopper programs), market research, talent fees, working with public relations firms, website development and maintenance, social media and for administrative, travel, debt service and operating costs and overhead. Our decisions in all aspects related to the Brand Marketing Fund will be final and binding. We may charge the Brand Marketing Fund for the costs and overhead, if any, we incur in activities reasonably related to the creation and

implementation of the Brand Marketing Fund and the advertising and marketing programs for franchisees. These costs and overhead include (i) the cost of preparing advertising campaigns and other public relations activities, (ii) the cost of employing advertising agencies, including fees to have print or broadcast advertising placed by an agency and all other advertising agency fees, and (iii) the proportionate compensation of our employees who devote time and render services in the conduct, formulation, development and production of advertising, marketing and promotion programs or who administer the Brand Marketing Fund. (Section 4.3 of the Franchise Agreement).

We do not anticipate that any part of your contributions to the Brand Marketing Fund will be used for advertising that is principally a solicitation for the sale of additional franchises, but we reserve the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information.

We may also establish special promotional programs. You are required to participate in special promotional programs, and you must pay your share of the cost of developing and implementing the program, including common development, design and advertising costs. (Section 4.3.5 of the Franchise Agreement).

Advertising to be used by the Brand Marketing Fund or by you locally may be produced in-house or through an outside agency. (Section 4.3 of the Franchise Agreement).

Although we anticipate that all Brand Marketing Fee will be spent in the fiscal year in which they accrue, any remaining amounts will be carried over for use during the next fiscal year. There is no requirement that the Brand Marketing Fund be audited. You must contribute to the Brand Marketing Fund regardless of amounts due from other franchisees. Upon your written request, we will provide you with un-audited fiscal year-end financial statements and accountings of Fund expenditures. (Section 4.3.4.2 of the Franchise Agreement).

It is expected that Fund contributions will be spent in the future to grow the brand awareness in conjunction with the growth of franchise locations, brand marketing, and franchise system support. In 2023, the Brand Marketing Fees were spent on media placement (61%), creative (15%), public relations (7%), website (11%), and administrative (6%).

We design and direct all activities and programs funded by the Brand Marketing Fund with the assistance of the Brand Marketing Fund Committee. The Brand Marketing Fund Committee is an advisory board composed of 4 redbox+ franchisees and members of the redbox+ staff. Franchisee members of the Brand Marketing Fund Committee are appointed by us and generally serve two-year terms.

Grand Opening Advertising

Under the mandatory redbox+ KickStart marketing program, you will spend a minimum of $6,400 in advertising and promotions during the period 60 days before and 60 days after your Franchised Business opens to promote the opening of your business. You must keep detailed records of all expenditures and provide them to us within 15 days if requested. (Section 4.3.2 of the Franchise Agreement). In addition, we require that you join our approved dumpster broker network to utilize in the launch as a tool to build rentals and brand recognition.

Local Advertising

We do not require you to conduct ongoing local advertising, however, if more than 50% of your container fleet is not in use for more than 30 days, we will require you to spend a minimum of 5% of revenue on approved local advertising strategies, until utilization has as increased above 70% for 2 consecutive months. (Section 4.3.3 of the Franchise Agreement).

We are not required to spend any amount on advertising in your Territory.

Advertising Cooperatives

If we establish an advertising cooperative within a geographically defined local or regional marketing area in which your Franchised Business is located, you must participate and abide by any rules and procedures the cooperative adopts and we approve. You will contribute to your respective cooperative an amount determined by the cooperative, but not to exceed $2 per redbox+ container per week. We have the right to draft your bank account for the advertising cooperative contribution and to pass those funds on to your respective cooperative. Our affiliate owned redbox+ businesses will have no obligation to participate in any such advertising cooperatives. (Section 4.3.6 of the Franchise Agreement).

The cooperative members are responsible for the administration of their respective advertising cooperative, as stated in the by-laws that we approve. The by-laws and governing agreements will be made available for review by the cooperative's franchisee members. We may require a cooperative to prepare annual or periodic financial statements for our review. Each cooperative will maintain its own funds; however, we have the right to review the cooperative's finances, if we so choose.

We reserve the right to approve all of a cooperative's marketing programs and advertising materials. On 30 days written notice to affected franchisees, we may terminate or suspend a cooperative's program or operations. We may form, change, dissolve or merge any advertising cooperative.

Computers and Point of Sale Registers

We have the contractual right to develop a backroom computer system for use in connection with the System. You must acquire computer hardware equipment, software, printer, scanner, telecommunications infrastructure products and credit card processing equipment and support services we require in connection with the operation of your Franchised Business and all additions, substitutions and upgrades we specify. Your computer system must be able to send and receive email and attachments on the Internet and provide access to the World Wide Web and otherwise support our then-current information technology system.

You will need a general-purpose computer system consisting of a desktop or laptop computer, an all-in one-color copier, scanner, printer, fax and a high-speed internet connection. You are required to maintain your hardware computer systems, that will support our Operational Software, described below. We estimate that the cost of maintaining these systems will be less than $1,000 per year, over the term of the franchise agreement. We currently require you to utilize the web-based QuickBooks Online Accounting Software, that maintains a redbox+ specified Chart of Accounts; we will have automatic password access to your financial reports on this system. You must keep your accounting software package updated to the latest version at all times. You will be

required to use our standard chart of accounts.

You must also utilize Microsoft Office 365 Business Premium, which is the redbox+ standardized technology platform. The Microsoft Office 365 Business Premium licenses along with a redbox+ e-mail address will be provided by us, and the cost is included in the annual Technology Fee charged by us.

You will subscribe to our proprietary Operational Software, which includes a GPS tracking ability, optimal routing and scheduling features, CRM database management, point of sale function that includes a merchant services portal, and online ordering capabilities. The current cost of this software includes a $249 set-up fee and a $220 flat monthly fee. This fee also includes up to 5,000 marketing e-mails and 500 text messages. These costs will be paid to the Franchisor, who then pays the software vendor. (Franchise Agreement Section 4.10)

We will have the right to access information and data collected by the required computer system or otherwise related to operation of your Franchised Business, which will include the biographical data you collect from clients, your business and accounting records, and other information that pertains to the operation of the business. You must allow us to access the information remotely. There is no contractual limitation on our right to access this information and data, and we will have independent access to the information generated and stored within the systems. Franchisees must provide monthly financial information and supporting detail to us in time for the preparation of financial reports to be delivered by the 21st of each subsequent month. (Franchise Agreement Sections 4.6 and 6.9.4).

We estimate that your cost to purchase a designated computer system will range from $0 to $2,450 (depending on whether you currently own computer equipment that meets our specifications).

You must upgrade or update your computer equipment and software. There is no contractual limitation on the frequency or cost of required updates or upgrades. In addition to any charges imposed by computer hardware and software vendors, we may charge you a reasonable systems fee for modifications and enhancements we or our vendors or representatives make to proprietary software and for other maintenance and support services that we may furnish to you.

Additional Investment

We reserve the right to periodically make changes to the System, including products standards, vehicle requirements, signage, equipment, and fixtures requirements. In the event we make any of these types of changes, or your equipment, facilities or your vehicles wear out or become obsolete (including for no longer complying with System standards or requirements), you may have to make, on an as-needed basis, additional investments in your Franchised Business. Notwithstanding the foregoing, the aggregate, cumulative cost to you of all such changes to the System throughout all of the territories you own shall not exceed $25,000 in any given year.

Initial Training Program

The redbox+ initial training program will be conducted over a period of 3.5 days in Mount Clemens, MI or another location we designate, and is conducted as needed, in our sole discretion. For new buyers, we may extend the initial training program beyond the 3.5 days in our sole discretion based on your experience and capabilities. Training will be provided by or under the

direction of Sean Foley, Steve Jahner, as well as additional training personnel deemed qualified to train. Sean is our President, and has 1.5 years of experience with us and 11 years' experience in franchising. Steve has over 6 years' experience with the redbox+ System and in the waste removal industry. Additional training staff will have at least six (6) months of experience with the redbox+ System. Training will consist of both classroom settings as well as on-the-job training and practice.

THE TRAINING PROGRAM

Initial Training Schedule	Estimated Classroom (Hours)	Estimated on The Job (Hours)	Training Location(s)
Welcome, Introductions, Map Ceremony, Overview of Academy	0.75	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Pre-Launch to Operations	0.25	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Operations 5-Step Workflow	2.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Maintenance & Equipment	0.75	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Equipment Overview, Maintenance & Warranty	1.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Equipment Walkaround & Operations	2.5	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Marketing	2.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Sales Technique & Role Play	3.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate

Equipment Operations – Field Days	0.0	11	redbox+ Offices in Mount Clemens, MI or another location we designate
Financial Management	1.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Hiring & Retention	0.5	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Operations Software	2.0	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Royalty Reporting	0.5	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Compliance	0.75	0	redbox+ Offices in Mount Clemens, MI or another location we designate
Wrap-Up and Final Q&A	0.5	0	redbox+ Offices in Mount Clemens, MI or another location we designate
TOTAL HOURS	**17.5**	**11.0**	

Our training materials consist of our Operations Manual, demonstrations and written tests. Both you and each of your initial, additional and/or replacement managers must attend, and complete the initial training program to our satisfaction before opening your Franchised Business or assuming management responsibility. If additional training is otherwise required for you or any manager, you must pay us our then-current tuition for each person to attend the additional initial training program beyond the tutition free allowances. The current tuition for attending our additional initial training for these persons is $1,500 to $2,000 per person. See Item 6 and 7. You are responsible for all training-related expenses including transportation to and from the training site, lodging and dining expenses. In addition, if your manager(s) or employee(s) will receive a salary during training, you are solely responsible for paying their salary.

We have the right to offer refresher courses from time to time to you, your manager and/or

your employees. You and your manager are required to attend the additional training at your cost and at our then-current tuition if we, in our sole discretion, consider the training necessary. Our current tuition for refresher courses is $1,500 to $2,000 per person. You are solely responsible for your expenses and your managers and/or employees' expenses which are incurred during training.

ITEM 12
TERRITORY

The Franchise Agreement grants you the right to operate one redbox+ Business within the specific territory identified in the Franchise Agreement or subsequently identified and mutually acceptable to both you and us. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distributions or competitive brands that we control. We will provide you with a protected Territory identified by a group of contiguous zip codes with a baseline population of 300,000 individuals. The territory will be drawn out in Exhibit 1 of the Franchise Agreement. You may purchase additional population for a cost of $0.20 per person up to a maximum population of 450,000.

During the term of your Franchise Agreement, and provided that you are not in default of your Franchise Agreement and except as provided for below, we will not operate another redbox+ Business or grant the right to anyone else to operate a redbox+ Business within your Territory.

You may purchase more than one Territory. If you do so, you will be required to sign a franchise agreement for each Territory purchased, along with the master multi-territory addendum attached to the Franchise Agreement as Exhibit 7.

We recommend that franchisees begin operations with two trucks, or purchase a second truck after 6 months of operations. You are required to purchase a second truck once the number of redbox+ containers in your inventory exceed 40 on account of the volume and increased logistical issues.

You may only advertise your services within your Territory and provide services to customers in your Territory unless you have requested and receive our prior written approval to provide services to customers outside your Territory. If we approve you to provide services outside your Territory, we may withdraw that approval, in our discretion. If more than 5% of your Gross Sales are derived from approved operations from within a specific location or area that is outside of your Territory, to continue to operate in that area, you must either purchase an additional franchise and execute a separate franchise agreement for that operation or purchase additional territory to add to your existing Territory.

We may reduce or adjust the size of your Territory or allow other redbox+ franchisees or company-owned locations to operate in your Territory, if you do not maintain the Minimum Required Containers, or if you do not meet the Minimum Gross Sales Requirements.

The minimum initial equipment order for one Territory is 24 redbox+ Elite containers, 8 Standard containers, and 48 portable toilets. At all times, you must have at least 24 Elite roll-off containers in your list of Containers.

Minimum Required Containers[2]				
Weeks of Operation[1]				
Territories Purchased	**Start-up**	**Week 53**	**Week 105**	**Week 152**
1	32	40	40	40
2	32	40	56	72
3	40	56	64	80
4	40	56	72	88
5	40	80	88	110

(1) "Weeks of Operation" for purposes of this section, is defined as starting on the first week after delivery and assembly of the initial redbox+ containers.

The Franchised Business will be required to meet the following minimum monthly Gross Sales requirements (the "Minimum Gross Sales Requirement") during the Term of this Agreement:

Months in Operation[1]	Minimum Monthly Gross Sales Requirement	Minimum Monthly Royalty Requirement
1 to 12 Months	$0.00	$0.00
13 to 24 Months	$12,500	$1,000
25 to 36 Months	$25,000	$2,000
37+ Months	$37,500	$3,000

(1) For the purpose of this section, the second year of operations begins 12 months from the date of successful completion of the Initial Training Program.

If the Franchised Business fails to achieve the required Minimum Gross Sales Requirement during any consecutive three month period, we reserve the right to terminate the Franchise Agreement, reduce the size of the Territory, elect to establish another franchisee or company owned redbox+ Business in the Territory, or allow other franchisees, company-owned and/or affiliate-owned redbox+ Businesses to advertise, market, solicit and service customers in the Territory.

Your Territory remains the same even if the population changes during the term of your Franchise Agreement. Similarly, portions of your Territory may be subject to restricted or exclusive hauler arrangements, which may limit your ability to service certain areas, municipalities, counties, or other sectors of your Territory. These regulations vary and may affect residential areas only in some cases. In areas where exclusive or limited hauler arrangements exist, you are permitted to apply to be named a permitted hauler. Because such arrangements are subject to change during the Term of the Franchise Agreement, we do not modify your Territory in response to such exclusions. You are responsible for investigating such arrangements prior to purchasing a redbox+ Business. Except as specifically stated in this Franchise Disclosure Document or the Franchise Agreement, there are no other circumstances under which we can

modify your territorial rights.

You are prohibited from advertising, marketing, soliciting or servicing in any way, any customers or outside the Territory without our prior written consent. This includes advertising or soliciting customers outside your Territory via the Internet, catalog sales, telemarking, or other direct marketing. Advertising, soliciting, marketing or servicing customers outside of your Territory constitutes a default under the Franchise Agreement and you must pay us the Improper Marketing or Service Fee. This fee is in addition to, and not in lieu of, our other rights under the Franchise Agreement, including our right to terminate the Franchise Agreement according to Section 12 of the Franchise Agreement.

You will operate your franchise from a location that must be approved by us. You may operate the Franchised Business from a home office regardless of location. If you wish to rent a commercial office space, such space must be located within your Territory and you must request approval from us, which we may grant or refuse in our sole discretion and submit to it a copy of the lease prior to signing a lease. You may relocate such commercial office space, so long as it remains within your Territory, and you provide us with advanced written notice. You acknowledge that other franchisees may operate their Franchised Businesses from home offices located within your Territory, however, such Franchisee shall not be granted the right to operate within your Territory except as otherwise provided below.

National or Regional Accounts ("NORA")

We have the exclusive right to negotiate and enter into agreements or approve forms of agreement to provide services to National or Regional Account ("NORA") customers. The term NORA includes any customer which on its own behalf or through agents, licensees, or other third parties owns, manages, controls or otherwise has responsibility for a business in more than one (1) location, for the benefit of the System, and regardless of the aggregate contract amount of the services to be performed. Any dispute as to whether a particular customer is a NORA shall be determined by us in our sole discretion and our determination shall be final and binding. Following the execution of a contract with or the acceptance of a bid by a NORA customer which contemplates the provision of services to one (1) or more NORA customers who are located in your Territory, we may, if you are qualified to perform the services and conditioned upon your substantial compliance with the terms of the Franchise Agreement and any other applicable agreements, provide you the opportunity to perform such services pursuant to the terms and conditions of the NORA contract or on such terms and conditions as we, at our sole discretion, determine are appropriate. You agree to provide services to all NORA customer referrals within your Territory. You further agree to provide all services in strict adherence to the redbox+ performance and process standards and all service guidelines and performance standards of the NORA. You may be required to enter into a service agreement to participate in certain NORA programs.

If you are not able or not willing to provide services to a NORA customer in conformity with the terms and conditions of the NORA contract, or fail to make an election within the time we specify after being offered the opportunity, we have the right, exercisable in our sole discretion, to (i) provide, directly or through any affiliate or other franchisee or franchisor operated location, services to the NORA customer; and/or (ii) contract with another party to provide such services to

the NORA customer. In either event, neither you nor the redbox+ Business shall be entitled to any proceeds from the provision of services provided to the customer of a NORA.

We may manage or provide support services to national and/or regional accounts that require centralized overview and support, and for purposes of responding to requests and referrals for Services through our franchise system, managing those relationships, answering calls placed to our toll-free number or a national account on-line access system. In that case, we may charge you a National or Regional Accounts Fee ("NORA Fee") of up to three percent (3%) of Gross Sales generated by the account. The purpose of this fee is to defray the cost of providing national/regional account management services to the franchise system. We do not plan to charge a fee for simple referrals where we do not directly manage the relationship with the customer, but we reserve the right to do so.

Reservation of Restrictions

Although we are not required to do so, we reserve the right to manage any project or enterprise undertaken jointly by two or more redbox+ Businesses and to limit your or prohibit your negotiating directly with other redbox+ Businesses on these jobs. You may solicit help from contractors and/or hire temporary staff for the purpose of completing a specific job, with our prior permission, however at no time shall your work force entirely consist of temporary or subcontracted labor. You may not service a customer if doing so is beyond your current equipment capabilities, or if it would otherwise disrupt the normal servicing of other existing customers.

Reserved Rights

We and/or our affiliates will have the right (among other things), on any terms and conditions that we deem advisable, and without granting you any rights, to do any or all of the following: (i) establish and operate, and license third parties the right to establish and operate, other redbox+ Businesses using the Proprietary Marks and System at any location outside of your Territory; (ii) acquire, merge with, engage in joint ventures with, or otherwise affiliate with, and thereafter own and operate and franchise others the right to own and operate, any business of any kind, including businesses that offer products that are similar to those provided by a redbox+ Business, outside the Territory; (iii) open and operate, or license third parties the right to open or operate, businesses that offer waste removal and portable toilet products and services under the Proprietary Marks or any other marks at any location, including within the Territory, provided that such businesses will not offer roll-off containers/portable toilet combinations in your Territory; (iv) sell and distribute, directly or indirectly, or license others to sell and distribute, directly or indirectly, any products, services or merchandise, from any location or to any purchaser, through any channel or method of distribution (including, but not limited, to sales made by or through telemarketing, and/or on the Internet); and (v) engage in any other activities authorized by and not expressly prohibited under the Franchise Agreement. We do not currently operate franchised businesses providing the same services under different marks, but we reserve the right to do so. You acknowledge and agree that the Franchise Agreement does not grant you any right to (a) offer any product or service via e-commerce without our prior approval, (b) establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof, or (c) distribute, market, or implement our products and services in any channel of distribution not specifically identified in the Franchise Agreement.

We may, but have no obligation to, consider granting to you the right to establish additional redbox+ Businesses under other franchise agreements if you are in compliance with the Franchise Agreement and propose to open another redbox+ Business in an area and at a location we approve. The Franchise Agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises within the Territory or contiguous territories.

In the event of national, regional or local catastrophic event, significant weather event, or any single large loss project (each a "Major Event") within or outside of your Territory, we and our affiliates shall have the sole right to direct and control the provision of Services. You understand and agree that upon a Major Event, we, our affiliates, other existing System franchisees will be able to perform Services within the Territory and neither you nor the redbox+ Business will be entitled to any proceeds from the provision of Services performed by third parties within your Territory. Additionally, upon a Major Event, we may request you and other existing System franchisees to mobilize or dispatch containers to any site or sites, regardless of the distance from the redbox+ Business' Territory. Your participation upon a Major Event is not a requirement.

ITEM 13
TRADEMARKS

The following is a list of all of the principal trademarks that we will currently license to you (the "Proprietary Marks").

Mark	Registration Number	Registration Date
REDBOX+	4,596,529	September 2, 2014
Pending:		
Mark	**Serial Number**	**Application Date**
redbox+ DUMPSTERS	97/561,870	August 22, 2022
REDBOX+ DUMPSTERS	97/542,892	August 10, 2022
RELIABILITY + CONVENIENCE, DELIVERED	97/555,589	August 19, 2022
WHEN IT COMES TO CONVENIENCE AND RELIABILITY, WE DELIVER	97/555,590	August 19, 2022

We do not have a federal registration for our principal trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

By having a Principal Register Federal Registration for the redbox+ Mark, we have certain

presumptive legal benefits and rights. All required affidavits and renewals pertaining to the above Proprietary Marks have been filed. There are no agreements currently in effect that significantly limit our right to use or license the use of the Proprietary Marks in any manner material to the franchise. The trademark was assigned and transferred to us on July 8, 2021.

We are aware of a dumpster rental business located in South Carolina that operates under the name “Big Red Box" that has claimed certain common law trademark rights in and around their trading area in Columbia, South Carolina. Our franchisee in this area currently operates under the DUMPSTER+ marks, as this matter is negotiated. Except for such unfiled claims alleged by this third party, we have no knowledge of any superior prior rights or infringing uses that could affect your use of the Proprietary Marks.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the Proprietary Marks, nor any pending infringement, opposition, or cancellation proceedings or material litigation involving the Proprietary Marks.

Your rights to the Proprietary Marks are derived solely from your Franchise Agreement. You may have the right to potentially use future trademarks, service marks and logos that we may subsequently license to you. You will only use the Proprietary Marks as we authorize. In using the Proprietary Marks, you must strictly follow our rules, standards, specifications, requirements and instructions that may be modified by us in our discretion. All goodwill associated with the Proprietary Marks remains our exclusive property. You may not use the Proprietary Marks with any unauthorized product or service or in any way not explicitly authorized by the Franchise Agreement or that we may otherwise approve. When your Franchise Agreement expires or terminates, all rights for you to use the Proprietary Marks shall cease and you shall immediately cease all use any of any Proprietary Mark.

You cannot use the Proprietary Marks (or any variation of the Proprietary Marks) as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. You may not apply for any trademark or service mark.

In the event of any infringement of, or challenge to, your use of any of the Proprietary Marks, you must immediately notify us, and we will have sole discretion to take such action as deemed appropriate. Provided you have been in compliance with the Franchise Agreement, we will indemnify and hold you harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark law arising solely from your authorized use of the Proprietary Marks in accordance with the Franchise Agreement or as otherwise set forth by us in writing, if you have notified us promptly of the claim. We reserve the right, under the Franchise Agreement, to substitute different Proprietary Marks for use in identifying the System and the businesses operating under the System if the current Proprietary Marks no longer can be used, or if we, in our sole discretion, determine that substitution of different Proprietary Marks will be beneficial to the System. If we substitute any of the Proprietary Marks, you must bear the cost and expense of all substitutions (for example, changing signage, business cards, etc.).

We and our affiliates are the lawful, rightful and sole owner of the Internet domain name www.redboxplus.com as well as any other Internet domain names we or our affiliates register, and you unconditionally disclaim any ownership interest in such Internet domain names and any Internet domain names similar thereto. You agree not to register any Internet domain name in any class or category that contains words used in or similar to any brand name owned by us or our affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The following is a list of utility patents (the "Patents") that are material to the franchise:

US Patent No: 7,966,675

Issued June 28, 2011

US Patent No: 9,771,730

Issued September 26, 2017

The above Patents are for our dumpster and portable toilet system and are in place through 2035. The founder of the redbox+ System, Jeffrey Matejka is the inventor of the Patents, and through an affiliate previously owned the Proprietary Marks and held the rights to the Patents. As part of our acquisition of the redbox+ System, all Proprietary Marks, Patents and current sublicense agreements were contributed to us. The patents were assigned and transferred to us on July 2, 2021.

Your rights to the use of the patent are derived solely from your Franchise Agreement. You will only use the patented technology as we authorize. In using the patented technology, you must strictly follow our rules, standards, specifications, requirements and instructions which may be modified by us in our discretion. All goodwill associated with patent remains our exclusive property. You may not use the patent with any unauthorized product or service or in any way not explicitly authorized by the Franchise Agreement or that we may otherwise approve. When your Franchise Agreement expires or terminates, all rights for you to use the patented technology shall cease and you shall not maintain any rights to use the patent.

In the event of any infringement of, or challenge to, your use of the patent, you must immediately notify us, and we will have sole discretion to take such action as deemed appropriate. We will indemnify and hold you harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state patent law arising solely from your conforming use of the patent in accordance with the Franchise Agreement or as otherwise set forth by us in writing, if you have notified us promptly of the claim. We reserve the right, under the Franchise Agreement, to discontinue your use of the Patent. The franchise agreement does not provide you with any right to compensation if you are required to modify or discontinue use of the patent.

We do not own any registered copyrights which are material to the franchise but claim common law protection for many aspects of our business including, without limitation, our Operations Manual and other manuals, advertising and promotional material, and training materials and programs. There are not any current material determination of the U.S. Patent and

Trademark Office, the U.S. Copyright Office, or any court regarding patents or copyrights that you are permitted to use under the franchise agreement.

Confidential Operations Manual

You must operate your Franchised Business according to the strict standards, methods, policies and procedures specified in the Confidential Operations Manual. We may revise the contents of the Confidential Operations Manual and you must comply with each new or changed standard, at your own expense. You must make sure that the Confidential Operations Manual is kept current at all times. If there is any dispute as to the contents of the Confidential Operations Manual, the terms of the master copy maintained by us at our corporate office will be controlling.

The Confidential Operations Manual will remain our sole property and must be kept in a secure place at your business.

Confidential Information

You must treat the confidential information as confidential and use all reasonable efforts to maintain this information as secret and confidential.

You do not acquire any interest in our confidential information, other than the right to utilize it in the operation of your Franchised Business during the term of the Franchise Agreement. You may never during the term, including any renewal, of the Franchise Agreement, or after the Franchise Agreement expires or is terminated, reveal any of our confidential information to another person or entity, or use our confidential information for the benefit of any other person or entity. You may not copy, record or otherwise reproduce any of our confidential information except as we may authorize. You must require your owners, officers, directors, managers and any personnel having access to any of our confidential information to sign a confidentiality agreement in which these individuals agree to maintain the confidentiality of information regarding the System that they receive in the course of their employment or affiliation with your Franchised Business. The agreement must be in a form satisfactory to us, including specific identification of us as a third-party beneficiary of the non-disclosure covenants, with the independent right to enforce them.

Our confidential information includes, but is not limited to our specifications and techniques, equipment, marketing, pricing and storage for any of the products or services sold or distributed through the System. It also includes our methods of business practices and management, Confidential Operations Manual and other manuals, advertising and promotional material, and training materials and programs.

You must install and maintain security measures and devices necessary to protect the customer data from unauthorized access or disclosure, and you may not sell or disclose to anyone else any personal or aggregated information concerning any customers. You have the right to use the customer data only in connection with the Franchised Business, while the Franchise Agreement is in effect. If you transfer the Franchised Business to a new owner, who will continue to operate the Franchised Business under an agreement with us, you may transfer the customer data to the new owner as part of the going concern value of the business.

All new products, items, services and other developments, whether they be of our original design or variations of existing services or techniques or your original design or variations of

existing services or techniques, will be deemed works made for hire and we will own all rights in them. If they do not qualify as works made for hire, you will assign ownership to us under the Franchise Agreement. You will not receive any payment or adjustment in connection with any new products, items, services or developments.

We will own all business records with respect to customers of your Franchised Business, including any databases (whether in print, electronic or other form), including all names, addresses, telephone numbers, e-mail addresses, customer purchase records, and all other similar records that you create and maintain in connection with the operation of your Franchised Business. At all times during and after the termination or expiration of your franchise agreement, we may access such business records and may utilize, transfer, publish (including publishing to other System franchisees) or analyze such records as we determine, in our sole discretion, to be in the best interest of the System.

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

If the franchisee is an entity, the franchisee must appoint and maintain throughout the Term an Operating Principal (the "Operating Principal"), who must be an equity owner of franchisee. The Operating Principal shall have the authority to bind the franchisee in all operational decisions regarding the redbox+ Business. We shall have the right to rely on any statement, agreement or representation made by the Operating Principal. If the Operating Principal is not involved in the Franchised Business' day-to-day operation, the Franchised Business must be under the supervision of a general manager, who reports to the Operating Principal. The general manager must devote his or her full time and best efforts to the job and cannot have an interest or business relationship with any of our competitors and meet our then-current standards for general managers before assuming the position of general manager. If the manager has not been determined, you shall notify us of the identity of the manager as soon as determined. The Franchised Business shall be under the supervision of the Operating Principal or a general manager at all times. The general manager must have successfully completed our training requirements. The franchisee, Operating Principal and general manager shall not engage in or be connected with any other business or activity that interferes with the Franchised Business.

You may not change or otherwise replace the General Manager of your Franchised Business without informing us in writing. If your relationship with your General Manager terminates or materially changes, you will be required to promptly designate a new General Manager. Any replacement General Manager must successfully complete our initial training program before being responsible for the day to day management of your Franchised Business. You must pay the charges that we establish for training programs furnished to any individual who replaces a previously trained designated manager.

You will disclose to your General Manager only the information needed to operate the Franchised Business and the designated manager will be advised that any confidential information is our trade secret.

The following persons must sign our Non-Disclosure/Non-Competition Agreement, which is attached to our Franchise Agreement as Exhibit 4:

1. If you are a business entity, all of your officers, directors, and equity holders, and those of any business entity that directly or indirectly controls you; and

2. Your General Manager and all other managerial personnel who will have access to our proprietary and confidential information and training.

If you are a business entity, each owner in the entity and their spouse must sign a Personal Guaranty. The Personal Guaranty is attached to our Franchise Agreement as Exhibit 3.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer or sell products and services that are approved by us and must offer for sale certain products as designated by us. We may add, delete or alter approved products that you are required or allowed to offer in our reasonable discretion. You may only provide services to clients within your Territory, unless otherwise granted permission by us.

You may not offer any unauthorized or discontinued products or services at or from the Franchised Business. There are no limits on our right to do so. You shall commence offering and selling any product or service within 15 days of notification from us. You may incur an increased cost to comply with such changes. You must discontinue selling and offering any products, services or items that we, in our sole discretion, disapprove in writing at any time.

You must participate in and comply with all advertising and promotional campaigns and activities that we conduct. If we require that you conduct any promotional activities, you will bear your own costs of conducting these activities. We have the right to set restrictions on any pricing of all products that are sold or distributed.

You may not conduct any other business at or through the Franchised Business. You cannot engage in any other business that competes with the Franchised Business, with us or our affiliates, or with redbox+ businesses owned by other franchisees, whether such business is inside or outside of your Territory.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to the Disclosure Document.

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise Agreement	Summary
a.	Term of franchise	2.1	10 years
b.	Renewal or extension of the term	2.2	You have the right to renew the franchise for an additional 10-year term.
c.	Requirements for you to renew or extend	2.2.	You may renew if you: (i) have notified us of your election to renew; (ii) have the right to lease the premises for an additional 10 years (or have secured substitute premises); (iii) have completed all maintenance and refurbishing required by us; (iv) are not in default of any agreement between you and us or our affiliates and have substantially complied with all agreements during their term; (v) have satisfied all monetary obligations owed to us and/or our affiliates; (vi) have executed our then-current form of Franchise Agreement, the terms of which may materially differ from your original franchise agreement; (vii) have satisfied our then-current training requirements for new franchisees; (viii) have executed a release of any and all claims against us, our affiliates, and our shareholders, officers, directors, agents, employees, attorneys and accountants arising out of or related to the Franchise Agreement or any related agreement; and (ix) paid the renewal fee equal to - $10,000 per Territory. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d.	Termination by you	No provision	You may not terminate the Franchise Agreement except as otherwise provided by state law.
e.	Termination by Franchisor without cause	No provision	Not applicable
f.	Termination by Franchisor with cause	9.2	We have the right to terminate the Franchise Agreement with cause. Depending upon the reason for termination, we do not have to provide you an opportunity to cure. See this Item 17(g) and (h) for further description.

	Provision	Section in Franchise Agreement	Summary
g.		9.3	We have the right to terminate the Franchise Agreement after providing you a 15-day cure period if: (i) you fail to pay any monies you owe us or our affiliates; (ii) you fail to immediately endorse and deliver to us any payments due to us from any third party that is erroneously made to you; (iii) you fail to maintain the designated amount inventory, at cost, at the Franchised Business, or otherwise fail to maintain sufficient levels of inventory to meet consumer demand; (iv) you fail to commence operations with 270 days of signing the franchise agreement; (v) you fail to operate the Franchised Business during the months, days and hours that we prescribe; (vi) you fail to personally supervise operations or employ adequate personnel; (vii) you fail to maintain our quality controls and standards; (viii) you conduct yourself in a manner which reflects adversely on the System, the Marks, or our products; (ix) you fail to procure or maintain any licenses, certifications, or permits necessary for the operation of the Franchised Business; (x) you fail to notify us of any change in your banking relationship, including changes to banking institutions or account numbers, or if you siphon any portion of the Gross Sales of the Franchised Business into a bank account not approved of by us or which is not accessible to us via EFT; (xi) you offer any unauthorized or discontinued products or services in connection with the operation of your Franchised Business; or (xii) you order or purchase supplies, or certain other items, from unapproved suppliers.
		9.4	We have the right to terminate the Franchise Agreement after providing you a 30-day cure period if you fail to perform or comply with any one or more of the terms or conditions of the Franchise Agreement or any other agreement with us or our affiliates.

	Provision	Section in Franchise Agreement	Summary
h.	Cause defined – default which cannot be cured Cause defined – default which cannot be cured	9.1 9.2	The Franchise Agreement will automatically terminate without notice or an opportunity to cure if: (i) you or your principals make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesce in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or the Franchised Business; (ii) proceedings are commenced to have you or your principals adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the Franchised Business without your consent, and the appointment is not vacated within 60 days; or (iii) you purport to sell, transfer or otherwise dispose of your interest in the Franchise Business without our written approval. We have the right to terminate the Franchise Agreement with notice without providing you an opportunity to cure if: (i) you or your principals are convicted of or plead guilty or no contest to a felony or take part in criminal acts or misconduct; (ii) you or any principal commit fraud or make any material misrepresentations; (iii) you or any principal make any misrepresentations in connection with the franchise application; (iv) you fail to complete our initial training program to our satisfaction; (v) you receive 2 or more written notices of default within any 12-month period; (vi) you materially breach any other agreement with us or our affiliates and fail to cure the breach within any applicable cure period; (vii) you misuse the Marks or Confidential Information; (viii) you violate any health, safety or sanitation law; (ix) you violate the in-term restrictive covenants of the Franchise Agreement; (x) a lien or writ of attachment or execution is placed against you and is not released or bonded against within 30 days; (xi) you become insolvent; (xii) you abandon the redbox+ business; (xiii) you misuse our proprietary software; (xiv) you fail to maintain required insurance; (xv) you fail to comply with any governmental notice of non-compliance with any law or regulation within 15 days of the notice; (xvi) any governmental action is taken against you that results in any obligation upon us; (xvii) you fail to comply with any anti-terrorist laws; (xviii) you take for personal use any taxes or other assets of the redbox+ business; (xix) there are insufficient funds in your bank account to cover EFT payments 3 or more times in any 12 month period; or (xx) an audit reveals that you have understated your Gross Sales or advertising expenditures by more than 2%, or you have failed to submit timely reports and/or remittances for any 2 reporting periods within any 12-month period.
i.	Your obligations on termination/non-renewal	10.1	You must immediately cease operation of the Franchised Business, pay all unpaid fees, discontinue using the Proprietary Marks, return the Operations Manual and all other confidential information to us, transfer your business telephone numbers to us or our designee, surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks and all items which are part of the System trade dress, sell to us the redbox+ containers, any furnishings, equipment, signs or fixtures which we elect to purchase, comply with post termination non-compete.
j.	Assignment of contract by	8.8	We have the unrestricted right to sell, transfer, assign and/or encumber all or any part of our interest in the Franchise Agreement or ourselves.

	Provision	Section in Franchise Agreement	Summary
	Franchisor		
k.	"Transfer" by you – definition	8.2	A sale, transfer or assignment is deemed to occur if: (i) you are a corporation, upon any assignment, sale, pledge or transfer or increase of 20% or more of your voting stock which results in a change of ownership of 20% or more of your total voting stock, or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of your voting stock; (ii) if you are a partnership, upon the assignment, sale, pledge or transfer of 20% or more of any partnership ownership interest or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the partnership interest; or (iii) you are a limited liability company, upon the assignment, sale, pledge or transfer of any interest in the limited liability company.
l.	Franchisor's approval of transfer by franchisee	8.1	You may not sell, transfer, assign or encumber your interest in the Franchised Business or your rights under the Franchise Agreement without our prior written consent.
m.	Condition for Franchisor's approval of transfer	8.4.1	Approval to sell or transfer your franchise may be conditioned upon the following: (i) satisfaction of all monetary obligations to us, our affiliates, or suppliers; (ii) the timely cure of all existing defaults under the Franchise Agreement; (iii) execution of a general release; and (iv) providing us with a copy of the executed purchase agreement relating to the proposed transfer. The proposed transferee must also have demonstrated to us that he or she meets our standards, possesses good moral character, business reputation and credit rating, has the aptitude to operate the Franchised Business and has adequate financial resources to conduct the business. The transferee must have executed our then-current Franchise Agreement, you or the transferee have paid to us the transfer fee, and the transferee and its designated manager must have completed our initial training program. The Franchisee must also acknowledge the post-termination provisions of the Agreement survive the transfer.
n.	Franchisor's right of first refusal to acquire your business	8.4	If you propose to transfer or assign 20% or more of your interest in the Franchise Agreement or the Franchised Business to a third party, you must first offer us the option to purchase your franchise upon the same terms as those offered by the third party.
o.	Franchisor's option to purchase your business	10.1.7	If the Franchise Agreement is terminated, we have the limited right to purchase the redbox+ containers, usable inventory and any items containing the Proprietary Marks at the lesser of cost or its then-current value.
p.	Your death or disability	8.3	If you die or become disabled or incapacitated, your executor, heir or legal representative must obtain approval to continue as the franchisee within 180 days from the date of your death, disability or incapacity.
q.	Non-competition covenants during the term of the franchise	7.4.1	Neither you nor your partners, shareholders, members or managers, nor immediate family members may have any interest in any other residential, industrial, or commercial business which offers waste hauling services, roll-off containers, dumpsters, and/or portable toilet rental services, or any other business providing waste removal, hauling, or waste management services, in whole or in part (a "Competing Business") (subject to applicable state law).
r.	Non-competition covenants after the franchise is terminated or	7.4.2	The Franchise Agreement limits your right and the rights of your partners, shareholders, members, managers and immediate family members, for 2 years following the date of the expiration and non-renewal, transfer or termination of the Franchise Agreement:

	Provision	Section in Franchise Agreement	Summary
	expires		(i) to own, engage in, be employed or have any interest in any Competing Business within 50 miles of the territory of your Franchised Business or the territory of other System businesses; (ii) to solicit business from former customers of your Franchised Business for any competitive business purpose or to solicit employees of us, our affiliates or other System franchisees; or (iii) to own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any Competing Business. (subject to applicable state law).
s.	Modification of this agreement	13.7	The Franchise Agreement may only be modified by written amendment signed by both parties.
t.	Integration/merger clauses	13.7	The Franchise Agreement is the entire agreement between the parties (subject to state law). Any representations or promises outside of the disclosure document and the Franchise Agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	12.2, 12.3	You must bring all disputes before our Chairman of the Board or Chief Executive Officer prior to bringing a claim before a third party. After exhausting this internal dispute resolution procedure, at our option, all claims or disputes between you and us must be submitted first to mediation in Washtenaw County, Michigan in accordance with the American Arbitration Association's Commercial Mediation Rules then in effect. (subject to applicable state law).
v.	Choice of forum	12.4	All claims not subject to mediation must be brought before a court of general jurisdiction in Washtenaw County, Michigan, or the United States District Court for the Eastern District of Michigan. You consent to the personal jurisdiction and venue of any court of general jurisdiction in Washtenaw County, Michigan and the United States District Court for the Eastern District of Michigan. Please see the State-Specific Addenda attached as Exhibit I to this Disclosure Document for further details. You agree that there will be no class actions (subject to applicable state law).
w.	Choice of law	12.1	Michigan law governs (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under a particular circumstances.

BACKGROUND

This Item sets forth historical financial information experienced by our franchisees for the period from January 1, 2023 to December 31, 2023 (the "Measurement Period"), which was provided to the Franchisor by the Reporting Franchisees, as defined below.

As of December 31, 2023, there were 77 franchisees that operated 271 redbox+ Franchised Businesses. Of the 77 franchisees, 74 had their Franchised Businesses open and operating for the entirety of 2023 (the "Measurement Period"). The three (3) franchisees who were not open the full Measurement Period operated a total of eight (8) Franchised Businesses that opened mid-way through the year.

Of the 74 franchisees that had been open and operating for the full Measurement Period, 12 did not report the required data to us or did not collect the requested data during the Measurement Period. The data reported in this Item 19 is voluntarily supplied by our franchisees. Therefore, the "Reporting Franchisees" are 62 of the 74 franchisees that were open and operating during the Measurement Period, who collectively operate 207 of the 271, or 76.% of the Franchised Businesses. The Reporting Franchisees operate in territories with populations that range from 202,551 to 1,855,325.

Franchisees operate either in single territories or multiple territories collectively as one business, however, each territory is subject to its own franchise agreement and obligations. Franchisees who operate multiple territories do not operate, account or report each territory individually and the historical data reflected in this Item 19 is based on the totals for all territories owned in conjunction with their redbox+ Businesses. Therefore, in each Part of this Item, we included two presentations of the data: data from all Reporting Franchisees and data from single-territory operators only. Of the Reporting Franchisees, seven (7) are single-territory operators, which have territories that range in size from 305,399 to 1,281,192.

Part One of this Item sets forth certain key performance indicators ("KPIs") achieved by the Reporting Franchisees during the Measurement Period, including Average Monthly Containers Owned, Average Monthly Turns by Owned Container, Average Rental Rate, Average Total Revenue per Rental Rate, and Average Tipping Fee per Job.

Part Two of this item sets forth the Average Monthly Containers Owned, and the Total Number of Containers Owned by the Reporting Franchisees during the Measurement Period.

Part Three of this Item sets forth the average variable operating expenses as a percentage of sales and average fixed expense spending incurred by the Reporting Franchisees during the Measurement Period.

Part Four of this Item sets forth the breakdown of Revenues between Container Rental Revenue, Excess Tonnage Fees, and Other Revenue Sources as a percentage of Total Revenue, as well as a comparison of Non-Rental Revenue Sources to Rental Revenue for the Reporting Franchisees.

Part Five of this Item sets forth the average and median revenue per owner, the average and median revenue per franchise, and the owners exceeding the average revenue per owner during the Measurement Period as reported by the 62 Reporting Franchisees. We have divided them into quartiles, as well as the top and bottom five percent (5%).

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

PART ONE: FISCAL 2023 KPI REPORTING

Summary KPIs for 2023 - 62 Reporting Franchises (207 Territories)

	Average	High	Low	Median
Average Monthly Containers Owned	70	180	21	64
Rental Rate	$503.64	$832.00	$198.16	$495.17
Total Revenue per Rental	$617.37	$1,167.92	$320.90	$599.41
Tipping Fee per Job	$169.13	$441.54	$17.86	$155.42
Monthly Turns by Owned Container	1.65x	3.00x	0.29x	1.68x

Summary KPIs for 2023 - 7 Single Territory Franchises (7 Territories)

	Average	High	Low	Median
Average Monthly Containers Owned	50	86	21	51
Rental Rate	$482.30	$648.08	$257.67	$493.75
Total Revenue per Rental	$631.42	$901.33	$320.90	$618.28
Tipping Fee per Job	$171.72	$274.32	$109.81	$167.38
Monthly Turns by Owned Container	1.33x	1.90x	0.69x	1.47x

Notes to Part One.

1. "Average Monthly Containers Owned" is defined as the sum of containers owned at the beginning of each month in the Measurement Period divided by 12 months.
2. "Monthly Turns by Owned Container" is defined as the total number of rentals in a month divided by the total number of containers operated by the Franchisee.
3. A "Rental" is the rental of one redbox+ container. "Rental Rate" is defined as the total cost to a customer to rent a single redbox+ container, based on a maximum amount of tonnage. We calculated "Average Rental Rate" by taking the sum of the Reporting Franchisees' Average Rental Rate per rental for each month reported and dividing by the number of reporting periods. Twenty-eight (28)(45%) of Franchisees met or exceeded the average Rental Rate, and four (4) (57%) of Single Territory Franchisees met or exceeded the average Rental Rate.
4. "Total Revenue Per Rental" is defined as the Rental Rate plus additional revenue, including Excess Tonnage Fees, Additional Day Fees, and Other Related Fees charged to a customer to rent a single redbox+ container for a defined length of time based on a maximum amount of tonnage. We calculated "Average Total Revenue Per Rental" by taking the sum of the Reporting Franchisees' Average Total Revenue Per Rental for each month reported and dividing by the number of reporting periods. Twenty-eight (28)(45%) of Franchisees met or exceeded the average Total Revenue Per Rental, and four (4) (57%) of Single Territory Franchisees met or exceeded the average Total Revenue Per Rental.
5. "Tipping Fee" is defined as a disposal fee charged by the local landfill or transfer station. Fees are typically set and charged based on cost per ton of debris disposed. We calculated "Average Tipping Fee Per Rental" by taking the sum of the Reporting Franchisees' Tipping Fees reported for the Measurement Period and dividing by the number of reported rentals during the Measurement Period. Nineteen (19)(30%) of Franchisees met or exceeded the average Tipping Fee, and two (2) (28%) of Single Territory Franchisees met or exceeded the average Tipping Fee.
6. The Median represents the middle number of which ½ of the included values exceeded and ½ did not.

PART TWO: TOTAL REPORTING FRANCHISEE CONTAINER COUNT, AVERAGE CONTAINER COUNT DURING THE MEASUREMENT PERIOD AND GROWTH IN CONTAINER COUNT

Container Count - 62 Reporting Franchisees (207 Territories)

	Measurement Period		
	Beginning	**End**	**% Growth**
Total Container Count [1]	4,183	4,439	6.1%
Franchisee Container Count [2]			
Average Container Count	67	72	6.1%
Higher Container Count	156	180	15.4%
Lowest Container Count	21	21	0.0%
Median Container Count	60	65	9.2%

Container Count - 7 Single Territory Franchisees (7 Territories)

	Measurement Period		
	Beginning	**End**	**% Growth**
Total Container Count [1]	352	352	0.0%
Franchisee Container Count [2]			
Average Container Count	50	50	0.0%
Higher Container Count	86	86	0.0%
Lowest Container Count	21	21	0.0%
Median Container Count	51	51	0.0%

Notes to Part Two.

1. "Total Container Count" is defined as a total number of containers owned by the Reporting Franchisees at the beginning and end of the Measurement Period.
2. "Franchisee Container Count" is defined as a total number of containers owned by an individual franchisee at the beginning and end of the Measurement Period.

PART THREE: VARIABLE EXPENSES AS A PERCENTAGE OF SALES, AND AMOUNT OF FIXED EXPENSES

Breakdown of 2023 Variable Expenses as % of Sales and 2023 Fixed Expenses in $ Volume

62 Reporting Franchisees (207 Territories)				
Variable Expenses	**Average**	**High**	**Low**	**Median**
COS - Landfill/Tipping Fees	27.2%	48.7%	4.7%	25.7%
COS - Production Expenses	3.7%	23.1%	0.0%	2.1%
COS - Fuel Expense	7.1%	17.2%	3.7%	6.6%
COS - Equipment & Vehicles	4.6%	16.7%	0.2%	4.2%
Bank & Merchant Fees	1.9%	22.8%	0.0%	1.7%
Administrative/Office Expenses	2.9%	31.1%	0.1%	1.9%
Professional Fees	1.8%	10.4%	0.1%	1.2%
Fixed Expenses				
Marketing Spend	$20,174	$104,111	$255	$14,027
Rent Expense	$27,520	$181,082	$1,200	$18,881
Payroll Expense	$162,817	$503,781	$499	$152,258
Payroll Expense/Truck	*$62,902*	*$168,949*	*$249*	*$60,633*
Insurance Expense	$37,380	$84,919	$3,481	$34,415
Insurance Expense/Truck	*$16,797*	*$45,087*	*$1,160*	*$15,394*

Breakdown of 2023 Variable Expenses as % of Sales and 2023 Fixed Expenses in $ Volume

7 Single Territory Franchisees (7 Territories)

Variable Expenses	**Average**	**High**	**Low**	**Median**
COS - Landfill/Tipping Fees	29.0%	48.7%	20.3%	23.4%
COS - Production Expenses	2.6%	7.1%	0.8%	1.9%
COS - Fuel Expense	6.9%	9.4%	4.8%	6.7%
COS - Equipment & Vehicles	3.3%	5.7%	0.2%	3.3%
Bank & Merchant Fees	1.3%	3.6%	0.1%	1.3%
Administrative/Office Expenses	7.1%	31.1%	0.5%	1.0%
Professional Fees	1.7%	3.7%	0.1%	1.6%
Fixed Expenses				
Marketing Spend	$7,582	$18,939	$575	$3,644
Rent Expense	$27,703	$84,915	$1,200	$19,161
Payroll Expense	$69,361	$129,043	$500	$102,176
Payroll Expense/Truck	*$38,978*	*$102,176*	*$500*	*$ 43,014*
Insurance Expense	$26,639	$60,824	$3,481	$16,513
Insurance Expense/Truck	*$18,345*	*$45,087*	*$1,160*	*$16,513*

Notes to Part Three.

1. "COS - Landfill/Tipping Fees" includes all costs charged for the disposal of construction and demolition debris place in the redbox+ containers for transportation and disposal.
2. "COS – Production Expenses" contains all other costs related directly with production including contracted services, sales and franchise tax expense, work apparel and uniforms, field supplies, sewage and septic fees, and customer repairs.
3. "COS – Fuel Expense" contains all fuel charges for the production vehicles involved in the delivery and pick-up of the redbox+ containers.
4. "COS – Equipment & Vehicles" is defined as the other equipment and vehicle costs related to the delivery and pick-up of the redbox+ containers, including parking and tolls, repairs, GPS or other fleet management software, and license and registration on vehicles.
5. "Bank and Merchant Fees" is defined as credit card (sales) processing fees and charges, as well as general bank related fees.
6. "Administrative / Office Expense" includes expenses related to recruiting, computer supplies, computer and internet access, dues and subscriptions, education and training, business meals, general office supplies, postage, telephone, travel, and utilities.
7. "Professional Fees" is defined as the costs for redbox+ required accounting/bookkeeping service, outside tax accounting services, and legal services.

8. "Marketing Spend" includes all spending on advertising, commissions and referrals, website cost, and any expenditures related to an SEO program and related campaigns.
9. "Rent Expense" is defined as rent for equipment facility and storage.
10. "Payroll Expense" is defined as employee compensation for work, computed and paid on either an hourly basis, including overtime or on a salary basis. All owner-related compensation is excluded from this number.
11. "Payroll Expense / Truck" is defined as the total amount of Payroll Expense divided by the average number of trucks operated in the Measurement Period.
12. "Insurance Expense" is defined as general liability insurance, property insurance, umbrella insurance, workers' compensation insurance, and any other insurance.
13. "Insurance Expense / Truck" is defined as the total amount of Insurance Expense divided by the average number of trucks operated in the Measurement Period.
14. The Median represents the middle number of the which ½ of the included values exceeded and ½ did not.
15. Excluded from this Part Three are certain fixed expenses due and payable to us under the franchise agreement, including Royalties, Brand Marketing Fund, Software Fees and Technology Fees.

PART FOUR: RENTAL REVENUE AND NON-RENTAL REVENUE DURING THE MEASUREMENT PERIOD AS A PERCENTAGE OF TOTAL REVENUE

Breakdown of Revenue by Source -62 Reporting Franchisees (207 Territories)

Revenue Source	Average	High	Low	Median
Container Rental	82.6%	98.3%	33.9%	85.7%
Excess Tonnage Fees	8.3%	29.9%	0.8%	7.1%
Non-Rental Revenue				
% of Total Revenue	16.2%	38.6%	1.7%	14.3%
% of Rental Revenue	21.5%	68.1%	1.7%	16.7%

Breakdown of Revenue by Source -7 Single Territory Franchisees (7 Territories)

Revenue Source	Average	High	Low	Median
Container Rental	79.7%	97.8%	44.4%	87.7%
Excess Tonnage Fees	12.1%	29.9%	1.4%	9.6%
Non-Rental Revenue				
% of Total Revenue	16.7%	35.3%	2.2%	12.3%
% of Rental Revenue	26.0%	68.1%	2.2%	14.0%

Notes to Part Four:

1. "Container Rental" includes all container rental fees, drop fees, and base tonnage fees charged to customers for the rental of redbox+ containers.
2. "Excess Tonnage Fees" is defined as charges to customers for tonnage in excess of the base tonnage allowed under the rental agreement.
3. "Other Charges" is defined as revenue generated from charges for rental days in excess of the base days allowed under the rental agreement, additional toilet rentals, toilet cleaning fees, fuel surcharges, long-distance charges, prohibited items fees, additional trip fees, unscheduled trip fees, and any other fees not related to the Container Rental or Excess Tonnage Fees.
4. "Non-Rental Revenue" is the sum of Excess Tonnage Fees and Other Charges.
5. The Median represents the middle number of the which ½ of the included values exceeded and ½ did not.

PART FIVE: AVERAGE AND MEDIAN REVENUE PER OWNER; AVERAGE AND MEDIAN REVENUE PER FRANCHISEE

62 Reporting Franchisees (207 Territories)

Group Ranked by Average Revenue	Number of Owners	Number of Franchises	Average Number Franchises Per Owner	Average Revenue Per Owner	Median Revenue Per Owner	Maximum Revenue Per Owner	Minimum Revenue Per Owner	Owners Exceeding Average Revenue Per Owner
Top 5%	3	14	4.7	$2,552,469	$2,440,673	$2,963,107	$2,253,626	33%
1st Quartile	16	63	3.9	$1,509,336	$1,363,855	$2,963,107	$1,059,211	38%
2nd Quartile	16	60	3.8	$830,779	$835,514	$993,533	$677,134	50%
3rd Quartile	15	42	2.8	$570,536	$579,303	$672,812	$471,839	53%
4th Quartile	15	42	2.8	$323,160	$356,865	$457,997	$113,239	60%
Bottom 5%	3	10	3.3	$146,143	$118,272	$206,918	$113,239	33%
Total	**62**	**207**	**3.3**	**$ 841,021**	**$ 678,007**	**$2,963,107**	**$113,239**	**39%**

Group Ranked by Average Revenue	Number of Owners	Number of Franchises	Average Franchises Per Owner	Average Revenue Per Franchise	Median Revenue Per Franchise	Maximum Revenue Per Franchise	Minimum Revenue Per Franchise	Owners Exceeding Average Revenue Per Owner
Top 5%	3	14	4.7	$698,121	$450,725	$1,220,337	$423,301	33%
1st Quartile	16	63	3.9	$463,802	$400,318	$1,220,337	$202,399	19%
2nd Quartile	16	60	3.8	$235,293	$216,813	$429,816	$168,305	31%
3rd Quartile	15	42	2.8	$259,647	$244,182	$672,812	$112,892	40%
4th Quartile	15	42	2.8	$179,566	$119,472	$445,742	$23,654	40%
Bottom 5%	3	10	3.3	$49,749	$56,620	$68,973	$23,654	67%
Total	**62**	**207**	**3.3**	**$286,673**	**$245,920**	**$1,220,337**	**$23,654**	**40%**

7 Single Territory Franchisees (7 Territories)

Group Ranked by Average Revenue	Number of Owners	Number of Franchises	Average Franchises Per Owner	Average Revenue Per Owner	Median Revenue Per Owner	Maximum Revenue Per Owner	Minimum Revenue Per Owner	Owners Exceeding Average Revenue Per Owner
Top 5%	1	1	1	$672,812	$672,812	$672,812	$ 672,812	0%
1st Quartile	2	2	1	$592,253	$592,253	$672,812	$511,693	50.0%
2nd Quartile	2	2	1	$408,991	$408,991	$445,742	$372,241	50.0%
3rd Quartile	2	2	1	$351,861	$351,861	$356,865	$346,856	50.0%
4th Quartile	1	1	1	$252,372	$252,372	$252,372	$252,372	0.0%
Bottom 5%	1	1	1	$252,372	$252,372	$252,372	$252,372	0.0%
Total	**7**	**7**	**1**	**$422,654**	**$372,241**	**$672,812**	**$252,372**	**43%**

Notes to Part Five:

1. The figures in these tables reflect the actual results reported by the Represented Franchise Owners. "Revenue" means the total dollar amount of all sales generated through the redbox+ Dumpster Business for a given period, including, but not limited to, payment for any services or products sold, whether for cash or credit, in services in kind, from barter and/or exchange, payment for any services or products sold, or otherwise, less any sales tax or bona fide refunds to customers for non-salvageable item. "Revenue" does not include (i) bona fide refunds to customers, (ii) sales tax collected, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of prepaid cards or similar products (but the redemption of any such card or product will be included as "Revenue").The figures in these tables reflect the actual results reported by the Represented Franchise Owners.
2. "Number of Owners", reflects the number of individual franchisee owners in each measured category out of the total 62 Represented Franchise Owners
3. "Number of Franchises", reflects the number of individual franchise businesses in each measured category out of the total 207 Represented Franchises.
4. "Average Franchises per Owner" reflects the average number of franchises each individual franchisee owns.
5. "Average Revenue per Owner" reflects the average of the total annual revenue that the Represented Franchise Owners reported.
6. "Median Revenue per Owner" reflects the median of the total annual revenue that the

Represented Franchise Owners reported.

7. "Average Revenue per Franchise" reflects the total annual revenue that the Represented Franchise Owners reported divided by the total number of Represented Franchises.

8. "Median Revenue per Franchise" reflects the median of the total revenue that the Represented Franchise Owners reported.

9. "Owners Exceeding Average Revenue per Owner" reflects the percentage of owners in that group that are exceeding the Average Annual Revenue per owner of that same group.

10. "Owners Exceeding Average Revenue per Franchise" reflects the number of owners in that group that are exceeding the Average Annual Revenue per owner of that same group.

GENERAL NOTES TO ITEM 19

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

2. The figures above do not include certain costs associated with the establishment and operation of a Franchised Business, including: initial franchise fees and equipment. The above figures also exclude finance charges.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing redbox+ Business from us, however, we may provide you with the actual records of that business. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting us at: Prakash Patel, Legal Administrator, at 731 Fairfield Court, Ann Arbor, Michigan 48108, (734) 864-9799, or the Federal Trade Commission and any appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO.1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2021 to 2023

Outlet Type	Year	Outlets at the Start of the year	Outlets at the End of the Year	Net Change
Franchised	2021	162	251	89
	2022	251	277	26
	2023	277	271	-6
Company Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Totals	2021	162	251	89
	2022	249	277	28
	2023	277	271	-6

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2021 to 2023

State	Year	Number of Transfers
Florida	2021	0
	2022	0
	2023	6
Kentucky	2021	0
	2022	0
	2023	5
Massachusetts	2021	0
	2022	0
	2023	4
North Carolina	2021	1
	2022	0
	2023	2
Ohio	2021	2
	2022	10
	2023	0
Pennsylvania	2021	4
	2022	0

	2023	0
Texas	2021	8
	2022	0
	2023	0
Total	**2021**	**15**
	2022	**10**
	2023	**17**

TABLE NO. 3
Status of Franchised Outlets FOR YEARS 2021 to 2023

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	**2021**	0	2	0	0	0	2	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Arizona	**2021**	5	9	0	0	0	0	14
	2022	14	0	0	0	0	0	14
	2023	14	0	0	0	0	0	14
Arkansas	**2021**	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
California	**2021**	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Colorado	**2021**	8	6	0	0	0	0	14
	2022	14	0	0	0	0	0	14
	2023	14	0	0	0	0	0	14
Florida	**2021**	20	9	0	0	0	0	29
	2022	29	1	0	0	0	0	30
	2023	30	8	5	0	0	0	33
Georgia	**2021**	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	5	0	0	0	0	12
Illinois	**2021**	0	4	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Indiana	**2021**	6	3	0	0	0	0	9
	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
Kentucky	**2021**	3	2	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Louisiana	**2021**	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3

	2023	3	0	0	0	0	0	3
Massachusetts	**2021**	4	5	0	0	0	0	9
	2022	9	5	0	0	0	0	14
	2023	14	0	0	0	0	0	14
Michigan	**2021**	3	3	0	0	0	0	6
	2022	6	5	0	0	0	0	11
	2023	11	0	0	0	0	0	11
Minnesota	**2021**	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
Missouri	**2021**	7	0	0	0	0	0	7
	2022	7	0	0	3	0	0	4
	2023	4	0	0	0	0	0	4
Montana	**2021**	0	2	0	0	0	0	2
	2022	2	0	1	0	0	0	1
	2023	1	0	0	0	0	0	1
Nebraska	**2021**	4	0	0	0	0	0	4
	2022	4	0	0	1	0	0	3
	2023	3	0	1	0	0	0	2
Nevada	**2021**	0	7	0	0	0	0	7
	2022	7	0	0	0	0	4	3
	2023	3	0	3	0	0	0	0
New Jersey	**2021**	0	0	0	0	0	0	0
	2022	0	7	0	0	0	0	7
	2023	7	0	2	0	0	0	5
New Mexico	**2021**	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
New York	**2021**	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
North Carolina	**2021**	12	1	0	0	0	0	13
	2022	12	5	0	0	0	0	17
	2023	17	0	0	0	0	0	17
Ohio	**2021**	10	10	0	0	0	0	20
	2022	22	0	0	0	0	0	22
	2023	22	0	0	0	0	0	22
Pennsylvania	**2021**	10	6	1	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	3	0	0	0	12
South Carolina	**2021**	0	7	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
Tennessee	**2021**	3	2	0	0	0	0	5
	2022	5	7	0	0	0	0	12
	2023	12	0	0	0	0	0	12
Texas	**2021**	43	6	0	0	0	0	49
	2022	49	0	4	0	0	0	45
	2023	45	0	5	0	0	0	40
Utah	**2021**	3	0	0	0	0	0	3
	2022	3	4	0	0	0	0	7

	2023	7	0	0	0	0	0	7
Virginia	**2021**	2	0	0	0	0	0	2
	2022	2	3	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Wisconsin	**2021**	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Totals	**2021**	**162**	**90**	**1**	**0**	**0**	**0**	**251**
	2022	**251**	**39**	**5**	**4**	**0**	**4**	**277**
	2023	**277**	**13**	**19**	**0**	**0**	**0**	**271**

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS FOR YEAR 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Non-Renewals	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Total	**2021**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**0**	**0**	**0**	**0**	**0**	**0**

TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed but Outlet not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in Next Fiscal Year
Alabama	0	2	0
California	0	2	0
Florida	0	2	0
New York	0	2	0
Oklahoma	0	2	0
Pennsylvania	0	2	0
Tennessee	0	2	0
Virginia	0	2	0
Total	**0**	**16**	**0**

Attached as Exhibit F are the names, addresses and telephone numbers of all franchisees as of December 31, 2023 and the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had a franchise terminated, cancelled and not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement for the period from January 1, 2023 through December 30, 2023, or who has not communicated with us within 10 weeks of the amended 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.

During the last three fiscal years, we have not signed any confidentiality clauses with current or former franchisees that would restrict them from speaking openly with you about their experience with us.

We have created a Franchise Advisory Council, comprised of franchisees, to provide input and suggestions on various issues that impact the system. Information about the Franchise Advisory Council can be obtained by contacting facchair@redboxplus.com.

The following independent franchisee organization has asked to be included in this disclosure document: The Independent Association of redbox+ Franchisees (IARBF), a Chapter of the American Association of Franchisees & Dealers, P.O. Box 10158, Palm Desert, CA, 9255-1058, 619-209-3775, fax 866-855-1988, IARBF@aafdchapters.org.

ITEM 21
FINANCIAL STATEMENTS

Exhibit D contains the audited financial statements of our affiliate, BFG Holdco, which guarantees our obligations to you, for the year ending December 31, 2023. It also contains our audited financial statements for the fiscal year ending December 31, 2022 and December 31, 2021. Our fiscal year ends on December 31st.

ITEM 22
CONTRACTS

Included in this Disclosure Document are the following contracts or agreements:

Exhibit B - Franchise Agreement

Exhibit 1 – Approved Location and Territory
Exhibit 2 – Statement of Ownership Interest
Exhibit 3 – Personal Guarantee
Exhibit 4 – Form of Confidentiality Agreement
Exhibit 5 – Form of General Release
Exhibit 6 – Franchisee Disclosure Questionnaire
Exhibit 7 – Form Multi-Territory Addendum
Exhibit 8 –Equipment Sales and Security Agreement
Exhibit 9 – Collateral Assignment of Lease

Exhibit C – State Addenda

ITEM 23
RECEIPT

Attached to the end of this Disclosure Document are duplicate copies of a receipt page. You should sign both copies of the Receipt and return one signed copy to us at: RedBox+ International, LLC, 731 Fairfield Court, Ann Arbor, Michigan 48108, (734) 864-9799.

Exhibit A
STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/ DESIGNATION OF AGENT FOR SERVICE OF PROCESS

CALIFORNIA Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 Agent: California Commissioner of Financial Protection and Innovation	MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent: Maryland Securities Commissioner
HAWAII Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street Honolulu, Hawaii 96813 (808) 586-2744 Agent: Commissioner of Securities of the Department of Commerce and Consumer Affairs	MICHIGAN Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W. Ottawa Street, 6th Floor Lansing, Michigan 48913 (517) 373-7177 Agent: Michigan Department of Commerce Corporations and Securities Bureau
ILLINOIS Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600 Agent: Minnesota Commissioner of Commerce
INDIANA Franchise Section Indiana Securities Division 302 West Washington Street Room E-111 Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State Indiana Securities Division 201 State House Indianapolis, IN 46204	NEBRASKA Nebraska Department of Banking and Finance 1200 N Street P.O. Box 95006 L`incoln, Nebraska 68509-5006

NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222 Phone (212) 416-6042 Fax Agent for Service of Process New York Secretary of State 99 Washington Avenue Albany, NY 12231	SOUTH DAKOTA c/o Division of Insurance Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563 Agent: Director of South Dakota Division Securities
NORTH DAKOTA North Dakota Securities Department State Capitol 600 East Boulevard Avenue Fifth Floor – Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-4712 Agent: North Dakota Securities Commissioner	TEXAS Secretary of State P.O. Box 12887 Austin, Texas 78711
OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Salem Building Oregon 97310 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent: Clerk of the State Corporation Commission 1300 E Main St., 1st FL Richmond, VA 23219 (804) 371-9733
RHODE ISLAND Division of Securities John O. Pastore Complex - Bldg. 69-1 1511 Pontiac Avenue Cranston, RI 02920 (401) 462-9500 Agent: Director of Rhode Island Department of Business Regulation	WASHINGTON Director Department of Financial Institutions Securities Division (Mailing Address) PO Box 41200, Olympia, WA 98504-1200 (For service) 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760

WISCONSIN Securities and Franchise Registration Securities Division of the Wisconsin Department of Financial Institutions 201 W. Washington Ave., 3rd Floor Madison, Wisconsin 53703 (608) 266-8559 Agent: Wisconsin Commissioner of Securities	NORTH CAROLINA Department of the Secretary of State PO Box 29622 Raleigh, NC 27626-0622
CONNECTICUT State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230 Agent: Banking Commissioner	

EXHIBIT B TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE

The following terms are used throughout this Franchise Agreement, its Exhibits and Addenda, and are defined as follows:

1. RedBox+ International, LLC, a Michigan Limited Liability Company, with its principal place of business at 731 Fairfield Court, Ann Arbor, Michigan 48108 (referred to in this Agreement as "we," "us," "ourselves," "Franchisor," or "Licensor").

2. _____ _____ (together referred to as the "Owners"), residents of the State of _____, and _____, a _____ company to be formed or already existing whose principal address is _____ (referred to in this Agreement as "you," "your," "Franchisee," or "Licensee").

3. This Franchise Agreement is made and entered into on the date executed by an authorized representative of Franchisor (the "Effective Date").

4. The "Initial Franchise Fee" referred to in Section 4.1 of the Franchise Agreement is $____ _____.

5. The "Initial Equipment Package Fee" referred to in Section 4.8.1 of the Franchise Agreement is $_____.a

6. The "Promotional Package" referred to in Section 4.12 of the Franchise Agreement is $_____.

7. The "Territory" referred to in Section 1.2 of the Franchise Agreement will be defined by the following zip codes, as described on Exhibit 1.

REDBOX+ INTERNATIONAL, LLC
FRANCHISE AGREEMENT

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Exhibit 1	-	Approved Location and Territory
Exhibit 2	-	Statement of Ownership Interest
Exhibit 3	-	Personal Guarantee
Exhibit 4	-	Form of Confidentiality Agreement
Exhibit 5	-	Form of General Release
Exhibit 6	-	Franchisee Disclosure Questionnaire
Exhibit 7	-	Multi-Territory Addendum
Exhibit 8	-	Equipment Sales and Security Agreement
Exhibit 9	-	Collateral Assignment of Lease
Exhibit 10	-	Electronic Funds Transfer (EFT) Authorization

REDBOX+ INTERNATIONAL, LLC

FRANCHISE AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into and made effective this _____ day of _____, 20__, by and between RedBox+ International, LLC, a Michigan limited liability company ("we,' "us," "ourselves," or "Franchisor"), with its principal business address at 731 Fairfield Court, Ann Arbor, Michigan 48108, Michigan, and [_____], whose address is _____("you," "your," or "Franchisee").

BACKGROUND

A. Franchisor and/or its equity owner or affiliate, through the expenditure of considerable money, time and effort, has developed a business system (the "System") for the establishment, development and operation of businesses that offers a roll-off container/portable toilet combination using Franchisor's patented technology ("redbox+ Business"). The System includes proprietary marks, equipment, and display designs; know-how, trade secrets; uniform specifications of products and services; sales techniques, and merchandising, marketing, and advertising, quality control procedures; and procedures for operation and management of a redbox+ Business pursuant to the Operations Manual (as defined in Section 5.4) provided by Franchisor and modified from time to time and other standards and specifications Franchisor otherwise provides.

B. The System is identified by various trade names, trademarks and service marks used by Franchisor and its franchisees including, without limitation, the trademark "redbox+®" and other identifying marks and symbols that Franchisor uses now or may later use as part of the System (the "Proprietary Marks"). The rights to all the Proprietary Marks shall be owned exclusively by Franchisor. Franchisor intends to further develop and use the Proprietary Marks to identify to the public the source of the products and services marketed under the Proprietary Marks and Franchisor's standards of quality and service.

C. The System consists of the use of Franchisor's patented technology (US Patent Nos: 7,966,675 and 9,771,730) for our waste removal system related to a dumpster and portable toilet system (the "Patents").

D. A redbox+ Business primarily offers roll-off boxes with a capacity ranging between 20 and 40 yards primarily used by roofers, contractors and developers in commercial and residential sites. The System offers a patent protected roll-off container/portable toilet combination ("Elite Container"), as well as standard roll-off containers without the portable toilets ("Standard Container"). Additionally, the System offers shorter 16.5-foot Suburban containers both with two portable toilets ("Elite Suburban Container") with a capacity of 20 yards, as well as containers without the portable toilets ("Standard Suburban Container") with capacity of 15 yards and 20 yards.

E. Franchisor is engaged in the business of granting franchises to qualified individuals and business entities to use the System and Proprietary Marks to operate a redbox+ Business.

F. Franchisee has applied to Franchisor for a franchise to operate a redbox+ Business using the System and Proprietary Marks and to receive the training, confidential information and other assistance Franchisor provides. Franchisor has approved Franchisee's application in reliance upon all of the representations made in the application.

In consideration of the mutual promises and commitments contained in this Agreement, together with other valuable consideration, the receipt and sufficiency of which is acknowledged, Franchisor and Franchisee agree as follows:

1. GRANT OF FRANCHISE

1.1 **Grant and Acceptance**. Franchisor grants to Franchisee, and Franchisee accepts, all subject to the terms of this Agreement, a franchise to establish and operate one redbox+ Business, using the System and the Proprietary Marks pursuant to this Agreement (the "Franchised Business"). Franchisee recognizes that variations, modifications, additions and changes to the System and Proprietary Marks, may be required from time to time, in order to preserve or enhance the System. Franchisee agrees to promptly

accept and comply with such variation, modification, addition or change(s) to the System and/or Proprietary Marks at Franchisor's sole expense.

1.2 **Territory**. Franchisee recognizes that the rights that are granted to Franchisee are for the operation of a redbox+ Business, in a specific territory, and cannot be transferred to an alternative territory, without Franchisor's prior written consent. Franchisee shall establish and operate the Franchised Business within a protected territory identified in Exhibit 1 to this Agreement (the "Territory"). Except as provided for herein, Franchisor shall not operate, or franchise or license any third party the right to operate another redbox+ Business within the Territory.

1.2.1 Franchisee may only advertise the Franchised Business and provide services to customers located within the Territory unless Franchisee requests and receives Franchisor's prior written approval. If Franchisor approves Franchisee to provide services outside the Territory, which it may withhold for any reason, Franchisor may withdraw such approval at any time. Advertising, soliciting, marketing or servicing customers outside of the Territory constitutes a default under this Agreement and Franchisee then must pay Franchisor the Improper Marketing or Service Fee. This fee is in addition to, and not in lieu of, Franchisor's other rights under this Agreement, including the right to terminate this Agreement.

1.3 **Reservation of Rights**. Franchisee acknowledges and agrees that Franchisor and any parties Franchisor designates will have the right to: (i) establish and operate, and license third parties the right to establish and operate, other redbox+ businesses using the Proprietary Marks and System at any location outside of the Territory; (ii) acquire, merge with, engage in joint ventures with, or otherwise affiliate with, and thereafter own and operate and franchise others the right to own and operate, any business of any kind, including businesses that offer products that are similar to those provided by a redbox+ Business outside the Territory; (iii) open and operate, or license third parties the right to open or operate, businesses that offer waste removal and portable toilet products and services under the Proprietary Marks or any other marks at any location, provided that such businesses will not offer roll-off containers/portable toilet combinations within you Territory; (iv) sell and distribute, directly or indirectly, or license others to sell and distribute, directly or indirectly, any products, services or merchandise, from any location or to any purchaser, through any channel or method of distribution (including, but not limited, to sales made by or through telemarketing, and/or on the Internet); and (v) engage in any other activities permitted by this or otherwise not expressly prohibited under this Agreement. Franchisee acknowledges and agrees that this Agreement does not grant it any right to (a) offer any product or service via e-commerce without prior approval by Franchisor, (b) establish an independent website or to establish a URL incorporating the Proprietary Marks or any variation thereof, or (c) distribute, market, or implement Franchisor's products and services in any channel of distribution not specifically identified in this Agreement.

1.4 **National or Regional Accounts ("NORAs")**. We have the exclusive right to negotiate and enter into agreements or approve forms of agreement to provide services to National or Regional Account ("NORA") customers. The term NORA includes any customer which on its own behalf or through agents, licensees, or other third parties owns, manages, controls or otherwise has responsibility for a business in more than one (1) location, for the benefit of the System, and regardless of the aggregate contract amount of the services to be performed. Any dispute as to whether a particular customer is a NORA shall be determined by us in our sole discretion and our determination shall be final and binding. Following the execution of a contract with or the acceptance of a bid by a NORA customer which contemplates the provision of services to one (1) or more NORA customers who are located in your Territory, we may, if you are qualified to perform the services and conditioned upon your substantial compliance with the terms of the Franchise Agreement and any other applicable agreements, provide you the opportunity to perform such services pursuant to the terms and conditions of the NORA contract or on such terms and conditions as we, at our sole discretion, determine are appropriate. You agree to provide services to all NORA customer referrals within your Territory. You further agree to provide all services in strict adherence to the redbox+ performance and process standards and all service guidelines and performance standards of the NORA. You may be required to enter into a service agreement to participate in certain NORA programs.

If you are not able or not willing to provide services to a NORA customer in conformity with the terms and conditions of the NORA contract, or fail to make an election within the time we specify after being offered the opportunity, we have the right, exercisable in our sole discretion, to (i) provide, directly or through any affiliate or other franchisee or franchisor operated location, services to the NORA customer; and/or (ii) contract with another party to provide such services to the NORA customer. In either event, neither you nor

the redbox+ Business shall be entitled to any proceeds from the provision of services provided to the customer of a NORA.

We may manage or provide support services to national and/or regional accounts that require centralized our franchise system, managing those relationships, answering calls placed to our toll-free number or a national account on-line access system. In that case, we may charge you a National or Regional Accounts Fee (the "NORA Fee") of up to three percent (3%) of Gross Sales generated by the account. The purpose of this fee is to defray the cost of providing national/regional account management services to the franchise system. We do not plan to charge a fee for simple referrals where we do not directly manage the relationship with the customer, but we reserve the right to do so.

Although we are not required to do so, we reserve the right to manage any project or enterprise undertaken jointly by two or more redbox+ and to limit your or prohibit your negotiating directly with other redbox+ Businesses on these jobs. You may solicit help from contractors and/or hire temporary staff for the purpose of completing a specific job, with our prior permission, however at no time shall your work force entirely consist of temporary or subcontracted labor. You may not service a customer if doing so is beyond your current equipment capabilities, or if it would otherwise disrupt the normal servicing of other existing customers.

1.5 **Major Events**. In the event of national, regional or local catastrophic event, significant weather event, or any single large loss project (each a "Major Event") within or outside of your Territory, we and our affiliates shall have the sole right to direct and control the provision of Services. You understand and agree that upon a Major Event, we, our affiliates, other existing System franchisees will be able to perform Services within the Territory and neither you nor the redbox+ Business will be entitled to any proceeds from the provision of Services performed by third parties within your Territory. Additionally, upon a Major Event, we may request you and other existing System franchisees to mobilize or dispatch containers to any site or sites, regardless of the distance from the redbox+ Business' Territory. Your participation upon a Major Event is not a requirement.

2 TERM AND RENEWAL

2.1 **Term.** This Agreement grants rights to Franchisee for a period of 10 years (the "Term") and is effective when signed by Franchisor.

2.2 **Renewal.** Franchisee shall have the right to renew this Agreement for 1 successive, additional period of 10 years if the following conditions have been met:

2.2.1 Franchisee has given Franchisor written notice of its election to renew the franchise not less than 6 months nor more than 12 months prior to the expiration of the Term;

2.2.2 Franchisee is not in default of any provision of this Agreement or any other related agreement between Franchisee and Franchisor or its affiliates, either at the time Franchisee gives notice of its intent to renew or at any time after through the last day of the Term, and Franchisee has substantially complied with all these agreements during their respective terms;

2.2.3 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and/or its affiliates or otherwise pursuant to the Franchise Agreement;

2.2.4 Franchisee has executed, at the time of such renewal, Franchisor's then-current form of franchise agreement, the terms of which may vary materially from the terms of this Agreement and may include, without limitation, higher royalty and advertising fees. The renewal franchise agreement, when executed, shall supersede this Agreement in all respects;

2.2.5 Franchisee at its expense has satisfied Franchisor's then-current training requirements for new franchisees as of the date of the renewal;

2.2.6 Franchisee has executed a release of any and all claims against Franchisor and its affiliates, and their shareholders, members, officers, directors, agents, employees, attorneys and accountants arising out of or related to this Agreement or any related agreement. The release shall contain language and be of the form chosen by Franchisor, except the release shall not release any liability specifically provided for by any applicable state statute regulating franchising; and

2.2.7 Franchisee has paid Franchisor a renewal fee equal to $10,000 per Territory.

2.3 **Failure to Renew**. Franchisee's failure to deliver the executed renewal franchise agreement (including the personal guarantee) and release required by Section 2.2 above within 30 days after Franchisor delivers them to Franchisee for execution may be deemed, in the sole discretion of Franchisor, an election by Franchisee not to renew.

2.4 **Extension of Initial Term**. If Franchisor is in the process of revising, amending or renewing its Franchise Disclosure Document or registration to sell franchises in the state where the Franchised Business is located, Franchisor may, in its sole discretion, offer to extend the terms and conditions of this Agreement on a calendar-month-to-calendar-month basis, following the expiration of the Term.

3 LOCATION

Franchisee is granted a protected, non-exclusive franchise, which permits the operation of a single Franchised Business within the Territory at the location identified in Exhibit 1 to this Agreement or a location subsequently agreed upon in writing by Franchisor and Franchisee (the "Approved Location"). If the Approved Location is not identified in Exhibit 1 when the parties execute this Agreement, Franchisee shall find a location and submit it to Franchisor for approval.

4 FEES AND COSTS

4.1 **Initial Franchise Fee**. Franchisee shall pay Franchisor in cash or by certified check, at the time of execution of this Agreement, an initial franchise fee of $59,500 for a baseline population of 300,000. Franchisee may purchase additional population for a cost of $0.20 per person up to a maximum population of 450,000.

We offer a Veteran discount to honorably discharged veterans of the United States armed forces and their spouses. We will discount the Initial Franchise Fee by 10% on the first territory purchased for those veterans and/or their spouses who have received an honorable discharge from the military. A copy of your DD214 will be required to receive this discount. This discount may not be used in conjunction with the First Responders or Related Franchisee discounts.

We also offer a $2,500 discount on the Initial Franchise Fee on the first territory purchased to first responders, which include sworn police officers, paid and volunteer firefighters, and paid and volunteer emergency medical technicians and paramedics. This discount may not be used in conjunction with the veteran or Related Franchisee discounts. We reserve the right to require proof that the applicant qualifies for this discount.

If you are currently a franchisee in good standing, as determined by us, with one of our franchising affiliates (a "Related Franchisee"), then you may qualify to purchase a redbox+ Business with discounted initial franchise fee. The Initial Franchise Fee for a Related Franchisee will be reduced by twenty-five percent (25%) of the then-current Initial Fee for Standard Franchises, and such discounted fee is limited to up to two (2) Standard Franchises, which must be purchased at the same time. This discount may not be used in conjunction with any other discounts, including the Veteran or First Responders discounts.

The initial franchise fee is deemed fully earned by Franchisor upon payment and is nonrefundable under any circumstance.

4.2 **Royalty Fee**.

4.2.1 **Royalty**. Subject to the Minimum Monthly Royalty requirement, Franchisee shall pay to Franchisor a monthly royalty (the "Royalty") as follows:

- 8% of Gross Sales;
- If your total Gross Sales exceed $50,000.00 in a month, the Royalty due on all Gross Sales exceeding the first $50,000.00 in that month shall be 7%
- If your Gross Sales meet or exceed $100,000.00 in a month, the Royalty due on all Gross Sales exceeding the initial first $100,000.00 in that month shall be 6%.

You must enter all work performed through your redbox+ Business in the redbox+ Software within 24 hours of the start of the job. The Royalty due on each job is assessed upon the date of the original invoice issued to the Customer, and on the full amount of the invoice, regardless of whether the invoice is paid. If you Transfer this Agreement, the Royalty for all completed jobs must be paid on (a) the day of closing, or (b) on the effective termination date of this Agreement, whichever occurs first.

Franchisee must report Gross Sales each month, by the 5th of the month. On the 10th of each month, we will calculate the appropriate Royalty percentage owed, based upon the Gross Sales generated in the prior month, and initiate a transfer of funds for the Royalty owed, between our bank account and the bank account designated by you in the electronic funds transfer ("EFT") agreement attached to this Agreement as Exhibit E. We may specify different reporting and Royalty due-dates periodically in our discretion.

"Gross Sales," as used in this Agreement, includes all revenue generated from operating the redbox+ Business, whether in cash, in services in kind, from barter and/or exchange, or otherwise. All barter and/or exchange transactions for which you furnish services and/or products in exchange for goods or services will, for the purpose of determining Gross Sales, be valued at the full retail value of the goods and/or services you provide. Franchisee may deduct from Gross Sales the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if these taxes are separately stated when the customer is charged. In accordance with our policies as published periodically, you may also deduct from Gross Sales the amount of any documented refunds that we consider appropriate.

Royalty Payments are non-refundable once paid. Commissions paid to lead sources are subject to Royalty.

Additionally, Franchisee must pay Franchisor a $4,000 container assembly and set-up fee (the "Container Assembly and Set-Up Fee"), which is payable upon the delivery of the first set of containers. The Container Assembly and Set-Up Fee will cover the costs to assemble your containers and is not refundable. If more than the minimum number of containers are purchased, then the Container Assembly and Set-Up Fee will increase by $100 per container above the minimum initial requirement of 32.

4.2.2 **Minimum Royalties**. The Franchised Business will be required to meet the following minimum monthly Gross Sales requirements (the "Minimum Gross Sales Requirement") during the Term of this Agreement:

Months in Operation	Minimum Monthly Gross Sales Requirement	Minimum Monthly Royalty Requirement
1 to 12 Months	$0.00	$0.00
13 to 24 Months	$12,500	$1,000
25 to 36 Months	$25,000	$2,000
37+ Months	$37,500	$3,000

If the Franchised Business fails to achieve the required Minimum Gross Sales Requirement during any consecutive three month period, we reserve the right to terminate the Franchise Agreement, reduce the size of the Territory, elect to establish another franchisee or company owned redbox+ Business in the Territory, or allow other franchisees, company-owned and/or affiliate-owned redbox+ Businesses to advertise, market, solicit and service customers in the Territory. You agree that any franchisee, company-owned and/or affiliate-owned redbox+ Business that we designate may provide Services in the Territory, if you fail to achieve the required Minimum Monthly Gross Sales Requirement. Neither the franchisee, Franchisor, company-owned or affiliate-owned Business are liable or obligated to pay you any compensation for doing so, and the Franchisor will not be considered in breach of any provision of the Franchise Agreement or any other agreement between Franchisor and Franchisee, even if the Minimum Monthly Gross Sales Requirement is achieved in future months of the Term.

If the percentage Royalty due on Gross Sales generated in any given month does not exceed the Minimum Monthly Royalty Requirement, as set forth in the above chart, you will be required to pay the Minimum Monthly Royalty Requirement that corresponds to your months in operation, in lieu of the percentage Royalty.

If this is a Renewal Term or you are converting to the royalty structure set forth in this Amendment during your existing Agreement's term, you will be required to pay the Minimum Monthly Royalty and meet the Minimum Monthly Gross Sales requirement for the greater than 37-month level for the entirety of the Renewal Term or the remainder of your existing Agreement's term, whichever is applicable.

For the purpose of this section, the second year of operations begins 12 months from the date of successful completion of the Initial Training Program.

Once a Royalty Fee or Minimum Monthly Royalty Fee is paid, it is neither refundable nor applied to any future or past fees owed.

4.2.3 **Payment; Reporting**. If the Royalty, Brand Marketing Fee, or any other fee is not available in your account for debiting when due, a late payment fee will be imposed of $50 for each week past due ("Late Payment Fee"). Should Franchisee not report Gross Sales as required and/or fail to submit any Royalty reports when due, a fee will be imposed of $50 per day for each day past due ("Late Report Fee"). Additionally, interest will be imposed at the rate of 18% per annum or the maximum rate permitted by applicable law, whichever is greater, from the date these amounts were originally due until the date paid ("Interest Fee"). If we debit your account for monies owed and there are insufficient funds available, we will also charge our current non-sufficient fund fee ("NSF Fee") of $50, plus the amount charged by your bank for overdraw of an account. We can automatically debit your account for the Late Payment Fee, NSF Fee, Late Report Fee, Interest Fees and all other fees owed to us.

Franchisee acknowledges that this paragraph does not constitute our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance the operation of the redbox+ Business. Notwithstanding the provisions of this Section, your failure to pay all amounts when due constitutes grounds for termination of this Franchise Agreement, as provided in Section 9 of the Franchise Agreement."

4.2.4 **Single Operating Account; Electronic Funds Transfer**. Franchisee must deposit the proceeds of all sales from the operation of Franchisee's redbox+ Business into one bank account within 3 days of receipt, including cash, checks, and credit card receipts. Franchisee shall make suitable arrangements for on time delivery of payments due to or collected by Franchisor under this Agreement. If Franchisor directs, Franchisee shall designate an account at a commercial bank of its choice (the "Account") for the payment of continuing periodic royalty, advertising contributions to the Brand Marketing Fund (defined in Section 4.3.3) and any other amounts due Franchisor in connection with this Agreement and the Franchised Business. Franchisee shall furnish the bank with authorizations necessary to permit Franchisor to make withdrawals from the Account by electronic funds transfer. Franchisee shall bear any expense associated with these authorizations and electronic funds transfers. Franchisor may institute fees in Franchisor's discretion to cover bank charges and administration costs if the electronic funds transfer attempt is unsuccessful in whole or in part, or rejected, or if Franchisee closes the operating account, or any check or other means of payment used is returned not paid. Franchisor shall provide Franchisee with a written confirmation of electronic funds transfers, which may be made monthly and which Franchisor may send by facsimile, email, or other electronic means. You will immediately notify us of any change in your banking relationship, including changes in account number.

4.3 **Advertising.** Franchisee agrees to actively promote the Franchised Business and to abide by all of Franchisor's advertising requirements. Franchisee shall comply with each of its advertising and marketing obligations provided in this Agreement notwithstanding the payment by any other System franchisee(s) of greater or lesser advertising obligations or default of these obligations by any other franchisee(s).

4.3.1 **Generally.** With regard to advertising generally for the Franchised Business, Franchisee shall place or display on the exterior of the Franchised Business' vehicles only such signs, emblems, lettering, logos, displays and advertising or marketing materials as Franchisor approves in writing

from time to time. All advertising, marketing and promotion by Franchisee of any type shall be conducted in a dignified manner, shall coordinate and be consistent with Franchisor's marketing plans and strategies and shall conform to the standards and requirements Franchisor prescribes. Franchisee shall submit to Franchisor or its designee, at least 30 days prior to their use, samples of all sales promotional materials and advertising desired to be used by Franchisee including, without limitation, newspaper, radio and television advertising, specialty and novelty items, signs, boxes, bags and other packaging which have not been previously approved by Franchisor or which were approved by Franchisor more than 12 months before the proposed use. Franchisor has the right to condition its approval of any proposed advertising upon Franchisee's agreement to provide other System franchisees, whose franchised businesses are located within the circulation area of the proposed advertising, the opportunity to contribute to and to participate in such advertising. Franchisee shall not use any advertising or promotional materials which Franchisor has not approved in writing and Franchisee shall promptly discontinue use of any advertising or promotional materials previously approved, upon notice from Franchisor.

4.3.2 **Kickstart Marketing Program.** During the period beginning 60 days before the opening of the Franchised Business and 60 days after, Franchisee must participate in Franchisor's Kickstart Marketing Program to generate leads and brand awareness, using a combination of website set-up, Search Engine Optimization ("SEO"), Pay-Per-Click ("PPC") Advertising, and other local marketing initiatives. This program includes access to and training in our CRM for managing leads and conversions. The total cost of this program is $6,400 and is due when you sign your Franchise Agreement.

4.3.3 **Local Advertising.** Franchisor does not require ongoing local advertising. However, in the event more than 50% of Franchisee's fleet of containers is not in use for more than 30 days, Franchisee will be required to spend a minimum of 5% of Franchisee's Gross Sales on approved local advertising strategies, until utilization has as increased above 70% for 2 consecutive months.

4.3.4 **Brand Marketing Fund**.

4.3.4.1 Franchisor shall have the right to establish, administer and control the System's Brand Marketing fund (the "Brand Marketing Fund"). Franchisee agrees to contribute up to 2% of Gross Sales per month to the Brand Marketing Fund. Fund contributions shall be payable in the same manner Franchisee makes payment of royalties or as otherwise directed by Franchisor. Franchisor may maintain contributions to the Brand Marketing Fund in a separate bank account or hold them in Franchisor's general account and account for them separately, or Franchisor may establish separate entities to administer the Brand Marketing Fund and the Brand Marketing Fees. Although once established, Franchisor intends for the Brand Marketing Fund to be of perpetual duration, Franchisor maintains the right to terminate the Brand Marketing Fund or to create new Brand Marketing Fund accounts or merge accounts. Franchisor shall not terminate the Brand Marketing Fund until all money in the Brand Marketing Fund has been expended for advertising and/or marketing purposes or returned to contributors on the basis of their respective contributions. The money contributed to the Brand Marketing Fund shall not be considered to be trust funds. Franchisor and any designee shall not have to maintain the money in the Brand Marketing Fund in interest bearing accounts or obtain any level of interest on the money.

4.3.4.2 Fund contributions may be used at Franchisor's discretion in the development, production and distribution of national, regional and/or local advertising, and in the creation of advertising materials and public relations which, in Franchisor's sole judgment, promote the products and services offered by System franchisees, including (i) development, production and distribution of national, regional and/or local advertising; (ii) the creation of advertising materials and public relations which, in Franchisor's sole judgment, promote the products and services offered by System businesses including development and production of advertising and marketing programs and materials,; (iii) purchase of media, field marketing programs and activities, promotion; (iv) promotions, market research, new product research and development; (v) quality control, market research;(vi) talent fees; (vii) working with public relations firms; (viii) website development and maintenance; and (ix) for administrative, travel, debt service and operating costs and overhead. Franchisor's decisions in all aspects related to the Brand Marketing Fund shall be final and binding.

Franchisor may charge the Brand Marketing Fund for the costs and overhead, if any, Franchisor incurs in activities reasonably related to the creation and implementation of the Brand Marketing Fund and the advertising and marketing programs for franchisees. These costs and overhead include the proportionate compensation of Franchisor's employees who devote time and render services in the

conduct, formulation, development and production of advertising, marketing and promotion programs or who administer the Brand Marketing Fund.

Franchisor does not anticipate that any part of the contributions to the Brand Marketing Fund will be used for advertising that is principally a solicitation for the sale of additional franchises, but Franchisor reserves the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information

At Franchisee's request, Franchisor shall provide fiscal year end unaudited financial statements and an accounting of the applicable Fund expenditures when available. Franchisee may have to purchase advertising materials produced by the Brand Marketing Fund or by Franchisor and Franchisor may make a profit on the sale. Franchisor reserves the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information.

4.3.4.3. The advertising and promotion Franchisor conducts is intended to maximize general public recognition and patronage of the System and its redbox+ businesses generally in the manner that Franchisor determines to be most effective. Franchisor is not obligated to ensure that the expenditures from the Brand Marketing Fund are proportionate or equivalent to Franchisee's contributions or that the Franchised Business or any redbox+ business shall benefit directly or pro rata or in any amount from the placement of advertising or other use of Fund contributions.

4.3.5 **Special Promotional Programs**. From time to time, Franchisor may, in its sole discretion, establish special promotional campaigns applicable to the System as a whole or to specific advertising market areas. If Franchisee is required to participate in any special promotional programs, Franchisee shall be required to pay for the development, purchase, lease, installation and/or erection of all materials necessary to such promotional campaigns, including but not limited to counter cards, posters, banners, signs, photography or give-away items.

4.3.6 **Advertising Cooperatives**. Franchisor reserves the right to create a regional advertising cooperative and require Franchisee to contribute to the advertising cooperative in Franchisor's sole discretion.

4.3.7 **Website Requirements**. Franchisee shall not develop, own or operate any website, social media or other online presence using the Proprietary Marks or otherwise referring to the Franchised Business or the products or services sold under the System (the "Website") without Franchisor's prior written approval. All content of the Website is deemed to be advertising and must comply with the requirements Franchisor establishes for websites in the Confidential Operations Manual or otherwise. If Franchisor requires, Franchisee shall establish the Website as part of the website(s) established by Franchisor or the Brand Marketing Fund or Franchisor's designee establishes. Franchisee shall establish electronic links to Franchisor's website(s) or any other website Franchisor designates.

4.3.8 **Online Advertising and Electronic Communications**. Franchisor shall retain the exclusive right to develop and control the content of all online and other electronic advertising for System businesses. Except as otherwise set forth in the Confidential Operations Manual or as otherwise approved in writing by Franchisor, Franchisee may not, directly or indirectly, establish, operate, maintain, register or sponsor any of the following to promote the business, the System or otherwise display the Proprietary Marks: a domain name, social networking platform, blog, messaging system, e-mail account, user name, text address, mobile application, web page, website or internet site, other electronic, or any other mobile or internet presence (collectively, "Electronic Communications"). Franchisee and its employees may not post or blog comments about the business or the System through any Electronic Communications, without Franchisor's prior written approval.

4.4 **Collection Costs, Attorneys' Fees, Interest.** Any late payment or underpayment of the royalty fee, advertising contributions and any other charges or fees due Franchisor or its affiliates from Franchisee, shall bear interest from the due date until paid at the lesser of 18% interest per year or the highest lawful interest rate which may be charged for commercial transactions in the state in which the Franchised Business is located. If Franchisor engages an attorney to collect any unpaid amounts under this Agreement or any related agreement (whether or not formal judicial proceedings are initiated), Franchisee shall pay all reasonable attorneys' fees, court costs and collection expenses incurred by Franchisor. If Franchisee is in

breach or default of any non-monetary material obligation under this Agreement or any related agreement, and Franchisor engages an attorney to enforce its rights (whether or not formal judicial proceedings are initiated), Franchisee shall pay all reasonable attorneys' fees, court costs and litigation expenses incurred by Franchisor. If Franchisee institutes any legal action to interpret or enforce the terms of this Agreement, and the claim of Franchisee in such action resolved in favor of Franchisor or the action is dismissed, Franchisor shall be entitled to recover its reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending the action and may have the amount awarded as part of the judgment in the proceeding.

4.5 **Audit**. Franchisee shall maintain accurate business records, reports, correspondence, accounts, books and data relating to Franchisee's operation of the Franchised Business. At any time during normal business hours, Franchisor or its designee may enter the Franchised Business or any other premises where these materials are maintained and inspect and/or audit Franchisee's business records and make copies to determine if Franchisee is accurately maintaining same. Alternatively, upon Franchisor's request, Franchisee shall deliver these materials to Franchisor or its designee if Franchisor requests. If any audit reveals that Franchisee has understated any amounts owed to Franchisor by 2% or more, or if Franchisee has failed to submit reports and/or remittances to Franchisor for any 2 reporting periods, or Franchisee does not make these materials available, Franchisee shall pay the reasonable cost of the audit and/or inspection, including the cost of auditors and attorneys, incurred by Franchisor, together with amounts due for royalty and other fees as a result of such understated amounts owed to us, including interest from the date when the amounts owed to us should have been reported.

4.6 **Financial Records and Reports.** Franchisee shall maintain for at least 5 fiscal years from their production, or any longer period required by law, complete financial records for the operation of the Franchised Business in accordance with generally accepted accounting principles and shall provide Franchisor with: (i) sales information in the form specified by Franchisor for sales and services rendered during the preceding month, indicating all monies received or accrued, sales or other services performed during the relevant period, and such other additional information as may be required by any such report forms furnished by Franchisor which Franchisor deems necessary to properly evaluate the progress of Franchisee, which Franchisor may access on a regular basis through the cash register, point of sale system or other equipment used in connection with the recording of Franchisee's Gross Sales; (ii) unaudited annual financial reports and operating statements in the form specified by Franchisor, prepared by a certified public accountant or state licensed public accountant, within 60 days after the close of each fiscal year of Franchisee; (iii) state and local sales tax returns or reports within 15 days after their timely completion; (iv) federal, state and local income tax returns for each year in which the Franchised Business is operated within 60 days after their timely completion; and (v) such other reports as Franchisor may from time to time require, in the form and at the time prescribed by Franchisor, setting forth, without limitation, such items as sales, quantities of inventory purchased, and the sources from which inventory was obtained. To assist Franchisee in recording and keeping accurate and detailed financial records for reports and tax returns, Franchisor, at its discretion, may specify the form in which the business records are to be maintained, provide a uniform set of business records to be used by Franchisee, and specify the type of cash register or other equipment and software to be used in connection with the recording of Gross Sales. Franchisee shall transmit, permit Franchisor to call in or "poll" Franchisee's computer, make the information available on Franchisor's intranet, or otherwise make available to Franchisor as Franchisor directs, any original records, information or reports for any time periods and using the format or software Franchisor requires. Franchisor may obtain Gross Sales and other information from Franchisee by calling in to Franchisee's computer by modem or other similar means, from a remote location, without the need for consent, at the times and in the manner as Franchisor specifies, in Franchisor's sole discretion, and Franchisee shall maintain the required hardware, software, firmware and telecommunications infrastructure products and support services to allow remote access by Franchisor. Franchisor shall have independent access to Franchisee's accounting software package.

4.6.1 **Bookkeeping**. Franchisee must use Franchisor's designated version online software program for monthly financial reconciliation and reporting services. Franchisee must provide timely monthly financial information and supporting detail to Franchisor for the preparation of financial

reports to be delivered by the 15th of each subsequent month. Franchisee is solely responsible for all costs and expenses incurred in utilizing the services of the software package vendor.

4.7 **Taxes on Payments to Franchisor**. The Franchisee shall reimburse the Franchisor, or its affiliates, promptly and when due, the amount of all sales tax, use taxes, personal property taxes and similar taxes imposed upon, required to be collected or paid by the Franchisor or its affiliate, on account of goods or services furnished by the Franchisor or its affiliates, to Franchisee, through sale, lease or otherwise.

4.8 **Initial Equipment Package and Additional containers**.

4.8.1 **Initial Equipment Package**. Franchisee must purchase from Franchisor the minimum initial equipment package. For a standard territory, the initial equipment package consists of the Truck Equipment Package ("TEP") including the hoist, pump & vac system, tarper, wastewater tank and wastewater aggregating tank. Franchisee must also purchase the Initial Container Package ("Initial Containers") including 24 redbox+ Elite roll-off containers, 8 standard containers, and 48 portable restrooms, and an assembly tool kit from us. At all times, you must have at least 24 Elite roll-off containers in your list of Containers. In addition, Franchisee must purchase a tandem axle roll-off truck chassis directly from an approved supplier. New franchisees must purchase a tandem axle roll-off truck chassis.

Franchisee will pay Franchisor a 50% deposit to initiate the order for the TEP and the Initial Containers. The balance shall be paid to Franchisor upon notification of the delivery date of the initial equipment package. Once the deposit is paid, the cost of the initial equipment package is not refundable.

4.8.2 **Additional Containers**. For a standard Territory, Franchisee must purchase and obtain the following minimum number of containers at the following intervals during the Term:

Minimum Required Containers				
	Weeks of Operation			
Territories Purchased	**Start-up**	**Week 53**	**Week 105**	**Week 152**
1	32	40	40	40
2	32	40	56	72
3	40	56	64	80
4	40	56	72	88
5	40	80	88	110

Week of Operation is defined as starting on the first week after delivery and assembly of the initial package of redbox+ containers. Franchisee shall be required to pay a royalty on each additional redbox+ container purchased in the manner as provided for in Section 4.2 of this Agreement. Franchisee has the discretion during the Term of the Franchise Agreement to purchase more than the minimum as stated in this Section 4.8.2. Franchisor recommends that Franchisee begins operations with two trucks or purchases a second truck after 6 months of operations.

4.9 **Technology Fees**. Beginning on April 1 of the first calendar year after the Effective Date of this Agreement and continuing each year during the Term, Franchisee shall pay Franchisor an annual technology fee, currently in the amount of $1,500 ("Technology Fee"). The annual Technology Fee will be paid in two installments of $750 in April and in October of each year. Payment of the first Technology Fee will be drawn on Franchisee's first ACH draw after opening and will be based on the timing of the execution date of this Agreement. Agreements signed prior to May 31st in the calendar year in which a franchise agreement was signed with Franchisor will pay both Technology Fee installments, while agreements signed after May 31st will only pay for one Technology Fee installment in the that first calendar year. The Technology Fee is subject to change at any time during the Term as new and different technologies are adopted from time to time and Franchisor reserves the right to increase the Technology Fee upon notice to Franchisee.

Franchisee shall subscribe to Franchisor's proprietary operational software (the "Operational Software"), currently redbox+ Mandatory Software, which includes optimal routing and scheduling features, CRM database management, and point of sale function that includes a merchant services portal. The cost of the Operational Software includes a $249 set-up fee and a $220 flat monthly fee, which is subject to change at anytime during the Term and Franchisor reserves the right to increase this fee upon notice to Franchisee. These costs will be paid to the Franchisor, who then pays the software vendor.

4.10 **Improper Marketing or Service Fee.** Franchisee is prohibited from advertising, soliciting, marketing or servicing in any way, any Customers or Customer Service Locations outside the Territory without Franchisor's prior written consent. Advertising, soliciting, marketing or servicing Customers outside of the Territory constitutes a default under this Agreement and, upon written notice, Franchisee must pay Franchisor a fee equal to the greater of $500 or the cost of the job ("Improper Marketing or Service Fee") for each incident of unauthorized advertising, soliciting, or servicing. This fee is in addition to, and not in lieu of, our other rights under this Agreement, including Franchisor's right to terminate this Agreement. Franchisor has the right, in its sole discretion, to either (a) collect and keep the Improper Marketing or Service Fee or (b) collect and remit the Improper Marketing or Service Fee to the other franchisee.

4.11 **Administrative Fee**. When Franchisee asks Franchisor to amend this Agreement, when an amendment is required by Franchisee's actions, or Franchisee asks Franchisor to consent to various transactions (including, but not limited to a change in Franchisee's entity name and/or the names of its guarantors) or to services for which a specific fee is not imposed elsewhere in this Agreement or the System, Franchisee must pay to Franchisor the then-current administrative fee (the "Administrative Fee") in effect.

4.12 **Promotional Package.** Franchisee must purchase a Promotional Package, that includes uniforms, apparel, stationary, and other branded materials to be used in the redbox+ Business, for a sum of $4,199. The Promotional Package includes a $749 convention allowance (the "Convention Allowance") for the redbox+ convention (the "Convention"). The Convention Allowance covers the registration fee for one person to attend the first Convention scheduled following your successful completion of our initial training program. The Convention Allowance cannot be used to offset any other expenses or requirements associated with your redbox+ Business, and if you do not attend the convention, we will not provide you with the Convention Allowance.

5 FRANCHISOR SERVICES

5.1 **Training**.

5.1.1 **Initial Training**. Franchisor shall provide, either itself or through its designee, an initial training program to be held at Franchisor's corporate headquarters or another place, at the times and places Franchisor shall designate. Franchisor shall schedule an initial training program, at Franchisor's convenience, between the time Franchisee signs this Agreement and the time Franchisee is scheduled to open the Franchised Business. Franchisee, or if Franchisee is a business entity, designated equity owners of Franchisee owning a minimum of the equity interests in Franchisee specified by Franchisor, and Franchisee's designated manager, shall attend and complete the initial training program to Franchisor's satisfaction prior to the opening of the Franchised Business. Franchisee shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for individuals attending training. Franchisor shall provide tuition-free training initially for 3 people including Franchisee (or its Operating Principal) and its managers before the Franchised Business opens for business. If initial training is otherwise required for any additional owners or employees of Franchisee, Franchisee shall pay Franchisor's then-current tuition for each person to attend the additional initial training program. Each of Franchisee's additional and/or replacement managers shall attend and complete to Franchisor's satisfaction Franchisor's initial training program prior to assuming management responsibility.

5.1.2 **Refresher Courses; Supplemental Training**. Franchisor reserves the right to offer refresher courses and supplemental training programs, which may be optional or mandatory, from time to time, to Franchisee, its Operating Principal if Franchisee is a business entity, its manager and/or its employees. Franchisee shall be responsible for the personal expenses, including transportation to and from the training site and lodging, meals, and salaries during training, for individuals attending any refresher or

supplemental training. Franchisee shall pay Franchisor's then-current tuition or fee for any individual attending refresher courses or supplemental training.

5.1.3 **Administration of Advertising Fund**. Franchisor shall administer the advertising contributions to the Brand Marketing Fund paid by Franchisee under this Agreement as described in Section 4.3.3.

5.2 **Inventory.** Franchisor shall consult with Franchisee about the initial inventory, supplies and equipment which Franchisee must acquire prior to the opening of the Franchised Business and provide Franchisee with a list of approved vendors.

5.3 **Continuing Consultation and Advice**. In addition to the assistance rendered Franchisee prior to opening and in connection with grand opening, Franchisor shall provide Franchisee continuing consultation and advice as Franchisor deems advisable during the term of this Agreement regarding inventory, sales and marketing techniques, personnel development and other business, operational and advertising matters that directly relate to the Franchised Business. Such assistance may be provided by telephone, facsimile, email, postings to Franchisor's intranet, periodically through on-site assistance by appropriate personnel of Franchisor, and/or other methods. Franchisee is responsible to pay Franchisor's costs and expenses in providing on-site assistance as well as its then current fees, if any. Franchisor may also require Franchisee to attend a national business meeting or convention at a location designated by Franchisor. Franchisee will be required to pay Franchisor's fee to attend and is responsible for all travel related costs in doing so. Attendance by Franchisee or one of its owners if Franchisee is an entity, as well as the manager is mandatory. Franchisor will deduct the Convention Non-Attendance Fee if Franchisee fails to register and / or pay to attend unless approved by Franchisor. Currently, the Convention Non-Attendance Fee is $1,000. Franchisor reserves the right to increase such fee in its sole discretion.

5.4 **Operations Manual**. Franchisor shall loan or otherwise provide access by Franchisee to one copy of a specifications, operations and procedures manual, and one copy of other books, binders, videos or other electronic media, intranet postings and other materials, and appropriate revisions as may be made from time to time, referred to collectively as the "Confidential Operations Manual". Franchisee shall operate the Franchised Business in strict compliance with the Confidential Operations Manual. From time-to-time Franchisor may, through changes in the Confidential Operations Manual or by other notice to Franchisee, change any standard or specification or any of the Proprietary Marks applicable to the operation of the Franchised Business or change all or any part of the System, and Franchisee shall take all actions, at Franchisee's expense, to implement these changes as provided in Section 6.8. Franchisor may vary the standards and specifications to take into account unique features of specific locations or types of locations, special requirements and other factors Franchisor considers relevant in its sole discretion. The Confidential Operations Manual shall be confidential and at all times remain the property of Franchisor. Franchisee shall not make any disclosure, duplication or other unauthorized use of any portion of the Confidential Operations Manual. The provisions of the Confidential Operations Manual constitute provisions of this Agreement as if fully set forth in this Agreement. Franchisee shall insure that its copy of the Confidential Operations Manual is current and up-to-date. If there is a dispute relating to the contents of the Confidential Operations Manual, the master copy maintained by Franchisor at its principal office shall be controlling. Franchisor may elect to provide the Confidential Operations Manual solely through Franchisor's website(s) and/or intranets or other electronic means without any need to provide Franchisee with a paper copy or other physical format.

6 FRANCHISE SYSTEM STANDARDS

6.1 **Opening for Business**. Franchisee shall commence operation of the redbox+ Business by the later of 120 days after the execution of this Agreement or upon delivery of the redbox+ equipment. Franchisee shall not open the Franchised Business for business until Franchisee has complied with Franchisor's requirements for opening, and Franchisor has granted Franchisee written permission to open, unless Franchisor otherwise provides in writing. Franchisor's opening requirements include (i) the redbox+ Business complies with Franchisor's standards and specifications, (ii) Franchisee and all required personal have satisfactorily completed Franchisor's pre-opening training requirements, (iii) Franchisee has paid the initial franchise fee and any other amounts due Franchisor; and (iv) Franchisee has provided Franchisor with copies of all required insurance policies and evidence of coverage and premium payment.

6.2 **Compliance with Standards**. Franchisee acknowledges that its obligations under this Agreement and the requirements of Franchisor's Confidential Operations Manual are reasonable,

necessary and desirable for the operation of the Franchised Business and the System. Franchisee shall strictly adhere to the System and System standards.

Franchisee agrees to adhere to Franchisor's standards and specifications as set forth in this Agreement and the Confidential Operations Manual. Franchisee shall purchase only products, equipment, signs, branded products, inventory, supplies, software and logo-imprinted products, which Franchisor approves, including purchasing from approved suppliers or a designated sole supplier for any items. Franchisor and its affiliates may be an approved supplier or designated sole supplier for any purchases of products or services, including, without limitation, roll off boxes, portable toilets, wastewater pumps, wastewater tanks, uniforms, packaging and supplies, and any other items necessary to operate the Franchised Business, and may obtain revenue from Franchisee and make a profit. Franchisee may purchase or obtain these products through Franchisor or a supplier approved by Franchisor. If Franchisor has not designated an approved supplier for a particular product, Franchisee shall purchase these products only from suppliers that meet Franchisor's standards and specifications.

Franchisee may request approval of a supplier under Franchisor's published procedures, which include inspection of the proposed supplier's facilities and testing of product samples. Franchisor or the independent testing facility Franchisor designates may charge a fee for the testing. Franchisor may also charge a fee, currently a minimum of $500, for Franchisor's services in making a determination on the proposed supplier, including the costs of inspection of the supplier's facilities, evaluation of the test results, and a background check of the supplier. Any such fee will be refundable if the supplier or product tested is approved for use by the Franchisor for the entire System. Franchisor reserves the right, at its option, to reinspect the facilities and products of any approved supplier, and to revoke approval if the supplier fails to continue to meet any of Franchisor's criteria. Franchisor may receive fees and other payments from suppliers and others in connection with Franchisee's purchases and may use the fees for Franchisor's own purposes.

6.3 **Operations.**

6.3.1 Franchisee shall operate the Franchised Business for at least those hours and days specified by Franchisor in the Confidential Operations Manual.

6.3.2 Franchisee shall maintain the Franchised Business' vehicles in a clean, safe and attractive manner, and in accordance with all applicable requirements of law and the Confidential Operations Manual. Franchisee and its employees shall give prompt, courteous and efficient service to the public and shall otherwise operate the Franchised Business so as to preserve, maintain and enhance the reputation and goodwill of the System.

6.3.3 Franchisee shall at all times maintain and employ working capital the greater of $10,000 or an amount as Franchisor may reasonably deem necessary to enable Franchisee to properly and fully carry out and perform all of its duties, obligations and responsibilities under this Agreement and to operate the business in a businesslike, proper and efficient manner.

6.3.4 Franchisee shall operate the Franchised Business in conformity with the highest ethical standards and sound business practices and in a manner that shall enhance the System. Franchisee shall employ a sufficient number of qualified, competent people to satisfy the demand for the operation of the Franchised Business. Franchisor may designate System standards to regulate or provide guidance for the Franchised Business. Franchisee shall be solely responsible for all employment decisions and functions, including hiring, firing, discipline, supervision, setting terms of employment and compensation and implementing a training program for employees of the Franchised Business in accordance with training standards and procedures Franchisor specifies in order for Franchisee to conduct the business of the Franchised Business at all times in compliance with Franchisor's requirements. Franchisee shall never represent or imply to prospective employees and employees that they shall be or are employed by Franchisor.

6.3.5 Franchisee shall operate and maintain the Franchised Business at all times in compliance with any and all applicable health, safety, sanitary and waste disposal standards and requirements, laws and regulations prescribed by Franchisor and by governmental authority. If the Franchised Business is subject to any inspection by any governmental authorities under which it may be

rated in one or more than one classification, it shall be maintained and operated so as to be rated in the highest available classification with respect to each governmental agency inspecting the Franchised Business. In addition, Franchisee shall comply with any higher standards that Franchisor may prescribe.

6.3.6 Franchisee shall, at its expense, repair and replace equipment, software, and signs as necessary to maintain the Franchised Business and its vehicles in first class condition and repair and as Franchisor may direct.

6.3.7 Franchisee shall fully participate in all required national buying or vendor programs.

6.3.8 Franchisee authorizes the release of all supplier records to Franchisor without notice to Franchisee. Franchisee grants Franchisor the right to communicate with suppliers without notice to Franchisee, and to obtain and examine all records of any supplier relating to Franchisee's purchases from the supplier.

6.3.9 Franchisee must install and maintain adequate security measures and devices necessary to protect the customer data of the Franchised Business from unauthorized access or disclosure. Franchisee may not sell or disclose to any third party, any personal or aggregate information concerning any customers. Franchisor or its affiliate shall own all data Franchisee collects from its customers of the Franchised Business or through marketing. Franchisee only has the right to use customer data in connection with the Franchised Business, while the Franchise Agreement is in effect. In the event of a transfer, pursuant to Section 8 of this Agreement, Franchisee may transfer the customer data to the new owner as part of the going concern value of the Franchised Business.

6.4 **Applicable Laws.** Franchisee shall investigate, keep informed of and comply with all applicable federal, state and local laws, ordinances and regulations affecting the Franchised Business, including those related to safety and health codes, waste disposal requirements, motor vehicle license requirements and those laws related to employment and personnel practice and policies. If these legal requirements impose a greater standard or duty than Franchisor requires in the Operations Manual or elsewhere, Franchisee must comply with the greater standard or duty and notify Franchisor in writing promptly after Franchisee becomes aware of the discrepancy. Franchisee shall obtain and maintain at all times any and all applicable permits and licenses required to operate the Franchised Business.

6.5 **Trade Secrets and Confidential Information**. The System is unique and the Operations Manual, Franchisor's trade secrets, copyrighted materials, methods and other techniques and know-how are the sole, exclusive and confidential property of Franchisor, and are provided or revealed to Franchisee in confidence ("Confidential Information"). Franchisee shall use the Confidential Information only for the purposes and in the manner authorized in writing by Franchisor, and its use shall inure to the benefit of Franchisor. Franchisee shall not contest, directly or indirectly, Franchisor's ownership of or right, title or interest in Franchisor's trade secrets, methods or procedures or contest Franchisor's right to register, use or license others to use any of such trade secrets, methods and procedures. Franchisee, including its officers, directors, shareholders, partners, and employees, and any of their immediate family, heirs, successors and assigns, is prohibited from using and/or disclosing any Confidential Information in any manner other than as permitted by Franchisor in writing.

Franchisor's trade secrets consist of, without limitation, sales techniques, advertising formats, accounting systems, operations systems, policies, procedures, systems, compilations of information, records, specifications, manuals, methods for using the intellectual property, data and other confidential information which have been developed by Franchisor or its affiliates for use in the operation of the redbox+ Business. Franchisee also acknowledges and agrees that certain information, including (i) current customer and prospective customer names and addresses, (ii) information about credit extensions to customers, (iii) customer purchasing histories, (iv) rates charged to customers; and (v) CRM reports (subsections (i)-(v) collectively "Customer Lists") also constitute Franchisor's trade secrets and Confidential Information.

Franchisee shall inform all employees before communicating or divulging any Confidential Information to them of their obligation of confidence. In addition, subject to applicable law, Franchisee shall obtain a written agreement, in form and substance satisfactory to Franchisor, from Franchisee's employees and any other person having access to the Confidential Operations Manual or to whom Franchisee wishes to disclose any Confidential Information that they shall maintain the confidentiality of the Confidential Information and they shall recognize Franchisor as a third-party beneficiary with the independent right to

enforce the covenants either directly in Franchisor's own name as a third party beneficiary. An example of a written agreement currently considered satisfactory is the Confidentiality Agreement attached as Exhibit 4. Franchisee shall retain all executed Confidentiality Agreements with Franchisee's business records for the time period specified in the Confidential Operations Manual. Franchisee shall enforce all covenants and shall give Franchisor notice of any breach or suspected breach of which Franchisee has knowledge.

6.6 **Proprietary Marks and Patents**.

6.6.1 **Ownership**. Nothing in this Agreement assigns or grants to Franchisee any right, title or interest in or to the Proprietary Marks or Patents, it being understood that all rights relating to the Proprietary Marks and Patents are reserved by Franchisor, except for Franchisee's license to use the Proprietary Marks and Patents only as specifically and expressly provided in this Agreement. Franchisee's use of the Proprietary Marks and Patents shall inure to the benefit of Franchisor, and Franchisee shall not at any time acquire any rights in the Proprietary Marks or Patents. Franchisee shall not challenge the title or rights of Franchisor in and to the Proprietary Marks or Patents or do any act to jeopardize or diminish the value of the Proprietary Marks or Patents. All goodwill associated with the Proprietary Marks, the Patents and Franchisor's and its affiliates' copyrighted material, including any goodwill that might be deemed to have arisen through Franchisee's activities, inures directly and exclusively to the benefit of Franchisor and its affiliates. Franchisee shall execute from time to time any and all other or further necessary papers, documents, and assurances to effectuate the intent of this Section and shall fully cooperate with Franchisor and its affiliates or any other franchisee of Franchisor in securing all necessary and required consents of any state agency or legal authority to the use of any of the Proprietary Marks or Patents. Franchisor reserves the right to substitute different Proprietary Marks for use in identifying the System and the businesses operating under its System if the current Proprietary Marks no longer can be used, or if Franchisor, in its sole discretion, determines that substitution of different Proprietary Marks shall be beneficial to the System. Franchisee shall bear the cost and expense of all substitutions.

6.6.2 **Protection**. Franchisee shall promptly notify Franchisor of any infringement of, or challenge to, the Proprietary Marks or Patents, and Franchisor shall in its discretion take the action it deems appropriate. If Franchisor, in its sole discretion, determines that Franchisee has used the Proprietary Marks in accordance with this Agreement, Franchisor shall indemnify and hold Franchisee harmless from any suits, proceedings, demands, obligations, actions or claims, including costs and reasonable attorneys' fees, for any alleged infringement under federal or state trademark or patent law arising solely from Franchisee's use of the Proprietary Marks or Patent in accordance with this Agreement or as otherwise set forth by Franchisor in writing if Franchisee has promptly notified Franchisor of such claim and cooperated in the defense of any claim. If Franchisor undertakes the defense or prosecution of any litigation pertaining to any of the Proprietary Marks or Patent, Franchisee agrees to execute any and all documents and do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution.

6.6.3 **Advertising**. All advertising shall prominently display the Proprietary Marks and shall comply with any standards for use of the Proprietary Marks established by Franchisor as set forth in the Confidential Operations Manual or otherwise. All such advertising shall be subject to Franchisor's prior written approval as provided in Section 4.3.1. Franchisor reserves the right to approve all signs, stationery, business cards, forms, and other materials and supplies bearing the Proprietary Marks. Franchisee shall use the Proprietary Marks, including without limitation trade dress, color combinations, designs, symbols, and slogans, only in the manner and to the extent specifically permitted by this Agreement, the Confidential Operations Manual or by prior written consent of Franchisor. All advertising, publicity, signs, decorations, furnishings, equipment or other materials using in any way the words "redbox+" or any derivative thereof or any other Proprietary Mark shall be submitted to and approved by Franchisor prior to first publication or use.

6.6.4 **Franchisee's Name**. Franchisee agrees not to use the Proprietary Marks or any part of a Proprietary Mark in its corporate name. The corporate and all fictitious names under which Franchisee proposes to do business must be approved in writing by Franchisor before use. Franchisee shall use its corporate name either alone or followed by the initials "D/B/A" and the business name of **"**redbox+". Franchisee shall register at the office of the county in which the Franchised Business is located or such other public office as provided for by the laws of the state in which the Franchised Business is located as doing business under such assumed business name.

6.6.5 **Independent Status**. All stationery, business cards and contractual agreements into which Franchisee enters shall contain Franchisee's corporate or fictitious name and a conspicuously displayed notice that Franchisee operates the Franchised Business as an independently owned and operated franchise of Franchisor. Franchisee shall prominently display, by posting a sign within public view on or in the premises of the Franchised Business, a statement that clearly indicates that the Franchised Business is independently owned and operated by Franchisee as a System Franchise.

6.6.6 **Authorized and Unauthorized Use**. At Franchisor's direction, Franchisee shall use the Proprietary Marks in conjunction with the symbol "SM," "TM" or "®", as applicable, in order to indicate the registered or unregistered status of the Proprietary Marks. Franchisee shall not use any of the Proprietary Marks in connection with the offer or sale of any unauthorized products or services or in any other manner not explicitly authorized in writing by Franchisor.

6.6.7 **Franchisor's Use of Marks.** Franchisor may use and register the Proprietary Marks as it deems advisable in its discretion including without limitation, developing and establishing other systems using the same or similar Proprietary Marks alone or in conjunction with other marks and granting licenses and/or franchises in connection with the same or similar Proprietary Marks without providing any rights to Franchisee.

6.7 **Inspection**. During normal business hours and without prior notice, Franchisor or its representatives or agents shall have the right to observe the Franchised Business, inspect Franchisee's records, interview Franchisee's employees and customers and observe the manner in which Franchisee operates the Franchised Business. Franchisee shall allow Franchisor or its representatives or agents to make extracts from or copies of any records. Franchisee shall allow Franchisor or its representatives or agents to take photographs, videos or any electronic record of the redbox+ Business. Franchisor shall have the exclusive right to use any photograph, video, electronic record or other material prepared in connection with an inspection and to identify the Franchised Business and Franchisor shall not have any obligation to obtain authorization, or to compensate Franchisee in any manner, in connection with the use of these materials for advertising, training or other purposes.

6.8 **Changes to the System**. Franchisor may, from time to time, change the standards and specifications applicable to operation of the Franchise, including the services, products, supplies, signs, fixtures, and equipment, by written notice to Franchisee or through changes in the Confidential Operations Manual. Franchisor also may from time to time eliminate and introduce new products, services and other items. Franchisee shall cease offering such products and services discontinued by Franchisor immediately, and immediately revise any changed products and services. Franchisee shall commence offering and selling any product or service within 15 days of notification from Franchisor. Franchisee may incur an increased cost to comply with such changes, and Franchisee shall accept and implement such changes at its own expense as if they were part of the System when this Agreement was executed, including discontinuing or modifying the use of or substituting any of the Proprietary Marks; provided, however, that any such change shall not materially alter Franchisee's fundamental rights under this Agreement. The Franchisor agrees, however, that the aggregate, cumulative cost to the Franchisee of all Changes to the System throughout all of Franchisee’s territories shall not exceed $25,000 in any given year.

6.9 **Authorized Products, Services, Supplies and Equipment.**

6.9.1 Franchisee shall offer and sell all products. services, supplies, equipment and related items that Franchisor prescribes. Franchisee shall have the right to suggest new services, products, or other developments to Franchisor for use in Franchisee's and other System redbox+ businesses. Franchisee shall have no right to offer any products or services to its customers or use any new developments until Franchisor has had the opportunity to evaluate the new services, products, or developments and provide Franchisee written approval for their use and standards and specifications with respect to their use. All new services, products, or other developments, whether they be of Franchisee's, its principals’ or employees’ original design or variations of existing products, services or techniques, shall be deemed works made for hire and Franchisor shall own all rights in them. If these services, products or developments do not qualify as works made for hire, by signing this Agreement, Franchisee assigns to Franchisor ownership of any and all rights in these services, products, or developments and the goodwill associated with them. Franchisee shall receive no payment or adjustment from Franchisor in connection with any new services, products, or other developments.

6.9.2 Franchisor shall have the exclusive right in its sole discretion to vary from the authorized services and products for the Franchised Business. Complete and detailed uniformity under many varying conditions may not always be possible or practical and Franchisor reserves the right and privilege, at its sole discretion, to vary not only the products and services but other standards for any System franchisee based upon the customs or circumstances of a particular site or location, density of population, business potential, population of trade area, existing business practices, or any condition which Franchisor deems to be of importance to the operation of that franchisee's business.

6.9.3 Franchisee shall obtain and at all times use equipment and supplies as Franchisor specifies, and only such equipment and supplies. Prior to opening the Franchised Business, Franchisee shall obtain such equipment and supplies as Franchisor specifies. As an item of equipment may become obsolete or inoperable, Franchisee shall replace the item with the types and kinds of equipment then being used in new redbox+ businesses at the time of replacement.

6.9.4 Franchisee acknowledges that Franchisor reserves the right to develop a point of sale (POS) system and a backroom computer system for use in connection with the System. Franchisee shall acquire computer hardware equipment, software, telecommunications infrastructure products and credit card processing equipment and support services as Franchisor reasonably requires in connection with the operation of the Franchised Business and all additions, substitutions and upgrades Franchisor shall specify. Franchisee's computer system must be able to send and receive email and attachments on the Internet and provide access to the World Wide Web and otherwise support Franchisor's then-current information technology system. Franchisor shall have the right to access information related to operation of the Franchised Business, from a remote location, without the need for consent, at such times and in such manner as Franchisor shall require, in its sole discretion.

6.10 **Inventory.**

6.10.1 Prior to commencement of operation of the Franchised Business and throughout the term of this Agreement, Franchisee shall have in stock at least a minimum inventory of roll-off containers/ portable toilets and other inventory and supplies in the amount set forth in this Agreement or the Confidential Operations Manual. This inventory may be purchased from or through Franchisor, its affiliate or an approved supplier other than Franchisor or its affiliate as provided in Section 6.2. Franchisee shall at all times maintain on hand a selection of inventory sufficient to satisfy, in Franchisor's judgment, the reasonable demand of Franchisee's customers. Franchisee specifically agrees to maintain certain inventory as specified by Franchisor from time to time. Franchisee acknowledges and agrees that Franchisor and other suppliers may require Franchisee to pay cash on delivery (C.O.D.) for purchases of inventory and shipping and that inventory may be shipped F.O.B. point of origination, and Franchisee shall comply with such requirements. Payment for all goods and services which Franchisee purchases from Franchisor shall be due and payable in accordance with Franchisor's then-current policy.

6.10.2 If at any time during the term of this Agreement or any renewal hereof, Franchisor and/or its affiliate develop private label items for use by System franchisees, Franchisee may be required to offer and sell such private label items. Franchisee may be required to purchase the private label items from Franchisor or its affiliate or a limited number of suppliers approved by Franchisor. If Franchisee elects to carry the private label items, Franchisee shall maintain sufficient inventory of the private label items to meet, in Franchisor's judgment, consumer demand for the items.

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

6.12 **Pricing.** Franchisor may exercise rights with respect to the pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which Franchisee may charge customers for the products and/or services offered and sold by the Franchised Business; recommending retail prices; advertising specific retail prices for some or all products or services sold by the Franchised Business, which

prices Franchisee will be compelled to observe; engaging in marketing, promotional and related campaigns which Franchisee must participate in and which may directly or indirectly impact Franchisee's retail prices (such as "buy one, get one free"); and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which the Franchised Business may charge the public for the products and services it offers. Franchisor may engage in any such activity either periodically or throughout the term of this Agreement. Further, Franchisor may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. Franchisee acknowledges and agrees that any maximum, minimum or other prices Franchisor prescribes or suggests may or may not optimize the revenues or profitability of the Franchised Business and Franchisee irrevocably waives any and all claims arising from or related to Franchisor's prescription or suggestion of the Franchised Business's retail prices.

6.13 **Pending Actions**. Franchisee shall notify Franchisor, in writing, within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, suit or proceeding of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of Franchisee or the Franchised Business.

6.14 **Management.** Franchisee acknowledges that proper management of the Franchised Business is extremely important. Franchisee is responsible for the management, direction and control of the Franchised Business. If Franchisee is an entity, Franchisee must appoint and maintain throughout the Term an Operating Principal (the "Operating Principal"), who must be an equity owner of Franchisee. The Operating Principal is identified on Exhibit 2 to this Agreement. The Operating Principal shall have the authority to bind Franchisee in all operational decisions regarding the Franchised Business. Franchisor shall have the right to rely on any statement, agreement or representation made by the Operating Principal. If the Operating Principal is not involved in the Franchised Business' day-to-day operation, the Franchised Business must be under the supervision of a general manager, who reports to the Operating Principal. If the manager has not been determined, Franchisee shall notify Franchisor of the identity of the manager as soon as determined. The Franchised Business shall be under the supervision of the Operating Principal or a general manager at all times. The manager must have successfully completed Franchisor's training requirements. Franchisee, Operating Principal and general manager shall not engage in or be connected with any other business or activity that interferes with the Franchised Business.

7 ACKNOWLEDGMENTS OF FRANCHISEE.

7.1 **Independent Contractor Status.** Franchisee understands and agrees that Franchisee is and will be Franchisor's independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of Franchisee's employees will be considered to be Franchisor's employees. Neither Franchisee nor any of Franchisee's employees whose compensation Franchisee pay may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify certain of Franchisee's employees for qualification to perform certain functions for Franchisee's redbox+ Business does not directly or indirectly vest in Franchisor the power to hire, fire or control any such employee.

Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee alone will exercise day-to-day control over all operations, activities and elements of Franchisee's redbox+ Business and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in Franchisor's Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of Franchisee's redbox+ Business, which Franchisee alone controls, but only constitutes standards Franchisee must adhere to when exercising Franchisee's control of the day-to-day operations of Franchisee's redbox+ Business.

Franchisee may not, without Franchisor's prior written approval, have any power to obligate Franchisor for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, Franchisor may not control or have access to Franchisee's funds or the expenditure of Franchisee's funds or in any other way exercise dominion or control over Franchisee's redbox+ Business. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between Franchisor and Franchisee is other than that of franchisor and franchisee. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Franchisee which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Franchisee's operation of the redbox+ Business.

7.2 **Sole and Exclusive Employer of Franchisee's Employees.** Franchisee hereby irrevocably affirms, attests and covenants Franchisee's understanding that Franchisee's employees are employed exclusively by Franchisee and in no fashion are any such employee employed, jointly employed or co-employed by Franchisor. Franchisee further affirms and attests that each of Franchisee's employees is under the exclusive dominion and control of Franchisee and never under the direct or indirect control of Franchisor in any fashion whatsoever. Franchisee alone hires each of Franchisee's employees; sets their schedules; establishes their compensation rates; and, pays all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/ /unemployment insurance premiums). Franchisee alone has the ability to discipline or terminate Franchisee's employees to the exclusion of Franchisor, which has no such authority or ability. Franchisee further attests and affirms that any minimum staffing requirements established by Franchisor are solely for the purpose of ensuring that Franchisee's redbox+ Business is at all times staffed at those levels necessary to operate Franchisee's redbox+ Business in conformity with the System and the products, services, standards of quality and efficiency, and other redbox+ brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. Franchisee affirms, warrants and understands that Franchisee may staff Franchisee's redbox+ Business with as many employees as Franchisee desires at any time so long as Franchisor's minimal staffing levels are achieved. Franchisee also affirms and attests that any recommendations Franchisee may receive from Franchisor regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist it to efficiently operate Franchisee's redbox+ Business, and that Franchisee is entirely free to disregard Franchisor's recommendations regarding such employee compensation. Moreover, Franchisee affirms and attests that any training provided by Franchisor for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems and operations of a redbox+ Business and in no fashion reflects any employment relationship between Franchisor and such employees. Finally, should it ever be asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agree to assist Franchisor in defending said allegation, including (if necessary) appearing at any venue requested by Franchisor to testify on Franchisor's behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees). To the extent Franchisor is the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of Franchisee, should any such appearance by Franchisee be required or requested by Franchisor, Franchisor will recompense Franchisee the reasonable costs associated with Franchisee's appearing at any such venue.

7.3 **Indemnification**. Franchisee shall defend, indemnify and hold Franchisor and its affiliates, and their respective officers, directors, managers, members, partners, shareholders, independent contractors and employees (the "Indemnified Parties") harmless from all fines, suits, proceedings, claims, demands, liabilities, injuries, damages, expenses, obligations or actions of any kind (including costs and reasonable attorneys' fees) arising in whole or in part from Franchisee's ownership, operation or occupation of the Franchised Business, performance or breach of its obligations under this Agreement, breach of any warranty or representation in this Agreement or from the acts or omissions of Franchisee, its employees or agents, including its advertising, of the Franchised Business, except as otherwise provided in this Agreement. Franchisor and any Indemnified Party shall promptly give Franchisee written notice of any claim for indemnification under this Section 7.3. Any failure to give the notice shall not relieve Franchisee of any

liability under this Agreement except to the extent the failure or delay causes actual material prejudice. Franchisor shall have the right to control all litigation and defend and/or settle any claim against Franchisor or other Indemnified Parties affecting Franchisor's interests, in any manner Franchisor deems appropriate. Franchisor may also retain its own counsel to represent Franchisor or other Indemnified Parties and Franchisee shall advance or reimburse Franchisor's costs. Franchisor's exercise of this control over the litigation shall not affect its rights to indemnification under this Section 7.3. Franchisee may not consent to the entry of judgment with respect to, or otherwise settle, an indemnified claim without the prior written consent of the applicable Indemnified Parties. Franchisor and the other Indemnified Parties do not have to seek recovery from third parties or otherwise attempt to mitigate losses to maintain a claim to indemnification under this Section 7.3. The provisions of this Section 7.3 shall survive the termination or expiration of this Agreement.

7.4 **Noncompetition**.

7.4.1 **During the Term of This Agreement.** During the term of this Agreement, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself, himself or herself (as the case may be) or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any other residential, industrial, or commercial business which offers waste hauling services, roll-off containers, dumpsters, and/or portable toilet rental services, or any other business providing waste removal, hauling, or waste management services, in whole or in part (a "Competing Business"). However, this Section shall not apply to Franchisee's operation of any other redbox+ Business being operated pursuant to a current franchise agreement.

During the term of this Agreement, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself, himself or herself (as the case may be), or through, on behalf of, or in conjunction with any other person, partnership or corporation, solicit business from customers of the Franchised Business for any other business purpose.

During the term of this Agreement, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself, himself or herself (as the case may be), or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any business that is a Competing Business, in whole, or in part, with Franchisor.

7.4.2 **After the Term of This Agreement.** For a period of 2 years (or the maximum period allowed by law, if shorter) after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself, himself, or herself (as the case may be) or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any Competing Business or any business residential, industrial, or commercial business which offers waste hauling services, roll-off containers, dumpsters, and/or portable toilet rental services, or any other business providing waste removal, hauling, or waste management services, in whole or in part within a radius of 50 miles (or the maximum area allowed by law) as the crow flies of the Territory, or any other redbox+ Business's territories as of the date of expiration and nonrenewal, transfer or termination of this Agreement; provided, however, Franchisee may continue to operate any other System redbox+ Business for which Franchisee and Franchisor have a current franchise agreement.

For a period of 2 years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, partnership or corporation solicit business from customers of Franchisee's former redbox+ Business for any competitive business purpose nor solicit any employee of Franchisor or any other System franchisee to discontinue his employment.

For a period of 2 years after the expiration and nonrenewal, transfer or termination of this Agreement, regardless of the cause, neither Franchisee, its equity owners nor any member of the immediate family of Franchisee or its equity owners shall, directly or indirectly, for itself or through, on behalf

of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any company which grants franchises or licenses for any business that is a Competing Business..

7.4.3 **Intent and Enforcement**. It is the intent of the parties that the provisions of this Section 7.4 shall, to the fullest extent permissible under applicable law, be judicially enforced. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time, but would be enforceable if modified, Franchisor and Franchisee agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the validity of the covenant. Accordingly, any reduction in scope or modification of any part of the noncompetition provisions contained in this Agreement shall not render any other part unenforceable. In the event of the actual or threatened breach of this Section 7.4 by Franchisee, any of its equity owners or any member of the immediate family of Franchisee, Franchisor shall be entitled to an injunction restraining such person from any such actual or threatened breach. In the event of the actual or threatened breach of this Section 7.4, Franchisor's harm shall be irreparable, and Franchisor shall have no adequate remedy at law to prevent the harm. Franchisee acknowledges and agrees on its own behalf and on behalf of the persons who are liable under Section 7.4.2 that each has previously worked or been gainfully employed in other fields and that the provisions of Section 7.4.2 in no way prevents any of these persons from earning a living. Franchisee further acknowledges and agrees that the time period related to the provisions of Section 7.4.2 shall be tolled during any default of this Agreement.

7.4.4 **Employees.** Franchisee shall require its officers, directors, equity owners, employees and members of the immediate family of Franchisee, its officers, directors and equity owners to execute a confidentiality agreement containing provisions similar to those set forth in this Agreement and set forth in the Confidentiality Agreement attached as Exhibit 4.

7.4.5 **Publicly-Owned Entity**. This Section 7.4 shall not apply to any ownership by Franchisee or any other person subject to Section 7.4 of a beneficial interest of less than 5% in the outstanding securities or partnership interests in any publicly-held entity.

7.5 **Telephone**. Franchisee shall obtain at its own expense a new telephone number and listing, to be listed under the Franchised Business name and not under Franchisee's corporate, partnership, or individual name, to be used exclusively in connection with Franchisee's operation of the Franchised Business. Upon the expiration and nonrenewal, transfer or termination of this Agreement for any reason, Franchisee shall terminate its use of such telephone number and listing and assign same to Franchisor or its designee. The Franchised Business shall be serviced by a suitable telephone system approved by Franchisor. Franchisee shall answer the telephone in the manner set forth by Franchisor in the Confidential Operations Manual. Franchisee will pay to Franchisor a monthly fee of $8.80, to cover the cost of providing two website business telephone numbers, which is subject to change at anytime during the Term and Franchisor reserves the right to increase this fee upon notice to Franchisee.

7.6 **Insurance**. At all times during the term of this Agreement and at its own expense, Franchisee shall obtain and keep in force at a minimum the insurance required by Franchisor in the Confidential Operations Manual or otherwise. The mandatory insurance shall include: (i) comprehensive general liability insurance covering property damage, with limits of coverage of not less than $1,000,000 single limit coverage for personal injury, $2,000,000 in the aggregate, $2,000,000 for products liability ; (ii) workers' compensation insurance as required by the laws of the state in which the Franchised Business is operated and employer's liability insurance with a limit per claim of not less than $500,000; and (iii) automobile liability coverage, including coverage of owned, non-owned, and hired vehicles, with minimum limits of liability at the greater of (a) the amount required by all applicable state and federal laws; (b) $1,000,000 for each person killed or injured; and, subject to that limit for each person, a total minimum liability of $2,000,000 for any number of persons injured or killed in one accident, and a minimum limit of $1,000,000 for injury, and destruction or loss of use of property of third persons, as the result of any one accident; and (c) $1,000,000 uninsured motorist coverage. Franchisee's automobile liability coverage must also contain a CA9948 Endorsement for waste spillage on roadways. Franchisee is also required to maintain (iv) umbrella insurance with a minimum limit of $1,000,000, and (v) contractor's pollution liability insurance covering property spillage issues, with limits of coverage of not less than $1,000,000 single limit coverage and

$2,000,000 in the aggregate. All insurance providers must have a Best's Insurance Guide minimum rating of A-VI or better.

All insurance policies shall contain a separate endorsement naming Franchisor, its officers, directors, managers, members, limited partners, general partners, shareholders, independent contractors and employees as additional insureds, and shall expressly provide that any interest of an additional insured shall not be affected by Franchisee's breach of any policy provisions or any negligence on the part of an additional insured. All policies shall also include a waiver of subrogation in favor of the additional insureds. All policies shall be written by an insurance carrier accepted in writing by Franchisor. Franchisor's acceptance of an insurance carrier does not constitute Franchisor's representation or guarantee that the insurance carrier shall remain a going concern or capable of meeting claim demands during the term of the insurance policy. No insurance policy shall be subject to cancellation, termination, nonrenewal or material modification, except upon at least 30 days' prior written notice from the insurance carrier to Franchisor. Upon Franchisor's request, Franchisee shall provide Franchisor with a currently issued certificate of insurance evidencing coverage in conformity with the provisions of this Section. If Franchisee fails to comply with at least the minimum insurance requirements set forth by Franchisor, Franchisor may obtain the insurance and keep the insurance in force and effect and Franchisee shall pay Franchisor, on demand, the cost of the premium cost and the administrative costs to Franchisor in connection with obtaining the insurance. Franchisor may increase or otherwise modify the minimum insurance requirements upon 30 days' prior written notice to Franchisee, and Franchisee shall comply with any such modification. Franchisee's obligation to obtain the required policies in the amounts specified is not limited in any way by any insurance Franchisor maintains. Franchisee's obligation to maintain the insurance does not relieve Franchisee of any liability under the indemnity provisions of Section 7.2. Franchisee shall also be required to obtain additional insurance coverage as required by any state, municipality or other regulatory agency.

7.7 **Publicity**. Franchisee shall permit Franchisor or its designee, at Franchisor's expense, to observe the Franchised Business for purposes of taking photographs, slides, drawings, or other such images ("pictures") of the Franchised Business. Franchisee agrees that Franchisor may use the pictures for publicity and other legal purposes without any remuneration to Franchisee in connection with the use of the pictures.

7.8 **Distribution**. Franchisor or its affiliates may distribute products identified by the Proprietary Marks or other marks owned or licensed by Franchisor or its affiliates through any distribution method which periodically may be established or licensed by Franchisor or its affiliates and may franchise or license others to do so, except as otherwise set forth in this Agreement.

8 SALE OR TRANSFER

8.1 **BY US**. This Agreement is fully transferable by us and will inure to the benefit of any transferee or other legal successor to our interests herein.

8.2 **BY YOU**. Franchisee acknowledges and agrees that the rights and duties this Agreement creates are personal to Franchisee (or to its owners if Franchisee is an entity) and that Franchisor has entered into this Agreement with Franchisee based upon its perceptions of Franchisee (or its owners) individual or collective character, skill aptitude, attitude, business ability and financial capacity. Thus, you cannot transfer this Agreement. "Transfer" shall mean any voluntary, involuntary, direct, or indirect, in whole or in part, assignment, sale, gift, encumbrance, lease, merger, bequest, change in control, or other disposition of 1) this Agreement or any rights thereunder 2) the Franchised Business or its assets, 3) any part of your ownership interest in the assets of the Franchised Business, including but not limited to, customer lists, customer contracts and any other customer information of the Franchised Business, 4) any part of your the equity/ownership interest in the Franchisee entity, or 5) a grant of an option, warrant or right to acquire an equity or ownership interest, including but not limited to by divorce, insolvency, probate or intestate succession, trust, or other operation of law. All Transfers require our prior written approval and are subject to the conditions below. Any such Transfer without our prior written approval, will be void and will constitute a breach of this Agreement. We will not, however, unreasonably withhold our approval provided that the conditions specified below are met, which we will determine in our sole discretion..

8.3 **Death or Disability.** In the event of the death, disability or incapacity of any individual Franchisee or officer or director or member of an incorporated Franchisee or limited liability company or partner of a partnership Franchisee, should the decedent's or disabled or incapacitated person's executor, heir or legal representative, or the business entity, as the case may be, wish to continue as Franchisee under this Agreement, such person shall apply for Franchisor's consent, execute the then-current franchise agreement, and complete the training program to Franchisor's satisfaction, as applicable, as in any other case of a proposed transfer of Franchisee's interest in this Agreement. Such assignment by operation of law shall not be deemed in violation of this Agreement, provided the heirs or legatees or business entity meet the conditions imposed by this Agreement and are acceptable to Franchisor.

If Franchisee is a business entity, this Agreement shall continue in effect upon the death of the largest equity owner, provided that the active management of the business entity shall remain stable and reasonably satisfactory to Franchisor in its sole discretion. Franchisee's executor, heir or legal representative shall have 180 days from the date of death, disability or incapacity to execute Franchisor's then-current franchise agreement or transfer the franchise rights and business upon the terms and conditions set forth in this Agreement (except that the term shall be the balance of Franchisee's term). At the conclusion of the balance of the term, the new franchisee may exercise any or all of the then applicable renewal rights.

In the event of Franchisee's death, disability or other condition, in order to prevent an interruption in the operation of the Franchise Business which would cause harm to the Franchise Business and thereby depreciate its value, Franchisor may, at its election, operate the Franchised Business for so long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement if, in the sole judgment of Franchisor, Franchisor deems Franchisee (or its representative) incapable of operating the Franchise Business.

Franchisor shall keep in a separate account for the benefit of Franchisee all moneys generated by the operation of Franchisee's business, less all expenses of the Franchised Business, plus compensation for Franchisor's representatives' efforts in an amount equal to 20% of the Gross Sales of the Franchised Business. In the event of the temporary operation of the Franchised Business by Franchisor, Franchisee agrees to hold harmless Franchisor and Franchisor's representatives for all actions occurring during the course of the temporary operation. Franchisor shall not, by exercising its management rights hereunder, assume any of the liabilities of Franchisee.

8.4 **Ownership Changes.** A sale, transfer or assignment requiring the prior written consent of Franchisor shall be deemed to occur: (i) if Franchisee is a corporation or limited liability company, upon any assignment, sale, pledge or transfer of 20% or more of the voting stock or membership interests of Franchisee, any increase in the number of outstanding shares of voting stock or membership interests of Franchisee which results in a change of ownership of 20% or more of its total voting stock or membership interests, or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the voting stock or membership interests of Franchisee; or (ii) if Franchisee is a partnership, upon the assignment, sale, pledge or transfer of 20% or more of any partnership ownership interest or any series of assignments, sales, pledges or transfers totaling in the aggregate 20% or more of the partnership ownership interest. Franchisee shall notify Franchisor of any change in stock ownership, membership interests or partnership ownership interests in Franchisee while this Agreement is in effect which shall result in a sale, transfer or assignment within the meaning of this Section. A transfer to an existing partner, shareholder or member, or a transfer as a result of the death, disability or incapacity of a partner, shareholder or member in accordance with Section 8.2, or a transfer to an inter vivos trust where the transferring Franchisee, partner, shareholder or member is the only grantor beneficiary other than a spouse, shall not be a violation of this Agreement or a ground for termination; any such ownership change shall not be subject to Franchisor's right of first refusal under Section 8.3.

Right of First Refusal. If Franchisee or its equity owners propose to transfer or assign 20% or more of Franchisee's interest in this Agreement or in the business conducted under this Agreement or in Franchisee if Franchisee is a business entity, to any third party (other than a business entity as set forth in Section 8.4 and except as otherwise set forth in Section 8.3) in connection with a bona fide offer from such third party, Franchisee or its equity owners shall first offer to sell to Franchisor, Franchisee's or its equity owners' offered interest. Franchisee or its equity owner shall obtain from the third-party offeror an earnest money deposit (of at least 15% of the offering price) and deliver to Franchisor a statement in writing, signed by the offeror and by

Franchisee, of the terms of the offer. In the event of Franchisee's insolvency or the filing of any petition by or against Franchisee under any provisions of any bankruptcy or insolvency law, an amount and terms of purchase shall be established by an appraiser chosen by the bankruptcy court or by the chief judge of the federal district court of Franchisee's district and Franchisee or Franchisee's legal representative shall deliver to Franchisor a statement in writing incorporating the appraiser's report. Franchisor shall then have 45 days from its receipt of either statement to accept the offer by delivering written notice of acceptance by Franchisor or its nominee to Franchisee or its equity owner. The acceptance shall be on the same terms as stated in the statement delivered to Franchisor; provided, however, Franchisor or its nominee shall have the right to substitute equivalent cash for any noncash consideration included in the offer. If the parties cannot agree within a reasonable time on the equivalent cash for any noncash consideration, Franchisor shall designate an independent appraiser and the appraiser's determination shall be binding. If Franchisor or its nominee elects not to accept the offer within the 45-day period, Franchisee or its equity owner shall be free for 90 days after such period to complete the transfer described in the statement delivered to Franchisor, but only with the prior written consent of Franchisor and subject to the conditions for approval set forth in Section 8.3.1. Franchisee and its equity owners shall affect no other sale or transfer of this Agreement or Franchisee's interest in this Agreement or the business conducted under this Agreement or the interest in Franchisee, without first offering or reoffering the same to Franchisor in accordance with this Section 8. If in Franchisor's opinion there is a material change in the terms of the offer, the offer shall be deemed a new proposal and Franchisee, or its equity owner shall be required to grant Franchisor or its nominee a right of first refusal with respect to such offer.

8.4.1 **Conditions for Approval.** Franchisor may condition its approval of any proposed Transfer of the Franchised Business upon satisfaction of the following requirements:

8.4.1.1 You are in full compliance with this Agreement and all other agreements between you and us, our affiliates, or our designated/approved suppliers and vendors, and your accrued monetary obligations to Franchisor, its affiliates and any designated/approved supplier or vendor for the Franchised Business have been satisfied;

8.4.1.2 All existing defaults under the Franchise Agreement have been cured within the period permitted for cure;

8.4.1.3 Franchisee, your principals, and the transferee (if we have a prior relationship with the transferee) have executed a general release under seal, in a form satisfactory to Franchisor of any and all claims against Franchisor and its affiliates and their officers, directors, partners, shareholders, agents, employees, attorneys and accountants in their corporate and individual capacities; provided, however, the release shall not release any liability specifically provided for by any applicable state statute regulating franchising (such requirement to sign a general release is subject to change in our sole discretion);

8.4.1.4 Franchisor has approved the material terms and conditions of the transfer, the form purchase and sale agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of and agreement to discharge all of Franchisee's obligations under this Agreement;

8.4.1.5 The transferee has demonstrated to Franchisor's satisfaction that it meets Franchisor's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business to be transferred; and has adequate financial resources and capital to meet the performance obligations of this Agreement; however, transferee shall not (directly or indirectly) be in a Competing Business, except that the transferee may be an existing franchisee of Franchisor;

8.4.1.6 The transferee has executed Franchisor's then-current Franchise Agreement, the terms of which may materially differ from the terms of this Agreement, for the remainder of the term of this Agreement;

8.4.1.7 Franchisee or transferee has paid Franchisor a transfer fee equal to the greater of (i) 20% of the then current initial franchise fee or (ii) $10,000. If Franchisor is not offering

franchises at the time of the transaction, the fee shall be $10,000 plus Franchisor's actual costs. If Franchisee authorizes Franchisor to enlist a third-party broker to locate the transferee, Franchisee will also pay to Franchisor a broker fee, which currently is ten percent (10%) of the sale price of the Franchised Business and is due upon the closing.;

8.4.1.8 The transferee and its manager shall complete Franchisor's training program to Franchisor's satisfaction at the transferee's own expense within the time frame set forth by Franchisor; and

8.4.1.9 Franchisee acknowledges and agrees that the post-termination provisions of this Agreement including, without limitation, the noncompetition provisions, shall survive the transfer of the Franchise.

8.5 **Transfer to a Corporation or Limited Liability Company.** If Franchisee is one or more individuals or a partnership, Franchisee may assign its rights under this Agreement to a corporation or limited liability company for convenience of ownership, provided:

8.5.1 The corporation or limited liability corporation is newly organized and its activities are confined to operating the franchise business;

8.5.2 Franchisee is, and at all times remains, the owner of at least 51% of the outstanding shares of the corporation or owns a controlling interest in the limited liability company;

8.5.3 The corporation or limited liability company agrees in writing to assume all of Franchisee's obligations under this Agreement;

8.5.4 Each stock certificate of the corporate franchisee shall have conspicuously endorsed upon its face a statement, in a form satisfactory to Franchisor, that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; the operating agreement of any limited liability company and any membership certificates shall contain a similar limitation; and Franchisee is not required to pay Franchisor a transfer fee with respect to a transfer in accordance with this Section 8.4. However, Franchisee shall pay Franchisor's expenses in connection with a transfer under this Section 8.4 if Franchisee has not completed the transfer.

8.6 **Effect of Consent to Transfer**. Franchisor may review all information regarding the Franchised Business that Franchisee gives the proposed transferee, correct any information that Franchisor believes is inaccurate and provide the proposed transferee with copies of any reports Franchisor has made regarding the Franchised Business. However, Franchisor's consent to a transfer of this Agreement, the Franchised Business, or any interest in Franchisee or its owners, is not a representation of the fairness of the terms of any contract between Franchisee and the transferee, a guarantee of the Franchised Business or transferee's prospects of success, or a waiver of any claims Franchisor may have against Franchisee (or its owners) or Franchisor's right to demand full compliance by Franchisee and transferee with this Agreement.

8.7 **Securities**. If Franchisee is a corporation, it shall maintain stop transfer instructions against the transfer on its records of any securities with voting rights subject to the restrictions of this Section 8 and shall issue no such securities upon the face of which the following printed legend does not legibly and conspicuously appear:

> The transfer of this stock is subject to the terms and conditions of a Franchise Agreement between Franchisor and the corporation dated _____, 20____. Reference is made to the Franchise Agreement and to the Articles of Incorporation and Bylaws of this corporation.

8.8 **Transfer by Franchisor**. Franchisor may sell, transfer, assign and/or encumber all or any part of its interest in itself or the Franchise Agreement.

9 BREACH AND TERMINATION

9.1 **Automatic Termination**. This Agreement will automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following:

9.1.1 **Voluntary Bankruptcy**. If Franchisee or any of its principals (if Franchisee is a corporation, partnership or limited liability company) makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesce in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for Franchisee or the Franchised Business.

9.1.2 **Involuntary Bankruptcy**. If proceedings are commenced to have Franchisee or any of its principals adjudicated bankrupt or to seek Franchisee's reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for Franchisee or the Franchised Business without Franchisee's consent, and the appointment is not vacated within 60 days.

9.1.3 **Unauthorized Transfer**. Franchisee purports to sell, transfer or otherwise dispose of any entity Franchisee creates to operate the Franchised Store or any interest in the Franchised Business in violation of Article 8 hereof.

9.2 **Termination with Notice and Without Opportunity to Cure**. Franchisor has the right to terminate this Agreement upon notice without providing Franchisee with an opportunity to cure for any of the following breaches or defaults:

9.2.1 Criminal Acts. If Franchisee or any of Franchisee's principals are convicted of or plead guilty or no contest to a felony or take part in any criminal misconduct relevant to the operation of the Franchised Business.

9.2.2 Fraud. If Franchisee or any of its principals commit any fraud or misrepresentation in the operation of the Franchised Business.

9.2.3 Misrepresentation. If Franchisee or any of its principals make any misrepresentation or omission in connection with the franchise application, including but not limited to any financial misrepresentation.

9.2.4 Failure to Complete Training. If Franchisee fails to complete initial training set forth in Section 5.1.1 to Franchisor's satisfaction.

9.2.5 Repeated Breaches. If Franchisor sends Franchisee 3 or more written notices to cure pursuant to Sections 9.3 and/or 9.4 hereof in any 12-month period.

9.2.6 Breach of Other Agreements. If Franchisee or any of its principals materially breach any other agreement with Franchisor or any of Franchisor's affiliates and fails to cure such breach within any permitted period for cure.

9.2.7 Misuse of the Proprietary Marks or Confidential Information. If Franchisee or any of Franchisee's principals materially violate any provisions hereof pertaining to the Proprietary Marks or Confidential Information or misuse the Proprietary Marks or Confidential Information.

9.2.8 Violation of Laws and Regulations. If Franchisee violates any health, safety or sanitation law, ordinance or regulation or operate the Franchised Business in a manner that presents a health or safety hazard to customers, or the general public.

9.2.9 Violation of In-term Restrictive Covenant. If Franchisee or any of its principals violate the in term restrictive covenant set forth in Section 7.4.1.

9.2.10 Liens. If a levy of writ of attachment or execution, or any other lien, is placed against Franchisee, any partnership, limited liability company, or corporation Franchisee creates to operate the

Franchised Business, or any of Franchisee's principals or any of their assets which is not released or bonded against within 30 days.

9.2.11 Insolvency. If Franchisee or any of its principals guarantying Franchisee's obligations under this Agreement become insolvent.

9.2.12 Abandonment. If Franchisee voluntarily or otherwise abandon the Franchised Business. The term "abandon" includes any conduct which indicates a desire or intent to discontinue operating the Franchised Business in accordance with the terms of this Agreement and will apply in any event if Franchisee fails to operate the Franchised Business as a redbox+® System business for a period of 5 or more consecutive days without Franchisor's prior written approval.

9.2.13 Proprietary Software. Franchisee misuses or makes unauthorized use of any Proprietary Software Franchisor develops for use in connection with the System.

9.2.14 Insurance. Franchisee fails to maintain insurance or repay Franchisor for insurance paid for by it, or otherwise fail to adhere to the requirements of Section 7.6.

9.2.15 Government Regulations. Franchisee fails, within 15 calendar days after notification of non-compliance by federal, state or local government authorities to comply with any law or regulation applicable to the Franchised Business.

9.2.16 Government Actions. Any government action is taken against Franchisee that results in any obligation upon Franchisor which in Franchisor's sole judgment is uneconomical, not in the best interests of Franchisor, or would result in Franchisor having an unintended relationship or obligation.

9.2.17 Anti-Terrorist Activities. Franchisee fails to comply with the provisions of Section 13.6 below.

9.2.18 Personal Use of Store Property. If Franchisee takes employee taxes, FICA, insurance revenue or benefits, or any other assets of the Franchised Business for personal use.

9.2.19 Insufficient Funds. If there are insufficient funds in Franchisee's bank account to cover a check or EFT payment to Franchisor 3 or more times within any 12-month period.

9.2.20 Under-reporting of Gross Sales. If any audit reveals that Franchisee has understated its Gross Sales by more than 2% or failed to meet Franchisor's required advertising expenditures, or if Franchisee has failed to submit timely monthly summaries or financial reports for any 2 reporting periods within any 12-month period, as described in Sections 4.2 and 4.6.

9.3. **Termination With 15 Days' Notice and Opportunity to Cure**. Franchisor has the right to terminate this Agreement if Franchisee fails to cure any of the following defaults within fifteen (15) days after receiving written notice from Franchisor:

9.3.1 Nonpayment. If Franchisee fails to pay as and when due any sums owed to Franchisor, any of its affiliates, or any of Franchisor's system suppliers or vendors.

9.3.2 Endorsement of Checks. Franchisee fails to immediately endorse and deliver to Franchisor any payments due to Franchisor from any third parties that are erroneously made to Franchisee.

9.3.3 Failure to Maintain Sufficient Inventory Level. If Franchisee fails to maintain inventory in such amounts designated by Franchisor, at cost, or otherwise fail to maintain sufficient levels of inventory to meet consumer demand.

9.3.4 Failure to Open. If Franchisee fail to commence operations of the Franchised Business within 270 days from the date Franchisee execute this Agreement.

9.3.5 Interruption of Service. If Franchisee fails to maintain the prescribed months, days or hours of operation.

9.3.6 Failure to Supervise Operations or Employ Adequate Personnel. If the Franchised Business is not under the direct supervision of Franchisee or an Operating Principal or Franchisee fails to employ a sufficient number of qualified, competent personnel as Franchisor requires from time to time.

9.3.7 Quality Control. If Franchisee fails to maintain the strict quality controls reasonably required by this Agreement and/or the Operations Manual.

9.3.8 Other Conduct Reflecting Adversely on System. Franchisee or any of its principals conducts themselves or operates the Franchised Business in a manner that, although not criminal, reflects adversely on the System, the Proprietary Marks, or the products offered through the System.

9.3.9 Licenses and Permits. Franchisee fails to procure or maintain any licenses, certifications, or permits necessary for the operation of the Franchised Business.

9.3.10 Banking Changes. Franchisee fails to notify Franchisor of any change in its banking relationships, including changes to Franchisee's banking institutions or account numbers, or if Franchisee siphons any portion of the Gross Sales of the Franchised Business into a bank account not approved of by Franchisor or which is not accessible to Franchisor via EFT.

9.3.11 Unauthorized Products or Services. If Franchisee offers any unauthorized or discontinued products or services at or from the Franchised Business.

9.3.12 Unapproved Purchases. Franchisee orders or purchase supplies, signs, equipment or inventory from an unapproved supplier.

9.4 **Termination Upon 30 Days' Notice to Cure**. Franchisor has the right to terminate this Agreement if Franchisee fails to perform or comply with any one or more of the terms or conditions of this Agreement, the Operations Manual, or any other agreements between Franchisee and Franchisor or Franchisor's affiliates, and Franchisee fails to cure such default within 30 days after receiving written notice from Franchisor.

9.5 **Nonwaiver.** Franchisor's delay in exercising or failure to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due under this Agreement or any other agreement between Franchisor and Franchisee or Franchisor's consent to a transfer of any interest in Franchisee shall not constitute a waiver of any of Franchisor's rights or remedies against Franchisee.

9.6 **Liquidated Damages.** If this Agreement is terminated pursuant to this Section 9, then Franchisee shall pay to Franchisor, within thirty (30) days following the date of such terminated, as liquidated damages, because actual damages incurred by Franchisor will be difficult or impossible to ascertain, and not as a penalty, an amount equal to the sum of the Royalty fees owed during the immediately preceding 36 full calendar months (or such shorter period as equals the unexpired Term at the date of termination, without regard to any express right to terminate prior to the expiration of the Term); provided, however, if the redbox+ Business has been open for fewer than 36 months, then the average monthly Royally fees owed since the date the redbox+ Business opened multiplied by 36, plus any applicable taxes assessed on such payment.

10 RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION

10.1 **Franchisee's Obligations.** Upon termination of this Agreement by either Franchisor or Franchisee, regardless of the cause, and upon expiration and nonrenewal or transfer of this Agreement, Franchisee shall:

10.1.1 Immediately cease all operations of the Franchised Business;

10.1.2 Immediately pay to Franchisor all unpaid fees and pay Franchisor, its affiliates and any supplier for the Franchised Business all other monies owed them;

10.1.3 Immediately discontinue the use of the Proprietary Marks and Patents;

10.1.4 Immediately return the Confidential Operations Manual to Franchisor and all other manuals and Confidential Information loaned to Franchisee by Franchisor (including without limitation all

customer information contained in computer databases or otherwise) and immediately cease to use the Confidential Information;

10.1.5 Immediately cease using all telephone numbers and listings used in connection with the operation of the Franchised Business and direct the telephone company to transfer all such numbers and listings to Franchisor or its designee or, if Franchisor so directs, to disconnect the numbers;

10.1.6 Promptly surrender all stationery, printed matter, signs, advertising materials and other items containing the Proprietary Marks as directed by Franchisor and all items which are a part of the trade dress of the System;

10.1.7 Sell to Franchisor or its designee, at Franchisor's option, all or a portion of Franchisee's redbox+ roll-off containers/portable toilets, truck, other equipment, and all inventory in useable form bearing the Proprietary Marks at the lesser of the original purchase price thereof or at its then-current value, which value shall be decided in Franchisor's reasonable judgment, within 15 days following the date of termination or expiration;

10.1.8 Cease to hold itself out as a franchisee of Franchisor;

10.1.9 Take action necessary to amend or cancel any assumed name, business name or equivalent registration which contains any trade name or other Proprietary Mark licensed by Franchisor and furnish Franchisor evidence satisfactory to Franchisor of compliance with this obligation within 30 calendar days after the termination, expiration or transfer of this Agreement;

10.1.10 Permit Franchisor to make final inspection of Franchisee's financial records, books, and other accounting records within 6 months of the effective date of termination, expiration, or transfer;

10.1.11 Comply with the post-termination covenants set forth in Section 7.4, all of which shall survive the transfer, termination or expiration of this Agreement; and

10.1.12 If applicable, take such action as may be required to remove from the Internet all sites and social media accounts referring to Franchisee's former business or any of the Proprietary Marks, and to cancel, or assign to the Franchisor, in the Franchisor's sole discretion, all rights to any social media accounts or domain names for any sites on the internet that refer to Franchisee's former business or any of the Proprietary Marks.

10.2 **Power of Attorney.** Franchisor is hereby irrevocably appointed as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the Proprietary Marks and the Confidential Information.

10.3 **Continuing Obligations**. All of Franchisee's obligations that expressly, or by their nature, survive this Agreement's expiration or termination will continue in full force and effect, subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

11. NOTICES

All notices, requests and reports to be given under this Agreement are to be in writing, and delivered by either hand, overnight courier, telegram or certified or registered mail (except that regular weekly and other reports from Franchisee may be sent by regular mail), prepaid, to the following addresses (which may be changed by written notice):

Franchisee: _____
_____
_____
_____

Franchisor: RedBox+ International LLC
731 Fairfield Court, Ann Arbor
Michigan 48108
Attn: Chief Financial Officer

Notices sent by regular mail shall be deemed delivered on the third business day following mailing.

12 DISPUTE RESOLUTION

12.1 **Choice of Law.** This Agreement shall be governed by the laws of the State of Michigan.

12.2 **Internal Dispute Resolution**. Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor in writing, as set forth in Section 12 below.. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

12.3 **Mediation**. At Franchisor's option, all claims or disputes between Franchisee and Franchisor or its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisee and Franchisor or its affiliates, or any of the parties' respective rights and obligations arising from such agreements, which are not first resolved through the internal dispute resolution procedure required pursuant to Section 12.2 above, must be submitted first to non-binding mediation, in Washtenaw County, Michigan under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of 30 days following receipt of such notice within which to notify Franchisee whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party will bear its own cost of mediation and Franchisee and Franchisor will share mediation costs equally. This agreement to mediate will survive any termination or expiration of this Agreement. The parties agree that there will be no class action mediation.

12.4 **Selection of Venue**. Nothing contained in this Agreement will prevent Franchisor from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interests. The parties expressly agree to the jurisdiction and venue of any court of general jurisdiction in or near Washtenaw County, Michigan and the jurisdiction and venue of the United States District Court for the Eastern District of Michigan. Franchisee acknowledges that this Agreement has been entered into in the State of Michigan, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters in Michigan, including but not limited to training, assistance, support and the development of the System. In recognition of such services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of Michigan set forth above. The parties agree that all proceedings will be conducted on an individual, not a class-wide basis, and that any proceeding between Franchisee, Franchisee's guarantors, and Franchisor or its affiliates or employees may not be consolidated with any other proceeding between Franchisor and any other person or entity.

12.5 **Third Party Beneficiaries**. Franchisor's officers, directors, shareholders, agents and/or employees are express third-party beneficiaries of the provisions of this Agreement, including the mediation provision set forth in this Section 12, each having authority to specifically enforce the right to mediate/litigate claims asserted against such person(s) by Franchisee.

12.6 **Injunctive Relief**. Nothing in this Agreement shall prevent Franchisor from obtaining injunctive relief, without posting a bond, against actual or threatened conduct that shall cause it loss or damages, in any appropriate forum under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions. If injunctive relief is granted, Franchisor's only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Franchisee expressly waives all claims for damages Franchisee incurred as a result of the wrongful issuance.

12.7 **Construction of Language.** The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Franchisee, their obligations and liabilities shall be joint and several. Headings are for reference purposes and do not control interpretation. Reference to Franchisee's "immediate family" means the spouse, parent, children and siblings of Franchisee and the parents, children and siblings of Franchisee's spouse. The BACKGROUND Section at the beginning of this Agreement contains contractual terms that are not mere recitals.

12.8 **Successors.** References to Franchisor or Franchisee include their successors, assigns or transferees, subject to the limitations of this Agreement.

12.9 **Severability.** If any provision of this Agreement is deemed invalid or inoperative for any reason, that provision shall be deemed modified to the extent necessary to make it valid and operative or, if it cannot be so modified, it shall then be severed, and the remainder of that provision shall continue in full force and effect as if this Agreement had been signed with the invalid portion so modified or eliminated; provided, however, that if any part of this Agreement relating to payments to Franchisor or any of its affiliates or protection of the Proprietary Marks, or the Confidential Information, including the Confidential Operations Manual and Franchisor's other trade secrets, is declared invalid or unenforceable, then Franchisor at its option may terminate this Agreement immediately upon written notice to Franchisee.

12.10 **No Right to Offset**. Franchisee shall not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Franchisee under this Agreement or any related agreements.

12.11 **Force Majeure.** Neither Franchisor, its affiliates nor Franchisee shall be liable for loss or damage or deemed to be in breach of this Agreement or any related agreement if its failure to perform its obligations is not the fault nor within the reasonable control of the person due to perform but results from, without limitation, fire, flood, natural disasters, acts of God, governmental acts or orders, pandemics or civil disorders. Any delay resulting from any such cause shall extend the time of performance for the period of such delay or for such other reasonable period of time as the parties agree in writing or shall excuse performance, in whole or in part, as Franchisor deems reasonable.

12.12 **Rights Cumulative**. No right or remedy under this Agreement shall be deemed to be exclusive of any other right or remedy under this Agreement or of any right or remedy otherwise provided by law or and equity. Each right and remedy will be cumulative.

12.13 **Effective Date**. This Agreement shall not be effective, until accepted by the Franchisor and evidenced by dating and signing by an officer of the Franchisor. Franchisor shall have the right to make the effective date of this Agreement, the date on which Franchisee signed the Agreement.

12.14 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same Agreement.

12.15 **Parties.** The sole entity against which Franchisee may seek damages or any remedy under law or equity for any claim is Franchisor or its successors or assigns. The shareholders, members, directors, officers, employees, agents and representatives of Franchisor and of its affiliates shall not be named as a party in any litigation or other proceeding commenced by Franchisee if the claim arises out of or relates to this Agreement. This Agreement is binding upon the parties' respective heirs, executors, administrators, beneficiaries, permitted assigns and successors in interest.

12.16 **Waiver of Punitive Damages**. Franchisee hereby waives, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that, in the event of a dispute, Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will

continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

12.17 **JURY TRIAL WAIVER. FRANCHISOR AND FRANCHISEE, RESPECTIVELY, WAIVE ANY RIGHT EITHER MIGHT HAVE TO TRIAL BY JURY ON ANY AND ALL CLAIMS ASSERTED AGAINST THE OTHER. FRANCHISOR AND FRANCHISEE, RESPECTIVELY, EACH ACKNOWLEDGE THAT THEY HAVE HAD A FULL OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL CONCERNING THIS WAIVER, AND THAT THIS WAIVER IS INFORMED, VOLUNTARY, INTENTIONAL AND NOT THE RESULT OF UNEQUAL BARGAINING POWER.**

12.18 **Limitation of Action**. Franchisee further agrees that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that Franchisee may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period will be barred as a claim, counterclaim, defense, or set-off. Franchisee hereby waives the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

12.19 **FRANCHISOR AND FRANCHISEE AGREE THAT MEDIATION OR LITIGATION WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE, BASIS AND THAT FRANCHISOR AND FRANCHISEE SHALL BE THE ONLY PARTIES IN ANY MEDIATION OR JUDICIAL PROCEEDING DESCRIBED IN SECTION 12.3 OR SECTION 12.4 AND THAT NO SUCH PROCEEDINGS MAY BE CONSOLIDATED WITH ANY OTHER LITIGATION OR MEDIATION PROCEEDING, NOR SHALL ANY OTHER PERSON BE JOINED AS A PARTY TO SUCH PROCEEDING.**

12.20 **FRANCHISOR APPROVAL AND DISCRETION. TO THE EXTENT THAT FRANCHISOR'S CONSENT OR APPROVAL IS REQUIRED OR ANY DECISION IS SUBJECT TO THE DISCRETION OF THE FRANCHISOR, AND WHENEVER FRANCHISOR EXERCISES A RIGHT, PRESCRIBES AN ACT OR THING, OR OTHERWISE MAKES A CHOICE OR USES DISCRETION, THE PARTIES AGREE THAT FRANCHISOR HAS THE WHOLLY UNRESTRICTED RIGHT TO MAKE DECISIONS AND/OR TAKE (OR REFRAIN FROM TAKING) ACTIONS, EXCEPT THAT FRANCHISOR WILL NOT ACT ARBITRARILY OR UNREASONABLY. HOWEVER, FRANCHISOR WILL NOT BE REQUIRED TO CONSIDER FRANCHISEE'S INDIVIDUAL INTERESTS OR THE INTERESTS OF ANY OTHER PARTICULAR FRANCHISEE(S), EVEN IF A PARTICULAR DECISION/ACTION MAY HAVE NEGATIVE CONSEQUENCES FOR FRANCHISEE, A PARTICULAR FRANCHISEE OR GROUP OF FRANCHISEES.**

FRANCHISEE ACKNOWLEDGES AND AGREES THAT THE ULTIMATE DECISION-MAKING RESPONSIBILITY WITH RESPECT TO THE SYSTEM (AMONG OTHER THINGS) MUST BE, AS A PRACTICAL BUSINESS MATTER, VESTED SOLELY IN FRANCHISOR, SINCE FRANCHISEE, FRANCHISOR AND ALL OTHER FRANCHISEES HAVE A COLLECTIVE INTEREST IN WORKING WITHIN A FRANCHISE SYSTEM WITH THE UNRESTRICTED FLEXIBILITY TO QUICKLY ADJUST TO CHANGING BUSINESS CONDITIONS, INCLUDING COMPETITIVE CHALLENGES, NEW REGULATORY DEVELOPMENTS AND EMERGING BUSINESS OPPORTUNITIES. FRANCHISEE UNDERSTANDS AND AGREES THAT FRANCHISOR HAVING SUCH RIGHTS ARE CRITICAL TO ITS ROLE AS FRANCHISOR AND TO OBTAIN THE PARTIES GOALS FOR CONTINUING IMPROVEMENT OF THE SYSTEM.

13. MISCELLANEOUS/REPRESENTATIONS

13.1 **No Authority. NO SALESPERSON, REPRESENTATIVE OR OTHER PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE FRANCHISOR EXCEPT AN AUTHORIZED OFFICER OF FRANCHISOR BY A WRITTEN DOCUMENT. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY OR ON BEHALF OF FRANCHISOR WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT.**

13.2 **Receipt. THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF THIS AGREEMENT, WITH ALL BLANKS COMPLETED AND WITH ANY AMENDMENTS AND EXHIBITS, AT LEAST 7 CALENDAR DAYS PRIOR TO EXECUTION OF THIS AGREEMENT. IN ADDITION, THE UNDERSIGNED ACKNOWLEDGES RECEIPT OF FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT AT LEAST 14 CALENDAR DAYS PRIOR TO THE EXECUTION OF THIS AGREEMENT OR FRANCHISEE'S PAYMENT OF ANY MONIES TO FRANCHISOR, REFUNDABLE OR OTHERWISE.**

13.3 **FRANCHISEE UNDERSTANDS THAT WHETHER IT, HE OR SHE SUCCEEDS AS A FRANCHISEE IS DEPENDENT UPON FRANCHISEE'S EFFORTS, BUSINESS JUDGMENTS, THE PERFORMANCE OF FRANCHISEE'S EMPLOYEES, MARKET CONDITIONS AND VARIABLE FACTORS BEYOND THE CONTROL OR INFLUENCE OF FRANCHISOR. FRANCHISEE FURTHER UNDERSTANDS THAT SOME FRANCHISEES ARE MORE, OR LESS, SUCCESSFUL THAN OTHER FRANCHISEES AND THAT FRANCHISOR HAS MADE NO REPRESENTATION THAT FRANCHISEE SHALL DO AS WELL AS ANY OTHER FRANCHISEE.**

FRANCHISEE SPECIFICALLY ACKNOWLEDGES THAT IT, HE OR SHE HAS NOT RECEIVED (NOR HAS FRANCHISOR OR ANYONE ELSE PROVIDED) ANY STATEMENTS, PROMISES OR REPRESENTATIONS THAT FRANCHISEE WILL SUCCEED IN THE FRANCHISED BUSINESS; ACHIEVE ANY PARTICULAR SALES, INCOME OR OTHER LEVELS OF PERFORMANCE; EARN ANY PARTICULAR AMOUNT, INCLUDING ANY AMOUNT IN EXCESS OF FRANCHISEE'S INITIAL FRANCHISE FEE OR OTHER PAYMENTS TO FRANCHISOR; OR RECEIVE ANY RIGHTS, GOODS, OR SERVICE NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. ANY STATEMENTS REGARDING ACTUAL, POTENTIAL OR PROBABLE REVENUES OR PROFITS OF ANY FRANCHISED BUSINESS NOT CONTAINED IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNAUTHORIZED, AND UNWARRANTED.

13.4 **Opportunity for Review by Franchisee's Advisors. PRIOR TO THE EXECUTION OF THIS AGREEMENT**, **FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS RECOMMENDED, AND THAT FRANCHISEE HAS HAD THE OPPORTUNITY TO OBTAIN, REVIEW OF THIS AGREEMENT AND FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT BY FRANCHISEE'S LAWYER, ACCOUNTANT OR OTHER BUSINESS ADVISOR PRIOR TO ITS EXECUTION.**

13.5 **Execution of Agreement**. **EACH OF THE UNDERSIGNED PARTIES WARRANTS THAT IT HAS THE FULL AUTHORITY TO SIGN AND EXECUTE THIS AGREEMENT. IF FRANCHISEE IS A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF THE BUSINESS ENTITY WARRANTS TO FRANCHISOR, BOTH INDIVIDUALLY AND IN HIS OR HER CAPACITY AS PARTNER, OFFICER, MEMBER OR MANAGER, THAT ALL OF THE EQUITY OWNERS OF FRANCHISEE, AS APPLICABLE, HAVE READ AND APPROVED THIS AGREEMENT, INCLUDING ANY RESTRICTIONS WHICH THIS AGREEMENT PLACES UPON RIGHTS TO TRANSFER THEIR INTEREST IN THE BUSINESS ENTITY.**

13.6 **Anti-Terrorism Law Compliance**. FRANCHISEE AND ITS SHAREHOLDERS, MEMBERS OR PRINCIPALS AGREE TO COMPLY WITH, AND TO ASSIST FRANCHISOR, TO THE FULLEST EXTENT POSSIBLE IN FRANCHISOR'S EFFORTS TO COMPLY WITH ANTI-TERRORISM LAWS (DEFINED BELOW). IN CONNECTION WITH THAT COMPLIANCE, FRANCHISEE, AND ITS OWNERS CERTIFY, WARRANT AND REPRESENT THAT NONE OF FRANCHISEE'S, OR ITS EQUITY OWNER'S PROPERTY, OR INTERESTS ARE SUBJECT TO BEING BLOCKED UNDER ANY ANTI-TERRORISM LAWS, AND THAT FRANCHISEE AND ITS OWNERS OTHERWISE ARE NOT IN VIOLATION OF ANY ANTI-TERRORISM LAWS. "ANTI-TERRORISM LAWS" MEANS 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 OTHER REQUIREMENTS OF ANY GOVERNMENTAL AUTHORITY ADDRESSING OR IN ANY WAY RELATING TO TERRORIST ACTS AND ACTS OF WAR. FRANCHISEE SHALL IMMEDIATELY NOTIFY FRANCHISOR OF ANY MISREPRESENTATION OR BREACH OF THIS SECTION 13.6. FRANCHISOR MAY TERMINATE THIS AGREEMENT WITHOUT ANY OPPORTUNITY FOR FRANCHISEE TO CURE UNDER SECTION 9.2.17 UPON ANY MISREPRESENTATION OR BREACH BY FRANCHISEE OF THIS SECTION 13.6.).

13.7 **Entire Agreement; Modifications**. This Agreement and all of its exhibits constitutes the entire Agreement between Franchisee and Franchisor with respect to the subject matter of this Agreement. This Agreement supersedes all previous written and oral agreements or understandings between Franchisee and Franchisor. This Agreement cannot be amended or modified other than by an instrument, in writing, signed by both Franchisee and Franchisor, except as otherwise may have been specifically provided for herein. Nothing in this Agreement or in any related agreement is intended to disclaim Franchisor's representations made in the franchise disclosure document.

14 PERSONAL GUARANTEES

If Franchisee is a corporation, general partnership or limited liability company, or subsequent to execution of this Agreement, Franchisee assigns this Agreement to a corporation, general partnership or limited liability company, all shareholders in the corporation, all general partners or all members and managers, and their spouses, respectively, hereby personally and unconditionally guarantee without notice, demand or presentment the payment of all of Franchisee's monetary obligations under this Agreement as if each were an original party to this Agreement in his or her individual capacity. In addition, all personal guarantors further agree to be bound by the restrictions upon Franchisee's activities upon transfer, termination or expiration and nonrenewal of this Agreement as if each were an original party to this Agreement in his or her individual capacity. All personal guarantors shall execute a continuing personal guarantee in the form attached as Exhibit 3.

15 OWNERSHIP OF FRANCHISEE

If Franchisee is a corporation, general partnership or limited liability company, or subsequent to execution of this Agreement, Franchisee assigns this Agreement to a corporation, general partnership or limited liability company, the Statement of Ownership Interest attached to this Agreement as Exhibit 2 completely and accurately describes all of the equity owners and their interests in Franchisee and Franchisee’s Operating Principal. Subject to Franchisor’s rights and Franchisee’s obligations under Section 8, Franchisee agrees to sign and deliver to Franchisor a revised Statement of Ownership Interest to reflect any permitted changes in the information that Exhibit 2 now contains. Franchisee shall promptly provide Franchisor a copy of, as applicable: (i) the transferee corporation's Articles of Incorporation, Bylaws, resolutions including, without limitation, the resolutions of the Board of Directors authorizing entry into this Agreement; or (ii) the limited liability company's certificate of organization or formation, the Operating Agreement; and all other governing documents.

FRANCHISEE ACKNOWLEDGES TO FRANCHISOR THAT FRANCHISEE HAS READ THIS FRANCHISE AGREEMENT AND UNDERSTANDS ITS TERMS AND FRANCHISEE WOULD NOT SIGN THIS FRANCHISE AGREEMENT IF FRANCHISEE DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.

INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

FRANCHISEE:

_____

(Individual, Partnership, Corporation or LLC Name)

FRANCHISOR:
REDBOX+ INTERNATIONAL, LLC

By: _____

Title: _____

EXHIBIT 1 TO
REDBOX+ FRANCHISE AGREEMENT

INDIVIDUAL FRANCHISE LOCATION

The Approved Location for the redbox+ business as follows:

TERRITORY

Territory: _____

Franchisee's Territory is as follows:

This is to confirm your acknowledgement and understanding that zip codes and/or their boundaries change periodically, and in the event of a future change you may continue to market to an existing customer, who is now outside the Territory as a result of a zip code change. Provided, it will be your responsibility to clearly demonstrate that the customer was located in the Territory, when they first became a customer. _____ [INITIAL]

In the event a new ZIP code is created entirely within your existing geographic Territory, it will become a part of the Territory, and you may market in it. If a new ZIP code is created along the boundary of the Territory, and if at least one-third of the new ZIP code area is within the Territory, as indicated on the attached map, then you can market to the new ZIP code, with the understanding an adjoining redbox+ owner, who also has one-third of the new ZIP code in their previous Territory, may also be able to market in this new ZIP code. _____ [INITIAL]

FRANCHISEE:

_____
(Individual, Partnership, Corporation or LLC Name)

By: _____

Title: _____

FRANCHISOR:

REDBOX+ INTERNATIONAL, LLC

By: _____

Title: _____

EXHIBIT 2 TO
REDBOX+ FRANCHISE AGREEMENT

Statement of Ownership Interest

Effective Date: This Exhibit 2 is current and complete

as of _____, 20___

Franchisee Owners

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

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

_____

_____

_____

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

Name of Each Director/Manager/Officer	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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

	Owner's Name	**Percentage/Description of Interest**
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

3. **Identification of Operating Principal**. Your Operating Principal as of the Effective Date is _____ (must be one of the individuals listed in paragraph 2 above). You may not change the Operating Principal without prior written approval. The Operating Principal is the person to receive communications from Franchisor and Notice for Franchisee.

Postal Address: _____

_____

E-mail Address: _____

[Signatures on following page.]

REDBOX+ INTERNATIONAL, LLC,
a Michigan limited liability company

By:_____
_____, _____

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

FRANCHISEE

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

_____
[Print Name of Franchisee Entity]

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

Title of Signer:_____

DATED:_____

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

_____
[signature of individual franchisee]

Print Name:_____

DATED:_____

_____
[signature of individual franchisee]

Print Name:_____

DATED:_____

EXHIBIT 3 TO
REDBOX+ FRANCHISE AGREEMENT

PERSONAL GUARANTEE

NOTE: IF FRANCHISEE IS A CORPORATION, EACH OF ITS SHAREHOLDERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A PARTNERSHIP, EACH OF ITS PARTNERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A LIMITED LIABILITY CORPORATION, ALL OF ITS MEMBERS AND MANAGERS AND THEIR SPOUSES MUST EXECUTE THE FOLLOWING UNDERTAKING.

The undersigned persons hereby represent to RedBox+ International, LLC (the "Franchisor"), that they are all of the shareholders of Franchisee, or all of the partners of Franchisee, or all of the members and mangers of Franchisee, as the case may be. In consideration of the grant by Franchisor to _____ (the "Franchisee") as provided under the Franchise Agreement between Franchisee and Franchisor, dated _____ 20__ (the "Franchise Agreement"), each of the undersigned agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them, shall be firmly bound by all of the terms, provisions and conditions of the foregoing Franchise Agreement, that they and each of them do unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the Franchise Agreement, including, without limitation, any indebtedness of Franchisee arising under or by virtue of the Franchise Agreement and that they and each of them shall not permit or cause any change in the percentage of Franchisee owned, directly or indirectly, by any person, without first notifying Franchisor, of said proposed transfer and obtaining the prior written consent of Franchisor and without first paying or causing to be paid to Franchisor, the transfer fee provided for in the Franchise Agreement, and without otherwise complying with the transfer provisions of the Franchise Agreement. The undersigned further agree to be bound by the in-term and post-termination covenants of the Franchise Agreement including, without limitation, those relating to confidentiality, noncompetition and indemnification. The undersigned agree that the governing law and methods for resolution of disputes which govern this Guarantee shall be the same as those outlined in the Franchise Agreement.

EACH GUARANTOR ACKNOWLEDGES TO FRANCHISOR THAT GUARANTOR HAS READ THIS PERSONAL GUARANTEE AND UNDERSTANDS ITS TERMS AND GUARANTOR WOULD NOT SIGN THIS PERSONAL GUARANTEE IF GUARANTOR DID NOT UNDERSTAND AND AGREE TO BE BOUND BY ITS TERMS.

Dated:_____

_____
Print Name:
Address:
Phone Number:
Email:

Print Name:
Address:
Phone Number:
Email:

Print Name:
Address:
Phone Number:
Email:

EXHIBIT 4 TO
REDBOX+ FRANCHISE AGREEMENT

FORM OF CONFIDENTIALITY AGREEMENT

In consideration of my being a _____ of _____ (the "Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. _____, doing business as _____ (the "Franchisee"), has acquired the right from RedBox+ International, LLC (the "Franchisor") to establish and operate a redbox+ Business and the right to use in the operation of the redbox+ Business, the Franchisor's trade names, trademarks and service marks (the "Proprietary Marks"), patented technology and the Franchisor's unique and distinctive format and system relating to the establishment and operation of a redbox+ Business (the "System"), as they may be changed, improved and further developed from time to time in the Franchisor's sole discretion.

2. The Franchisor possesses certain proprietary and confidential information relating to the operation of the redbox+ System, which includes certain trade secrets, patented technology and copyrighted materials, methods and other techniques and know-how (the "Confidential Information").

3. Any and all information, knowledge, know-how, and techniques which the Franchisor specifically designates as confidential shall be Confidential Information for purposes of this Agreement.

4. As _____ of the Franchisee, the Franchisor and Franchisee shall disclose the Confidential Information to me as part of certain training, access to the Confidential Operations Manual (the "Operations Manual") and other general assistance during the term of this Agreement.

5. I shall not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the redbox+ business during the term hereof. The use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Franchisor, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Franchisor as confidential. Unless the Franchisor otherwise agrees in writing, I shall disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and shall continue not to disclose any such information even after I cease to be in that position and shall not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. The Franchisor is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement shall cause the Franchisor and the Franchisee irreparable harm; therefore, the Franchisee and/or the

Franchisor may apply for the issuance of an injunction preventing me from violating this Agreement, and I shall pay the Franchisee and the Franchisor all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Franchisor, any claim I have against the Franchisee or the Franchisor is a separate matter and does not entitle me to violate or justify any violation of this Agreement.

8. This Agreement shall be construed under the laws of the State of Michigan. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature: _____

Name: _____

Title: _____

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Title: _____

EXHIBIT 5 TO
REDBOX+ FRANCHISE AGREEMENT

FORM OF GENERAL RELEASE
(Subject to Change)

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant to fully and mutually release the other as follows:

1. The undersigned _____ (the "Franchisee") and its shareholders, partners, members, managers, officers, and directors do hereby release and forever discharge RedBox+ International, LLC (the "Franchisor"), its, successors, agents, assigns, officers, directors, shareholders, employees, representatives, and any and all other persons, firms and corporations whatsoever, from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, breach of contract, defamation, and any claims whatsoever. This Full and Final General Release (the "Release") shall apply to all agreements or contracts heretofore existing or entered into by and between Franchisee and Franchisor.

2. The consideration expressly mentioned herein is the only consideration paid or to be paid by said parties hereby released. The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, or representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the parties' respective claims, of whatever nature are hereby fully and forever released, compromised and settled. Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the undersigned parties never to sue any of the other parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth.

3. This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all agreements on this subject matter, whether written or oral. The terms contained herein may not be modified or amended except in writing signed by the parties. The terms of this Release are contractual and not a mere recital.

4. The undersigned further state that they have carefully read the foregoing instrument; that they know the contents thereof; that they understand and agree to each and every term and condition contained herein; that they signed the same as their own free act and deed; and that they have not assigned any rights released hereunder to any person or organization, private or governmental.

5. The terms of this Release arose from discussions between the parties. Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question.

6. This Release shall be governed by and construed pursuant to the laws of the State of Michigan.

7. This Release may be executed in two copies, each of which shall be deemed an original.

8. All releases given by the Franchisee are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. Franchisee represents and warrants that he or she has made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document.

9. [FOR USE IN WA ONLY]: This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

WITNESS OUR SIGNATURES, this the _____ day of _____, 20__.

By: _____

FRANCHISEE (Printed Name): _____

Title: _____

By: _____

FRANCHISEE (Printed Name): _____

Title: _____

EXHIBIT 6
FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, RedBox+ International, LLC and you are preparing to enter into a Franchise Agreement for the operation of a redbox+ franchise. Please review each of the following questions carefully and provide honest responses to each question. Please do not sign if the franchisee is a Maryland resident or if the franchised business will be located within the State of Maryland.

1. Have you received and personally reviewed the RedBox+ International, LLC Franchise Disclosure Document and each exhibit we provided to you? Yes_____ No_____

2. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it? Yes_____ No_____

3. Have you discussed operating a redbox+ franchise with an attorney, accountant or other professional advisor? Yes_____ No_____

4. Do you understand the success or failure of your franchise will depend on many factors including your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace? Yes_____ No_____

5. Has any employee or other person speaking on behalf of RedBox+ International, LLC made any statement or promise regarding the amount of money you may earn in operating the redbox+ franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes_____ No_____

6. Has any employee or other person speaking on behalf of RedBox+ International, LLC made any statement or promise concerning the total amount of revenue the redbox+ franchise will generate that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes____ No_____

7. Has any employee or other person speaking on behalf of RedBox+ International, LLC made any statement or promise regarding the costs involved in operating the redbox+ franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes_____ No_____

8. Has any employee or other person speaking on behalf of RedBox+ International, LLC made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating a redbox+ franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes_____ No_____

9. Has any employee or other person speaking on behalf of RedBox+ International, LLC made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Yes____ No_____

10. If you have answered “Yes” to any of the questions 7 through 11, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of the foregoing questions, please leave the following lines blank.

_____
_____
_____

_____

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

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

Maryland sales/Maryland residents: The representations, acknowledgements and affirmations in this Exhibit 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 Act

Washington sales/Washington residents: This Franchisee Disclosure Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder. Franchisees in the State of Washington should not sign this Questionnaire.

_____
FRANCHISE APPLICANT

_____, 20__

EXHIBIT 7

FORM MASTER MULTI-TERRITORY ADDENDUM

FORM MASTER MULTI-TERRITORY ADDENDUM TO FRANCHISE AGREEMENT

This Multi-Territory Addendum to the RedBox+ Franchise Agreement (the "Addendum") is made this ____ day of _____, 20 , by and between: (i) RedBox+ International, LLC, a Michigan limited liability company with its principal place of business 731 Fairfield Court, Ann Arbor, Michigan 48108 (the "Franchisor"); and (ii) _____, an individual with an address at **[INSERT ADDRESS]** (the "Franchisee") and [_____] an individual with an address of _____ _____("Guarantor").

BACKGROUND

A. On or around **[INSERT DATE]**, Franchisor and Franchisee entered into a franchise agreement (the "First Franchise Agreement"), under which Franchisee obtained the right and undertook the obligation to open and operate a RedBox+ franchise (the "Franchised Business") in a designated territory in _____(the "__ _Territory") as described in Exhibit 1 to the Franchise Agreement.

B. Contemporaneous with the execution of the Franchise Agreement, Guarantor executed the form of personal guaranty attached to the Franchise Agreement whereby Guarantor agreed to personally guaranty, as well as be personally bound by, Franchisee's obligations under the Franchise Agreement (the "First Guaranty").

C. Contemporaneous with the execution of the First Franchise Agreement, Franchisor and Franchisee entered into an additional franchise agreement (the "Second Franchise Agreement"), under which Franchisee obtained the right and undertook the obligation to operate a second RedBox+ franchise (the "Second Franchised Business") in a second designated territory in _____(the "_____Territory") as described in Exhibit 1 to the Second Franchise Agreement.

D. Contemporaneous with the execution of the Second Franchise Agreement, Guarantor executed the form of personal guaranty attached to the Second Franchise Agreement in which Guarantor agreed to personally guaranty, as well as be personally bound by, Franchisee's obligations under the Second Franchise Agreement (the "Second Guaranty").

E. The parties now wish to amend the Second Franchise Agreement, pursuant to the terms of this Addendum.

NOW THEREFORE, in consideration of the mutual agreements, covenants and promises contained in this Addendum and for mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **Background; Definitions**.

a. The parties agree and acknowledge that the Background portion of this Addendum, including all definitions and provisions set forth therein, is hereby incorporated by reference as if fully set forth in this Section.

b. For purposes of this Addendum, if a capitalized term in this Addendum is not specifically defined herein, that term will be given the same definition that the term is afforded in the Second Franchise Agreement.

2. **Initial Franchise Fee.** Section 4.1 of the Second Franchise Agreement is hereby amended to provide that the initial franchisee fee shall be $_____.

3. **Initial Equipment Package and Additional Containers.** The parties acknowledge that Franchisee will purchase the required Initial Equipment Package pursuant to the provisions of Section 4.8.1 of the First Franchise Agreement, as well as the minimum number of additional containers pursuant to Section 4.8.2 of the First Franchise Agreement. Under the Second Franchise Agreement and any additional franchise agreements entered into by Franchisee, Franchisee shall purchase additional redbox+ containers in the amounts and in the timeframes as follows:

Minimum Required Containers[1]				
	Weeks of Operation[2]			
Territories Purchased	**Start-up**	**Week 53**	**Week 105**	**Week 152**
1	32	40	40	40
2	32	40	56	72
3	40	56	64	80
4	40	56	72	88
5	40	80	88	110

The Week of Operation is defined as starting on the first week after delivery and assembly of the initial redbox+ containers. Section 4.8 of the Second Franchise Agreement [and additional franchise agreements] is revised accordingly.

4. **Technology Fee.** The parties acknowledge that Franchisee will pay the Technology Fee pursuant to Section 4.9 of the First Franchise Agreement and an additional Technology Fee shall not be due and payable under Section 4.9 of the Second Franchise Agreement [and additional franchise agreements].

5. **Construction of Language**. The language of this Addendum will be construed according to its fair meaning, and not strictly for or against either party. The parties have had a reasonable opportunity to review this Addendum. In the event of an ambiguity or if a question of intent or interpretation arises, this Addendum shall be construed as if drafted jointly by all of the parties, and no presumptions or burdens of proof shall arise in favor of any party by virtue of the authorship of any of the provisions of this Addendum. Headings are for reference purposes and do not control interpretation.

6. **Non-Transferrable; Binding Effect**. This Addendum is personal to and not transferrable by Franchisee. Franchisor retains the right to assign its rights and obligations under this Addendum. This Addendum will inure to the benefit of, and will be binding upon, the parties hereto and their respective successors and assigns.

7. **Entire Agreement**. The First Franchise Agreement, the Second Franchise Agreement [any additional franchise agreement] and this Addendum constitute the entire, full, and complete agreement between the parties concerning the subject matter of this Addendum and supersede any and all prior agreements. In the event of a conflict between the terms of the First Franchise Agreement, the Second Franchise Agreement and this Addendum, the terms of this Addendum shall control. Except as amended

by this Addendum, all the other terms and conditions of the First Franchise Agreement and Second Franchise Agreement are hereby ratified and confirmed, including the provisions related to governing law, venue, dispute resolution, attorneys' fees and other enforcement provisions, all of which shall also apply to any claims or disputes arising out of or related to this Addendum.

[signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have duly executed and delivered this Addendum on the date first written above.

FRANCHISOR:

REDBOX+ INTERNATIONAL, LLC

By**:** _____
_____, its _____

FRANCHISEE:

_____

GUARANTOR

_____

Date: _____

EXHIBIT 8

Equipment Sales and Security Agreement

This "Agreement" is made and entered into as of ___, 2024 by and between _____ (the “Franchisee”) and Redbox+ International, LLC, a Michigan limited liability company ("RBI"). This Agreement relates to that certain Franchise Agreement(s) between Franchisee and RBI (the "Franchise Agreement") for Franchisee’s operation of a Redbox+® Dumpsters franchise (the "Business"). In consideration of the mutual promises and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which the parties mutually acknowledge, the parties mutually agree and intend to be legally bound as follows:

EQUIPMENT PURCHASE. Franchisee agrees to purchase from RBI and RBI agrees to sell to Franchisee the tangible equipment listed on the presented invoice (“Invoice”) and, if applicable, pursuant to the payment terms set forth in a corresponding promissory note (“Promissory Note”), attached hereto as Exhibit A. The equipment purchased under this Agreement shall be referred to as the "Equipment." To secure Franchisee's obligations to pay RBI for the Equipment, in the event RBI financed any portion of the purchase of the Equipment, and to dispose of the Equipment in accordance with the Franchise Agreement, Franchisee has granted to RBI the security interest in the Equipment set forth herein.

SHIPMENT, TITLE & RISK OF LOSS. RBI will arrange for shipment of the Equipment on the Invoice to Franchisee. Risk of loss and title to the Equipment transfers to Franchisee upon delivery, subject to any security interest of RBI retained under this Agreement. Franchisee acknowledges containers and/or decals may be scratched in the delivery process and that RBI and its agents shall use commercially reasonable efforts in the delivery process. Franchisee shall inspect each shipment promptly upon receipt and will be deemed to accept the Equipment as conforming to the Invoice unless any gross defects or deficiencies are noted to RBI within 24 hours after delivery. Franchisee agrees, if no defects or deficiencies are reported within this time period, all sales are final.

WARRANTIES. All Equipment is warranted by its manufacturer only. RBI warrants only that the Equipment is delivered with good and merchantable title, free and clear of all liens, claims and encumbrances, and that the Equipment conforms to the requirements set by RBI under the Franchise Agreement. RBI offers no other warranty and assigns to Franchisee any and all rights to any express or implied warranty of each Equipment manufacturer. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES ON THE EQUIPMENT OFFERED, GIVEN OR PROVIDED BY RBI INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

EQUIPMENT USAGE. Franchisee agrees not to use the Equipment in any business or manner other than in the conduct of the Business pursuant to the Franchise Agreement. Franchisee acknowledges that the Equipment is proprietary to the Redbox+ Dumpsters franchise system. The Equipment can only be used in connection with Redbox+ Dumpsters authorized services. Any usage contrary to this provision shall be considered to be a breach of the Franchise Agreement, the Promissory Note, and this Agreement.

TRANSFER OF OWNERSHIP. Franchisee acknowledges that the Franchise Agreement imposes restrictions and limitations on the resale of the Equipment. Franchisee acknowledges that the Equipment may not be sold, leased, or rented to or used by any other party, except under the conditions stated below, as provided in the Franchise Agreement, or as permitted in writing by RBI. The Equipment is proprietary and authorized for use only within the Redbox+ Dumpsters® franchise network. Franchisee covenants that Franchisee will not transfer title to the Equipment except in one of these three ways:

1. Sell the Equipment to another Redbox+ Dumpsters Franchisee in good standing under its franchise agreement at a mutually acceptable price. RBI has first right of refusal to purchase the Equipment and must approve any transaction. If RBI financed any portion of the purchase price of the Equipment, the transferee will pay the proceeds to RBI if there is any outstanding

balance under the Promissory Note for the Equipment prior to transfer of the Equipment. At the time of transfer Franchisee's account with RBI must be current and the purchasing Franchisee may not have any pending default under any agreement with RBI.

2. If Franchisee is terminating or not renewing the Franchise Agreement and Franchisee owns another Redbox+ Dumpsters franchise, the Equipment (and the liability for any amount owing on the purchase price of the Equipment) will be transferred to that franchise upon written request.

3. If RBI does not exercise its right of first refusal, and Franchisee cannot identify a purchaser for the Equipment within six (6) months of listing such Equipment for sale, RBI will (1) permit Franchisee to de-identify the Standard containers, to completely remove any and all marks, insignia or other designs associated with RBI and sell the Standard containers to third party purchasers, and (2) repurchase the Elite Containers (the "Elite Equipment") in accordance with the table below. The percentages shown assume reasonable wear and tear and regular maintenance. If any components of the original piece of Elite Equipment are missing, or there is damage or excessive wear and tear, RBI reserves the right to make a corresponding adjustment to the repurchase price. The original Total Elite Equipment pricing under its Schedule will be reduced to the applicable percentage in effect based on the time elapsed after original purchase.

Time Elapsed After Original Purchase	Percentage of Total Elite Equipment Price
Under 1 year	65%
Under 2 Years	50%
Under 3 Years	35%
Under 4 Years	20%
Under 5 Years	15%
Over 5 Years	Offer After Inspection

RETURN OF EQUIPMENT. Upon expiration or termination of the Franchise Agreement, Franchisee will cooperate with RBI to repurchase all or some of the Equipment pursuant to the terms in the Franchise Agreement, unless Franchisee has arranged for the sale of the Equipment to another redbox+ Dumpsters franchisee with the consent of RBI.

COVENANTS OF FRANCHISEE. Franchisee covenants with RBI to (i) use and maintain the Equipment in a lawful manner and so as not to violate any law or regulation of the state, city or other political subdivisions in which Franchisee uses the Equipment; (ii) return, pay and file when due all taxes, fees and similar charges, including without limitation sales or use tax, and ad valorem and personal property taxes, imposed on the ownership, possession or use of the Equipment; (iii) keep the Equipment free and clear of all liens, security interests, claims and encumbrances except for those incurred through the initial financing of the Equipment with RBI or from a vendor approved by RBI; (iv) obtain and maintain property insurance on the Equipment covering loss, damage, theft, vandalism and casualty; (v) maintain the Equipment per the manufacturer's maintenance, repair and replacement instructions; (vi) maintain in place any notices, labels or other indicia provided by RBI to indicate that the Equipment is subject to this Agreement; (vii) operate the Business as required under the Franchise Agreement; and (viii) notify RBI when any party claims any interest in the Equipment.

GRANT OF SECURITY INTEREST. In the event Franchisee's purchase of the Equipment sold under the Invoice is financed by RBI, Franchisee hereby grants to RBI a continuing security interest in the Equipment sold to Franchisee, and any additions, accessions, accessories, attachments and replacements of such Equipment, any proceeds and products. The security interest shall continue for the term of this Agreement to secure Franchisee's obligations under this Agreement. Franchisee authorizes RBI to file a financing statement with regards to the Equipment without the necessity of obtaining an additional signature from Franchisee. The rights and remedies of RBI as a secured party under this Agreement and under applicable law are cumulative and non-exclusive. Franchisee agrees to entry for the benefit of RBI by any court of competent jurisdiction without prior notice or the posting of any bond of temporary and permanent injunctions and orders of specific performance to enforce this Agreement or any right or remedy available at law or in equity to RBI.

TERM, DEFAULT AND TERMINATION. The term of this Agreement shall commence on the effective date set forth above and shall continue in full force and effect until the Franchise Agreement and Promissory Note terminates or expires, and all Equipment is subject to proper disposition as provided herein.

ADDITIONAL TERMS. No cancellation, modification, amendment, deletion, addition or other change in this Agreement or any provision hereof shall be effective for any purpose unless specifically set forth in a writing signed by both Parties. Neither Party's delay in exercising or such Party's acquiescence in or waiver of a breach of any term, provision or condition of this Agreement, shall be deemed or construed to operate as a waiver of such Party's rights hereunder, except for the specific instance of delay, failure, acquiescence, or waiver. This Agreement shall be executed in one or more counterparts, each of which shall be considered to be an enforceable original instrument. Franchisee shall not assign or delegate, directly or indirectly, its obligations and liabilities under this Agreement, except as part of a permitted transfer in compliance with the Franchise Agreement. Except for any payment obligation applicable to Franchisee hereunder, any delay or failure of either Party to perform its obligations shall be excused if it is caused by an extraordinary event or occurrence beyond the control of the nonperforming Party and without the nonperforming party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, natural disasters, wars and sabotage, and terrorism. Raw material or labor shortages are not force majeure events. Written notice of any anticipated delays in performance, including the anticipated duration of the delay must be given within 24 hours of the force majeure event.

INCORPORATION OF TERMS. This Agreement incorporates by this reference Section 12, paragraphs 1, 2, 3, 4, 11, 16, 17, 18, 19, and 20, of the Franchise Agreement as integral terms, conditions, parts and provisions of this Agreement as if written herein.

IN WITNESS WHEREOF, the Franchisee and RBI have executed this Agreement effective as of the date first above written.

Redbox+ International, LLC	**Franchisee**
By:_____	_____
Date:_____	Date:_____

LENDER ADDENDUM
To Equipment Sales and Security Agreement

This "Lender Addendum" is made and entered into as of the Effective Date by and among the undersigned lender ("Lender"), the Franchisee, and RBI. This Lender Addendum supplements and amends that certain Equipment Sales and Security Agreement dated the Effective Date (the "Sales Agreement") between RBI and Franchisee. Defined terms from the Sales Agreement are incorporated into this Lender Addendum.

Background. RBI and Franchisee have entered into the Sale Agreement ancillary to the Franchisee's entry into the Franchise Agreement with RBI so that Franchisee may obtain certain equipment that is proprietary to RBI and that is necessary to perform Franchisee's obligations under the Franchise Agreement. Lender desires to finance the purchase of the Equipment by Franchisee and take a security interest in the Equipment as collateral for the financing. RBI has restricted the right of the Franchisee to resell and dispose of the Equipment as provided in Section 5 of the Sales Agreement. RBI will consent to the financing of the Equipment purchase by Lender and Franchisee's grant of a security interest in the Equipment subject to and conditioned upon Lender's undertakings as set forth in this Lender Addendum.

In consideration of the premises, the mutual promises herein set forth, and for other good and valuable consideration that the parties mutually acknowledge, the parties mutually agree and intend to be legally bound as follows:

1. Franchisee may grant a security interest to Lender in the Equipment and the proceeds, additions, replacements and accessories thereto, so long as Lender pays to RBI all amounts due and owing under the Sales Agreement at or before the time the security interest attaches to the Equipment. RBI will, on Lender's request, supply payoff amounts and instructions to Lender. Upon receipt of the payoff amount from Lender or Franchisee, RBI's security interest in the Equipment shall be subordinated to the security interest of Lender and shall remain in effect for the duration of the Franchise Agreement term. Lender will notify RBI when Lender's financing has been repaid and its security interest released within 15 days after such event.

2. Lender's security interest shall be subject to, and Lender acknowledges that its rights and remedies with regard to the Equipment are limited to, the transfer restrictions set forth in Section 5 of the Sales Agreement. Lender covenants with RBI that Lender will not exercise any rights or remedies against the collateral that is inconsistent with the restrictions on disposition set forth in Section 5. Lender may, upon notice to RBI, marshal and assemble the Equipment for sale in accordance with Section 5 but shall make no use of the Equipment nor rent, lease, sell, lend or donate the Equipment. If Lender is unable to resell the Equipment to another franchisee of RBI within 60 days after first offering the Equipment for sale, then RBI will purchase the Equipment as provided in Section 5.

3. Lender may assign this Lender Addendum to any successor in interest to the financing of the Equipment only after RBI receives a written assumption of the Lender's obligations under this Lender Addendum acceptable to RBI.

4. Lender will copy RBI on any notices of default, termination, foreclosure, marshaling, or similar exercises of the secured party's rights under its agreement with Franchisee. Franchisee consents to the unrestricted exchange of information about Franchisee and the status of its financing or franchise and the related agreements between Lender and RBI.

5. Until RBI is notified by Lender that it has taken possession or constructive possession of the Equipment, RBI may deal with Franchisee as the lawful possessor and operator of the Equipment, and Franchisee shall at all times remain obligated to comply with its obligations to maintain, insure, protect and service the Equipment under the Sales Agreement and to use the Equipment only in compliance with the Franchise Agreement.

6. All notices to Lender, RBI and Franchisee shall be sent to respective address set forth below.

7. Sections 8, 9, 10 and 11 of the Sales Agreement are incorporated by this reference into this Lender Addendum as integral parts hereof.

IN WITNESS WHEREOF, Lender, the Franchisee and RBI have executed this Lender Addendum effective as of the date first above written in one or more counterparts.

Redbox+ International, LLC:

By: _____

Its: President
Address: 731 Fairfield Court
Ann Arbor, MI 48108

Franchisee:

_____
Name Title

Date: _____

Address**:**

LENDER:

By: _____

Name: _____

Title: _____

Date: _____

Address:

Franchisee:

_____
Name Title

Date: _____

Address:

EXHIBIT A
To Equipment Sales and Security Agreement

PAYMENT SCHEDULE

EXHIBIT 9

COLLATERAL ASSIGNMENT AND ASSUMPTION OF LEASE

THIS COLLATERAL ASSIGNMENT AND ASSUMPTION OF LEASE (this "Assignment") is made, entered into and effective on _____ (the "Effective Date") by and between: (i) _____ (the "**Franchisor**"); and (ii) _____ (the "**Franchisee**").

BACKGROUND INFORMATION

The Franchisor entered into that certain Franchise Agreement (the "**Franchise Agreement**") dated as of _____ with the Franchisee, pursuant to which the Franchisee plans to own and operate a _____ franchised business (the "**Franchised Business**") located at _____ (the "**Site**"). In addition, pursuant to that certain Lease Agreement (the "**Lease**"), the Franchisee has leased or will lease certain space containing the Franchised Business described therein from _____ (the "**Lessor**"). The Franchise Agreement requires the Franchisee to deliver this Assignment to the Franchisor as a condition to the grant of a franchise.

OPERATIVE TERMS

The Franchisor and the Franchisee agree as follows:

1. **Background Information**: The background information is true and correct. This Assignment will be interpreted by reference to, and construed in accordance with, the background information set forth above.

2. **Incorporation of Terms**: Terms not otherwise defined in this Assignment have the meanings as defined in the Franchise Agreement.

3. **Indemnification of Franchisor**: Franchisee agrees to indemnify and hold Franchisor and its parents, affiliates, stockholders, directors, officers, principals, franchisees/licensees and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them are named as a party or which any of them may suffer, sustain or incur by reason of, or arising out of, Franchisee's breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease.

4. **Conditional Assignment**: Franchisee hereby grants to the Franchisor a security interest in and to the Lease, all of the furniture, fixtures, inventory, equipment, and supplies located in the Site and

the franchise relating to the Franchised Business, and all of the Franchisee's rights, title and interest in and to the Lease as conditional for the payment of any obligation, liability or other amount owed by the Franchisee or its affiliates to the Lessor arising under the Lease and for any default or breach of any of the terms and provisions of the Lease, and for any default or breach of any of the terms and provisions of the Franchise Agreement. In the event of a breach or default by Franchisee under the terms of the Lease, or, in the event Franchisor makes any payment to the Lessor as a result of the Franchisee's breach of the Lease, then such payment by the Franchisor, or such breach or default by the Franchisee, shall at Franchisor's option be deemed to be an immediate default under the Franchise Agreement, and the Franchisor shall be entitled to the possession of the Site and to all of the rights, title and interest of the Franchisee in and to the Lease and to all other remedies described herein or in the Franchise Agreement or at law or in equity, without prejudice to any other rights or remedies of the Franchisor under any other agreements or under other applicable laws or equities. This Assignment shall constitute a lien on the interest of the Franchisee in and to the Lease until satisfaction in full of all amounts owed by the Franchisee to the Franchisor. In addition, the rights of the Franchisor to assume all obligations under the Lease provided in this Assignment are totally optional on the part of the Franchisor, to be exercised in its sole discretion. Franchisee agrees to execute any and all Uniform Commercial Code financing statements and all other documents and instruments deemed necessary by Franchisor to perfect or document the interests and assignments granted herein.

5. **No Subordination**: Franchisee shall not permit the Lease to become subordinate to any lien without first obtaining Franchisor's written consent, other than the lien created by this Assignment, the Franchise Agreement, the Lessor's lien under the Lease, liens securing bank financing for the operations of Franchisee on the Site and the agreements and other instruments referenced herein. The Franchisee will not terminate, modify or amend any of the provisions or terms of the Lease without the prior written consent of the Franchisor. Any attempt at termination, modification or amendment of any of the terms of the Lease without such written consent is null and void.

6. **Exercise of Remedies**: In any case of default by the Franchisee under the terms of the Lease or under the Franchise Agreement, Franchisor shall be entitled to exercise any one or more of the following remedies in its sole discretion:

a) to take possession of the Site, or any part thereof, personally, or by its agents or attorneys;

b) to, in its discretion, without notice and with or without process of law, enter upon and take and maintain possession of all or any part of the Site, together with all furniture, fixtures, inventory, books, records, papers and accounts of the Franchisee;

c) to exclude the Franchisee, its agents or employees from the Site;

d) as attorney-in-fact for the Franchisee, or in its own name, and under the powers herein granted, to hold, operate, manage and control the Franchised Business and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legally rectifiable, as in its discretion may be deemed proper or necessary to cure such default, including actions of forcible entry or detainer and actions in distress of rent, hereby granting full power and authority to the Franchisor to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter;

e) to cancel or terminate any unauthorized agreements or subleases entered into by the Franchisee, for any cause or ground which would entitle the Franchisor to cancel the same;

f) to disaffirm any unauthorized agreement, sublease or subordinated lien, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Site or the Site that may seem judicious, in the sole discretion of the Franchisor; and

g) to insure and reinsure the same for all risks incidental to the Franchisor's possession, operation and management thereof; and/or

h) notwithstanding any provision of the Franchise Agreement to the contrary, to declare all of the Franchisee's rights but not obligations under the Franchise Agreement to be immediately terminated as of the date of Franchisee defaults under the Lease and fails to cure said default within the applicable cure period (if any).

The parties agree and acknowledge that Franchisor is not required to assume the Lease, take possession of the Site or otherwise exercise of its other rights described in this Assignment. In the event Franchisor elects to exercise its right to assume the Lease and/or take possession of the Site, it will provide written notice to Franchisee in writing and undertake the other necessary actions at issue. Nothing in this Assignment may be construed to impose an affirmative obligation on the part of Franchisor to exercise any of the rights set forth herein.

7. **Power of Attorney**: Franchisee does hereby appoint irrevocably Franchisor as its true and lawful attorney-in-fact in its name and stead and hereby authorizes it, upon any default under the Lease or

under the Franchise Agreement, with or without taking possession of the Site, to rent, lease, manage and operate the Site to any person, firm or corporation upon such terms and conditions in its discretion as it may determine, and with the same rights and powers and immunities, exoneration of liability and rights of recourse and indemnity as the Franchisor would have upon taking possession of the Site pursuant to the provisions set forth in the Lease. The power of attorney conferred upon the Franchisor pursuant to this Assignment is a power coupled with an interest and cannot be revoked, modified or altered without the written consent of the Franchisor.

8. **Election of Remedies**: It is understood and agreed that the provisions set forth in this Assignment are deemed a special remedy given to the Franchisor and are not deemed to exclude any of the remedies granted in the Franchise Agreement or any other agreement between the Franchisor and the Franchisee, but are deemed an additional remedy and shall be cumulative with the remedies therein and elsewhere granted to the Franchisor, all of which remedies are enforceable concurrently or successively. No exercise by the Franchisor or any of the rights hereunder will cure, waiver or affect any default hereunder or default under the Franchise Agreement. No inaction or partial exercise of rights by the Franchisor will be construed as a waiver of any of its rights and remedies and no waiver by the Franchisor of any such rights and remedies shall be construed as a waiver by the Franchisor of any future rights and remedies. Franchisor is not required to exercise any of its rights set forth in Section 6 hereof, but shall have the irrevocable right to do so.

9. **Binding Agreements**: This Assignment and all provisions hereof shall be binding upon the Franchisor and the Franchisee, their successors, assigns and legal representatives and all other persons or entities claiming under them or through them, or either of them, and the words "Franchisor" and "Franchisee" when used herein shall include all such persons and entities and any others liable for payment of amounts under the Lease or the Franchise Agreement. All individuals executing on behalf of corporate entities hereby represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder authorizations and approvals.

10. **Assignment to Control**. This Assignment governs and controls over any conflicting provisions in the Lease.

11. **Attorneys' Fees, Etc.** In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment, the prevailing party will be entitled to recover its attorneys' fees, costs and expenses relating to any trial or appeal (including, without limitation, paralegal fees) or arbitration or bankruptcy proceeding from the non-prevailing party.

12. **Severability**. If any of the provisions of this Assignment or any section or subsection of this Assignment shall be held invalid for any reason, the remainder of this Assignment or any such section or subsection will not be affected thereby and will remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Parties have caused this Assignment to be executed as of the day and year first above written.

FRANCHISEE	**FRANCHISOR**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

The Lessor hereby consents, agrees with, approves of and joins in with this COLLATERAL ASSIGNMENT AND ASSUMPTION OF LEASE.

LESSOR

_____

EXHIBIT 10

ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION

AUTOMATIC DEBIT OF AMOUNT DUE TO FRANCHISOR

RedBox+ International, LLC ("RedBox+") is hereby authorized to charge the below account, owned by _____ ("Franchisee") by way of Automated Clearing House ("ACH") debit for the amount due RedBox+ by Franchisee pursuant to the terms of the Franchise Agreement signed by and between RedBox+ and Franchisee, for the week preceding the debit (the "Due Date"). As the amount due RedBox+ may vary on each Due Date, RedBox+ is authorized to transfer amounts from Franchisee's Account, which amounts are subject to change, without prior notice to Franchisee.

Franchisee may terminate this authorization by giving notice not less than three (3) days' notice to RedBox+ International, LLC in writing to RedBox+ International, LLC, Attn: Controller, at 731 Fairfield Court, Ann Arbor, MI 48108.

Both RedBox+ and Franchisee agree to be bound by the operating rules of the National Automated Clearing House Association ("NACHA").

Franchisee Bank Information

Bank Name	
Bank Address	
Account Name	
ABA Routing Number	
Account Number	

FRANCHISEE
[Insert entity name]
By:_____
Date:_____
[insert name of signatory]

EXHIBIT C TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

For franchisees and franchisees/developers subject to the California Franchise Investment Law, Cal. Corp. Code § 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the RedBox+ International, LLC Franchise Disclosure Document ("FDD"):

CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT THE FRANCHISOR GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE, AND 14 DAYS PRIOR TO THE EXECUTION OF A FRANCHISE AGREEMENT.

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.

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

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

You must sign a general release if you renew or transfer your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

THE FRANCHISE AGREEMENT REQUIRES APPLICATION OF THE LAW OF MICHIGAN AND A FORUM OF MICHIGAN. THESE PROVISIONS MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

The Franchise Agreement requires the parties to resolve their disputes through non-binding mediation and, if necessary, litigation. The mediation and litigation will occur in Washtenaw County, Michigan, and you must reimburse us our costs if we prevail in any litigation proceeding. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Regarding our website, www.redboxplus.com, please note the following:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

Item 6 of the FDD is amended to disclose that the highest interest rate allowed in California is 10%.

Item 5 of the FDD is amended to provide that based on Franchisor's financial condition, the California Department of Financial Protection and Innovation has required a financial assurance. Therefore, Franchisor has secured a surety bond in the amount of $297,500.00 from Hartford Fire Insurance Company.

AMENDMENT TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF CALIFORNIA

For franchisees and franchisees/developers subject to the California Franchise Investment Law, Cal. Corp. Code § 31000-31516, and the California Franchise Relations Act, Cal. Bus. & Prof. Code §§ 20000-20043, the following information supersedes or supplements, as the case may be, the corresponding Sections of the Franchise Agreement:

1. Section 13: The following language is deleted in its entirety "FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY OR ON BEHALF OF FRANCHISOR WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT."

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

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

The Illinois Franchise Disclosure Act, § 4, (the "Act") prohibits any agreement that specifies jurisdiction or venue of any lawsuit in a place outside of the state of Illinois.

The Act does permit agreements to require you to arbitrate outside the state of Illinois.

The Act prohibits choice of law provisions that would require the application of any laws except the laws of the state of Illinois (§ 41).

You cannot waive any of your rights given to you by the Act (§ 41).

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.

You may have other rights under the Illinois Franchise Disclosure Act or other laws of the state of Illinois.

To the extent that the Franchise Agreement is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

Item 5 of the FDD is amended to provide that based on Franchisor's financial condition, the Illinois Attorney General's Office has required a financial assurance. Therefore, Franchisor has secured a surety bond in the amount of $59,500.00 from Hartford Fire Insurance Company.

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

Signatures appear on the following page.

IN WITNESS THEREOF, the parties have executed this Addendum as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

REDBOX+ INTERNATIONAL, LLC

By: _____

Printed Name: _____

Its: _____

FRANCHISEE:

_____

(Name of individual or Entity)

By: _____

Printed Name: _____

Its: _____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

The Illinois Franchise Disclosure Act, § 4, (the "Act") prohibits any agreement that specifies jurisdiction or venue of any lawsuit in a place outside of the state of Illinois.

The Act does permit agreements to require you to arbitrate outside the state of Illinois.

The Act prohibits choice of law provisions that would require the application of any laws except the laws of the state of Illinois (§ 41).

You cannot waive any of your rights given to you by the Act (§ 41).

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.

You may have other rights under the Illinois Franchise Disclosure Act or other laws of the state of Illinois.

To the extent that the Franchise Agreement is inconsistent with Illinois law, the inconsistent terms of the Franchise Agreement will not be enforced and the terms of the applicable Illinois law shall apply.

Section 4.1 of the Franchise Agreement is amended to provide that based on Franchisor's financial condition, the Illinois Attorney General's Office has required a financial assurance. Therefore, Franchisor has secured a surety bond in the amount of $59,500.00 from Hartford Fire Insurance Company.

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

Signatures appear on the following page.

IN WITNESS THEREOF, the parties have executed this Addendum as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

REDBOX+ INTERNATIONAL, LLC

By: _____

Printed Name: _____

Its: _____

FRANCHISEE:

_____

(Name of individual or Entity)

By: _____

Printed Name: _____

Its: _____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

For franchises and franchisees/developer subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Franchise Disclosure Document ("FDD")

Item 8. Item 8 of the FDD is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1(4) prohibits provisions in a Franchise Agreement subject to the Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee/developer and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

The Indiana Deceptive Franchise Practices Law, Ind. Code§ 23-2-2.7-2(6) makes it unlawful for any franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of RedBox+ International, LLC's business practices conflicts with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the FDD is amended to include the following disclosure:

Ind. Code § 23-2-2.7-1(2) prohibits any provision in the Agreement which allows RedBox+ International, LLC to establish a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. Ind. Code § 23-2-2.7-2(4) prohibits any franchisor who has entered into any Franchise Agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. To the extent that any provision of the Agreement or RedBox+ International, LLC's business practices conflict with Indiana law, Indiana law will control. This provision is not applicable where DMAs are granted.

Item 17. Item 17 of the FDD is amended to include the following disclosure:

To the extent you are required to execute a release in favor of RedBox+ International, LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1.

Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid Franchise Agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the extent that the Franchise Agreement requires a surviving spouse, heirs or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana Law to provide that all such conditions must be met within 6 months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Agreement conflicts with Indiana law, Indiana law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law IC § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law IC § 23-2-2.7, under Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

The post term covenant not to compete is limited to your non-exclusive area under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

For franchises and franchisee/developers subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the main body of the text of the RedBox+ International, LLC Franchise Disclosure Document:

Item 17.

The Franchise Agreement provides that RedBox+ International, LLC may terminate the Agreement, as applicable, if you voluntarily or involuntarily file for bankruptcy, as described in the "Summary of Cause Defined" (provision (h.)). This provision may not be enforceable under federal bankruptcy law.

Any general release signed as a condition to renewal, sale, assignment, or transfer of these Agreements shall not release Franchisor from any liability imposed by the Maryland Franchise Registration and Disclosure Law.

Item 5 of the FDD is amended to provide that based on Franchisor's financial condition, the Maryland Attorney General's Office has required a financial assurance. Therefore, Franchisor has secured a surety bond in the amount of $593,727.00 from Hartford Fire Insurance Company. A copy of such bond certificate is attached as Exhibit 1.

Section 14-216I(25) of the Maryland Franchise Registration and Disclosure Law requires the franchisor to file an irrevocable consent to be sued in Maryland. Accordingly, the Summary of the Choice of Forum (provision (v.)) is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

Section 14-227 of the Maryland Franchise Registration and Disclosure Law provides that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. Maryland franchisees and/or those operating outlets within the State of Maryland are not to sign the Disclosure Questionnaire attached as Exhibit 6.

EXHIBIT 1

TO THE MARYLAND ADDENDUM TO THE

FRANCHISE DISCLOSURE DOCUMENT

THE HARTFORD

RIDER

Attached to and forming part of Bond # 35BSBII4871 ,

effective November 4, 2021

on behalf of Redbox+ International, LLC

of 731 Fairfield Ct., Ann Arbor, MI 48108

in favor of State of Maryland

and in the amount of Fifty nine thousand five hundred and 00/100 Dollars.

It is understood and agreed that effective December 20, 2022

the Bond Amount shall be changed

from Fifty nine thousand five hundred and 00/100

to Five hundred ninety three thousand seven hundred twenty seven and 00/100

All other conditions and terms remain as originally written.

Signed, Sealed, and Dated December 20, 2022

By: _____

Peter A. Perlman, Attorney-in-Fact

The above endorsement is hereby agreed to and accepted:

By: _____

POWER OF ATTORNEY

Direct Inquiries/Claims to:
THE HARTFORD
BOND, T-12
One Hartford Plaza
Hartford, Connecticut 06155
Bond.Claims@thehartford.com
call: **888-266-3488** *or fax:* **860-757-5835**

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Name: PERLMAN INSURANCE AGENCY
Agency Code: 35-356141

- [X] **Hartford Fire Insurance Company**, a corporation duly organized under the laws of the State of Connecticut
- [X] **Hartford Casualty Insurance Company**, a corporation duly organized under the laws of the State of Indiana
- [X] **Hartford Accident and Indemnity Company**, a corporation duly organized under the laws of the State of Connecticut
- [ ] **Hartford Underwriters Insurance Company**, a corporation duly organized under the laws of the State of Connecticut
- [ ] **Twin City Fire Insurance Company**, a corporation duly organized under the laws of the State of Indiana
- [ ] **Hartford Insurance Company of Illinois**, a corporation duly organized under the laws of the State of Illinois
- [ ] **Hartford Insurance Company of the Midwest**, a corporation duly organized under the laws of the State of Indiana
- [ ] **Hartford Insurance Company of the Southeast**, a corporation duly organized under the laws of the State of Florida

having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, ***up to the amount of*** Unlimited :
Peter A. Perlman, Carrie A. Perlman of WEST BLOOMFIELD, Michigan

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by ☒, and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on May 6, 2015 the Companies have caused these presents to be signed by its Senior Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.

John Gray, Assistant Secretary

M. Ross Fisher, Senior Vice President

STATE OF CONNECTICUT
COUNTY OF HARTFORD } ss. Hartford

On this 5th day of January, 2018, before me personally came M. Ross Fisher, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Senior Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.

Kathleen T. Maynard
Notary Public
My Commission Expires July 31, 2021

CERTIFICATE

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of December 20, 2022
Signed and sealed at the City of Hartford.

Kevin Heckman, Assistant Vice President

 Bond #35BSBII4871

AMENDMENT TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, which governs the attached Redbox+ International, LLC Franchise Agreement, the parties thereto agree as follows:

Release: 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.

Dispute Resolution Procedures: Pursuant to Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law, the following is added to the Agreement:
You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any limitation of claims provisions shall not act to reduce the three (3) year statute of limitations afforded a franchisee for bringing a claim 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.

Section 4.1 of the Franchise Agreement is amended to provide that based on Franchisor's financial condition, the Maryland Attorney General's Office has required a financial assurance. Therefore, Franchisor has secured a surety bond in the amount of $593,727.00 from Hartford Fire Insurance Company.

Section 13.1 of the Franchise Agreement is amended to remove the following language:

"**FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY OR ON BEHALF OF FRANCHISOR WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT.**"

Sections 13.2, 13.3, and 13.4 of the Franchise Agreement are amended to remove such Sections from the Franchise Agreement in their entireties.

Section 15 of the Franchise Agreement is amended to remove the following language:

"Franchisee acknowledges to franchisor that franchisee has read this franchise agreement and understands its terms and franchisee would not sign this franchise agreement if franchisee did not understand and agree to be bound by its terms."

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. Maryland franchisees and/or those operating outlets within the State of Maryland are not to sign the Disclosure Questionnaire attached as Exhibit 6.

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In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addenda to your Franchise Agreement, remain in effect.

Signatures appear on the following page.

IN WITNESS THEREOF, the parties have executed this Addendum as of the Effective Date of the Franchise Agreement.

FRANCHISOR:

REDBOX+ INTERNATIONAL, LLC

By: _____

Printed Name: _____

Its: _____

FRANCHISEE:

_____

(Name of individual or Entity)

By: _____

Printed Name: _____

Its: _____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MICHIGAN

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

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

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

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

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if:

(i) the term of the franchise is less than five (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 six (6) months' advance notice of franchisor's intent not to renew the franchise.

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division
Attn: Marilyn McEwen
525 W. Ottawa Street, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

_____
Witness

REDBOX+ INTERNATIONAL, LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

Minn. Stat. §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 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.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. §80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that we give you 90 days notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.

We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name, to the extent required by Minn. Stat. §80C.12, Subd. 1(g).

To the extent governed by Minn. Rule 2860.4400J, you shall not be deemed to have waived any rights under Minnesota law. You shall not be deemed to have consented to us obtaining injunctive relief, although we may seek injunctive relief. A Court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief. The Limitation of Actions section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

REDBOX+ INTERNATIONAL, LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:_____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding

brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as Rev. April 18, 2023 2 defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

> The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

Franchisee: _____ Date: _____

Franchisor: _____ Date:_____

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for RedBox+ International, LLC shall be amended by the addition of the following language:

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.

(a) Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this stat

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

(c) Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North ta.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

2. Franchisor will defer collection of the Initial Franchise Fee payable to Franchisor until Franchisor has fulfilled all initial obligations owed to Franchisee and Franchisee has commenced doing business.

_____ _____

Franchisee Initials/Date Franchisor's Initials/Date

ADDENDUM TO REDBOX+ INTERNATIONAL, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information supersedes or supplements, as the case maybe, the corresponding disclosures in the main body of the text of the RedBox+ International, LLC Franchise Agreement.

1. Section 2.2.6 of the Franchisee is hereby amended to provide that any provision requiring a franchisee to sign a general release upon renewal of a franchise agreement is deleted in its entirety.

2. Section 4.1 of the Franchise Agreement amended to provide that Franchisor will defer collection of the Initial Franchise Fee payable to Franchisor until Franchisor has fulfilled all initial obligations owed to Franchisee and Franchisee has commenced doing business.

3. Section 4.4 of the Franchise Agreement is hereby amended to provide that the prevailing party in any enforcement action shall be entitled to recover costs and expenses, including attorney's fees.

4. Section 7.4 of the Franchise Agreement is hereby amended to add the following language: "Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota."

5. Section 12 of the Franchise Agreement is hereby amended to add the following language:

(a) Any provision requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. These provisions are amended to provide the site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.

(b) Any provision which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

(c) Any provision requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota is unfair, unjust or inequitable within the intent of Section 51- 19-09 of the North Dakota Franchise Investment Law and is void. These provisions are hereby amended to provide that the Franchise Agreement is to be construed according to the laws of North Dakota.

6. Section 12.5 of the Franchise Agreement is hereby amended to provide that the statute of limitations under North Dakota law will apply.

7. Section 12.13 of the Franchise Agreement are hereby amended to provide that any provision requiring a franchisee to consent to a waiver of exemplary and punitive damages is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law and is void.

8. Section 12.14 of the Franchise Agreement is hereby amended to provide that any provision

requiring a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law and is void.

_____ _____

Franchisee Initials/Date ’ Franchisor's Initials/Date

ADDENDUM TO THE REDBOX+ INTERNATIONAL LLC
FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document and Franchise Agreement for **RedBox+ International, LLC** for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does "not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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

REDBOX+ INTERNATIONAL, LLC

By:_____

Name:_____

Title:_____

FRANCHISEE:

_____

ADDENDUM TO THE REDBOX+ INTERNATIONAL LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WASHINGTON

The following language shall be added to the State Cover Sheets titled: "Special Risks to Consider About *this* Franchise":

7. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same of similar goods. This may reduce the anticipated profit of your franchise business.

8. **Use of Franchise Brokers**. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise.

A surety bond in the amount of $100,00 has been obtained by the Franchisor. The Washington Securities Division has made the issuance of the franchisor's permit contingent upon the Franchisor maintaining surety bond coverage acceptable to the Administrator until (a) all Washington Franchisees have (i) received all initial training that they are entitled to under the franchise agreement or offing circular, and (ii) are open for business; or (b) the Administrator issues written authorization to the contrary.

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

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

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent

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

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Each provision of this addendum to the Disclosure Document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, are met independently without reference to this addendum to the Disclosure Document.

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST

_____
Witness

REDBOX+ INTERNATIONAL, LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

_____
Witness

_____

ADDENDUM TO THE REDBOX+ INTERNATIONAL LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON

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

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

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

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

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

A surety bond in the amount of $100,000 has been obtained by the Franchisor. The Washington Securities Division has made the issuance of the franchisor's permit contingent upon the franchisor maintaining surety bond coverage acceptable to the Administrator until (a) all Washington franchisees have (i) received all initial training that they are entitled to under the franchise agreement or offering circular, and (ii) are open for business; or (b) the Administrator issues written authorization to the contrary.

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

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

_____ _ _____

FRANCHISOR FRANCHISEE

EXHIBIT D TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

BFG Holdco, Inc.

Consolidated Financial Report

December 31, 2023

BFG Holdco, Inc.

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Independent Auditor's Report

To the Board of Directors
BFG Holdco, Inc.

Opinion

We have audited the consolidated financial statements of BFG Holdco, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2023, 2022, and 2021 and the related consolidated statements of operations, stockholders' equity, and cash flows for the years ended December 31, 2023, 2022, and 2021, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, 2022, and 2021 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 Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our 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.

Emphasis of Matters

As discussed in Note 3 to the consolidated financial statements, the 2022 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

As discussed in Note 9 to the consolidated financial statements, the Company recognized an impairment loss to its goodwill balance during 2023. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audits 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 consolidated financial statements.

PRAXITY™
Empowering Business Globally

To the Board of Directors
BFG Holdco, Inc.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 consolidated 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

March 22, 2024

BFG Holdco, Inc.

Consolidated Balance Sheet

December 31, 2023, 2022, and 2021

	2023	2022 (As Restated)	2021
Assets			
Current Assets			
Cash	$ 3,701	$ 1,372	$ 3,467
Restricted cash	781	345	372
Accounts receivable - Net	2,338	3,074	6,331
Inventory (Note 6)	5,683	4,393	2,871
Notes receivable - Current portion net of allowance (Note 7)	639	1,661	3,567
Prepaid expenses and other current assets	625	346	691
Total current assets	13,767	11,191	17,299
Right-of-use Assets - Net	3,098	1,379	2,392
Property and Equipment - Net (Note 8)	2,220	1,701	1,610
Goodwill (Note 9)	10,519	56,056	57,322
Intangible Assets - Net (Note 9)	28,264	32,566	42,516
Other Assets			
Notes receivable - Net of current portion and allowance (Note 7)	1,336	2,747	4,580
Amounts due from related parties (Note 14)	24,688	23,843	16,717
Deferred commissions	871	1,155	1,063
Other noncurrent assets	216	331	459
Total assets	**$ 84,979**	**$ 130,969**	**$ 143,958**
Liabilities and Stockholders' Equity			
Current Liabilities			
Accounts payable	$ 203	$ 855	$ 1,046
Operating lease obligation - Current portion (Note 10)	1,002	1,145	1,078
Deferred revenue - Current portion	1,305	2,050	2,532
Accrued and other current liabilities:			
Accrued compensation	1,201	1,256	1,661
Other accrued liabilities	2,251	1,678	1,807
Total current liabilities	5,962	6,984	8,124
Operating Lease Obligation - Net of current portion (Note 10)	2,166	425	1,549
Other Long-term Liabilities			
Deferred revenue - Net of current portion	3,202	4,864	6,664
Deferred tax liabilities (Note 11)	3,266	3,001	5,596
Total liabilities	14,596	15,274	21,933
Stockholders' Equity	70,383	115,695	122,025
Total liabilities and stockholders' equity	**$ 84,979**	**$ 130,969**	**$ 143,958**

See notes to consolidated financial statements.

BFG Holdco, Inc.

Consolidated Statement of Operations

Years Ended December 31, 2023, 2022, and 2021

	2023	2022 (As Restated)	2021
Net Revenue	$ 31,072	$ 33,483	$ 36,232
Cost of Revenue	9,613	9,055	10,700
Gross Profit	21,459	24,428	25,532
Operating Expenses Before Impairment	20,604	27,789	23,079
Impairment of Goodwill	45,537	1,266	-
Impairment of Intangible Assets	-	4,952	-
Operating (Loss) Income	(44,682)	(9,579)	2,453
Nonoperating Income (Expense)			
Interest income	496	1,112	1,465
Loss on disposal of property and equipment	-	-	(27)
Other income	386	268	269
Total nonoperating income	882	1,380	1,707
(Loss) Income - Before income taxes	(43,800)	(8,199)	4,160
Income Tax Expense (Recovery) (Note 11)	477	(1,869)	1,219
Consolidated Net (Loss) Income	**$ (44,277)**	**$ (6,330)**	**$ 2,941**

See notes to consolidated financial statements.

BFG Holdco, Inc.

Consolidated Statement of Stockholders' Equity

Years Ended December 31, 2023, 2022, and 2021

	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
Balance - January 1, 2021	$ 5	$ 114,238	$ 4,841	$ 119,084
Consolidated net income	-	-	2,941	2,941
Balance - December 31, 2021	5	114,238	7,782	122,025
Consolidated net loss	-	-	(6,330)	(6,330)
Balance - December 31, 2022 - As restated	5	114,238	1,452	115,695
Cumulative effect of change in accounting principle (Note 4)	-	-	(1,035)	(1,035)
Consolidated net loss	-	-	(44,277)	(44,277)
Balance - December 31, 2023	**$ 5**	**$ 114,238**	**$ (43,860)**	**$ 70,383**

See notes to consolidated financial statements.

BFG Holdco, Inc.

Consolidated Statement of Cash Flows

Years Ended December 31, 2023, 2022, and 2021

	2023	2022 (As Restated)	2021
Cash Flows from Operating Activities			
Consolidated net (loss) income	$ (44,277)	$ (6,330)	$ 2,941
Adjustments to reconcile consolidated net (loss) income to net cash from operating activities:			
Depreciation	591	490	443
Amortization of intangible assets	4,380	5,169	5,446
Bad debt expense	627	6,949	2,990
Loss on disposal of property and equipment	-	-	27
Impairment of goodwill	45,537	1,266	-
Impairment of intangible assets	-	4,952	-
Deferred income taxes	265	(2,595)	795
Noncash lease expense	(121)	(44)	100
Changes in operating assets and liabilities that provided (used) cash:			
Accounts receivable	1	(3,560)	(1,288)
Inventory	(1,289)	(1,523)	(218)
Notes receivable	1,506	3,607	2,550
Prepaid expenses and other assets	(166)	473	(167)
Deferred commissions	284	(92)	(461)
Related party	(845)	(7,126)	(9,756)
Accounts payable	(652)	(191)	(212)
Accrued and other liabilities	518	(534)	595
Deferred revenue	(2,407)	(2,282)	(1,250)
Net cash provided by (used in) operating activities	3,952	(1,371)	2,535
Cash Flows from Investing Activities			
Purchase of property and equipment	(1,109)	(581)	(585)
Payments made for patents and trade names	(78)	(170)	(151)
Proceeds from sale of property and equipment	-	-	24
Net cash used in investing activities	(1,187)	(751)	(712)
Net Increase (Decrease) in Cash	2,765	(2,122)	1,823
Cash - Beginning of year	1,717	3,839	2,016
Cash - End of year	**$ 4,482**	**$ 1,717**	**$ 3,839**
Classification of Cash			
Cash	$ 3,701	$ 1,372	$ 3,467
Restricted cash	781	345	372
Total cash	**$ 4,482**	**$ 1,717**	**$ 3,839**
Supplemental Cash Flow Information - Cash paid for taxes	$ 185	$ 161	$ 69
Significant Noncash Transactions			
Leases entered into	$ 2,731	$ -	$ -
Transfer of property and equipment to related parties	-	-	(147)

See notes to consolidated financial statements.

Note 1 - Nature of Business

BFG Holdco, Inc., with its wholly owned subsidiaries, Chem-Dry, Inc. (Chem-Dry); NHance, Inc. (N-Hance); Delta Disaster Services, LLC d/b/a Delta Restoration Services (DRS); Delta Development Group, LLC (DDG); and Delta Asset Management, LLC (DAM) (together with DRS and DDG, Delta) (collectively, the "Company"), is a wholly owned subsidiary of Belfor USA Group, Inc. BFG Holdco, Inc. was formerly known as HRI Holdings, Inc. until February 13, 2023, when its name was changed to BFG Holdco, Inc. Chem-Dry, Inc. was formerly known as Harris Research, Inc. until February 13, 2023, when its name was changed to Chem-Dry, Inc.

On December 31, 2019, all the outstanding shares of NHance, Inc. were contributed to BFG Holdco, Inc. The transaction qualified as a pooling-of-interests transaction in accordance with accounting principles generally accepted in the United States of America due to common control.

As a result, the consolidated financial statements presented include the activity of NHance, Inc. All of the assets and liabilities have been accounted for at their carryover basis.

A summary of the Company's operations, which are headquartered in Nashville, Tennessee, is as follows:

- Chem-Dry - Markets and services Chem-Dry carpet and upholstery cleaning franchises and provides training, equipment, solutions, and products to its franchisees throughout the United States of America and Canada.
- Delta - Services and trains Delta Restoration Services franchises in the United States of America, which offer commercial and residential property mitigation, remediation, reconstruction, and consulting services, and owns one Delta Restoration Services operation in Colorado. During 2022, Delta ceased operations.
- Devere International, Inc. (Devere), a wholly owned subsidiary of BFG Holdco, Inc. - Sells area franchise rights for specific geographic locations throughout the world (excluding the United States of America) and provides training, equipment, and cleaning supplies to the respective area franchisees.
- Chem-Dry Corporate Services (CDCS), a division of BFG Holdco, Inc. - Secures commercial and insurance work for franchisees in the United States and Canada.
- N-Hance - Markets and services N-Hance wood cleaning, coating, protection, and renewal franchises, including providing training, equipment, and solutions and products to franchise owners in the United States and Canada.

As of December 31, 2023, 2022, and 2021, the Company had the following active franchises throughout the world:

	2023	2022	2021
Chem-Dry carpet upholstery cleaning franchises	1,240	1,388	1,692
Chem-Dry Canada franchises	44	49	60
Devere area franchise rights	22	46	47
N-Hance wood renewal franchises	296	317	383
Delta restoration franchises	-	-	3

Note 2 - Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements reflect the consolidated financial position, operations, stockholders' equity, and cash flows of BFG Holdco, Inc. and its subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Note 2 - Significant Accounting Policies (Continued)

Revenue and Cost Recognition

Revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Sales-based taxes are excluded from revenue. Goods and services may be transferred to customers either at a point in time or over time, as discussed below. Of the $31,072, $33,483, and $36,232 of revenue recognized from contracts with customers for the years ended December 31, 2023, 2022, and 2021, revenue recognized over time amounted to $11,642, $13,455, and $14,667, respectively, while the remainder was recognized at a point in time.

Nature of Promises to Transfer

The Company's revenue streams are described below:

- **Franchise Rights, Royalties, Monthly Franchise Fees, and Other Support Fees** - The Company sells individual franchises that grant the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is typically 5 to 10 years, with an option to renew for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid. Additionally, the Company sells master franchises rights in foreign countries with an initial term of typically 10 years, with an option to renew for a fee or transfer the right. The Company has performance obligations to provide franchisees with the franchise rights to service customers, as well as provide customized software, for which a technology fee is charged. Initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized at the time the transfer occurs. Royalty income and monthly franchise fee income is recognized over the term of the respective franchise agreement as the underlying sales occur. The Company also provides other services for a fee, as outlined in the franchise agreement. The Company has concluded these represent separate single performance obligations. Therefore, revenue is recognized when the support services are performed.
- **Merchandise Revenue** - The Company recognizes revenue from the sale of products, net of sales taxes, when the customer takes ownership of the products sold and assumes the risk of loss. The customer takes ownership and assumes risk of loss at the point of shipping for products other than equipment. Equipment is typically shipped "FOB Destination," and, as such, ownership and risk of loss remain with the Company until the equipment is delivered.

Note 2 - Significant Accounting Policies (Continued)

- **Corporate Services** - This includes services in connection with securing residential, commercial, and insurance work for franchisees through CDCS through national account relationships in the United States and Canada. Revenue is recognized at the point in time the franchisee completes the work. The Company is the agent in this relationship and recognizes revenue on a net basis.

- **Mitigation and Construction Contracts** - This includes mitigation and construction projects with both residential customers and insurance companies. Generally, the Company will have one performance obligation per contract. These services are transferred over time using the input method to measure progress. The use of the input method results in the recognition of revenue on the basis of the Company's efforts toward the satisfaction of the performance obligation. The most common input method that the Company uses is contract cost to date, including labor and direct costs relative to the total contract cost expected to be expended in satisfying each performance obligation. Contracts are billed on a time and materials basis using the practical expedient to recognize revenue, as the Company has the right to invoice those amounts. Project change orders are economic factors that affect the nature, amount, timing, and uncertainty of the Company's revenue and cash flows. Change orders often arise when unexpected costs to the existing contract are incurred or the customer wants to extend the scope of the project. These rarely create a separate project performance obligation and are accounted for as a modification to the contract price using the cumulative catch-up adjustment method.

In most cases, control of the Company’s contracts transfers to customers when performed by the Company. Some services are provided by subcontractors. Except for CDCS, the Company does not act as an agent (i.e., the Company does not provide a service of arranging for another party to transfer goods or services to the customer).

Significant Payment Terms

Each contract dictates the timing of billing and payments. Initial franchise, renewal, and transfer fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties, technology fees, and other support fees are paid on a monthly basis based upon amounts defined within the franchise agreement. Franchise fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Refer to the *Notes Receivable* section for information about financing provided to franchisees. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the consolidated balance sheet. The balance of deferred revenue at January 1, 2021 was $10,447.

For merchandise revenue and mitigation and construction contracts, billings typically occur monthly; however, there are contracts that may dictate milestone-based billing. For corporate services revenue, billing is handled by either the national account or the Company (CDCS) and occurs when the services have been performed. Payment for goods and services performed by the Company is typically due within 30 days after an invoice is sent to the customer. Progress invoices for services performed over a month or more are typically sent to customers on the last business day of each calendar month. Invoices for services performed over a shorter range of time are typically sent to customers upon completion of the service. In instances where the Company is a subcontractor on the contract, the Company is typically paid when the contractor receives its payment. The Company does not offer discounts if the customer pays some or all of an invoiced amount prior to the due date.

Note 2 - Significant Accounting Policies (Continued)

Determining and Allocating the Transaction Price

The transaction price of a contract is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Transaction prices do not include amounts collected on behalf of third parties (e.g., sales taxes). For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in underlying contracts and that the agreements will not be canceled, renewed, or modified.

Most of the Company's contracts with customers have fixed transaction prices that are denominated in U.S. dollars and payable in cash; however, certain contracts are priced at the Company's cost plus an agreed-upon margin. The Company's franchise agreements with franchisees have transaction prices that contain fixed and/or variable components. Variable consideration includes royalty revenue, as the transaction price is based on the franchisee's sales. The variable consideration is recognized based on the actual amounts incurred each month.

At the end of each month, the Company updates the estimated transaction prices of contracts having unsatisfied performance obligations. At that time, revenue and related account balances are adjusted to reflect any changes in transaction prices.

Costs to Obtain a Franchise Agreement

The Company typically incurs commission expenses or third-party broker and referral fees to obtain franchise agreements with franchisees. These charges are related to franchise fee revenue, which is recognized over time. As a result, these charges are capitalized as deferred expenses and are expensed over the term of the respective franchise agreement. For the years ended December 31, 2023, 2022, and 2021, the amounts expensed related to costs to obtain a franchise agreement were approximately $232, $237, and $146, respectively.

Restricted Cash

Restricted cash represents amounts received from franchisees that are restricted for certain advertising activities.

Accounts Receivable

Trade accounts receivable are stated at invoice amounts. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the receivables. The Company collectively evaluates trade receivables to determine the allowance for credit losses. The Company calculates the allowance using an expected loss model that considers the Company’s actual historical loss rates adjusted for current economic conditions and reasonable and supportable forecasts. The Company considers unemployment and consumer spending data when making adjustments for reasonable and supportable forecasts. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received.

Note 2 - Significant Accounting Policies (Continued)

Notes Receivable

Notes receivable are issued upon the sale of a franchise or area franchise rights; in conjunction with the sale of equipment; or, in some cases, to refinance a franchise's overall obligations. Notes receivable are reported at original issue amount plus accrued interest, less principal repaid. Interest is recognized according to the terms of the specific notes. An allowance for credit losses is established for amounts expected to be uncollectible over the contractual life of the notes receivable. The Company collectively evaluates notes receivable to determine the allowance for credit losses. The Company calculates the allowance using an expected loss model that considers the Company's actual historical loss rates adjusted for current economic conditions and reasonable and supportable forecasts. The Company considers unemployment and consumer spending data when making adjustments for reasonable and supportable forecasts. Uncollectible amounts are written off against the allowance for credit losses in the period they are determined to be uncollectible. Recoveries of amounts previously written off are recognized when received. Notes are considered delinquent if the repayment terms are not met. As of December 31, 2023, $68 of notes receivable were considered past due.

Fair Value of Financial Instruments

Financial instruments consist of accounts receivable, notes receivable, accounts payable, and debt. The carrying amount of accounts receivable, accounts payable, and debt approximates fair value due to either the short maturity or the existence of variable interest rates that approximate prevailing market rates. The fair value of notes receivable is determined as the present value of future contractual cash flows discounted at an interest rate that reflects the risks inherent in those cash flows. The discount rates range from 3.4 percent to 18.0 percent and approximate rates currently observed in publicly traded debt markets for debt of similar terms to individuals with comparable credit risk. As of December 31, 2023, 2022, and 2021, the carrying value of notes receivable approximates fair value.

Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation. Assets are depreciated over their estimated useful lives. The cost of leasehold improvements is depreciated over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition. Goodwill is not amortized but rather is assessed at least on an annual basis for impairment.

During 2023, management determined that the carrying amount of the Company exceeded fair value, which was estimated based on the present value of expected future cash inflows. Accordingly, a goodwill impairment loss of $45,537 was recognized in 2023, which is included within operating expenses on the consolidated statement of operations. The impairment loss is attributable in part to deteriorating economic conditions impacting the Company, including rising interest rates and the overall cost of accessible debt necessary to fuel investment; furthermore, strategic shifts undertaken by management to improve the overall health of the business, including ongoing efforts to reduce the overall size of its franchise network in order to resolve a host of franchisee-related matters of noncompliance, adversely impacted expected future cash inflows as well. The remaining goodwill was determined not to be impaired, as the carrying value of the remaining company exceeded the fair value.

Note 2 - Significant Accounting Policies (Continued)

During 2022, Delta ceased operations, and, as a result, management determined that the carrying amount of Delta exceeded fair value, which was estimated based on the present value of expected future cash inflows. Accordingly, a goodwill impairment loss of $1,266 was recognized in 2022, specifically related to Delta ceasing operations, which is included within operating expenses on the consolidated statement of operations.

No impairment charge was recognized during the year ended December 31, 2021.

Intangible Assets

Intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable.

During 2022, the Company determined that, based on estimated future cash flows, the carrying amount of the Delta trade name and franchise agreements exceeded their fair value; accordingly, impairment losses in the amount of $787 and $4,165, respectively, were recognized and included in operating expenses. No impairment charge was recognized in 2023 or 2021.

Other Accrued Liabilities

Other accrued liabilities are composed of convention accruals, invoice accruals, credit card payables, and other miscellaneous accrued liabilities.

Advertising Expense

Advertising expense is charged to income during the year in which it is incurred. Advertising expense for the years ended December 31, 2023, 2022, and 2021 was $3,027, $3,806, and $2,018, respectively.

Income Taxes

The Company joins in filing a consolidated federal income tax return with its parent. Current and deferred tax obligations or benefits are allocated to members of the consolidated group as if each were a separate taxpayer.

A current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting. A valuation allowance is recognized if, based on the weight of the available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. No valuation allowance was recorded at December 31, 2023, 2022, or 2021.

The Company classifies interest and penalties associated with tax liabilities as income taxes in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Significant Accounting Policies (Continued)

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 22, 2024, which is the date the consolidated financial statements were available to be issued.

Note 3 - Prior Period Adjustment

The accompanying financial statements for 2022 have been restated to correct an error relating to unidentified impairment of the Delta trade name and franchise agreement intangible assets made in 2022. Retained earnings at the beginning of 2023 have been adjusted for the effects of the restatement on 2022.

The following financial statement line items for fiscal year 2022 were affected by the change:

Statement of Operations
Year Ended December 31, 2022

	As Previously Reported	As Restated	Effect of Change
Net revenue	$ 33,483	$ 33,483	$ -
Cost of revenue	9,055	9,055	-
Gross profit	24,428	24,428	-
Operating expenses (before impairment)	29,842	27,789	(2,053)
Impairment of goodwill	-	1,266	1,266
Impairment of intangible assets	-	4,952	4,952
Operating loss	(5,414)	(9,579)	(4,165)
Total nonoperating income	1,380	1,380	-
Loss - Before income taxes	(4,034)	(8,199)	(4,165)
Income tax recovery	(810)	(1,869)	(1,059)
Net loss	$ (3,224)	$ (6,330)	$ (3,106)

Note 3 - Prior Period Adjustment (Continued)

Balance Sheet
December 31, 2022

	As Previously Reported	As Restated	Effect of Change
Total current assets	$ 11,191	$ 11,191	$ -
Right-of-use assets - Net	1,379	1,379	-
Property and equipment - Net	1,701	1,701	-
Goodwill	56,056	56,056	-
Intangible assets - Net	36,731	32,566	(4,165)
Other assets	28,076	28,076	-
Total assets	$ 135,134	$ 130,969	$ (4,165)
Current liabilities	$ 6,984	$ 6,984	$ -
Operating lease obligation - Net of current portion	425	425	-
Deferred revenue - Net of current portion	4,864	4,864	-
Deferred tax liabilities	4,060	3,001	(1,059)
Total liabilities	16,333	15,274	(1,059)
Stockholders' equity	118,801	115,695	(3,106)
Total stockholders' equity	118,801	115,695	(3,106)
Total liabilities and stockholders' equity	$ 135,134	$ 130,969	$ (4,165)

As a result of the prior period adjustment, retained earnings as of December 31, 2022 decreased from $4,558, as originally reported, to $1,452.

Note 4 - Adoption of New Accounting Pronouncement

As of January 1, 2023, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments - Credit Losses*: *Measurement of Credit Losses on Financial Instruments*. The ASU includes changes to the accounting and measurement of financial assets, including the Company's accounts receivable and notes receivable. The amendments in this ASU reflect an entity's current estimate of all expected credit losses using reasonable and supportable forecasts. The Company adopted the ASU using the modified retrospective method as of January 1, 2023. As a result of the accounting change, retained earnings as of January 1, 2023 decreased from $1,452 to $417.

Note 4 - Adoption of New Accounting Pronouncement (Continued)

The following financial statement line items for fiscal years 2023 were affected by the change in accounting principle:

Statement of Operations for the Years Ended

	2023		
	As Computed Under Previous Standard	As Reported Under New Standard	Effect of Change
Net revenue	$ 31,072	$ 31,072	$ -
Cost of revenue	9,613	9,613	-
Gross profit	21,459	21,459	-
Operating expenses before impairment	19,371	20,604	1,233
Impairment of goodwill	45,537	45,537	-
Operating loss	(43,449)	(44,682)	-
Nonoperating Income	882	882	-
Loss - Before income taxes	(42,567)	(43,800)	-
Income tax expense	477	477	-
Consolidated net loss	$ (43,044)	$ (44,277)	$ -

Note 4 - Adoption of New Accounting Pronouncement (Continued)

Balance Sheet

	2023		
	As Computed Under Previous Standard	As Reported Under New Standard	Effect of Change
Cash	$ 3,701	$ 3,701	$ -
Restricted cash	781	781	-
Accounts receivable - Net	2,841	2,338	(503)
Inventory	5,683	5,683	-
Notes receivable - Current portion net of allowance	875	639	(236)
Prepaid expenses and other current assets	625	625	-
Total current assets	14,506	13,767	-
Right-of-use assets - Net	3,098	3,098	-
Property and equipment - Net	2,220	2,220	-
Goodwill	10,519	10,519	-
Intangible assets - Net	28,264	28,264	-
Other assets			
Notes receivable - Net of current portion and allowance	1,830	1,336	(494)
Amounts due from related parties	24,688	24,688	-
Deferred commissions	871	871	-
Other noncurrent assets	216	216	-
Total assets	$ 86,212	$ 84,979	$ (1,233)
Total liabilities	14,596	14,596	-
Stockholders' equity	71,616	70,383	(1,233)
Total liabilities and stockholders' equity	$ 86,212	$ 84,979	$ (1,233)

Note 5 - Accounts Receivable

The following is the detail of accounts receivable:

	2023	2022	2021
Trade receivables	$ 2,880	$ 5,231	$ 8,483
Other	431	432	864
Less - Allowance for credit losses	973	2,589	3,016
Net accounts receivable	$ 2,338	$ 3,074	$ 6,331

The activity in the allowance for credit losses is as follows:

	2023
Balance at beginning of period	$ 2,990
Additions charged to expense	634
Deductions/write-offs	(2,651)
Balance at end of period	$ 973

Note 6 - Inventory

Inventory consists of equipment, cleaning supplies, chemicals, and mixed cleaning solutions. Inventory, net of reserve, at December 31, 2023, 2022, and 2021 consists of the following:

	2023	2022	2021
Raw materials	$ 1,797	$ 2,000	$ 1,156
Finished goods	3,886	2,393	1,715
Total	$ 5,683	$ 4,393	$ 2,871

Note 7 - Notes Receivable

Notes receivable at December 31, 2023, 2022, and 2021 are as follows:

	2023	2022	2021
Amounts due from the sale of franchises and area franchise rights and refinanced obligations, due in monthly payments, with imputed interest from 3.4 to 18.0 percent, collateralized by the franchise, equipment, and personal guarantees	$ 3,070	$ 5,478	$ 10,334
Amounts due from the sale of equipment to franchisees, due in monthly payments, with imputed interest between 6.5 and 10.0 percent, collateralized by the equipment	20	41	32
Total gross notes receivable	3,090	5,519	10,366
Less allowance for credit losses	(1,115)	(1,112)	(2,219)
Less current portion	1,027	1,972	4,584
Long-term portion	$ 948	$ 2,435	$ 3,563

The activity in the allowance for credit losses is as follows:

	2023
Balance at beginning of period	$ 1,746
Additions charged to expense	292
Deductions/write-offs	(923)
Balance at end of period	$ 1,115

Note 8 - Property and Equipment

Property and equipment at December 31, 2023, 2022, and 2021 are summarized as follows:

	2023	2022	2021	Depreciable Life - Years
Machinery and equipment	$ 844	$ 762	$ 548	2-10
Vehicles	222	102	100	5
Furniture and fixtures	191	126	114	3-5
Office and computer equipment	1,442	1,253	1,048	3-5
Leasehold improvements	441	431	412	1-7
Construction in progress	1,005	362	260	-
Total cost	4,145	3,036	2,482	
Accumulated depreciation	1,925	1,335	872	
Net property and equipment	$ 2,220	$ 1,701	$ 1,610	

Depreciation expense for the years ended December 31, 2023, 2022, and 2021 was $591, $490, and $443, respectively.

Note 9 - Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2023, 2022, and 2021 are summarized as follows:

	2023		2022 (As Restated)		2021	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets:						
Franchise agreements	$ 32,215	$ 11,151	$ 32,215	$ 8,684	$ 37,900	$ 7,288
Trade names	7,400	3,375	7,503	2,655	8,500	2,104
Patented technology	7,600	4,886	7,650	3,801	7,600	2,714
Internal software	1,818	1,766	1,818	1,745	1,800	1,443
Patents and trademarks	514	105	297	32	297	32
Total amortized intangible assets	$ 49,547	$ 21,283	$ 49,483	$ 16,917	$ 56,097	$ 13,581
Goodwill	$ 10,519	$ -	$ 56,056	$ -	$ 57,322	$ -

Amortization expense for intangible assets totaled $4,380, $5,169, and $5,446 for the years ended December 31, 2023, 2022, and 2021, respectively.

Note 9 - Intangible Assets and Goodwill (Continued)

Estimated amortization expense for intangible assets for the years ending December 31 is as follows:

Years Ending	Amount
2024	$ 4,377
2025	4,366
2026	3,819
2027	3,272
2028	3,003
Thereafter	9,427
Total	$ 28,264

Note 10 - Leases

The Company is obligated under operating leases primarily for facilities, expiring at various dates through December 2026, taking into consideration lease renewal options and termination provisions. The right-of-use asset and related lease liability have been calculated using discount rates ranging from 3.25 to 8.50 percent. The weighted-average remaining lease term at December 31, 2023 is 38 months. The weighted-average discount rate used at December 31, 2023 is 7.79 percent. Some of the leases require the Company to pay taxes, insurance, utilities, and maintenance costs. Total rent expense under these leases was approximately $1,051, $1,103, and $1,176 for the years ended December 31, 2023, 2022, and 2021, respectively. Total cash paid for operating leases, excluding any variable payments, was $1,172 for the year ended December 31, 2023.

Future minimum annual commitments under these operating leases are as follows:

Years Ending December 31	Amount
2024	$ 1,199
2025	1,213
2026	1,127
Total	3,539
Less amount representing interest	371
Present value of net minimum lease payments	3,168
Less current obligations	1,002
Long-term obligations under operating leases	$ 2,166

Note 10 - Leases (Continued)

The Company subleases certain facilities. As of December 31, 2023, there are no sublease rentals to be received in future periods. Rental income under the sublease was $385, $268, and $269 for the years ended December 31, 2023, 2022, and 2021, respectively.

Note 11 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations are all attributable to continuing operations and are detailed as follows:

	2023	2022 (As Restated)	2021
Current income tax expense	$ 212	$ 726	$ 424
Deferred income tax expense (recovery)	265	(2,595)	795
Total income tax expense (recovery)	$ 477	$ (1,869)	$ 1,219

A reconciliation of the provision for income taxes to income taxes computed by applying the statutory United States federal rate to income before taxes is as follows:

	2023	2022 (As Restated)	2021
Income tax (recovery) expense, computed at 21 percent of pretax income	$ (9,416)	$ (830)	$ 873
Permanent differences	9,568	-	-
State income tax expense (recovery)	168	(42)	257
Other	157	(997)	89
Total provision for income taxes	$ 477	$ (1,869)	$ 1,219

The details of the net deferred tax liability are as follows:

	2023	2022 (As Restated)	2021
Deferred tax assets:			
Allowance for credit losses	$ 531	$ 941	$ 1,312
Deferred revenue	1,259	1,759	2,365
Notes receivable	52	156	260
Interest limitation carryforward	1,029	872	590
Accrued liabilities	210	231	291
Lease liability	806	399	668
Other	874	882	159
Gross deferred tax assets	4,761	5,240	5,645
Deferred tax liabilities:			
Intangibles	(6,836)	(7,493)	(10,160)
Property and equipment	(244)	(309)	(308)
Prepaid expenses	(159)	(88)	(165)
Right-of-use asset	(788)	(351)	(608)
Gross deferred tax liabilities	(8,027)	(8,241)	(11,241)
Net deferred tax liability	$ (3,266)	$ (3,001)	$ (5,596)

Note 12 - Common Stock

Common stock consists of 5,000 authorized shares of $1 par value stock. As of December 31, 2023, 2022, and 2021, there were 5,000 shares issued and outstanding.

Note 13 - Contingencies

The Company is party to an agreement with an unrelated financial institution where the Company guarantees a portion of the losses resulting from equipment-related financing arrangements made between the financial institution and certain of the Company's franchisees. In the event of a default by a franchisee, the Company guarantees the financial institution's losses, including proceeds received from the sale of collateralized equipment as follows: 30 percent on equipment and between 30 percent and 100 percent on nonequipment. As of December 31, 2023, 2022, and 2021, the financial institution provided cumulative aggregate financing arrangements for certain of the Company's franchisees totaling approximately $8,170, $8,140, and $8,140, with open financed amounts totaling approximately $1,577, $1,774, and $2,772, respectively. Payments made under this guarantee during the years ended December 31, 2023, 2022, and 2021 were approximately $0, $178, and $18, respectively, and the Company has recorded the estimated present value of this contingent liability as of December 31, 2023, 2022, 2021 of approximately $13, $68, and $230, respectively, which is included in accrued liabilities in the accompanying consolidated balance sheet.

Note 14 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Amounts Due from Related Parties

At December 31, 2023, 2022, and 2021, the Company had accounts receivable from Belfor USA Group, Inc. totaling $24,688, $23,843, and $16,717, respectively, which relates to amounts advanced for working capital purposes and amounts due for expenses incurred by the Company on behalf of related parties.

Guarantee

The Company has guaranteed balances outstanding on the term loan and line of credit issued to Belfor Holdings, Inc. and other entities related through common ownership. In the event of a default by the affiliates, the Company could be obligated to repay the full amount outstanding on these loans. As of December 31, 2023, the affiliates' outstanding borrowings under the loans and the maximum potential future obligation under this guarantee totaled approximately $1,512,898 and $1,812,898, respectively. The term loan is payable through November 2030, and the line of credit expires in November 2028. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the affiliate; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee.

Guarantee of Performance

The Company is listed as the guarantor of performance within the franchise disclosure documents of various franchisors within Belfor Franchise Group, LLC. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the affiliate; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee.

Note 15 - Retirement Plans

The Company sponsors a 401(k) plan for substantially all employees. The plan provides for the Company to make a required matching contribution. The Company may also make additional discretionary contributions to the plan. Contributions to the plan totaled $212, $244, and $251 for the years ended December 31, 2023, 2022, and 2021, respectively.

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GUARANTEE OF PERFORMANCE

For value received, BFG Holdco, Inc., a Delaware corporation (the "Guarantor"), located at 3310 West End Avenue, Suite 620, Nashville, TN 37203, absolutely and unconditionally guarantees to assume the duties and obligations of Chem-Dry, Inc., NHance, Inc., 1-800 Water Damage International, LLC, Hoodz International, LLC, Ductz International, LLC, Patch Boys International, LLC, Plumberz International, LLC, Packoutz International, LLC, Safer Home Services International, LLC, Cool Binz International, LLC, and JunkCo+ International, LLC, under their franchise registrations in each state where the franchises are registered, and under its Franchise Agreement identified in their Franchise Disclosure Documents issued March 29, 2024, and Redbox+ International, LLC under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its Franchise Disclosure Document, issued April 4th, 2024 (individually, each, a "Franchisor"), and as the Franchise Agreements may be entered into with all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever occurs first. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding, notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor Executes this guarantee at Nashville, Tennessee, on 3/27/2024, 2024.

Guarantor:

BFG Holdco, Inc.

DocuSigned by:
Janette Sims
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Janette Sims
Chief Financial Officer

Redbox+ International, LLC

Financial Report

December 31, 2022

Redbox+ International, LLC

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Independent Auditor's Report

To the Board of Directors
Redbox+ International, LLC

Opinion

We have audited the accompanying financial statements of Redbox+ International, LLC (the "Company"), which comprise the balance sheet as of December 31, 2022 and 2021 and the related statements of operations, member's equity, and cash flows for the year ended December 31, 2022 and the period from May 28, 2021 through December 31, 2021, and the related notes to 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, 2022 and 2021 and the results of its operations and its cash flows for the year ended December 31, 2022 and the period from May 28, 2021 through December 31, 2021 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 Audits of the Financial Statements* section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audits 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 audits 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.

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To the Board of Directors
Redbox+ International, LLC

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

March 15, 2023

Redbox+ International, LLC

Balance Sheet

December 31, 2022 and 2021

	2022	2021
Assets		
Current Assets		
Cash	$ 2,212	$ 484,709
Restricted cash	629,210	230,520
Accounts receivable:		
Trade - Net	407,332	1,538,049
Unbilled	65,291	-
Other	-	820,000
Deferred broker commissions - Current portion (Note 2)	30,005	-
Inventory	1,475,423	3,688,730
Notes receivable - Current portion	52,398	-
Prepaid expenses and other current assets	28,962	44,166
Total current assets	2,690,833	6,806,174
Property and Equipment - Net (Note 5)	481,636	238,390
Goodwill	9,872,053	9,872,053
Intangible Assets - Net (Note 6)	32,788,473	35,738,693
Deferred Broker Commissions - Net of current portion (Note 2)	241,892	-
Other Assets		
Notes receivable - Net of current portion	88,821	-
Amounts due from related parties (Note 4)	32,486	1,168,941
Total other assets	121,307	1,168,941
Total assets	**$ 46,196,194**	**$ 53,824,251**
Liabilities and Member's Equity		
Current Liabilities		
Accounts payable	$ 805,684	$ 1,986,357
Deferred revenue - Current portion (Note 2)	917,014	1,437,378
Accrued and other current liabilities:		
Accrued compensation	88,452	44,305
Other accrued liabilities	186,644	426,181
Total current liabilities	1,997,794	3,894,221
Amount Due to Related Parties (Note 4)	35,898,321	40,179,307
Contingent Purchase Consideration	1,938,664	1,852,491
Deferred Revenue - Contract liabilities - Net of current portion (Note 2)	5,834,168	7,162,734
Total liabilities	45,668,947	53,088,753
Member's Equity	527,247	735,498
Total liabilities and member's equity	**$ 46,196,194**	**$ 53,824,251**

See notes to financial statements.

Redbox+ International, LLC

Statement of Operations

	Year Ended December 31, 2022	Period Ended December 31, 2021
Revenue		
Royalties	$ 3,845,003	$ 1,582,463
Franchise fees	1,962,562	1,237,273
Equipment sales	9,937,750	10,048,491
Total revenue	15,745,315	12,868,227
Cost of Sales	8,904,056	8,480,631
Gross Profit	6,841,259	4,387,596
Operating Expenses		
General and administrative expenses	6,778,063	3,583,095
Selling and marketing	185,323	26,041
Total operating expenses	6,963,386	3,609,136
Operating (Loss) Income	(122,127)	778,460
Nonoperating Expense - Interest expense	(86,124)	(43,062)
Net (Loss) Income	**$ (208,251)**	**$ 735,398**

See notes to financial statements.

Redbox+ International, LLC

Statement of Member's Equity

Balance - May 28, 2021 (inception)	$	100
Net income		735,398
Balance - December 31, 2021		735,498
Net loss		(208,251)
Balance - December 31, 2022	**$**	**527,247**

See notes to financial statements.

Redbox+ International, LLC

Statement of Cash Flows

	Year Ended December 31, 2022	Period Ended December 31, 2021
Cash Flows from Operating Activities		
Net (loss) income	$ (208,251)	$ 735,398
Adjustments to reconcile net (loss) income to net cash and restricted cash from operating activities:		
Depreciation and amortization	3,142,560	1,495,354
Bad debt expense	14,426	109,383
Changes in operating assets and liabilities that provided (used) cash and restricted cash:		
Accounts receivable	1,871,000	(867,785)
Inventory	2,213,307	(2,025,734)
Notes receivable	(141,219)	-
Deferred broker commissions	(271,897)	-
Prepaid expenses and other assets	15,204	(81,215)
Accounts payable	(1,180,673)	288,141
Accrued and other liabilities	(929,217)	516,951
Deferred revenue	(1,848,930)	(1,174,133)
Amounts due to related parties	(3,144,531)	1,724,439
Net cash and restricted cash (used in) provided by operating activities	(468,221)	720,799
Cash Flows from Investing Activities		
Cash paid for business acquisition	-	(37,285,928)
Purchase of property and equipment	(435,586)	(5,570)
Cash received for settlement of working capital adjustment from business acquisition	820,000	-
Net cash and restricted cash provided by (used in) investing activities	384,414	(37,291,498)
Cash Flows Provided by Financing Activities - Cash provided from related party for business acquisition	-	37,285,928
Net (Decrease) Increase in Cash and Restricted Cash	(83,807)	715,229
Cash and Restricted Cash - Beginning of period	715,229	-
Cash and Restricted Cash - End of period	**$ 631,422**	**$ 715,229**
Classification of Cash and Restricted Cash		
Cash	$ 2,212	$ 484,709
Restricted cash	629,210	230,520
Total cash and restricted cash	**$ 631,422**	**$ 715,229**
Supplemental Cash Flow Information - Cash paid for interest	$ 86,124	$ 43,062
Significant Noncash Transactions - Contingent consideration in business acquisition	$ -	$ 1,806,220

See notes to financial statements.

Note 1 - Nature of Business

Redbox+ International, LLC (the "Company") is organized in the state of Michigan. The Company is a wholly owned subsidiary of Belfor Franchise Group, LLC (the "Member"), which is a wholly owned subsidiary of Belfor USA Group, Inc. (Belfor). The Company was formed on May 28, 2021 (date of inception). The Company's operations are principally related to the sale and franchising of patent-protected roll-off box/portable toilet combinations.

The Member is also the sole member of Hoodz North America, LLC; Hoodz International, LLC; Ductz North America, LLC; Ductz International, LLC; 1 800 Water Damage North America, LLC; 1 800 Water Damage International, LLC; Driploc, LLC; A Cure Disaster Services, LLC; Packoutz North America, LLC; Packoutz International, LLC; Plumberz North America, LLC; Plumberz International, LLC; Patch Boys International, LLC; Safer Home Services International, LLC; Safer Home Services North America, LLC; Cool Binz International, LLC; and Cool Binz North America, LLC.

Note 2 - Significant Accounting Policies

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Sales-based taxes are excluded from revenue.

Nature of Promises to Transfer

The Company's revenue streams are described below:

- **Equipment Sales** - The Company recognizes revenue from the sale of its patented roll-off box/portable toilet combinations to franchisees when the franchisee takes ownership of the products sold and assumes the risk of loss. The franchisee takes ownership and assumes the risk of loss when the equipment leaves a third-party/vendor warehouse location. Equipment is typically shipped "FOB Shipping Point," and, as such, ownership and risk of loss transfer when the equipment is shipped.

- **Franchise Rights, Royalties, Technology Fees, and Advertising Fees** - The Company sells individual franchises the right to service customers within a defined territory using the franchise name. The initial term of franchise agreements is typically 10 years, with an option to renew for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid. The Company has performance obligations to provide franchisees with franchise rights to service customers, as well as provide customized software and advertising, for which a fee is charged. The Company has concluded that these items represent a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement from the date the agreement is entered. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. Income for royalties, technology fees, and advertising fees is recognized over the term of the respective franchise agreement as the underlying sales occur. Technology fees and advertising fees are recorded within franchise fees within the statement of operations.

Note 2 - Significant Accounting Policies (Continued)

Payment Terms

Initial franchise, renewal, and transfer fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Technology fees are paid on an annual basis. Royalties and advertising fees are paid on a weekly basis based upon the number of containers and an amount defined within the franchise agreement. Franchise fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the balance sheet.

Payment for equipment sales is typically due within 30 days of the equipment shipping. Certain customers prepay for equipment upon ordering it. These amounts are included in current deferred revenue in the balance sheet.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Transaction prices do not include amounts collected on behalf of third parties (e.g., sales taxes). To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's equipment sales have transaction prices that contain a fixed price. The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties, technology fees, and advertising fees, as the transaction price is based on the franchisees' sales. The variable consideration is recognized based on the actual amounts incurred each month.

Costs to Obtain a Franchise Agreement

The Company occasionally incurs broker commission expenses paid to third parties to obtain franchise agreements with franchisees. The commissions are related to franchise fee revenue, which is recognized over time. As a result, the commissions are capitalized as deferred broker commissions and are expensed over the term of the respective franchise agreement. For the year ended December 31, 2022, the amounts expensed related to costs to obtain a franchise agreement were approximately $28,000. For the period ended December 31, 2021, there were no amounts expensed related to costs to obtain a franchise agreement.

Restricted Cash

Restricted cash represents amounts received from franchisees that are restricted for certain advertising activities and amounts held in escrow for franchisees in certain states.

Accounts Receivable

Accounts receivable are stated at net invoice amounts. Accounts receivable arise from contracts with franchisees. An allowance for doubtful accounts is established based on a specific assessment of all invoices issued to franchisees that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. At December 31, 2022 and 2021, the Company recorded an allowance for doubtful accounts in the amount of $134,519 and $145,247, respectively.

Note 2 - Significant Accounting Policies (Continued)

Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on the weighted-average cost (WAC) method. All of the Company's inventory is considered finished goods. Substantially all inventory is located at third-party vendors.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the individual assets, ranging from two to seven years. Depreciation of leasehold improvements is provided using the straight-line method over the lesser of the useful life of the improvement or the term of the lease. Costs of maintenance and repairs are charged to expense when incurred.

Goodwill

The recorded amount of goodwill from a business acquisition is based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition. Goodwill is not amortized but rather is assessed for impairment at least on an annual basis.

No impairment charge was recognized during the year ended December 31, 2022 and the period ended December 31, 2021.

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets (20 years for the trade name, 25 years for the franchise rights, and 9 years for the patents). Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. No impairment charge was recognized during the year ended December 31, 2022 and the period ended December 31, 2021.

Advertising Expense

Advertising expense is charged to income during the year in which it is incurred. Advertising expense for the year ended December 31, 2022 and the period ended December 31, 2021 was $544,064 and $221,570, respectively.

Income Taxes

The Company is a single-member limited liability company (LLC) and joins in filing a consolidated federal income tax return with the Member and Belfor. Current and deferred tax obligations or benefits are not allocated to the Company by the Member or Belfor.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 15, 2023, which is the date the financial statements were available to be issued.

Note 3 - Business Combination

On June 30, 2021, the Company acquired certain assets of Redbox+ Franchising, LLC. The primary reason for the acquisition was to acquire the rights to market, sell, and support Redbox+ franchises that provide a patent-protected roll-off container/portable toilet combination and other related products and services.

The following table summarizes the fair value of the consideration transferred as part of the acquisition of Redbox+ Franchising, LLC:

Cash	$ 37,285,928
Contingent consideration	1,806,220
Fair value of total consideration transferred	$ 39,092,148

The cash portion was financed with a loan payable to Belfor USA Group, Inc. with no defined repayment terms.

Under the terms of the asset purchase agreement, the former owners of Redbox+ Franchising, LLC are entitled to additional consideration in the form of cash if certain royalty targets are met. The maximum amount payable under the arrangement is $2,000,000. At December 31, 2022 and 2021, the present value of payments under the arrangement was estimated to be $1,938,664 and $1,852,491, respectively, which is reported as part of long-term liabilities in the accompanying balance sheet, with payment expected in 2023 and 2024.

The acquisition was subject to a working capital adjustment, which resulted in a receivable due to the Company of $820,000 as of December 31, 2021.

The following table summarizes the acquisition-date fair values of the assets acquired and liabilities assumed:

Accounts receivable	$ 1,599,546
Inventory	1,662,996
Property and equipment	290,303
Identifiable intangible assets	37,213,806
Accounts payable	(1,533,800)
Deferred franchise fees	(9,003,377)
Accrued and other expenses	(1,009,379)
Total identifiable net assets	29,220,095
Goodwill	9,872,053
Total	$ 39,092,148

Identifiable intangible assets consist of a trade name of $7,500,000 with an estimated useful life of 20 years, patents of $19,500,000 with estimated useful lives of 9 years, and franchise agreements of $10,213,806 with estimated useful lives of 25 years.

In addition, goodwill of $9,872,053 was recognized for the excess of the purchase price over the fair value of the net assets acquired. Goodwill relates to synergies and economies of scale expected from combining with the operations of Belfor USA Group, Inc. Goodwill is expected to be deductible for tax purposes.

Note 4 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Amounts Due to and from Related Parties

The Company's portion of shared expenses is allocated to the Company by parties related through common ownership, including employee payroll costs, certain retirement costs, occupancy costs, and other general and administrative expenses. Expenses that are not allocated to the Company by parties related through common ownership include property taxes, certain retirement contributions, and payroll processing fees. The Company and parties related through common ownership also advance funds to each other for working capital purposes. Amounts due to and from related parties result from these transactions:

As of December 31, 2022 and 2021, the Company owed Ductz North America, LLC $109,670 and $35,122, respectively.

As of December 31, 2022 and 2021, the Company owed Belfor USA Group, Inc. $35,709,993 and $40,142,586, respectively.

As of December 31, 2022 and 2021, the Company owed 1 800 Water Damage International, LLC $42,246 and $1,599, respectively.

As of December 31, 2022 and 2021, Patch Boys International, LLC owed the Company $5,800 and $5,000, respectively.

As of December 31, 2022 and 2021, the Member owed the Company $20,448 and $1,163,941, respectively.

As of December 31, 2022, the Company owed 1 800 Water Damage North America, LLC $4,307.

As of December 31, 2022, the Company owed Packoutz International, LLC $273.

As of December 31, 2022, the Company owed Packoutz North America, LLC $28,832.

As of December 31, 2022, the Company owed Hoodz North America, LLC $3,000.

As of December 31, 2022, 1 800 BoardUp International, LLC owed the Company $6,238.

Guarantee

The Company has guaranteed balances outstanding on term loans and a line of credit issued to Belfor Holdings, Inc. and other entities related through common ownership. In the event of a default by the affiliates, the Company could be obligated to repay the full amount outstanding on these loans. As of December 31, 2022, the affiliates' outstanding borrowings under the loans and the maximum potential future obligations under this guarantee totaled approximately $1,256,012,150 and $1,347,307,310, respectively. The term loans are payable through April 2026, and the line of credit expires in April 2024. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the affiliate; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee.

Note 5 - Property and Equipment

Property and equipment at December 31 are summarized as follows:

	2022	2021
Transportation equipment	$ 51,508	$ 51,508
Furniture and fixtures	66,907	24,680
Computer equipment and software	55,502	89,053
Leasehold improvements	483,252	130,438
Total cost	657,169	295,679
Accumulated depreciation	175,533	57,289
Net property and equipment	$ 481,636	$ 238,390

Note 6 - Intangible Assets

Intangible assets of the Company are summarized as follows:

	2022		2021	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortizable intangible assets:				
Patents	$ 19,500,000	$ 3,250,001	$ 19,500,000	$ 1,083,333
Trade name	7,500,000	562,500	7,500,000	187,500
Franchise rights	10,213,806	612,832	10,213,806	204,280
Total amortizable intangible assets	$ 37,213,806	$ 4,425,333	$ 37,213,806	$ 1,475,113

Amortization expense for intangible assets totaled $2,950,220 and $1,475,113 for the year ended December 31, 2022 and the period ended December 31, 2021, respectively.

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2023	$ 2,950,219
2024	2,950,219
2025	2,950,219
2026	2,950,219
2027	2,950,219
Thereafter	18,037,378
Total	$ 32,788,473

Note 7 - 401(k) Plan

The Company participates in the Belfor Group 401(k) plan of Belfor. The employer matching contribution and discretionary match are paid for by Belfor. The Company was not allocated any contributions for the year ended December 31, 2022 and the period ended December 31, 2021.

EXHIBIT E TO THE DISCLOSURE DOCUMENT

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INTRODUCTION– – PRE LAUNCH - OPERATIONS

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EXHIBIT F TO THE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES

Open Franchisees as of December 31, 2023

Franchisee	Owner	Location	Phone Number	State	Territories
Onstott, LLC (redbox+ of Northwest Arkansas)	Ben & Lauren Onstott	Springdale, AR 72764	479-263-1595	AR	2
Az2cal Enterprises LLC (redbox+ of Phoenix Southeast Valley)	Robin Michael Wood	Gilbert, AZ 85034	480-666-5521	AZ	5
Treadstone Investment Group LLC (redbox+ of West Phoenix)	Curt & Cynthia Morgan	Phoenix, AZ 85085	602-316-6646	AZ	4
Valley Waste Services Inc. (redbox+ of Phoenix East Valley)	John Teague	Scottsdale, AZ 85251	480-526-9817	AZ	5
KMSW Inc. (redbox+ of West Los Angeles)	Kier Stumpf	Beverly Hills, CA 90211	833-733-2697	CA	2
Clear Tide, Inc. (redbox+ of Orange County)	Chris Covell	Placentia, CA 92870	714-702-1986	CA	2
SRC Family Company, LLC (redbox+ of Colorado Springs)	Christopher Tholen	Centennial, CO 80112	719-619-4008	CO	2
Western Waste Solutions, Ltd (redbox+ of Northeast Denver/redbox+ of Fort Collins)	Garry Cook	Longmont, CO 80501	866-303-3867	CO	4
Rocky Mountain Waste Solutions (redbox+ of Denver Metro South)	George Gavrilis	Centennial, CO 80122	720-730-4389	CO	5
MelTed Rolloff Services, Inc. (redbox+ of Northwest Denver)	Ted &Melissa Benson	Spring, TX 77386	303-441-5670	TX (operates in CO)	3
John Gilson (redbox+ of Melbourne)	John Gilson	Melbourne, FL	316-285-7771	FL	4
KDO Enterprises, LLC (redbox+ of Jacksonville)	Chad Glenn	Jacksonville, FL 32256	904-567-7709	FL	2
redbox+ of Southwest Florida (redbox+ of Naples)	Brian Olzsanowski	Naples, FL 34119 (local office)	612-845-4176	FL	6
Dumpster Man, LLC (redbox+ of Treasure Coast/Gold Coast Florida)	Mark Nation	Longwood, FL 32750	407-955-4669	FL	10
Three Oaks Ventures, Inc. (redbox+	Greg and Holly	St.	727-513-	FL	4

Franchisee	Owner	Location	Phone Number	State	Territories
of St. Petersburg)	Newman	Petersburg, FL 33712	3260		
Tim Nersten (redbox+ of Orlando)	Tim Nersten	Marco Island, FL	407-583-0555	FL	4
David Freedman (redbox+ of Pasco and NW Hillsborough)	David Freedman	Lutz, FL	813-748-2081	FL	3
Dumpster Man, LLC (redbox+ of North Atlanta)	Mark Nation	Longwood, FL	407-583-0555	GA	4
KATL Enterprises, Inc. (redbox+ of Northeast Atlanta)	John Kovacic	Cumming, GA 30040	470-865-7967	GA	3
Larry Oglesby	Larry Oglesby	Bishop, GA	404-386-0119	GA	3
Brian Ellefson	Brian Ellefson	August, GA	706-840-2030	GA	2
Hansen's Haulers Inc. (redbox+ of Northern Illinois)	Shawn and Michelle Hansen	Spring Grove, IL 60081	847-650-7470	IL	3
A Tip For The Future, LLC (redbox+ of St. Louis Metro East)	Tharon Sperry	Swansea, IL 62226	385-212-0218	IL	1
Kooi and Company, LLC (redbox+ of Northwest Indiana & South Chicagoland)	Daniel Kooi	Munster, IN 46321	708-837-9255	IN	3
Circle City Rolloffs, LLC (redbox+ of Indianapolis)	Chris Sapp	Indianapolis, IN 46240	317-820-2557	IN	6
Derby Disposal, LLC (redbox+ of Lexington)	Tyler Current/James Singleton	Lexington and Louisville, KY	502-773-5168	KY	5
DAT Services, LLC (redbox+ of Lafayette)	Aaron Thibodeaux and Andre Huval and Tucker Nims	Lafayette, LA 70503	318-376-4270	LA	1
M & D Backer, LLC (redbox+ of Baton Rouge)	Euclid Michel and Austin Dedon	Prairieville, LA 70769	225-612-1755	LA	2
Moran Group Waste Management, LLC (redbox+ of Boston Southeast)	Arthur Moran	Medway, MA 02053	617-812-0023	MA	5
S&R Waste Management, LLC (redbox+ of North Boston)	Sohail Feroz Ali / Rafiq Karmi	Medford, MA 02155	617-909-3867	MA	9

Franchisee	Owner	Location	Phone Number	State	Territories
ADMD Holdings, LLC (redbox+ of Kalamazoo)	Mike Doerr / Andy Doerr	Kalamazoo, MI 49009	833-763-2697	MI	3
Greenshield Dumpster, LLC (redbox+ of Grand Rapids)	Jason Lyons	Rockford, MI 49341	616-863-3100	MI	3
Emerald Waste Solutions, LLC (redbox+ of Metro Detroit North)	Kelli Corning	Saint Joseph, MI 49085	248-450-5500	MI	5
Rolloff Services, Inc. (redbox+ of Minneapolis)	Rick Foreman	Minneapolis, MN 55418	651-571-4684	MN	1
Hidden Haven Ventures, LLC (redbox+ of Twin Cities South Metro)	Mark Galloway	Prior Lake, MN 55372	612-552-2740	MN	2
Caraway Enterprises, Inc. (redbox+ of Kansas City Northland)	Adam and Jody Cross	Kansas City, MO 64158	816-430-2379	MO	1
A Tip for the Future, LLC (redbox+ of St. Louis)	Tharon Sperry	Swansea, LC 62226	385-212-0218	MO	3
DI Garbage Disposal of Bozeman, LLC (redbox+ of Bozeman and Billings)	Shad Derifield	Bozeman, MT	406312-2551	MT	1
Hygea NM, Inc. (redbox+ of Central New Mexico)	Patricia Pantoja	Albuquerque, NM 87105	505-384-6276	NM	2
Marwaan and Melissa Karame (redbox+ of Westchester County SE & Greenwich CT)	Marwaan and Melissa Karame	Pelham, NY 10803	347-886-9519	NY	1
Rolloff Solutions, Inc. (redbox+ of Charlotte)	Michelle and Scott Reeves	Davidson, NC 28036	908-288-4555	NC	1
Tinney Waste Management, LLC (redbox+ of Fayetteville/Jacksonville/Greenville)	Chad Tinney	Greenville, NC 27858	910-398-5000	NC	5
Carolina Cans, LLC (redbox+ of Cape Fear)	Charles York	Oak Island, NC 28465	704-223-0867	NC	2
redbox Plus of the Triangle, LLC (redbox+ of the Triangle)	Keith Galloway	Raleigh, NC 27613	919-372-0116	NC	5
Marsden Management Group, LLC (redbox+ of the Triad)	Peter Marsden and Natalie Harmon	Greensboro, NC 27409	336-344-7575	NC	3
J & M Ralph Enterprises, LLC (redbox+ of North Carolina NE)	Jon and Mindy Ralph	Manns Harbor, NC 27953	252-621-5938	NC	1
Big Red Waste Solutions, LLC	Mark Fredrickson	Elkhorn, NE	402-205-	NE	2

Franchisee	Owner	Location	Phone Number	State	Territories
			3105		
P&P Ventures, LLC (redbox+ of Central New Jersey)	David Paolo and Sarah Personette	Fair Haven, NJ 07704	833-989-7714	NJ	5
Jack Charles, LLC (redbox+ of Cincinnati)	Jeffrey Sosna	Loveland, OH 45140	937-350-1922	OH	5
Uber Dross Holdings, LLC (redbox+ of Columbus, North Central Ohio)	Thomas Montes, Scott Sellers and Rocky Beal	Columbus, OH 43215	614-452-5046	OH	10
Majski Disposal Services, LLC (redbox+ of Toledo)	Mike Majchrowski	Monclova, OH 43542	419-324-7845	OH	2
Reverie Enterprises, LLC (redbox+ of East Cleveland)	Joseph and Jennifer Williamson	Cleveland, OH 44115	216-239-1818	OH	5
Smart Waste Solutions LLC (redbox+ of Lehigh Valley)	David Galkin / Stephanie Zhang	Easton, PA 18042	484-640-5517	PA	2
Baron Infrastructure Ltd. (redbox+ of Bucks County)	Adam and Jessica Bisher	Morrisville, PA 19067	412-779-7903	PA	7
Phase II Capital, LLC (redbox+ of North Metro Pittsburgh)	Steven Guetig	Pittsburgh, PA 15212	412-534-3883	PA	3
Rob & Kathy Bullock (redbox+ of Greenville / Spartanburg)	Rob and Kathy Bullock	Greenville, SC / Spartanburg, SC	843-377-3282	SC	3
Construction Waste Services – Columbia LLC (dumpster+ of Columbia) Construction Waste Services – Charleston LLC (dumpster+ of Charleston)	Steve Marino	Columbia, SC / Charleston, SC	803-500-5094	SC	4
Priority-ONELT, LLC (redbox+ of North Nashville)	Robert Vriend	Gallatin, TN 37066	615-395-5610	TN	3
U.S. Team Works, Inc. (redbox+ of Greater Memphis)	Jason Henderson	Memphis, TN	901-292-6419	TN	4
Mac5, LLC (redbox+ Nashville South)	Matt and Sarah MacIntyre	Nashville, TN 37069	615-714-3514	TN	3
Whirlaway Waste, LLC (redbox+ of Chattanooga)	Sam, Nick, and Vince Murray	Nashville, TN 37206	423-44-4258	TN	2

Franchisee	Owner	Location	Phone Number	State	Territories
SR Waste, LLC (redbox+ of Amarillo)	Scott and Mary Ankeney	Amarillo, TX 79119	806-472-4841	TX	2
SOP MGMT, LLC (redbox+ of Central Texas)	Katie Borden	San Antonio, TX 78255	210-881-7530	TX	6
Pin & Pad, LLC (redbox+ of Fort Worth)	Jon Crofford	Fort Worth, TX 76104	817-918-2487	TX	3
CCJC Enterprises Inc. (redbox+ of North Houston)	James Clair	Fulshear, TX 77441	936-251-0197	TX	6
Two Star Services, Inc. (redbox+ Odessa-Midland)	Michael and Denise Edwards	Odessa, TX 79762	432-242-4715	TX	1
Lonestar Solutions, LLC. (redbox+ of Greater Austin)	Stephen Davis	Dallas, TX 78742	512-400-6025	TX	5
Nola Htx Services, Inc. (redbox+ of NW Houston)	Ryan Drew	Humble, TX 77346	281-671-4034	TX	5
South Texas Roll-Offs Inc. (redbox+ of San Antonio Northeast)	Paul Strang	Belton, TX 76513	254-902-3360	TX	3
Fieldcrest Services, LLC (redbox+ of Dallas)	Mike Teagarden	Richardson, TX 75080	214-295-1006	TX	4
Oeste Waste, Inc. (redbox+ of SW Houston)	Kevin West	Houston, TX 77020	346-233-1532	TX	5
ETC2 Enterprises, LLC (redbox+ of Las Vegas Metro East)	Eric Tunbridge	St. George, TN	801-505-9252	UT	7
BM & Sons, LLC (redbox+ of Northern Virginia)	Brian Bishop and Natalie Moneyhun	Alexandria, VA 22304	703-348-9823	VA	2
Parkhill Partners, LLC (redbox+ Dumpsters of Richmond)	Hunter Murchinson	Richmond, VA	804-402-7500	VA	3
CBAB Enterprises, LLC (redbox+ of Madison)	Chad and Amy Beery	Waunakee, WI 53597	608-736-1285	WI	2
PAPA-BAM, Inc. (redbox+ of Southeast Wisconsin)	Rhett Mitchell	Burlington, WI 53105	414-310-6589	WI	3

Franchisees signed but not opened as of December 31, 2023

None

Former Franchisees or franchisees who have not communicated with us within 10 weeks of the date of this Disclosure Document:

Primary Contact	Street 1	City	State/Province	Bus Phone	Terminations	Transfers
Fernando Iglesia	6770 SW 78 Terrace	Miami	FL	305-906-0587		5
Marco Fumei	10708 Tavistock Dr.	Tampa	FL	813-550-2000	5	
Scott Klancke	2340 Bayberry Ave	Stillwater	MN	239-887-8080		1
Jim Tedesco	9025 Old Whipps Mill Rd.	Louisville	KY	502-873-3867		5
David Cormier	32 Colonial Dr.	Mendon	MA	617-838-2220		4
Dwayne Murray	10746 N. Marathon Bell Lane	Las Vegas	NV	702-879-4977	3	
Adrian West	274 Union Street	Jersey City	NJ	404-797-5145	2	
Hugh Crawford	592 Riverwood Dr. SE	Bolivia	NC	910-506-8628		2
Barry and Mary Lou Moore	1475 Network Drive	Cannonsburg,	PA	724-705-2164	3	
Eric Williamson	17300 Saturan Lane	Houston	TX	281-786-0369	5	

*Existing franchisee, Big Red Waste Solutions, LLC, from Elkhorn, NE also terminated one (1) of its territories, but remains a franchisee with two (2) active territories.

redbox+ Advisory Council (RAC) Chairperson

Tom Montes (Chairperson)
Email: tmontes@redboxplus.com
Phone: 614-595-7144
redbox+ of Columbus

EXHIBIT G TO THE DISCLOSURE DOCUMENT
STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
CALIFORNIA	pending
FLORIDA	Effective
HAWAII	pending
ILLINOIS	pending
INDIANA	pending
MARYLAND	Pending
MICHIGAN	Effective
MINNESOTA	pending
NEW YORK	pending
NORTH DAKOTA	pending
RHODE ISLAND	pending
SOUTH DAKOTA	April 11, 2024
UTAH	April 24, 2024
VIRGINIA	pending
WASHINGTON	pending
WISCONSIN	pending

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

2024 RedBox+ International LLC

EXHIBIT H TO THE DISCLOSURE DOCUMENT
RECEIPT
(FRANCHISOR'S COPY)

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 RedBox+ International, LLC ("Franchisor") offers you a franchise, Franchisor must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment to us 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 the franchise or other agreement or the 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 the payment of any consideration, whichever occurs first.

If Franchisor does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate State agency Identified in Exhibit E.

Franchisor is RedBox+ International, LLC, 731 Fairfield Court, Ann Arbor, Michigan 48108, (734) 864-9799 .

Issuance Date: April 4, 2024, as amended May 10, 2024

The names, principal business address and telephone number of each franchise seller offering the franchise are Stephan Taub and Doug Smith, having a principal business address of 731 Fairfield Court, Ann Arbor, Michigan 48108, and a telephone number of (734) 864-9799.

Franchisor authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

I have received a Franchise Disclosure Document dated April 4, 2024, as amended May 10, 2024 that included the following Exhibits:

Exhibit A -	List of State Administrators/ Agents for Service of Process
Exhibit B -	Form of Franchise Agreement
Exhibit C -	State Addenda
Exhibit D -	Financial Statements
Exhibit E -	Table of Contents – Operations Manual
Exhibit F -	List of Franchisees
Exhibit G -	State Effective Dates Page
Exhibit H -	Receipt

Dated: _____

_____
Prospective Franchisee
(Print Name) _____
Entity Name (if applicable):_____

You should return one copy of the signed receipt by signing, dating, and emailing it to us at legal@belfrangroup.com, or mailing it to us at 731 Fairfield Court, Ann Arbor, MI 48108 attention Legal and Franchise Adminstration. You may keep the second copy for your records.

RECEIPT
(YOUR COPY)

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

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Exhibit G -	State Effective Dates
Exhibit H -	Receipt

Dated: _____ _____

Prospective Franchisee

(Print Name) _____

Entity Name (if applicable):_____

You should return one copy of the signed receipt by signing, dating, and emailing it to us at legal@belfrangroup.com, or mailing it to us at 731 Fairfield Court, Ann Arbor, MI 48108 attention Legal and Franchise Administration. You may keep the second copy for your records.