FRANCHISE DISCLOSURE DOCUMENT

TOMMY'S EXPRESS LLC
a Michigan limited liability company
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Holland, Michigan 49423
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This franchise is for the operation of an ultra-modern car wash, doing business under the name and marks "Tommy's Express". A Tommy's Express Car Wash features a distinctive acrylic roof with innovative systems, designs and equipment, such as a modular control station and a flight deck control center to reduce labor.

The total investment necessary to begin operation of a Tommy's Express Car Wash franchise is $4,589,208 to $7,896,861. This includes from $2,391,383 to $3,295,159 which must be paid to the franchisor or its affiliate.

The total investment necessary to begin the operation of a Tommy's Express Car Wash multi-unit development business is $4,631,308 to $7,938,961 for a required minimum of three Tommy's Express Car Wash outlets to be developed. This includes from $2,431,383 to $3,335,159 which must be paid to the franchisor or its affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the 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 government 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 Sean Oatney at 240 East 8th Street, Holland, Michigan, 49423, and (616) 320-3492.

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

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

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

Issuance Date: May 23, 2023

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 Exhibits E and 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 H 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 Tommy's Express Car Wash business in my area?	Item 12 and the "territory" provisions in the franchise agreement and multi-unit development agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Tommy's Express Car Wash franchisee?	Item 20 or Exhibits E and F list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use 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 Multi-State Addendum. See the Table of Contents for the location of the Multi-State Addendum.

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 and multi-unit development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Michigan. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Michigan than in your own state.

2. **Estimated Initial Investment.** The franchisee or multi-unit developer will be required to make an estimated initial investment ranging from $4,589,208 to $7,938,961. This amount exceeds the franchisor's members' equity as of December 31, 2022, which is $3,174,768.

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 franchise in a system with a longer operating history.

4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

5. **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 the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business[md]

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

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RECEIPT

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

The Franchisor

Tommy's Express LLC ("we", "us", "Tommy's" or "our") is a Michigan limited liability company that was formed on September 16, 2015, and has its principal place of business at 240 East 8th Street, Holland, Michigan, 49423. We do business under our corporate name and under the name "Tommy's Express Car Wash". We will refer to the corporation, partnership or other entity who buys this franchise as "you" throughout this Disclosure Document.

We are offering franchises for the operation of Tommy's Express Car Wash businesses (the "Business" or "Franchised Business"). We do not own or operate any businesses of the type being franchised. We have not offered franchises in any other line of business and we do not engage in any other business activity. We have been offering franchises since September 2016.

Our agents for service of process are listed in Exhibit A.

Our Parents, Predecessors and Affiliates

We have no parent or predecessor.

We have 8 affiliates. Our affiliates are:

- QCW Enterprises, LLC ("QCW"), a Michigan limited liability company, was formed on May 15, 2002, and is located at 661 East Lakewood Boulevard, Holland, Michigan, 49424. QCW is not an approved supplier of any product or service that you must purchase or lease. QCW is the owner of three corporate Tommy's Express Car Wash businesses located in Michigan.

- QCW Enterprises 2, LLC ("QCW2"), a Michigan limited liability company, was formed on December 15, 2020, and is located at 661 East Lakewood Boulevard, Holland, Michigan, 49424. QCW2 is not an approved supplier of any product or service that you must purchase or lease.

- VQ, Inc. ("VQ") d/b/a Tommy Car Wash Systems, Inc., a Michigan corporation, formed on August 27, 1997, with its office located at our headquarters. VQ owns the "Tommy Car Wash Systems" trademark. VQ is the supplier of all equipment and car wash related products.

- Essenburg Car Wash of Holland, Inc. ("ECWH") d/b/a Quality Car Wash, a Michigan corporation, is located at 661 East Lakewood Boulevard, Holland, Michigan, 49424. ECWH owns 6 gas station/car wash combo businesses located in Holland, Muskegon, and Grand Rapids, Michigan, which are businesses not of the type being franchised. ECWH is not an approved supplier of any product or service that you must purchase or lease.

- TX Real Estate, LLC ("TXRE") a Michigan limited liability company, with its office at 240 East 8th Street, Holland, Michigan, 49423, is a real estate holdings company. TXRE is a landlord for some Tommy's Express franchise locations.

- Wash Partners, LLC ("TXWP"), a North Dakota limited liability company, with its office at 4609 33rd Avenue South, Suite 400, Fargo, North Dakota, 58104, is a real estate holdings company. TXWP is a landlord for some Tommy's Express franchised locations.

- Tommy's Express Operations, LLC ("TX Ops") is a Michigan corporation with its office at 240 East 8th Street, Holland, Michigan, 49423. TX Ops provides car wash management services for corporate owned locations and provides fee-based management service.

- Tommy's Express Holdings, Inc. ("TXH") is a Florida corporation with its office at 5660 Marquesas Circle, Sarasota, Florida, 34233. TXH provides car wash investment opportunities to invest in Florida and Georgia based franchises.

None of our affiliates has offered franchises in this or any other line of business.

The System

Tommy's Express outlets offer their customers car cleaning, waxing, polishing and detailing services using our innovative systems and proprietary products. Our system includes proprietary washing technology, cleaning formulas and other items required to wash cars; specific equipment, materials and supplies; methods, uniform standards, specifications and procedures for operations; procedures for management control; training and assistance; and merchandising, advertising and promotional programs, all of which may be changed, improved and further developed by Tommy's (the "System"). The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including the word mark "Tommy's", as are now designated and may in the future be designated by us in writing for use with the System (the "Proprietary Marks").

A Tommy's Express outlet features a distinctive acrylic roof and equipment arches; innovative systems, equipment and designs, such as a patented modular control station that changes the format and design of a car wash bay by collapsing components into a single unit that saves space and improves operations, and; an optimized layout that includes a flight deck control center to reduce labor.

The Franchise Offered

Franchise Agreement

We offer you a franchise agreement (the "Franchise Agreement"), attached as Exhibit C to this Disclosure Document, which gives you the right to establish and operate one Franchised Business at a location selected by you and accepted by Tommy's (the "Location"). The Franchise Agreement gives you the right to use the Proprietary Marks and the System solely with the operation of the Franchised Business, and solely at the Location.

There are three configurations of Tommy's Express businesses, which are determined based on the length size of the wash tunnel of the facility where the Franchised Business will operate. A standard Tommy's Express car wash has a wash tunnel that ranges from 90 to 130 feet in length, but we anticipate that typical franchise units will operate with a tunnel with a length of 130 feet.

Multi-Unit Development Agreement

In certain circumstances, we will offer to qualified entities or persons (the "Developer") the right to sign a multi-unit development agreement (the "Multi-Unit Development Agreement") in the form attached as Exhibit D to this Disclosure Document, to open multiple Tommy's Express Car Wash businesses to be located within a specifically described geographic area (the "Development Area"). Under the Multi-Unit Development Agreement, you must establish at least three Tommy's Express Car Wash businesses within the Development Area according to a minimum performance schedule, and you must sign a separate Franchise Agreement for each business established under the Multi-Unit Development

Agreement. The Franchise Agreement for the first Tommy's Express Car Wash business opened under the Multi-Unit Development Agreement will be in the form attached as Exhibit C to this Disclosure Document and will be signed at the same time you sign the Multi-Unit Development Agreement. For each additional business developed under the Multi-Unit Development Agreement, you will be required to sign the same form of Franchise Agreement as the one you sign for your first Franchised Business under the Multi-Unit Development Agreement (included in this Franchise Disclosure Document as Exhibit C). A Tommy's Express Car Wash business may not begin operating until a Franchise Agreement has been fully executed for that business and all initial fees have been paid to us.

Market and Competition

The market for our products and services includes anyone who owns, manages, or uses an automobile. Car washing and detailing is a growing segment of the automobile care industry. You will compete with other businesses offering car wash services, some of which may be franchise systems, as well as local, regional and chain car wash businesses. Your competitors may include businesses with a fixed site and businesses offering mobile car wash and detailing services.

Depending on where your Business is located, you may experience some seasonal effect to the Business. Businesses in northern U.S. climates may wash more cars in the winter while southern U.S. climates may often wash more cars in the summer. Businesses in Northern climates can expect larger variance in peak days in winter months, usually requiring longer tunnels to maximize production on peak days.

Industry Specific Laws

At all times during the operation of your Franchised Business, you must comply with environmental and hazardous waste regulations related to disposal of used cleaners and wastewater.

You must comply with all local, state and federal laws and regulations that apply to the operation of your Franchised Business, including, among others, business operations, insurance, discrimination, employment, health, sanitation and workplace safety laws. Your advertising of the Franchised Business is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Franchised Business in addition to those listed here.

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

Item 2
BUSINESS EXPERIENCE

Founder and Chairman—Tom Essenburg

Tom Essenburg has been our Founder and Chairman since April 2020. From our inception in September 2015 to April 2020, he was the CEO of Tommy's Express LLC, in Holland, Michigan. He has been CEO of our affiliate, Essenburg Car Wash of Holland, Inc. which is located in Holland, Michigan, since its formation in 1981.

President—Ryan Essenburg
Ryan Essenburg has been our co-founder and President since our inception in September 2015. He has also been President of our affiliate, Tommy Car Wash Systems, Inc., located in Holland, Michigan since July 2002.

CEO —Alex Lemmen
Alex Lemmen has been our CEO since April 2020. From May 2018 to March 2020, he served as our Chief Operating Officer and as Chief Operating Officer for our affiliate, Tommy Car Wash Systems, Inc., located in Holland, Michigan. From May 2013 to April 2018, Alex was a management consultant for The Boston Consulting Group (BCG) – one of the world's leading advisors to public and private institutions on their most pressing strategic and operational issues.

Chief Operating Officer — Andrew VanWylen
Andrew VanWylen has been our Chief Operating Officer since June 2021. From January 2019 to June 2021, he served as Vice President of Engineering and Operations for our affiliate, Tommy Car Wash Systems, Inc. Prior to Tommy's, Andrew served as Director of Technology for Eidex, located in Grand Rapids, Michigan, from May of 2016 to August of 2018. Andrew also served as an Engineer Consultant for Fleetwood Electronics, located in Holland, Michigan, during the year 2018.

Director of Retail Operations — Braden Stradley
Braden Stradley has been our Director of Retail Operations since January 2022. From January 2021 to January 2022, he previously served as our Operations Manager. Braden was Director of Operations for Providence Church in Holland, Michigan, from April 2014 to January 2021.

Director—Mandi Brower
Mandi Brower has been our Director since our inception in September 2015. She has also been President of our affiliate, ECWH, since March 2006.

Brand President --Mike Lemmen
Mike Lemmen has been our Brand President since January 2022. From April 2020 through December 2021, Mike served as our Vice President of Retail. From September 2015 to March 2020, Mike was Tommy University Head Trainer, and had been Director of Operations for our affiliate, ECWH, since 2011.

Chief Financial Officer — Bill Veldhuizen
Bill Veldhuizen has been our CFO since December 2022, and was our Vice President of Finance and Director of Finance from May 2020 to December 2022. Bill served as Controller for our affiliate, Tommy Car Wash Systems, Inc., in Holland, Michigan, from September 2014 to April 2020.

Director of Finance & Analytics - John Maxwell
John Maxwell has been our Director of Finance & Analytics since July 2022. From July 2020 to July 2022, he served as our Senior Manager of Finance & Analytics, and was Finance & Analytics Manager from January 2020 to July 2020. John was a Senior Accountant with us from March 2019 to January 2020. From August 2018 to March 2019, John worked in Account Analytics at ODL, Inc in Zeeland, Michigan.

Vice President of Franchise Development — Sean Oatney
Sean Oatney has been our Vice President of Franchise Development since March 2022. From June 2013 to March 2022, Sean was the Executive Vice President of Sales for United Franchise Group in West Palm Beach, Florida.

Regional Director of Franchise Development – Alan Van Campen
Alan Van Campen has been our Regional Director of Franchise Development since July 2022. From October 2017 to June 2022, he served as Regional Vice President for United Franchise Group located in West Palm Beach, Florida.

Vice President of Human Resources Strategy – Megan Scheid
Megan Scheid has been our Vice President of Human Resources Strategy since April 2021. From March 2019 to April 2021, she was Founder of Scheid Human Capital Consulting in Grand Rapids, Michigan. Megan was Director of Human Resources for Blackford Capital in Grand Rapids, Michigan, from May 2017 to February 2019.

Vice President of Human Resources Administration - Paul Dieleman
Paul Dieleman has been our Vice President of Human Resources Administration since April 2019. Paul was previously with Prince Corp./Johnson Controls Inc./Yanfeng Automotive Interiors as Operations Supervisor/Manager, Supply Chain Scheduling, Continuous Improvement and Human Resources in Holland, Michigan, for over 25 years.

Vice President of Retail Marketing — Kristy Sherlund
Kristy Sherlund has been our Vice President of Retail Marketing since September 2021. Kristy was Director of Marketing for Koeze Inc. in Grand Rapids, Michigan, from August 2019 to February 2021. From November 2014 to December 2019, she was Director of Marketing for Comfort Research in Grand Rapids, Michigan.

Director of Digital Marketing - Mycah Toren
Mycah Toren has been our Director of Digital Marketing since November 2022. From June 2018 to November 2022, she held various positions (i.e., Senior Manager, Manager, Specialist) with the Digital Marketing team. Mycah was a Digital Media Specialist for Navigate Works in Holland, Michigan, from June 2017 to June 2018, and was an Email Marketing Specialist for Pizza Ranch, Inc. in Orange City, Iowa, from January 2017 to August 2017.

Director of Corporate Real Estate/Regional Director of Real Estate – Bret Docter
Bret Docter has been our Director of Corporate Real Estate/Regional Director of Real Estate since October 2021. Bret has been Owner and Commercial Real Estate Developer with Property Quest in Holland, Michigan since August 2003.

Director of Real Estate – Tim Hammond
Tim Hammond has been our Director of Real Estate since May 2022 and was our Regional Real Estate Manager (Southeast) since February 2022. Tim was in Real Estate Management with Jimmy John's in Champaign, Illinois, from March 2012 to December 2019, and in Atlanta, Georgia, from January 2020 to February 2022.

Item 3
LITIGATION

Governmental Actions

Minnesota v. Tommy's Express LLC (Respondent) and its principal, Ryan Essenburg (Principal), File #66450. The Minnesota Commissioner of Commerce (Commissioner) sought to commence formal action against Respondent and Principal due to allegations Respondent engaged in franchise offers or sales before registration of the franchise with Minnesota had been effectively renewed on July 6, 2020. Respondent and Principal waived the right to a formal hearing both on the matter and on any civil penalty

imposed by the Commissioner. A Consent Order, entry of which was consented to by Respondent on April 29, 2021, was made effective by Commissioner on May 12, 2021. Payment to the State of Minnesota of a civil penalty of $2,000 was required of Respondent, Respondent and Principal will not violate any laws, rules, or orders under Minnesota franchise statutes, and any new franchise offers or sales in Minnesota will not be made without an effective registration or without qualifying for an exemption.

Other Actions

Tommy's Express LLC ("Plaintiff") v. Reymond Sargenti and RAS 1, LLC ("Defendants"), United States District Court for the Western District of Michigan, Case No. 1:22-cv-757-HYJ-RSK. Following Defendants' sale of their franchises to another Tommy's Express franchisee, Plaintiff sought to enforce the terms of the covenant not to compete contained in the Multi-Unit Development Agreement and Franchise Agreements. This case remains pending.

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

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

Initial Franchise Fee

You must pay to us an initial franchise fee of $50,000. The initial franchise fee is payable in a lump sum when you sign the Franchise Agreement. The initial franchise fee is imposed uniformly on franchisees and is not refundable under any circumstances.

From time to time, we may offer special incentive programs as part of our franchise development activities. We reserve the right to offer, modify or withdraw any incentive program without notice to you. We currently offer honorably discharged veterans of the U.S. Armed Forces a 20% reduction to the initial franchise fee for the first Franchised Business purchased. If you are purchasing your second or any additional franchise after your first, we will offer a discount of 20% to the then-current initial franchise fee.

Multi-Unit Development Fee

If you qualify to develop and operate multiple Tommy's Express businesses, then you will pay to us a development fee equal to 100% of the initial franchise fee for the first Business to be developed, plus 50% of the initial franchise fee for each additional business you commit to develop under the Multi-Unit Development Agreement. The initial franchise fee for the first Business under the Multi-Unit Development Agreement is $50,000; for each additional Business after the first, the initial franchise fee is $40,000. If you commit to develop the minimum of three Businesses under a Multi-Unit Development Agreement, the development fee is $90,000, which is calculated as $50,000 + (2 x $20,000 = $40,000) = $90,000. The development fee is payable to us when you sign the Multi-Unit Development Agreement, is imposed uniformly on all multi-unit developers, is fully earned by us when received, and is not refundable.

When you sign the Franchise Agreement for the first Business to be developed, which we expect will be signed at the same time the Multi-Unit Development Agreement is signed, we will apply a portion

of the development fee to pay the initial franchise fee for the first Business in full. For each additional Business you develop under the Multi-Unit Development Agreement, we will apply a pro rata portion of the development fee toward the initial franchise fee, and the balance of the initial franchise fee ($20,000) is payable in a lump sum when you sign the Franchise Agreement for that Business.

Tommy Scope of Work

You must purchase from our affiliate, VQ, Inc., our complete equipment package, our design and specification package, including our construction management services, your initial inventory of detergents, chemicals, solutions, uniforms, signage, certain items for retail sale, parts and equipment, and certain hardware and software as specified in the chart in Item 7. The total cost of these items ranges from $2,334,383 to $3,238,159 depending on the size of your Franchised Business, and is due and payable as follows: a range from $45,600 to $80,000 for architectural drawings when you secure an approved site for your Franchised Business, 20% of the total cost when your construction permits are issued, 50% of the total cost when building materials are delivered (approximately 20 weeks later), 26% of the total cost when equipment is delivered (approximately 10 weeks later), and the remaining balance prior to your opening. Amounts paid to our affiliate are non-refundable.

Grand Opening Mailer Program

You will pay $7,000 to us for the Grand Opening Mailer program which you are required to use in conjunction with your grand opening marketing campaign. The cost for the Grand Opening Mailer program is a separate and distinct expense that includes the branded supplies you will need for "Free Wash" promotional events conducted around the opening of your Franchised Business.

Item 6
OTHER FEES

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty (Note 1)	4% of Gross Sales	Tuesday of each week (or the next business day if any Tuesday is not a business day)	Royalty Fees are calculated based on Gross Sales for the previous week ending Saturday. Amounts due will be withdrawn by EFT from your designated bank account
Brand Development Fee	1% of Gross Sales	Payable with the Royalty Fee	The Brand Development Fund is described in Item 11
Local Marketing	2% of Gross Sales	We recommend you spend at least this amount each month	You will spend this money directly with your local marketing vendors. All marketing materials must be approved by Tommy's before you use them
Technology Fee	$90 -$200 per week	Payable with Royalty	Payable to us, our affiliate or a designated third party

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Transfer Fee (Franchise Agreement)	50% of the then-current initial franchise fee if the transfer is to a new franchisee for the System 25% of the then-current initial franchise fee if the transfer is to an existing franchisee	Upon transfer	No fee is imposed for a one-time transfer to a corporate entity formed by you for the convenience of ownership. The transfer fee is calculated based on the then-current initial franchise fee charged for a new franchise.
Transfer Fee (Multi-Unit Development Agreement)	$20,000	Upon transfer	We have the right to require you to transfer all of your Franchised Businesses to the same transferee
Renewal Fee	$2,500	Upon renewal of the Franchise Agreement	
Initial Training (For New or Replacement Employees)	Our then-current per diem training fee, plus expenses Current training fee = $200 per day	Before training	Training for the first three people is included in the initial franchise fee. If you request that we provide our initial training program to any additional employees, or to new or replacement employees during the term of your Franchise Agreement, you must pay our training fee as well as the trainees' expenses, including travel, lodging, meals, uniforms, and wages.
Additional On-Site Training	Our then-current per diem rate per trainer, plus expenses Current per diem rate = $500	When billed	If you request that we provide additional training at your Franchised Business, or if we believe you need additional training, you must pay our daily fee for each trainer we send to your Franchised Business, and you must reimburse each trainer's expenses, including travel, lodging, and meals.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Insufficient Funds Fee	$100	If incurred	If any EFT transaction or other payment to us or our affiliate is denied by your bank. If you incur three insufficient funds fees in any 12-month period, we may terminate your Franchise Agreement
Interest on Late Payments	1.5% per month or the highest rate allowed by applicable law, whichever is less	On demand	Payable on all overdue amounts. Interest accrues from the original due date until payment is received in full
Audit	Cost of audit	When billed	Payable only if we find, after an audit, that you have understated any amount you owe to us or Gross Sales by 2% or more. You must also pay the understated amount plus interest
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	If you default under your agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating your agreement
Indemnification	Will vary under circumstances	As incurred	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Franchised Business or for costs associated with defending claims that you used the Proprietary Marks in an unauthorized manner
Transfer Damages (Note 2)	Will vary under circumstances	15 days after termination	
Evaluation of New Products or Suppliers	Reimbursement of our costs, but not more than $5,000 per request	On demand	If you request that we evaluate new products or suppliers for the System
Management Fee	20% of Gross Sales, plus expenses	If incurred	We have the right to step in and operate your Franchised Business in certain circumstances. If we do this, you must pay our then-

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
			current management fee and reimburse our related expenses, including travel, lodging, and meals for our representative(s).
Insurance	Reimbursement of our costs plus a 10% administrative fee	On demand	If you do not purchase the required insurance coverages we may, but are not required to, purchase insurance coverage on your behalf
Prohibited Product or Service Fine	$250 per day of use of unauthorized products or services	On demand, if incurred	In addition to other remedies available to us. This may not be enforceable under California law
Repairs and Maintenance; Equipment Replacement, Remodeling/ Redecorating	Will vary under circumstances	As incurred	Payable to us, our affiliates and approved suppliers. You must regularly clean and maintain your Franchised Business and replace its equipment as needed to operate in accordance with our requirements. We may require you to remodel or redecorate your Business to meet our then-current image for all Tommy's Express outlets. We will not require you to remodel or redecorate your Business more frequently than every five years
Proprietary Software	If we establish additional proprietary software for the System, you may have to pay an initial license fee anticipated to be up to $2,500 and annual license fees anticipated to be up to $1,800 per year	When billed annually	We reserve the right to develop additional proprietary software including mobile apps, for all Tommy's Franchised Businesses to use, or we may have additional proprietary software developed for us.
Point of Sale Software Licensing and Support	Varies; then-current charges		You will be required to sign a license agreement with our point-of-sale provider and pay support fees directly to the point-of-sale

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
			provider or to us if we are providing point of sale support.
Mystery Shopper Fee	Then-current charges		You shall participate in any independent evaluation service designated by us to conduct a "mystery shopper" quality control and evaluation program with respect to us or affiliate-owned and/or franchised Tommy's Express outlets.

All fees are uniformly imposed by and payable to Tommy's, except as otherwise noted in the chart above, and are non-refundable. We have the right, and you agree, that we may debit your designated EFT account for payments that are 60 days past due to Tommy's, our affiliates or approved suppliers.

1. "Gross Sales" is defined in the Franchise Agreement as all revenue, less any returns or credits, from the sale of all products and services and all other income of every kind and nature at or from the Franchised Business or otherwise related to the Franchised Business, including any proceeds from business interruption insurance, whether for cash or credit, and regardless of collection in the case of credit. "Gross Sales" does not include gasoline sales, any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority, or any customer refunds or adjustments. You must provide Tommy's each week with a report of Gross Sales on Monday of each week for the previous week's sales.

   If you do not report Gross Sales when required, we may debit your account for the amount of the last Royalty and Brand Development Fees that we debited. If the Royalty and Brand Development Fees we debit are less than the Royalty and Brand Development Fees you actually owe Tommy's, once we have been able to determine your true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Royalty and Brand Development Fees we debit are greater than the Royalty and Brand Development Fees you actually owe Tommy's, we will credit the excess against the amount we otherwise would debit from your account during the following week. We will also debit your account for any purchase balances payable to our affiliates, which become more than 60 days past due.

   If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

2. If you sell or transfer ownership of the Franchised Business prior to the end of the term of the Franchise Agreement, and the buyers do not continue to operate the business as a Tommy's Express Car Wash outlet, you agree to pay us, within 15 days after the effective date of termination of the Franchise Agreement, transfer damages equal to (a) 125% of the average monthly royalty fees you paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by the number of months left in the Term from the effective date of the sale, transfer, or assignment, or (b) $500,000, whichever is greater.

Item 7
ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount LOW	Amount HIGH	Method of Payment	When Due	To Whom Payment is Made
INITIAL FRANCHISE FEES[1]	$50,000	$50,000	Lump Sum	On signing Franchise Agreement	Us
SOFT COSTS[2]	**Amount LOW**	**Amount HIGH**			
Civil Engineering	$10,000	$80,000	As Arranged	As Arranged	Civil Engineers
Water Tap Fee	$15,000	$250,000	As Arranged	As Arranged	Local Government
Site Reports and Testing	$7,250	$45,000	As Arranged	As Arranged	3rd party (if needed)
Developer (if applicable)	$25,000	$450,000	As Arranged	As Arranged	3rd party (optional)
Zoning Permits	$8,000	$50,000	As Arranged	As Arranged	Local Government
Construction Documents	$500	$3,000	As Arranged	As Arranged	Suppliers
Startup & Acquisition Professional Fees	$10,000	$35,000	As Arranged	As Arranged	Professionals
Soft Cost Total	**$75,750**	**$913,000**			
CORE CONSTRUCTION COSTS[3]	**Amount LOW**	**Amount HIGH**			
Core Construction Costs	$1,893,725	$3,336,202	As Arranged	As Arranged	General Trades/ Contractor
Total Construction Costs Total	**$1,893,725**	**$3,336,202**			
TOMMY SCOPE OF WORK (90 foot)[4]	**Amount LOW**	**Amount HIGH**			
Architectural Services	$48,000	$80,000	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Structure	$707,200	$784,700	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Components	$176,619	$189,505	As Arranged	As Arranged	Our Affiliate, VQ, Inc.

Lighting	$51,790	$51,790	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Signage	$82,810	$117,669	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Conveyor	$137,350	$138,130	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Car Wash Equipment	$196,660	$215,211	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Cloth	$20,952	$22,931	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Drying System	$128,556	$139,889	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Support Equipment	$239,771	$284,280	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Guardian Wash Controls	$134,376	$161,068	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Vacuum System	$128,397	$180,738	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Point of Sale System	$72,186	$89,500	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Accessories	$27,718	$118,985	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Tommy's Express Kit	$29,790	$31,285	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Install	$152,208	$168,529	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Tommy Scope of Work Total (90 foot)	**$2,334,383**	**$2,774,210**			
TOMMY SCOPE OF WORK (110 foot)[5]	**Amount LOW**	**Amount HIGH**			
Architectural Services	$48,000	$80,000	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Structure	$772,700	$850,200	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Components	$179,782	$192,669	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Lighting	$54,536	$54,536	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Signage	$82,810	$117,699	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Conveyor	$167,605	$168,060	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Car Wash Equipment	$221,785	$269,820	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Cloth	$24,422	$24,422	As Arranged	As Arranged	Our Affiliate, VQ, Inc.

Drying System	$152,349	$158,699	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Support Equipment	$239,771	$328,880	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Guardian Wash Controls	$145,832	$184,326	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Vacuum System	$152,023	$205,004	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Point of Sale System	$72,186	$89,500	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Accessories	$27,718	$119,185	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Tommy's Express Kit	$29,790	$31,285	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Install	$154,977	$172,907	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Tommy Scope of Work Total (110 foot)	**$2,526,286**	**$3,047,192**			
TOMMY SCOPE OF WORK (130 foot)[6] -	**Amount LOW**	**Amount HIGH**			
Architectural Services	$48,000	$80,000	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Structure	$861,200	$938,700	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Building Components	$180,542	$194,189	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Lighting	$56,411	$56,411	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Signage	$82,810	$117,699	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Conveyor	$197,860	$197,860	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Car Wash Equipment	$228,885	$276,920	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Cloth	$27,892	$29,871	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Drying System	$152,349	$158,699	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Support Equipment	$239,771	$328,880	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Guardian Wash Controls	$159,388	$189,282	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Vacuum System	$175,398	$253,535	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Point of Sale System	$72,186	$89,500	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Accessories	$27,718	$119,635	As Arranged	As Arranged	Our Affiliate, VQ, Inc.

Tommy's Express Kit	$29,790	$31,285	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Install	$158,659	$175,693	As Arranged	As Arranged	Our Affiliate, VQ, Inc.
Tommy Scope of Work Total (130 foot)	**$2,698,859**	**$3,238,159**			
OTHER COSTS	**Amount LOW**	**Amount HIGH**			
Insurance[7]	$12,000	$36,000	As Arranged	As Arranged	Insurance Companies
Business Permits & Licenses[8]	$350	$5,500	As Arranged	As Required	Government Agencies
Office Equipment and Supplies	$1,000	$1,500	As Arranged	As Arranged	Suppliers
Furniture and Fixtures	$2,500	$17,000	As Arranged	As Arranged	Suppliers
Training Expenses[9]	$17,500	$22,500	As Arranged	As Arranged	Airline, Hotel, Restaurants, etc.
Grand Opening Marketing[10]	$15,000	$15,000	As Arranged	As Arranged	Suppliers
Grand Opening Mailer[10]	$7,000	$7,000	As Arranged	Before Opening	Us
Additional Funds – 3 Months[11]	$75,000	$75,000	As Needed	As Needed	Personal
3 Month Mortgage or Rent	$105,000	$180,000	As Arranged	As Arranged	Financial Institute
Other Costs Total	$235,350	$359,500	As Arranged	As Arranged	
TOTAL COSTS (90 foot)	**$4,589,208**	**$7,432,912**			
TOTAL COSTS (110 foot)	**$4,781,111**	**$7,705,894**			
TOTAL COSTS (130 foot)	**$4,953,684**	**$7,896,861**			
**These figures do not include the cost of purchasing real estate, taxes or shipping. (14)*					

In general, none of the expenses listed in the above table are refundable, except any security deposits you must make may be refundable.

These estimates do not include purchase or long-term lease costs for real estate upon which the Franchised Business may be built. We do not provide financing for any portion of your initial investment. We may, however, offer eligible franchisees the opportunity to purchase or lease from Tommy's or our affiliate, real estate upon which to build the Franchised Business. If we lease or sell real estate to you, we may earn a profit on the lease or sale.

1. ***Initial Franchise Fee***. This fee is discussed in Item 5.

2. ***Soft Costs***. Soft costs are estimates from our team based on corporate development projects and project management of Tommy's Express locations across the country. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Water Tap fees vary greatly from municipality to municipality. We recommend you check and verify tap fees prior to purchasing your site. If you have no experience developing real estate projects, we recommend you hire a developer or project manager to assist with acquiring property, working with local governments for entitlements and permits and oversight of the construction process. We recommend you hire a qualified, experienced general contractor to develop your site. Costs to build your wash may vary greatly due to market conditions.

3. ***Core Construction Costs***. The estimates in the table above show the actual low and high total construction costs for franchisee projects which submitted data to Tommy's. Categories within the total Core Construction Costs include Building Scope, Site Driven Variables, and Independent Variables. The table that follows represents the low, high, and average range for these cost categories, and include the actual recorded lowest and highest paid amounts. The chance that you would pay the "high" Building Scope, "high" Site Driven Variables, and "high" Independent Variables is not likely. The low and high numbers shown do not come from the same projects and category breakdowns were not provided for all projects reporting final costs.

CORE CONSTRUCTION COSTS	**Amount LOW**	**Amount AVG**	**Amount HIGH**
Core Construction Costs - Building Scope	$930,366	$1,284,493	$1,917,368
Core Construction Costs – Site Driven Variable	$597,467	$1,212,778	$1,773,900
Independent Variables (abatement/demolition/Snow melt/Fire suppression, etc.)	$32,198	$111,196	$234,654

4. ***Tommy Scope of Work – 90 Foot.*** Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, equipment required per tunnel length, and some other options. More specifically, 90' low amounts reflect quotes based on eight vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 12 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the following packages that you must purchase, and our affiliate may earn a profit on these sales to you:

- Tommy's Express Car Wash building package - The base steel package includes the stairs, mezzanine, roof, and installation of these components.
- Tommy's Express Car Wash lighting package - This package includes the exterior and interior lighting package that complies with local lighting requirements and installation of these components.
- Tommy's Express Car Wash conveyor package – This package includes the belt system to move cars through the wash and installation of these components.
- Tommy's Express Car Wash equipment package – This package includes point-of-sale equipment, vacuum equipment, water reclamation equipment, electrical control systems, vending and mat wash systems, and other systems and installation of these components. The car wash equipment is responsible for cleaning the exterior of the vehicle.
- Tommy's Express Car Wash cloth package – This package includes the cloth attached to the car was equipment and installation of these components.
- Tommy's Express Car Wash drying system package – This package includes the drying system and installation of these components, which are responsible for removing water from the vehicle before it exits the wash.
- Tommy's Express Car Wash support equipment package – This package includes the system which produces and delivers the required chemistry of water, detergents, and air to the car wash equipment and installation of these components.
- Tommy's Express Car Wash Guardian wash controls package – This package includes the controller, the brain of the wash, activating all necessary functions when needed and installation of these components.
- Tommy's Express Car Wash vacuum system package – This package includes the vacuum system located adjacent to the wash and is used by guests for interior cleaning and installation of these components.
- Tommy's Express Car Wash point-of-sale and computer system – The point-of-sale system includes payment processing, license plate recognition, and gate arm units for each lane and installation of these components.
- Tommy's Express Car Wash accessories package – This package includes accessory signage, building unit heaters, entry and exit wash doors, and Tommy's Express balls and installation of these components.
- Tommy's Express Car Wash kit package – This package includes marketing small signage, uniform kit, tool accessories kit, and a camera kit and installation of these components.

5. ***Tommy Scope of Work – 110 Foot.*** Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, tunnel length, and some other options. More specifically, 110' low amounts reflect quotes based on 10 vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 14 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the following packages that you must purchase, and our affiliate may earn a profit on these sales to you:

- Tommy's Express Car Wash building package - The base steel package includes the stairs, mezzanine, roof, and installation of these components.

- Tommy's Express Car Wash lighting package - This package includes the exterior and interior lighting package that complies with local lighting requirements and installation of these components.
- Tommy's Express Car Wash conveyor package – This package includes the belt system to move cars through the wash and installation of these components.
- Tommy's Express Car Wash equipment package – This package includes point-of-sale equipment, vacuum equipment, water reclamation equipment, electrical control systems, vending and mat wash systems, and other systems and installation of these components. The car wash equipment is responsible for cleaning the exterior of the vehicle.
- Tommy's Express Car Wash cloth package – This package includes the cloth attached to the car was equipment and installation of these components.
- Tommy's Express Car Wash drying system package – This package includes the drying system and installation of these components, which are responsible for removing water from the vehicle before it exits the wash.
- Tommy's Express Car Wash support equipment package – This package includes the system which produces and delivers the required chemistry of water, detergents, and air to the car wash equipment and installation of these components.
- Tommy's Express Car Wash Guardian wash controls package – This package includes the controller, the brain of the wash, activating all necessary functions when needed and installation of these components.
- Tommy's Express Car Wash vacuum system package – This package includes the vacuum system located adjacent to the wash and is used by guests for interior cleaning and installation of these components.
- Tommy's Express Car Wash point-of-sale and computer system – The point-of-sale system includes payment processing, license plate recognition, and gate arm units for each lane and installation of these components.
- Tommy's Express Car Wash accessories package – This package includes accessory signage, building unit heaters, entry and exit wash doors, and Tommy's Express balls and installation of these components.
- Tommy's Express Car Wash kit package – This package includes marketing small signage, uniform kit, tool accessories kit, and a camera kit and installation of these components.

6. ***Tommy Scope of Work – 130 Foot.*** Variables that impact low vs. high Tommy Scope of Work amounts include items like number of vacuums, equipment required for specific geography, tunnel length, and some other options. More specifically, 130' low amounts reflect quotes based on 12 vacuums, two-lane POS, standard exterior finishes, and geographies that require less of certain components (for example, fewer heating components in warm climates). High amounts reflect quotes based on 18 vacuums, three-lane POS, standard exterior finish, geographies that require more of certain components (for example, more heating components in cold climates), and select other options. You must use our architect, or an architect approved by us, for architectural drawings and drawings to adapt site plans to local requirements and configuration. Fees paid to civil engineers, fees paid for site reports and testing and zoning will vary according to local requirements. Our affiliate is the sole approved supplier of the following packages that you must purchase, and our affiliate may earn a profit on these sales to you:

- Tommy's Express Car Wash building package - The base steel package includes the stairs, mezzanine, roof, and installation of these components.

- Tommy's Express Car Wash lighting package - This package includes the exterior and interior lighting package that complies with local lighting requirements and installation of these components.
- Tommy's Express Car Wash conveyor package – This package includes the belt system to move cars through the wash and installation of these components.
- Tommy's Express Car Wash equipment package – This package includes point-of-sale equipment, vacuum equipment, water reclamation equipment, electrical control systems, vending and mat wash systems, and other systems and installation of these components. The car wash equipment is responsible for cleaning the exterior of the vehicle.
- Tommy's Express Car Wash cloth package – This package includes the cloth attached to the car was equipment and installation of these components.
- Tommy's Express Car Wash drying system package – This package includes the drying system and installation of these components, which are responsible for removing water from the vehicle before it exits the wash.
- Tommy's Express Car Wash support equipment package – This package includes the system which produces and delivers the required chemistry of water, detergents, and air to the car wash equipment and installation of these components.
- Tommy's Express Car Wash Guardian wash controls package – This package includes the controller, the brain of the wash, activating all necessary functions when needed and installation of these components.
- Tommy's Express Car Wash vacuum system package – This package includes the vacuum system located adjacent to the wash and is used by guests for interior cleaning and installation of these components.
- Tommy's Express Car Wash point-of-sale and computer system – The point-of-sale system includes payment processing, license plate recognition, and gate arm units for each lane and installation of these components.
- Tommy's Express Car Wash accessories package – This package includes accessory signage, building unit heaters, entry and exit wash doors, and Tommy's Express balls and installation of these components.
- Tommy's Express Car Wash kit package – This package includes marketing small signage, uniform kit, tool accessories kit, and a camera kit and installation of these components.

7. ***Insurance.*** You must have the insurance coverages that we require for your Franchised Business, as described in Item 8 below. The low end of our estimate represents a semi-annual premium and the high end of our estimate represents the cost of the annual premium.

8. ***Permits & Licenses.*** You must verify the specific business licenses and permits that you will need to operate the Franchised Business. Our estimate represents the initial cost for licenses and permits which typically remain in effect for one year.

9. ***Training Expenses.*** Our estimate includes the out-of-pocket expenses for three trainees to attend our initial training program. The low end of our estimate assumes that the trainees are within driving distance of our training facility. The high end of our estimate assumes that additional travel, such as airline travel, will be required. Your total costs may vary depending on the number of trainees you send to our training program, the distance they must travel, the mode of transportation selected, and the types of accommodations you choose.

10. ***Grand Opening Marketing/Grand Opening Mailer.*** You must conduct a grand opening marketing campaign to promote the opening of your Franchised Business. We recommend that your grand opening marketing campaign include flyers distribution, free wash weekends promotions, general promotional mailers, and coupons and promotional discounts on washes. You are required to use the Grand Opening Mailer program in conjunction with your grand opening marketing campaign. The cost for the Grand Opening Mailer program is a separate and distinct expense and is not included in the $15,000 expenditure for your grand opening marketing campaign.

11. ***Additional Funds.*** You will need capital to support ongoing expenses, such as payroll and additional purchases of cleaning supplies, if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

We relied on our affiliates' experience in operating Tommy's Express businesses since 1969. These figures are merely estimates, and there is no assurance that additional working capital will not be necessary during this initial phase or after. A standard Tommy's Express car wash has a wash tunnel that ranges from 50 to 130 feet in length, but franchisees will typically be limited to a tunnel with a length of 130 feet.

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YOUR ESTIMATED INITIAL INVESTMENT
MULTI-UNIT DEVELOPMENT AGREEMENT

YOUR ESTIMATED INITIAL INVESTMENT DEVELOPER – THREE TOMMY'S EXPRESS BUSINESSES				
(1) Type of Expenditure	**(2) Amount**	**(3) Method of Payment**	**(4) When Due**	**(5) To Whom Payment is to be Made**
Development Fee (1)	$90,000	Lump Sum	On signing Multi-Unit Development Agreement	Us
Vehicle Costs (2)	$2,100	As Arranged	As Arranged	Suppliers
Other Expenses for first Franchised Business (3)	$4,539,208 to $7,846,861	See Tommy's Express single unit information, above	See Tommy's Express single unit information, above	See Tommy's Express single unit information, above
Total	**$4,631,308 to $7,938,961**			

The above tables represent the estimated cost for a Developer to develop three Franchised Businesses under the Multi-Unit Development Agreement for Tommy's Express Car Wash. Your costs will vary depending on the number and type of Tommy's Express businesses you choose to develop.

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not provide financing for any portion of your initial investment.

1 ***Development Fee***. The development fee is discussed in Item 5. For the first Franchised Business that you will develop under the Multi-Unit Development Agreement, a portion of the development fee will be applied to pay the initial franchise fee in full. For each additional Tommy's Express outlet you develop, a pro rata portion of the development fee will be applied toward payment of this fee and the balance of the fee is payable when each Franchise Agreement is signed.

2 ***Vehicle Costs***. We assume that you will need a vehicle to travel to potential locations within your Development Area. Our estimate includes fuel, maintenance expenses and car payments for three months.

3 ***Other Expenses for First Franchised Business***. This item includes the remaining expenses to develop and open a Franchised Business, based on the estimated initial investment chart above but not including the initial franchise fee that was paid from the development fee. We expect that you will incur similar costs for each Franchised Business you develop under the Multi-Unit Development Agreement, subject to inflation, other potential increases in costs over time or other changes in circumstances that we cannot predict.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Our reputation and goodwill are based on, and can be maintained only by, the sale of high-quality services and products and the presentation and sale of those services and products in an efficient and appealing manner. One of the greatest values of a franchise model is the economies of scale a brand gains as a network. Tommy's has built in, through our supply company, a "buying club" for franchisees. You will receive discounts on qualified products because of the commitment to purchasing power Tommy's Express has provided. We believe these discounts represent a significant competitive advantage in the marketplace. We believe every franchisee plays a role in strengthening that buying power. Therefore, we provide discounts on soaps & parts and other consumable purchases. We have developed standards and specifications for various services, products, materials and supplies sold at or used in the operation of Tommy's Express outlets. You must operate your Franchised Business according to these standards. These standards will regulate the types, models and brands of required fixtures, furnishings, equipment, signs, materials and supplies to be used in operating your Franchised Business, products and services offered to customers, recommended inventory levels, product categories, and designated or approved suppliers of these items (which may be limited to or include Tommy's or our affiliates). If you do not comply with our required standards, you will be in default of your Franchise Agreement. Our standards and specifications for products and services that you must purchase for your Franchised Business, and our list of approved suppliers for these items, will be communicated to you in writing, including our Franchise Operations Manual, emails and newsletters.

Currently, we or our affiliate are the sole approved supplier of the proprietary Tommy's equipment package, Tommy's vacuum and vending system and Tommy's point of sale system, all of which are required for operation of your Franchised Business. You are required to purchase all detergents, chemicals, solutions, uniforms, items for retail sales, parts and new or replacement equipment (car wash and/or technology) from Tommy's or our affiliate, and we may earn a profit on your purchases. This package includes identification of a general contractor; which you may choose to use, procurement of bids; schematic design recommendations; coordination of design professionals; providing building and equipment design and specification documents; purchasing services; construction supervision; management

of building erection, equipment installation and POS system and installation of other information technology. Tommy's Express LLC will generate a profit on the services provided to and the purchases made by franchisees. Details will be provided in the Franchise Operations Manual. Any third-party contractors and vendors retained by you to convert or construct the premises are independent contractors of yours alone. (Franchise Agreement – Article 3 and 19.1).

The following officers have an ownership interest in our affiliates, which are approved suppliers as described above: Tom Essenburg and Ryan Essenburg. There are no other approved suppliers in which any of our officers owns an interest.

All of your required purchases represent approximately 85% to 92% of your total purchases in connection with the establishment of your Franchised Business, and approximately 60% of your overall purchases in operating the Franchised Business.

If you want to use any product, material or render any service that does not comply with the standards of the System or is to be purchased from a supplier that has not yet been approved, you must first submit a written request for approval of the proposed product or supplier and obtain our approval of the product or supplier before purchasing the product or from the supplier. You must reimburse the costs we incur in making this determination, but not more than $500 per request. We will, within a reasonable time (within 120 days), notify you of our decision. We will establish procedures for submitting requests for approval of items and suppliers and may impose limits on the number of approved items and suppliers. Approval of a supplier may be conditioned on requirements relating to product quality, production and delivery capabilities, ability to meet our supply commitments, financial stability, integrity of standards of service, familiarity with our System and ability to negotiate favorable terms for our franchisees. We do not generally make available to you these criteria for product or supplier approval. You must not sell or offer for sale any products of the proposed supplier until our written approval of the proposed supplier is received. We may revoke our approval of particular products or suppliers when we determine, in our sole discretion, that the products or suppliers no longer meet our standards. Upon receipt of written notice from Tommy's of a revocation, you must stop selling any disapproved products and stop purchasing from any disapproved supplier. We are not obligated to approve any other products or suppliers for our System.

There are currently no purchasing or distribution cooperatives, but we reserve the right to establish these in the future. We may also negotiate purchasing arrangements for the benefit of our franchisees. We or our affiliates reserve the right to receive administration fees, rebates or other money from suppliers that we designate and have sole discretion over the use of any fees or rebates and monies we or our affiliates receive.

For the fiscal year ended December 31, 2022, Tommy's Express earned $2,100,000 in revenue in the form of rebates or other payments from approved supplier Tommy Car Wash Systems. We do not provide you with any material benefit based on your use of an approved supplier. Tommy's Express may at times accept rebates from credit card merchant processors where the volume of the processing on the network reduces the wholesale credit card rate below the set charged rate.

We may conduct market research and testing to determine consumer trends and salability of new products, materials and services. You must cooperate by participating in market research programs, test marketing new products and services and providing timely reports and other relevant information regarding marketing research. In connection with any test marketing, you must purchase a reasonable quantity of products to be tested and effectively promote and make a reasonable effort to sell the products, materials and services.

We must accept the location from which you intend to operate your Franchised Business. Our procedures for site selection and acceptance are described in Item 11 below.

You must purchase the hardware and software packages we require, as described in Item 11. We or our affiliate are the sole approved suppliers for the hardware and software packages. You must also have a smartphone with a data package for your Franchised Business. You must have the point of service, payment processing and other electronic transactional systems set forth in our Franchise Operations Manual. We reserve the right to designate that any of these items must be purchased or leased from a specific supplier, which may be us or our affiliate.

During our fiscal year ending December 31, 2022, our affiliate, VQ, Inc. d/b/a Tommy Car Wash Systems, Inc. derived $126,004,235, or 70.8% of total revenue, as revenue from the sale of the required purchases or leases listed above.

In addition to the purchases or leases described above, you must obtain and maintain, at your own expense, the insurance coverages that we require. Currently you must have the following insurance coverages:

- Builder's risk insurance, including "soft cost" coverage based on the completed value of the facility
- General liability coverage - Comprehensive coverage $1,000,000 per occurrence, $2,000,000 annual aggregate
- Umbrella liability insurance - $2,000,000 per occurrence, $2,000,000 annual aggregate
- Equipment breakdown coverage with limits based on the full replacement value
- Special Form property damage coverage - all perils coverage with limits of no less than full replacement value of the Franchised Business facility and all property located at the facility
- Automobile coverage - coverage for any vehicles used in the franchised business, whether owned or non-owned. You are required to comply with state requirements for underinsured or uninsured coverage.
- Business interruption coverage - insurance to recover lost income for up to 12 months in the event the franchised business is unable to operate
- Money and Securities - $10,000 per occurrence, inside or outside
- Worker's compensation insurance and any other coverage that may be required by applicable law or statute.
- Cyber Insurance – minimum $500,000
- Employer Practices Liability Insurance (recommended) - minimum $500,000
- Any other insurance coverages we may require in the future.

You must maintain all required policies in force during the entire term of the Franchise Agreement and any renewal terms. Each insurance policy must be purchased from an insurance carrier that is qualified to do business in the state where your Business is located and is rated at least "A-" by A.M. Best. Each insurance policy must name Tommy's (and, if we request, our affiliates, officers, directors, employees or shareholders) as additional insureds and must provide Tommy's with 30 days' advance written notice of any material modification, cancellation or expiration of the policy. You must provide Tommy's with a certificate of insurance, or other proof showing that you have obtained the required insurance before your Business opens. You must provide Tommy's with updated certificates of insurance or other proof when your insurance policies are renewed. If you do not obtain the insurance coverages that we require, we may (but are not obligated to) purchase insurance for you. If we do this, you must reimburse the premium costs we incur and pay Tommy's an administrative fee of 10% for Tommy's to obtain coverage.

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.

In the following chart, "FA" means the Franchise Agreement and "MUDA" means the Multi-Unit Development Agreement.

Obligation	Section in Agreement	Disclosure Document Item
(a) Site selection and acquisition/ lease	FA: Article 3 MUDA: Article 2	Items 7 and 11
(b) Pre-opening purchases/ lease	FA: Article 3 MUDA: Not applicable	Items 5, 7 and 8
(c) Site development and other pre-opening requirements	FA: Article 3 MUDA: Not applicable	Items 7 and 11
(d) Initial and ongoing training	FA: Article 6 MUDA: Not applicable	Items 6, 7 and 11
(e) Opening	FA: Article 3 MUDA: Not applicable	Item 11
(f) Fees	FA: Articles 2, 4, 5 and 15 MUDA: Article 3, Attachment 2	Items 5, 6, 7 and 11
(g) Compliance with standards and policies/ Operating Manual	FA: Articles 8 and 10 MUDA: Not applicable	Items 8, 11, 14 and 16
(h) Trademarks and proprietary information	FA: Articles 9 and 10 MUDA: Not applicable	Items 13 and 14
(i) Restrictions on products/ services offered	FA: Articles 1 and 8 MUDA: Not applicable	Items 8 and 16
(j) Warranty and customer service requirements	FA: Article 8 MUDA: Not applicable	Not applicable
(k) Territorial development and sales quotas	FA: Article 8 MUDA: Article 2, Attachment 2	Item 12

Obligation	Section in Agreement	Disclosure Document Item
(l) On-going product/ service purchases	FA: Article 8 MUDA: Not applicable	Item 8
(m) Maintenance, appearance and remodeling requirements	FA: Article 8 MUDA: Not applicable	Item 11
(n) Insurance	FA: Article 11 MUDA: Not applicable	Items 7 and 8
(o) Advertising	FA: Article 5 MUDA: Not applicable	Items 6, 7 and 11
(p) Indemnification	FA: Article 19 MUDA: Article 9	Item 6
(q) Owner's participation/ management/staffing	FA: Articles 6 and 8 MUDA: Not applicable	Items 11 and 15
(r) Records/reports	FA: Article 4 MUDA: Not applicable	Item 6
(s) Inspection/audits	FA: Articles 4, 7 and 8 MUDA: Not applicable	Item 6
(t) Transfer	FA: Article 15 MUDA: Article 6	Items 6 and 17
(u) Renewal	FA: Article 2 MUDA: Not applicable	Items 6 and 17
(v) Post-termination obligations	FA: Article 13 MUDA: Article 5	Item 17
(w) Non-competition covenants	FA: Article 14 MUDA: Article 5	Item 17
(x) Dispute resolution	FA: Article 21 MUDA: Article 8	Item 17
(y) Transfer Damages	FA: Article 12 MUDA: Not applicable	Item 6

Item 10
FINANCING

We do not offer, directly or indirectly, any financing arrangements to you. We do not guarantee your note, leases or any other obligation.

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

Except as listed below, Tommy's Express LLC is not required to provide you with any assistance.

Pre-Opening Obligations -Franchise Agreement

Before you open your Franchised Business, we will:

1. Provide you with our site selection criteria, which you will use to locate a potential site for your Franchised Business. The site must meet our criteria for demographic characteristics; traffic patterns; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. You must submit to us all of the information we need to evaluate the location you propose. We will, within 30 days after we receive all of the information we require, approve or disapprove the location you propose. Unless we provide our specific acceptance of the site, it is deemed not accepted. If you fail to secure the site by lease or purchase agreement within 180 days after we have accepted it, we may terminate the Franchise Agreement. (Franchise Agreement – Article 3). In the event we do not approve a proposed site by written notice to you within 30 days, such site shall be deemed disapproved by us.

2. Provide you with design, specification and equipment packages. This package includes identification of a general contractor; which you may choose to use, procurement of bids; schematic design recommendations; coordination of design professionals; providing building and equipment design and specification documents; purchasing services; construction supervision; management of building erection, equipment installation and POS system and installation of other information technology. We will generate a profit on the services provided to and the purchases made by franchisees. Details will be provided in the Franchise Operations Manual. Any third-party contractors and vendors retained by you to convert or construct the premises are independent contractors of yours alone. (Franchise Agreement – Article 3 and 19.1).

3. Provide you with a list of approved suppliers.

4. Arrange for shipment to you, of proprietary Tommy's Cleaning Solutions (Franchise Agreement – Section 3.5).

5. Lend you one copy of our Franchise Operations Manual (Franchise Agreement – Section 7.1). This Manual remains our property and must be returned to us upon termination or expiration of your Franchise Agreement. We reserve the right to provide the Franchise Operations Manual electronically.

6. Train up to three people in how to operate a Franchised Business (Franchise Agreement – Section 6.2). This training is described in detail later in this Item.

Pre-Opening Obligations – Multi-Unit Development Agreement

Before you begin operating under the Multi-Unit Development Agreement, we will:

1. Designate your Development Area, which will be the area within which you will look for potential sites at which to develop Tommy's Express businesses. (Multi-Unit Development Agreement – Section 2.1)

2. We will provide other resources and assistance as may be developed and offered to our Multi-Unit Developers.

Continuing Obligations – Franchise Agreement

During the operation of your Franchised Business, we will:

1. Provide guidance and assistance in the operation of your Franchised Business. This guidance may be provided in the form of periodic correspondence (including e-mail), field visits and telephone communications and will cover topics such as products or services to be offered to customers; improvements and developments in your Franchised Business; pricing, including maximum prices to be charged (where we are permitted to do so by applicable law); administrative, bookkeeping, accounting and inventory control procedures; and operating problems encountered by you (Franchise Agreement – Section 7.1).

2. Issue, modify and supplement standards for the System that may regulate any one or more of the following regarding your Franchised Business: (a) hours of operation, (b) methods of operation, (c) testing, marketing and sale of products and services, (d) instructions on the performance of specific employees' duties, (e) maintenance of equipment, (f) checklists, (g) records preparation and retention, (h) general rules and regulations for employees, and all other matters that in our sole judgment require standardization and uniformity in all Franchised Businesses (Franchise Agreement – Section 7.1).

3. Establish and maintain a brand development fund (Franchise Agreement – Section 5.3).

4. At your request, provide additional on-site training at your Franchised Business. You must pay our per diem fee for each trainer providing the training and reimburse our expenses (Franchise Agreement – Section 6.3).

5. Indemnify you against and reimburse you for all damages for which you are held liable in any proceeding arising out of your use of any of the Proprietary Marks (including settlement amounts) if you have fully complied with the terms of the Franchise Agreement (Franchise Agreement – Section 9.15).

6. Provide additional or refresher training programs, seminars, franchisee meetings and other related activities regarding the operation of the Franchised Business as we may conduct for you or Tommy's personnel generally, and which may be mandatory for you, your manager and other employees (Franchise Agreement – Section 6.3).

Marketing – Franchisees

Soft Opening and Grand Opening Marketing Campaign

In addition to your Brand Development Fund contributions, you must conduct a soft-opening advertising and presale program, deployed on digital channels as well as a grand opening advertising and promotional

program as approved by Tommy's. The length and start date of these programs will be determined after consultation with you, based upon your site location, demographics, psychographic, and other important data relevant to our programs. During the promotions in the soft opening and grand opening period of your site, you must use the marketing programs, assets, and materials that have been approved by Tommy's. To create excitement around your opening and to test your staff and equipment at peak capacity, you must participate in a free wash weekend. You must spend at least $15,000 to support early site performance and grand opening marketing, promotions, and events. We will work with you to direct this expenditure, which will include a mix of print and digital media and on-site assets for the grand opening. This expenditure does not include the $7,000 cost of the Grand Opening Mailer program you are required to conduct in conjunction with your grand opening marketing campaign. The Grand Opening Mailer program is a promotional program for "Free Wash" events held around the opening of your Franchised Business. We will not be obligated to spend any amount on advertising in your area or territory.

Brand Development Fund

We have established and will administer a Brand Development Fund (the "Brand Development Fund") to advertise the System and the products and services offered by Tommy's Franchised Businesses on a regional or national basis. You must contribute 1% of the Gross Sales of your Franchised Business each week to the Brand Development Fund. For the fiscal year ending December 31, 2022, contributions collected by the Brand Development Fund were spent as follows: 14% towards production, 19% towards media placement, 16% toward administrative expenses, and 52% towards promotion. No money was spent by the Fund to solicit new franchisees as of December 31, 2022.

The Brand Development Fund is maintained and administered by us or our designee as follows:

1. We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation. The Brand Development Fund is intended to maximize general public recognition and acceptance of the Proprietary Marks and improve the collective success of all Franchised Businesses operating under the System. Any Tommy's Express outlets operated by us or our affiliates will contribute to the Brand Development Fund generally on the same basis as you. In administering the Brand Development Fund, we and our designees are not required to make expenditures for you that are equivalent or proportionate to your contribution or to make sure that any particular franchisee benefits directly or pro rata from the placement of advertising.

2. The Brand Development Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; employing advertising agencies; development and maintenance of our Website; and costs of our personnel and other departmental costs for advertising that we administer or prepare internally. All sums you pay to the Brand Development Fund will be maintained in a separate account. We may reimburse ourselves out of the Brand Development Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Brand Development Fund and advertising programs for you and the System. The Brand Development Fund and its earnings will not otherwise benefit us. The Brand Development Fund is operated solely as a conduit for collecting and expending the Brand Development Fees as outlined above. Any sums paid to the Brand Development Fund that are not spent in the year they are collected will be carried over to the following year. No portion of the Brand Development Fund will be used to develop or place advertising that is primarily a solicitation of franchise sales.

3. We will prepare an annual statement of the operations of the Brand Development Fund that will be made available to you if you request it. We are not required to have the Brand Development Fund statements audited.

4. Although the Brand Development Fund is intended to be perpetual, we may terminate the Brand Development Fund at any time. The Brand Development Fund will not be terminated until all monies in the Brand Development Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Brand Development Fund, we have the right to reinstate it at any time and you must again contribute to the Brand Development Fund.

5. We may use the Brand Development Fund to engage the services of a local, regional or national advertising agency or promotional firm and use the resources of our own in-house promotional department as the source of advertising and promotional materials.

Local Marketing

You must conduct local marketing and promotion for your Franchised Business. You will agree to spend at least 2% of Gross Sales each month for marketing and promotion of your Franchised Business. Your local advertising expenditures may include (but not limited to), amounts contributed to a localized cooperative fund, spend on advertising media (such as television, radio, Internet, newspaper, billboards, direct mail, magazines, posters, and other promotional items. Advertising expenditures do not include amounts spent for the purpose of onsite distribution (such as stickers, t-shirts, pens, and other giveaway items). Any marketing and promotional materials you wish to use to promote your Franchised Business must have our prior written approval, and in connection with this approval, we may permit you to use your own advertising material. If you choose to utilize your own marketing materials, the materials must be submitted to TOMMY's for our review at least 14 days before you intend to use the materials. If we do not disapprove of your proposed marketing materials within ten days after you submit them to TOMMY's, your proposed materials are deemed approved. Any marketing or promotional materials you submit to TOMMY's for our review will become our property and there will be no restriction on our use or distribution of these materials. Within 30 days of our request, you must provide TOMMY's with verification of all expenditures for local advertising, marketing and promotion.

Marketing Cooperatives

We may designate any geographic area in which two or more Tommy's Express outlets are located as a region for purposes of establishing a marketing cooperative ("Cooperative"), or we may approve of the formation of a Cooperative by our franchisees. The members of the Cooperative for any area will consist of all Tommy's Express businesses in the designated geographic area. Businesses owned by us or our affiliates will participate in Cooperatives on the same basis as our franchisees, including voting rights. We have the right to dissolve, merge or change the structure of the Cooperatives. Each Cooperative will be organized for the exclusive purposes of administering marketing programs and developing, subject to our approval as described above, promotional materials for use by the members in local marketing. If a Cooperative has been established for a geographic area where your Franchised Business is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative. If the Cooperative will operate according to written documents, we must approve of these documents and a copy of the Cooperative documents applicable to the geographic area in which your Franchised Business will be located and a copy of these documents will be provided to you if you request it.

The payments you make to a Cooperative will not be more than 0.5% of your Gross Sales and may be applied by you toward satisfaction of your local marketing requirement. All contributions to the

Cooperative will be maintained and administered in accordance with the documents governing the Cooperative, if any. The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval. Currently there are no Cooperatives in the System. The Cooperative is not required prepare an annual financial statement. Cooperatives will not develop or place any advertising that is primarily a solicitation of franchise sales.

Advisory Council

We have an Advisory Council that serves to represent the franchise community and provides advisory consultation on the System, products and services offered by Franchised Businesses, advertising conducted by the Brand Development Fund, and any other matters that we deem appropriate. The Advisory Council acts solely in an advisory capacity and does not have decision-making authority. The Advisory Council includes franchisee representatives and corporate representatives. The franchisee representatives include the highest and lowest performer, as well as franchisees elected by peer-vote to serve a one-year term. The Advisory Council meets periodically throughout the year, both virtually and in person. If you participate in the Advisory Council, you will pay for any costs or expenses you incur related to your participation, such as travel and living expenses to attend council meetings. We have the right to form, change, merge or dissolve any advisory council.

Digital Presence

We have established a specific strategy and process for our digital presence to maintain a creative, collaborative, consistent, and safe space for the Tommy's Express brand and all parties involved. We also have built an experience for our franchisees that emphasizes minimal involvement, if preferred. The Tommy's Express digital strategy was designed to be a service bureau where the franchisee submits a request and our digital team deploys the service, ad, report, etc. There are limitations to what our digital team is able to do on a local versus national level but nonetheless, we welcome the innovative ideas and requests from our franchisees.

In general, the digital team is responsible for maintaining, optimizing, deploying, reporting, and innovating within the digital space. The digital space includes (among other things) our website, social media, digital advertisements, search engine optimization, streaming tools, listing management, digital messaging and communication (i.e., email marketing, SMS, push notifications, etc.), and digital engagement (i.e., responses to digital reviews, comments, concerns, etc.).

Websites (as defined below) are considered as "advertising" under the Franchise Agreement and are subject (among other things) to our review and prior written approval before they may be used (as described above). The term "Website" means an interactive electronic document contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to the Franchised Business, Proprietary Marks, us, or the System. The term Website includes internet and world wide web home pages.

You may not establish a Website related to the Proprietary Marks or the System, nor may you offer, promote, or sell any products or services, or make any use of the Marks, through social media or other internet or mobile applications without our prior written approval. This includes but is not limited to digital messaging tools, digital ad partnerships, digital reviews, and digital public relations presence. Your only Website presence on the internet will be through one or more web pages that we establish on our Website.

We will have the right to establish a website, including but not limited to any apps that we may introduce, or other electronic system providing private and secure communications (e.g., an intranet) between us, our franchisees, and other persons and entities that we decide are appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and/or sign.

You are strictly prohibited from promoting your Franchised Business or using the Proprietary Marks in any manner on any social and/or networking Websites, such as Facebook, LinkedIn, Instagram, Twitter, TikTok, Waze, SnapChat, Nextdoor, etc., without our prior written consent. We will control all digital initiatives and assist with requests for local digital marketing through a managed portal system. We recommend but do not require the use of our digital marketing services and support for all local initiatives utilizing digital ads and placements. However, all proprietary information, data, and infrastructure (ex., pixels) will remain disconnected from outside agencies and vendors.

Site Selection and Opening

You must find a suitable location that is acceptable to us. You must commence operations within 18 months of receiving the appropriate approvals to build a car wash, or within 180 days after your Tommy's equipment package is delivered, whichever comes first. Some factors which may affect this timing are your ability to locate an acceptable site, the time to acquire the site through lease negotiations, your ability to secure any necessary financing, your ability to comply with local zoning and other state and local requirements, the timing of the delivery and installation of equipment and signs, and the timing of the delivery of equipment package.

We will not unreasonably withhold our acceptance, provided the site meets our minimum requirements. Our criteria for reviewing a proposed site includes its location, visibility, ease of access, proximity to a major road, parking, lighting, and the physical characteristics of the property. Our acceptance indicates that the site has met our minimum requirements for a Franchised Business.

You must develop and equip the Franchised Business according to the specifications we provide to you. You must comply with all applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. You must purchase, from our affiliate, our complete equipment package, our design and specification package, your initial inventory of detergents, chemicals, solutions, uniforms, signage, certain items for retail sale, parts and equipment, and certain hardware and software as specified in the chart in Item 7. These packages include identification of a general contractor, procurement of bids, schematic design recommendations, coordination of design professionals, provision of building and equipment design and specification documents, purchasing services, construction management and supervision services, equipment installation and installation of the POS system and other information technology. We have the right to inspect the Franchised Business before you will be permitted to open it for business.

You may not open your Franchised Business for business until: (1) we notify you that all of your development obligations have been fulfilled; (2) pre-opening training of personnel has been completed to our satisfaction; (3) all amounts due to us have been paid; (4) we have been furnished with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums that we request; (5) all approvals and conditions set forth in the Franchise Agreement have been obtained; (6) you have secured all necessary government permits, certificates and similar authorizations; (7) all attachments referenced in this Agreement have been fully completed and executed; and (8) you have ordered, received and installed all required fixtures, equipment, supplies and inventory.

If you are unable to open the Franchised Business within the required timeframe, except if the failure to open is the result of a delay in the delivery of your equipment package, we may grant you an extension of time or we may terminate the Franchised Agreement. Such termination will be a termination for cause.

We do not generally own the premises and lease it to franchisees.

If you are a multi-unit developer, we will approve or disapprove the location of future units and any territories for those units using the then-current standards for sites and territories. The timeframe for acquiring suitable locations and for opening future units after acquiring the location is the same as for an individual franchisee. The Franchised Businesses you develop must be open and operating according to your development schedule.

Training Program

Franchise Agreement

No later than six weeks before your Franchised Business opens, the Onsite Manager and up to two additional owners or employees (for a maximum of three trainees) must attend and complete, to our satisfaction, our mandatory training program at our headquarters in Holland, Michigan. The orientation and training topics will include, but not limited to, sessions on what to expect during the construction phase, pre-opening marketing, and other best practices sessions to prepare new owners to operate car washes. Approximately 20 days of training will be held at our headquarters in Holland, Michigan and at an operating Tommy's Express business or an affiliate-owned car wash. We reserve the right to designate alternative locations for the initial training program. All costs and expenses incurred by you and your trainees relating to attending training (including, without limitation, the cost of travel, lodging, meals, uniforms, and applicable wages) will be paid by you. If you request that we provide our training program to additional trainees, whether before your Franchised Business opens or while it is operating, you must pay our then-current training fee in addition to the trainees' expenses. If the Onsite Manager does not satisfactorily complete our training program, we may permit him or her to re-take our training program at your expense, including our training fee, or we may terminate this Agreement. Additionally, if the Onsite Manager is not also a Controlling Principal (a "Controlling Principal" is defined as every owner who either holds at least 50% of the voting interests in you or is a corporate officer, director, or manager of you), one of the Controlling Principals must attend a three-day owner orientation and training session at our headquarters in Holland, Michigan. This will begin prior to you breaking ground on your site.

You may request additional training by us, either onsite or at our headquarters in Holland, Michigan. All costs incurred by your attendees and our training personnel shall be paid by you, including a reasonable fee that we may charge.

We may hold franchise wide or regional franchisee meetings from time to time at our Headquarters in Holland, Michigan or another location to be determined, which a Controlling Principal must attend. All costs and expenses incurred by your attendees for franchisee meetings shall be paid by you.

The instructional materials we will use for our training program includes our Franchise Operations Manual as well as any other materials that we believe will be beneficial in the training process. There currently are no fixed (*i.e.*, monthly or bi-monthly) training schedules. Our initial training program will be held on an as-needed basis depending, for example, on the number of new Tommy's Express business openings and new or additional managers or employees that require training. We project the following training:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Equipment Maintenance	10	30	Holland, MI
Equipment Repair	5	15	Holland, MI
Car Wash Operations	20	40	Holland, MI
Management I -Marketing	20	20	Holland, MI
Refresher Course	5	35	Holland, MI
Pre and Post Opening Support	0	40	Your Location

Our training program is overseen by Mike Lemmen, whose experience appears in Item 2 of this document, and is conducted by our Managers of Tommy's Express Training, Robert Frease and Rob Damato. Our instructors have 4 to 41 years of experience with us and/or with our affiliates.

We will provide you with up to ten days of on-site training and assistance at a mutually convenient time.

We may hold mandatory training sessions either at your site, at another operating franchise location, or at our headquarters in Holland, Michigan which your Onsite Manager, a Controlling Principal, and/or your employees must attend. All costs and expenses incurred by your attendees for such mandatory training sessions shall be paid by you, including a reasonable fee that we may charge.

We may offer optional training sessions which your Onsite Manager, a Controlling Principal, or your employees may, but are not obligated to, attend. All costs and expenses incurred by your attendees for such optional training sessions shall be paid by you, including a reasonable fee that we may charge.

Computer System

Franchise Agreement

You must purchase the computer hardware and software we designate or approve that meet our specifications and that are capable of electronically interfacing with our computer system. The computer system is used to collect and monitor point of sale information and to create business reports and may be used to collect and monitor inventory control and shrinkage, payroll and accounting information, gift cards and loyalty program, on-line orders and credit card processing.

The computer system is designed to enable us to have immediate access to the information monitored by the system, and there is no contractual limitation on our access or use of the information we obtain. Our specific requirements for the computer system will also be included in our Franchise Operations Manual, including the name of the approved supplier for the computer system (if we designate one). Our affiliate may be the sole approved supplier. If you have computer hardware that you would like to use in the operation of your Franchised Business, it must meet our minimum specifications and we must approve the computer system for use. You must install and maintain equipment and a high-speed telecommunication line in accordance with our specifications to permit us to access the POS (Point of Sale)

system (or other computer hardware and software) at the Shop premises as described above. We will have full independent access to the information contained in your computer system at all times during the term of your Franchise Agreement, including the ability to download information relating to sales, and sales-based data pertaining to business operations. You must make sure that we have access to your computer system at all times, at your expense. There are no contractual limitations on either our right to access the sales-based data on your computer system or our use of that sales-based data.

Your computer system must have the hardware and software designated in our Franchise Operations Manual. You must purchase Personal Computers ("PCs") running Windows 10 or newer software, printers, modems, and other network peripherals that meet our specifications. We estimate that the cost of the computer system and required software will be between $50,000 and $80,000.

We can require you to change the hardware and software you use for your Franchised Business. There are no contractual limits on when we can require you to make these changes or the cost of the modifications we can require. Neither we nor any affiliate of ours will provide you with any updates, upgrades or maintenance for your computer system. The estimated cost of maintenance, updating, upgrading or support contracts for the computer system can range from $250 to $600 per year.

You must also have a smartphone with a data package for your Franchised Business. The average cost for a smartphone with a data package is $34.00 to $84.00 per month.

Franchise Operations Manual

You must operate your Franchised Business according to the standards, methods, policies and procedures specified in our Franchise Operations Manual. One copy of the Franchise Operations Manual is loaned to you by Tommy's for the term of the Franchise Agreement after you complete our initial training program to our satisfaction. We reserve the right to provide the Franchise Operations Manual to you electronically, such as through an intranet or password-protected Website.

You must treat the Franchise Operations Manual, any other of our manuals which are used in the operation of your Franchised Business, and the information in them as confidential, and must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise give them to any unauthorized person. The Franchise Operations Manual will remain our sole property and must be kept in a secure place at your Franchised Business.

We may revise the contents of the Franchise Operations Manual, and you must comply with each new or changed standard. You must make sure that the Franchise Operations Manual is kept current at all times. In the event of any dispute as to the contents of the Franchise Operations Manual, the terms of the master copy maintained by Tommy's at our home office will be controlling.

Attached to this Disclosure Document as Exhibit G is the Table of Contents of the Franchise Operations Manual. Our Franchise Operations Manual includes approximately 314 pages.

Item 12
TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right to operate your Franchised Business only at the location we approve. If, when you sign the Franchise Agreement, a location for your Franchised Business

has not been obtained by you and approved by Tommy's, you will be given an area in which you may obtain a location. The area in which you will look for a site for your Franchised Business will be larger than the territory that you are granted.

We will grant you a designated territory ("Territory"), which will be determined once the location of your Franchised Business is approved by Tommy's. The size of your Territory will be based on a radius from the location of your Franchised Business. The radius from the location of your Franchised Business is dependent on our analysis of your geographic region.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We may offer the option for us to buy and lease to you the land on which your Franchised Business will operate. If we do this, we anticipate that we will make a profit from this arrangement.

Your Territory will be described in an exhibit to your Franchise Agreement. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We do not have to pay you if we solicit or accept orders from inside your territory.

During the term of this Agreement, we (and any affiliates that we periodically might have) have the right:

(a) to establish and operate, and grant rights to other franchise owners to establish and operate, Franchised Businesses or similar businesses at any locations anywhere outside your Territory and on any terms and conditions we deem appropriate;

(b) to offer and sell car wash equipment, components, detergents, and other products and services that may or may not be identical or similar to those your Franchised Business uses, provides or sells, whether identified by the Proprietary Mark or other trademarks or service marks in any way and anywhere;

(c) to purchase or otherwise acquire the assets or controlling ownership of one or more businesses identical or similar to your Franchised Business (and/or franchise or license those businesses), some or all of which might be located anywhere, but if a business we acquire operates within your Territory, it will not operate using the Proprietary Marks;

(d) to be acquired (regardless of the form of transaction) by a business identical or similar to Tommy's Express businesses, even if the other business operates, franchises and/or licenses competitive businesses near your Franchised Business or in your Territory; and

(e) to engage in any other business activities not expressly prohibited by this Agreement, anywhere.

You may offer and sell approved products and services to customers who live anywhere but who choose to use your Franchised Business. You may provide the approved products and services only from the location we approve. You are not granted a right of first refusal to purchase additional territories or franchises.

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark. We describe earlier in this Item 12 what we may do anywhere and at any time.

Except for Tommy's Express outlets operated by Tommy's and/or our affiliates, neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned businesses which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent.

There are no minimum sales which you must attain to continuing operating within your non-exclusive Territory. We reserve the right to alter the boundaries of your Territory for a renewal term of the Franchise Agreement, to accommodate changes in population, demographics, household income and similar factors within your Territory.

Multi-Unit Development Agreement

You may (if you qualify) develop and operate a number of Tommy's Express businesses within a Development Area which we and you will identify before signing the Multi-Unit Development Agreement and which we will designate to you and include in the Multi-Unit Development Agreement. We will also identify the number of Tommy's Express businesses you will open and operate within the Development Area before signing the Multi-Unit Development Agreement. We base the Development Area's size primarily on the number of Tommy's Express businesses you agree to develop, demographics for the Development Area, and number of viable trade areas. We will provide you a development schedule with which you must comply to keep your development rights. We will approve or disapprove the locations for future Tommy's Express businesses and any corresponding territories using our then-current standards for sites and territories.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Subject to your rights under Franchise Agreements then in effect, we may establish or allow others to establish Tommy's Express outlets within the Development Area after the Multi-Unit Development Agreement expires or is terminated. While the Multi-Unit Development Agreement is in effect, we (and our affiliates) will not establish, or allow other franchise owners or developers to establish Tommy's Express businesses within the Development Area. There are no other restrictions on Tommy's. You may not develop or operate Businesses outside the Development Area without our prior approval. We may terminate the Multi-Unit Development Agreement if you do not satisfy your development obligations when required. You are not granted any other option, right of first refusal or similar right to acquire additional Businesses in your Development Area.

We retain the right, in our sole discretion and without granting any rights to you: (a) to ourselves own and operate, or to grant other persons the right to own and operate, Tommy's Express businesses at locations outside the Development Area, and on terms and conditions that we deem appropriate; and (b) to sell outside the Development Area the services and products authorized for Tommy's Express businesses under the Proprietary Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution and on terms and conditions that we deem appropriate.

Item 13
TRADEMARKS

Under the Franchise Agreement, you have the right to use certain trademarks, service marks and other commercial symbols in connection with the operation of your Franchised Business. The Multi-Unit Development Agreement does not grant you the right to use the Proprietary Marks. Our primary service mark is "Tommy's". We have registered the following Proprietary Marks with the United States Patent and Trademark Office ("USPTO"):

Mark	Registration Date	Registration Number	Register
Tommy's Express Car Wash	September 22, 2015	4,817,255	Principal
	July 11, 2017	5,239,160	Principal
	December 13, 2016	5,098,779	Principal
TOMMYCLUB	May 29, 2018	5,480,859	Principal
	June 5, 2018	5,485,732	Principal
TOMMY GUARD	August 20, 2019	5,838,552	Principal
BODY WAX	December 17, 2019	5,940,370	Supplemental

We intend to file all affidavits and to renew our registrations for the Marks when they become due.

You must follow our rules when you use the Proprietary Marks. You cannot use a name or mark as a part of a corporate name or internet domain name, or with modifying words, designs or symbols except for those which we license to you. You may not use our marks with the sale of an unauthorized product or service or in a manner not authorized in writing by Tommy's.

There are no currently effective determinations of the USPTO, the trademark administrator of this state or any court, nor is there any pending interference, opposition, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks which may be relevant to their use in this state or in any other state.

There are no agreements currently in effect which limit our right to use or to license others to use the Proprietary Marks. We have no knowledge of any superior prior rights that could materially affect your use of the marks in the state where the Business could be located.

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

There are no infringing uses actually known to Tommy's that could materially affect your use of the Proprietary Marks in this state or elsewhere.

We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it, at our sole discretion. We will not be required to reimburse you for any of your costs related to conforming to our new Proprietary Marks and will otherwise have no obligation or liability to you as a result of any change or substitution.

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

You receive the right to use certain items covered by a patent or copyright ("Patents & Copyrights"). You can use the proprietary and confidential information that is in our Franchise Operations Manual.

We have applied for patents for certain items of equipment and technology. You receive the right to use these items of equipment and technology in compliance with our System. You do not have any other right to use the patented equipment and technology. There are no agreements currently in effect which limit our right to use or to license others to use the patents or copyrighted equipment or technology.

You must promptly notify us of any suspected unauthorized use of the Patents & Copyrights, any challenge to the validity of the Patents & Copyrights, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Patents & Copyrights. We have the sole right to direct and control any administrative proceeding or litigation involving the Patents & Copyrights including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Patents & Copyrights. We may defend you against any third-party claim, suit or demand arising out of your use of the Patents & Copyrights. If we, in our sole discretion, determine that you have used the Patents & Copyrights in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us. If we determine that you have not used the Patents & Copyrights in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be yours. If there is any litigation relating to your use of the Patents & Copyrights, you must sign any and all documents and do any acts as may, in our opinion, be necessary

to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except if this litigation is the result of your use of the Patents & Copyrights in a manner inconsistent with the terms of your Agreement, we will reimburse you for your out-of-pocket costs in doing these acts. You have no right to compensation or any other rights under the Franchise Agreement, based on the modification or discontinuance of your right to use the Patents & Copyrights.

There are no infringing uses actually known to us that could materially affect your use of the Patents & Copyrights.

The Franchise Operations Manual is described in Item 11 and below. Although we have not filed an application for a copyright registration for the Franchise Operations Manual, we claim a copyright and the information in it is proprietary and confidential. You must promptly tell Tommy's when you learn about unauthorized use of this proprietary and confidential information. We are not obligated to take any action but will respond to this information as we think appropriate.

We may revise the contents of the Franchise Operations Manual and you must comply with each new or changed standard. You must make sure that the Franchise Operations Manual is kept current at all times. In the event of any dispute as to the contents of the Franchise Operations Manual, the terms of the master copy maintained by Tommy's at our home office will be controlling.

Confidential Information

You must not, during the term of your Agreement with Tommy's or after the term of the Agreement, communicate, divulge or use for the benefit of any other person, partnership, association, or corporation any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to you or which you may learn because of your operation under the terms of your Agreement with Tommy's. You may divulge this confidential information only to those of your employees who need access to it to operate your Franchised Business. Any and all information, knowledge, know-how, techniques and other data which we designate as confidential will be deemed confidential for purposes of the Agreement.

At our request, you must require your manager and any personnel having access to any of our confidential information to sign agreements that say that they will maintain the confidentiality of information they receive in connection with their employment by you at your Franchised Business. The agreements must be in a form satisfactory to Tommy's, including specific identification of Tommy's as a third-party beneficiary of the covenants with the independent right to enforce them and that they prohibit any direct or indirect ownership in a competing business, where ownership was not in effect prior to the date of the Franchise Agreement.

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

You must at all times directly supervise the operation of your Franchised Business, or you may employ a manager for this purpose. Your Franchised Business must have on-premises supervision of a manager who has satisfactorily completed our training program. You must also maintain a competent, conscientious, trained staff, including a fully trained manager (which may be you). We impose no limitations as to who you may hire as the manager, except that you must comply with all applicable laws and that you must not harm the goodwill associated with the System and the Proprietary Marks (this requirement may affect who you hire as your manager). If you will not act as the manager for your Franchised Business, you must still attend an abbreviated training program and complete it to our

satisfaction, and you must still make sure that your Franchised Business is operated according to our requirements and specifications and the terms of your Agreement with Tommy's.

We have the right to approve the manager after training. We do not require your manager to have an equity interest in your business. The manager must attend and complete our training program, as described in Item 11. The manager and other key employees may also be required to enter into an agreement not to compete with businesses under the System, not to divulge any trade secret or confidential or proprietary information, or to engage in any other business, not to reveal confidential information obtained while employed by you and for two years after their employment with you ends. See Item 17 for a description of these obligations.

You must hire all employees of the Franchised Business and you are solely responsible for the terms of their employment and compensation and for the proper training of those employees in the operation of the Franchised Business, and you must make sure that each employee signs our form of Confidentiality and Non-Competition Agreement, which is Attachment 4 of our Franchise Agreement. During the term of the Franchise Agreement and for a period of three years after the termination or expiration of the Franchise Agreement for any reason whatsoever, or in the event the Franchise Agreement is transferred by you or, in the case of a transfer of an interest in you by an owner in you, you or the transferring owner may not recruit, solicit, or hire, either directly or indirectly, for employment any person who is, or was within the previous six months, employed by us or by any other franchisee of ours, nor may you directly or indirectly induce any such person to leave his or her employment, without our prior express written consent or the consent of the other franchisee. In the case of a Tommy's employee, such consent may be given, or withheld, in our sole discretion and will, at a minimum, be contingent on payment by you to us of an amount equal to six to 36 months of the employee's wages, as determined by us.

You must operate the Franchised Business in strict conformity with all applicable federal, state and local laws, ordinances and regulations. These laws, ordinances and regulations vary from jurisdiction to jurisdiction and may be implemented or interpreted in a different manner. You must learn of the existence and requirements of all laws, ordinances and regulations applicable to the Franchised Business and you must adhere to them and to the then-current implementation or interpretation of them.

If you are a corporation, limited liability company or partnership, each principal owner must sign our Confidentiality and Non-Competition Agreement, which is Attachment 4 of our Franchise Agreement.

If you are a Developer, we may require you to employ an area manager to supervise the operations of all of your Franchised Businesses, in addition to each manager you employ for the individual Franchised Businesses you develop.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the location we approve solely for the operation of the Franchised Business. You must keep your Franchised Business open and in normal operation for the minimum hours and days as we specify, or as may be required by the terms of your lease. You must not use or permit the use of the Premises for any other purpose or activity at any time without first obtaining our written consent. You must operate the Franchised Business in strict conformity with the methods, standards and specifications we may require in the Franchise Operations Manual or in writing.

You must sell or offer for sale only those products and those services that we have approved for sale in writing; you must sell or offer for sale all types of merchandise specified by Tommy's; you should not change our standards and specifications without our prior written consent; and you must stop selling

and offering for sale any services or products which we may, in our discretion, disapprove in writing at any time. We have the right to change the types of authorized goods and services and there are no limits on our right to make changes.

The System may be supplemented, improved or modified from time to time by Tommy's. You must comply with all of our reasonable requirements in that regard, including offering and selling new or different products or services as specified by Tommy's.

You are restricted by the Franchise Agreement, the Franchise Operations Manual, and any other practice or custom with respect to the products or services which you may offer, which must be approved by Tommy's. You are not restricted as to the customers to whom you may sell products or services, except as described in Item 12.

Item 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	Article 2	20 years
b. Renewal or extension of the term	Article 2	Three renewal terms of 10 years each
c. Requirements for franchisee to renew or extend	Article 2	If we are still franchising and you are in good standing, you may renew your franchise for an additional term of 10 years. You must provide notice that you wish to renew your Franchise Agreement not less than six months and not more than nine months before expiration; you must be current in all payments and not in default of your Franchise Agreement; if we require, you must renovate and/or upgrade your Store; you must sign a release, sign our then-current Franchise Agreement and pay a renewal fee. You must be current in all payments and not in default of your Franchise Agreement; if we require, you must renovate and/or upgrade your Franchised Business; you must sign release, and sign renewal Franchise Agreement

Provision	Article in Franchise Agreement	Summary
		You may be asked to sign a contract with materially different terms and conditions than your original contract, except the boundaries of your territory will not change and the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees
d. Termination by franchisee	Not applicable	You may seek to terminate your Franchise Agreement on any ground permitted by law
e. Termination by franchisor without cause	Not applicable	The Franchise Agreement will terminate upon your death or permanent disability and the Franchise must be transferred within twelve months to a replacement franchisee that we approve.
f. Termination by franchisor with cause	Article 12	We can terminate your Franchise Agreement for cause.
g. "Cause" defined – curable defaults	Article 12	Includes failure to pay royalties, breach of lease or sublease, failure to make payments on loans taken by or for the benefit of your Franchised Business, selling unauthorized products or services, failure to operate in accordance with our uniform standards, failure to open your Franchised Business within the timeframe described in Item 11.
h. "Cause" defined – non-curable defaults	Article 12	Includes you make an assignment, transfer or sale of the Franchised Business or this Agreement or the franchise granted, or any of your owners make an assignment of all or a portion of their ownership in you, without first complying with the provisions of this Agreement or; you or any of your principals' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.
i. Franchisee's obligations on termination/non-renewal	Article 13	Obligations include complete de-identification and payment of amounts due, including transfer damages (if applicable), payment of sell all equipment back to us at a set price, comply with post-termination non-competition covenants
j. Assignment of contract by franchisor	Article 15	No restriction on right to transfer

Provision	Article in Franchise Agreement	Summary
k. "Transfer" by franchisee – defined	Article 15	Includes a transfer of all or substantially all of the assets of your business
l. Franchisor approval of transfer by franchisee	Article 15	We have the right to approve transfers
m. Conditions for franchisor approval of transfer	Article 15	Includes payment of money owed, you are not in default, sign release, transferee qualifies and signs new franchise agreement, refurbishment of Franchised Business and payment of the transfer fee
n. Franchisor's right of first refusal to acquire franchisee's business	Article 15	We can match any offer
o. Franchisor's option to purchase franchisee's business	Article 13	Upon termination, we can buy certain assets. We may purchase back all equipment used in your Franchised Business for fair market value.
p. Death or disability of franchisee	Article 15	Franchise must be assigned to approved buyer within 12 months
q. Non-competition covenants during the term of the franchise	Article 14	Includes prohibition on owning or operating business which sells similar products and services. Non-competition provisions are subject to state law.
r. Non-competition covenants after the franchise is terminated or expires	Article 14	Includes prohibition on owning or operating business which sells similar services for three years and located within 20 miles of any Business in the System unless the business was owned by you prior to signing of the Franchise Agreement. Non-competition provisions are subject to state law.
s. Modification of the agreement	Article 22	Must be in writing by both parties
t. Integration/merger clause	Article 22	Only the terms of the Franchise Agreement are binding (subject to applicable federal and/or state law). Any other promises may not be enforceable
u. Dispute resolution by arbitration or mediation	Article 21	Mediation and arbitration in the county where we have our headquarters (subject to state law)
v. Choice of forum	Article 22	Michigan (subject to state law)
w. Choice of law	Article 22	Michigan (subject to state law)

THE MULTI-UNIT DEVELOPER RELATIONSHIP

Provision	Article in Multi-Unit Development Agreement	Summary
a. Length of the franchise term	Article 1	Term of the development schedule
b. Renewal or extension of the term	Not applicable	
c. Requirements for developer to renew or extend	Not applicable	
d. Termination by developer	Not applicable	You may seek to terminate your Multi-Unit Development Agreement on any ground permitted by law
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with cause	Article 4	We can terminate your Multi-Unit Development Agreement for cause. In addition, if a Franchise Agreement with us is terminated according to its terms, we may terminate the Multi-Unit Development Agreement (this is a cross-default provision).
g. "Cause" defined – curable defaults	Article 4	Your failure to comply with the Multi-Unit Development Agreement or if you default under another agreement with us and fail to cure.
h. "Cause" defined – non-curable defaults	Section 1.4 and Article 4	Failure to meet your development schedule, unauthorized transfer of the development rights or any interest in you, bankruptcy or insolvency, you are dissolved, you make a material misrepresentation or omission in your application to us, conviction of a felony or other crime that we believe will adversely affect the Marks, repeated breaches, one of your Franchise Agreements is terminated
i. Developer's obligations on termination/non-renewal	Article 5	You lose development rights, may not look for sites or develop Tommy's Express outlets
j. Assignment of contract by franchisor	Article 6	No restriction on right to transfer
k. "Transfer" by developer – defined	Article 6	Includes a transfer of all or in part of your ownership interest of your business
l. Franchisor approval of transfer by developer	Article 6	We have the right to approve transfers
m. Conditions for franchisor approval of transfer	Article 6	Conditions for transfer include not being in default, at least 25% of all Franchised

Provision	Article in Multi-Unit Development Agreement	Summary
		Businesses required to be developed are open or under construction, all debts are paid, the buyer meets our current criteria for new Developers, execution of a general release (where legal), payment of transfer fee, buyer personally guarantees all obligations
n. Franchisor's right of first refusal to acquire developer's business	Article 6	We can match any offer
o. Franchisor's option to purchase developer's business	Not applicable	
p. Death or disability of developer	Article 6	Interest must be assigned to approved buyer within 12 months
q. Non-competition covenants during the term of the franchise	Not applicable	Can't divert business or operate a Competitive Business anywhere
r. Non-competition covenants after the franchise is terminated or expires	Article 5	Includes prohibition on owning or operating a business, other than businesses operating for at least six months prior to your signing the Franchise Agreement, which sells similar services for three years and is located within 20 miles of any Business in the System
s. Modification of the agreement	Article 9	Must be in writing by both parties
t. Integration/merger clause	Article 6	Only the terms of the Multi-Unit Development Agreement are binding (subject to applicable federal and/or state law). Any other promises may not be enforceable
u. Dispute resolution by arbitration or mediation	Article 8	Mediation and arbitration in the county where we have our headquarters (subject to state law)
v. Choice of forum	Article 9	Michigan (subject to state law)
w. Choice of law	Article 9	Michigan (subject to state law)

Item 18
PUBLIC FIGURES

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

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item 19 includes an historical financial performance representation of existing Tommy's Express franchised outlets for the calendar year 2022. As of December 31, 2022, we had a total of 129 outlets open, of which 123 are franchised outlets. We have excluded the financial performance of 44 franchised outlets, as they had not been in operation for a full 12 months, along with the financial performance of the six corporate locations.

TOMMY'S EXPRESS CAR WASH
GROSS SALES JAN. 1 – DEC. 31, 2022

First Year Sites
(Outlets open more than 12 months but less than 24 months - must be open 12 full months in 2022)

Number of Outlets	Average Gross Sales[1]	Median Gross Sales	Lowest Performing	Highest Performing
28	**$1,542,554.07**	**$1,449,648.42**	**$824,632.88**	**$2,528,626.53**

Second Year Sites
(Outlets open for 24 months but less than 36 months - must be open 12 full months in 2022)

Number of Outlets	Average Gross Sales	Median Gross Sales	Lowest Performing	Highest Performing
25	**$1,858,857.21**	**$1,705,053.03**	**$950,285.26**	**$3,471,181.68**

Third Year Sites
(Outlets open for 36 months but less than 48 months - must be open 12 full months in 2022)

Number of Outlets	Average Gross Sales	Median Gross Sales	Lowest Performing	Highest Performing
20	**$2,063,043.02**	**$2,124,929.04**	**$775,244.81**	**$4,018,821.25**

Four Year Sites

(Outlets open for 48 months or more - must be open 12 full months in 2022)

Number of Outlets	Average Gross Sales	Median Gross Sales	Lowest Performing	Highest Performing
6	**$3,028,924.66**	**$3,071,909.03**	**$2,494,728.80**	**$3,718,376.56**

[1] "Gross Sales" is all revenue, less any returns or credits, from the sale of all products and services and all other income of every kind and nature at or from the Franchised Business or otherwise related to the Franchised Business, including any proceeds from business interruption insurance, whether for cash or credit, and regardless of collection in the case of credit. "Gross Sales" does not include any sales taxes or any customer refunds or adjustments.

Gross Sales does not reflect the cost of sales, operating expenses, royalty fees, marketing fees, or other costs or expenses that must be deducted from gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating a Tommy's Express business. Franchisees or former franchisees listed in this Disclosure Document may be one source of this information.

We offered the same services to the Businesses described in this statement. These Businesses offered the same products and services to the public as you will.

These outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

With regards to expenses, we closely monitor cost of goods wash expenses. These expenses are chemical costs (soap, detergents, tire shine, etc.) Repair & Maintenance, Utilities, Customer Claims and Labor. The table below reflects Costs of Goods expenses. Note: Utilities sub accounts are calculated based on historical average dispersion of the utilities account.

	1st Year Sites		2nd Year Sites		3rd Year Sites		4th Year Sites	
COGS								
Detergents	$ 107,442.99	6.97%	$ 128,031.77	6.89%	$ 117,919.46	5.72%	$ 186,813.72	6.17%
Repairs & Maintainance	$ 62,855.37	4.07%	$ 105,210.12	5.66%	$ 107,428.87	5.21%	$ 99,304.72	3.28%
Customer Claims	$ 13,181.97	0.85%	$ 12,749.72	0.69%	$ 11,937.62	0.58%	$ 17,890.41	0.59%
Labor	$ 328,758.89	21.31%	$ 465,418.65	25.04%	$ 407,339.59	19.74%	$ 482,683.88	15.94%
Utilities Total	$ 176,221.56	11.42%	$ 158,398.13	8.52%	$ 205,057.78	9.94%	$ 256,916.46	8.48%
Waste Removal	$ 7,048.86	0.46%	$ 4,751.94	0.26%	$ 10,252.89	0.50%	$ 7,707.49	0.25%
Communications	$ 5,286.65	0.34%	$ 4,751.94	0.26%	$ 4,101.16	0.20%	$ 2,569.16	0.08%
Gas	$ 28,195.45	1.83%	$ 25,343.70	1.36%	$ 16,404.62	0.80%	$ 38,537.47	1.27%
Sewer	$ 35,244.31	2.28%	$ 31,679.63	1.70%	$ 45,112.71	2.19%	$ 53,952.46	1.78%
Water	$ 45,817.61	2.97%	$ 39,599.53	2.13%	$ 49,213.87	2.39%	$ 61,659.95	2.04%
Electric	$ 54,628.68	3.54%	$ 52,271.38	2.81%	$ 79,972.53	3.88%	$ 92,489.92	3.05%

Other operational expenses include cost of merchandise, credit card charges, G&A expenses, property taxes, advertising, computer and technology costs, insurance, works compensation, health insurance costs, payroll taxes, supplies, bank charges, team member uniforms, hiring & recruiting costs, permits & licenses, training, transportation, royalty and brand fund.

	1st Year Sites		2nd Year Sites		3rd Year Sites		4th Year Sites	
Other Expenses								
Local Marketing	$ 41,594.08	2.70%	$ 46,772.41	2.52%	$ 22,312.73	1.08%	$ 29,441.29	0.97%
Credit Card Fees	$ 29,575.61	1.92%	$ 43,322.23	2.33%	$ 41,241.62	2.00%	$ 80,661.94	2.66%
Property Tax	$ 43,206.25	2.80%	$ 40,917.16	2.20%	$ 28,166.81	1.37%	$ 41,918.47	1.38%
P&C Insurance	$ 17,676.23	1.15%	$ 21,496.36	1.16%	$ 25,078.20	1.22%	$ 23,871.97	0.79%
Technology Costs	$ 4,340.00	0.28%	$ 4,340.00	0.23%	$ 4,340.00	0.21%	$ 4,340.00	0.14%
Bank Charges	$ 5,029.42	0.33%	$ 1,808.78	0.10%	$ 3,722.55	0.18%	$ 854.93	0.03%
Payroll Taxes	$ 36,986.83	2.40%	$ 28,229.54	1.52%	$ 35,077.05	1.70%	$ 42,735.44	1.41%
Workers Compensation	$ 7,314.55	0.47%	$ 7,708.97	0.41%	$ 8,169.37	0.40%	$ 7,816.79	0.26%
Health Insurance	$ 11,090.72	0.72%	$ 7,727.00	0.42%	$ 8,726.05	0.42%	$ 14,921.45	0.49%
Team Member Uniforms	$ 3,890.86	0.25%	$ 5,260.97	0.28%	$ 7,515.37	0.36%	$ 4,141.87	0.14%
Hiring & Recruiting	$ 3,321.85	0.22%	$ 5,903.54	0.32%	$ 7,708.82	0.37%	$ 2,598.93	0.09%
General Administrative	$ 36,715.66	2.38%	$ 24,323.95	1.31%	$ 19,056.18	0.92%	$ 96,818.38	3.20%
Office Supplies	$ 10,411.68	0.67%	$ 10,612.48	0.57%	$ 11,124.47	0.54%	$ 29,409.88	0.97%
Merchandise	$ 42,425.24	2.75%	$ 39,057.08	2.10%	$ 70,516.34	3.42%	$ 36,409.78	1.20%
Permits & Licenses	$ 11,561.65	0.75%	$ 312.95	0.02%	$ 1,767.43	0.09%	$ 172.81	0.01%
Professional Fees	$ 12,183.83	0.79%	$ 13,702.86	0.74%	$ 7,130.33	0.35%	$ 9,855.65	0.33%
Brand Fund	$ 15,425.54	1.00%	$ 18,588.57	1.00%	$ 20,630.43	1.00%	$ 30,289.25	1.00%
Royalty	$ 61,702.16	4.00%	$ 74,354.29	4.00%	$ 82,521.72	4.00%	$ 121,156.99	4.00%
Training	$ 4,084.58	0.26%	$ 5,210.40	0.28%	$ 6,846.19	0.33%	$ 11,792.58	0.39%
Transportation	$ 4,844.35	0.31%	$ 8,110.84	0.44%	$ 16,283.28	0.79%	$ 6,474.62	0.21%

Tommy's Express businesses report gross sales information to us based upon a uniform reporting system. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request. The information presented above has not been audited.

Other than the preceding financial performance representation, Tommy's Express LLC does not make any financial representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Ryan Essenburg at 240 East 8th Street, Holland, Michigan, 49423, and (616) 834-0544, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide Outlet Summary
For years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	26	53	+27
	2021	53	79	+26
	2022	79	123	+44
Company-Owned*	2020	4	3	-1
	2021	3	5	+2
	2022	5	6	+1

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Total Outlets	**2020**	**30**	**56**	**+26**
	2021	**56**	**84**	**+28**
	2022	**84**	**129**	**+45**

*These outlets are owned by our affiliates as detailed in Item 1.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2020 to 2022

State	Year	Number of Transfers
Florida	2020	0
	2021	3
	2022	0
Georgia	2020	0
	2021	3
	2022	0
Minnesota	2020	0
	2021	0
	2022	1
Nebraska	2020	0
	2021	0
	2022	3
North Carolina	2020	0
	2021	0
	2022	2
South Carolina	2020	0
	2021	0
	2022	1
Texas	2020	0
	2021	0
	2022	1
Total	**2020**	**0**
	2021	**6**
	2022	**8**

Table No. 3
Status of Franchised Outlets
For years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Arkansas	2020	2	1	0	0	0	0	3
	2021	3	2	0	0	0	0	5
	2022	5	0	0	0	0	0	5
California	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
Colorado	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Delaware	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Florida	2020	5	5	0	0	0	0	10
	2021	10	1	0	0	0	0	11
	2022	11	5	0	0	0	0	16
Georgia	2020	2	1	0	0	0	0	3
	2021	3	1	0	0	0	0	4
	2022	4	1	0	0	0	0	5
Idaho	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Illinois	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Indiana	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Iowa	2020	0	4	0	0	0	0	4
	2021	4	2	0	0	0	0	6
	2022	6	1	0	0	0	0	7
Kansas	2020	3	1	0	0	0	0	4
	2021	4	2	0	0	0	0	6
	2022	6	3	0	0	0	0	9
Louisiana	2020	1	1	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	1	0	0	0	0	4
Michigan	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	4	0	0	0	0	7
Minnesota	2020	1	1	0	0	0	0	2
	2021	2	2	0	0	0	0	4
	2022	4	3	0	0	0	0	7
Missouri	2020	1	2	0	0	0	0	3
	2021	3	0	1	0	0	0	2
	2022	2	1	0	0	0	0	3
Nebraska	2020	2	1	0	0	0	0	3
	2021	3	2	0	0	0	0	5
	2022	5	3	0	0	0	0	8
Nevada	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
North Carolina	2020	0	1	0	0	0	0	1
	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
North Dakota	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	2	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Ohio	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	1	0	0
	2022	0	0	0	0	0	0	0
Oklahoma	2020	0	2	0	0	0	0	2
	2021	2	3	0	0	0	0	5
	2022	5	1	0	0	0	0	6
Penn-sylvania	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
South Carolina	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
South Dakota	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Tennessee	2020	0	1	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	0	0	3
Texas	2020	2	1	0	0	0	0	3
	2021	3	2	0	0	1	0	4
	2022	4	6	0	0	0	0	10
Utah	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Virginia	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	2	0	0	0	0	4
Wisconsin	2020	0	2	0	0	0	0	2
	2021	2	1	0	0	0	0	3
	2022	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Wyoming	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Total	**2020**	**26**	**27**	**0**	**0**	**0**	**0**	**53**
	2021	**53**	**29**	**1**	**0**	**2**	**0**	**79**
	2022	**79**	**44**	**0**	**0**	**0**	**0**	**123**

Table No. 4
Status of Company-Owned* Outlets
For years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Kansas	2020	1	0	0	0	1	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Michigan	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	1	0	0	0	4
Ohio	2020	0	0	0	0	0	0
	2021	0	0	1	0	0	1
	2022	1	0	0	0	0	1
Texas	2020	0	0	0	0	0	0
	2021	0	0	1	0	0	1
	2022	1	0	0	0	0	1
Total	**2020**	**4**	**0**	**0**	**0**	**1**	**3**
	2021	**3**	**0**	**2**	**0**	**0**	**5**
	2022	**5**	**1**	**0**	**0**	**0**	**6**

*These outlets are owned by our affiliates.

Table No. 5
Projected Openings as of December 31, 2022

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	2	0	0
California	5	1	0
Colorado	3	0	0
Delaware	2	0	0
Florida	7	5	1
Georgia	2	0	0
Illinois	3	3	0
Indiana	2	0	0
Iowa	1	1	0
Kansas	0	1	0
Kentucky	1	0	0
Louisiana	1	6	0
Maryland	2	0	0
Michigan	2	3	2
Minnesota	1	1	0
Mississippi	1	1	0
Missouri	3	0	0
Nebraska	2	1	0
Nevada	2	2	0
New Jersey	1	0	0
New Mexico	1	0	0
New York	1	0	0
North Carolina	3	1	0
North Dakota	0	1	0
Ohio	4	1	0
Oklahoma	5	5	0
Pennsylvania	5	1	0
South Carolina	2	1	0
Tennessee	5	2	0
Texas	13	8	0
Virginia	2	1	0
Washington	1	0	0
Wisconsin	3	2	0
Wyoming	1	1	0
Puerto Rico	1	0	0
Total	**90**	**49**	**3**

A list of the names of all franchisees and multi-unit developers and the addresses and telephone numbers of their businesses will be provided in Exhibit E to this Disclosure Document when applicable.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee and multi-unit developer who had a business terminated, cancelled,

not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Agreement during the most recently completed fiscal year or who has not communicated with Tommy's within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit F to this Disclosure Document when applicable. **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 had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Tommy's System.

There are no trademark-specific organizations formed by our franchisees that are associated with the Tommy's System.

Item 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit H are our audited financial statements for the years ended December 31, 2022, December 31, 2021, and December 31, 2020, and our unaudited financial statements for the period ended March 31, 2023.

Our fiscal year end is December 31st.

Item 22
CONTRACTS

The following contracts are attached to this Disclosure Document in the following order.

1. Franchise Agreement with Exhibits – Exhibit C
2. Multi-Unit Development Agreement with Exhibits – Exhibit D
3. Form of General Release – Exhibit I
4. Acknowledgment Statements – Exhibit J, as permitted by law. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Item 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document. Please return one signed copy to us and retain the other for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS AGENCIES/AGENTS FOR SERVICE OF PROCESS

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

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of Financial Protection and Innovation
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce

State	State Agency	Agent for Service of Process
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222 Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol 14th Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
RHODE ISLAND	Department of Business Regulation Securities Division 1511 Pontiac Avenue, Building 68-2 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of South Dakota Division of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT B TO THE DISCLOSURE DOCUMENT

MULTI-STATE ADDENDUM

CALIFORNIA APPENDIX

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise. If the Franchise Agreement or Multi-Unit Development Agreement contain provisions that are inconsistent with the law, the law will control.

2. The Franchise Agreement and Multi-Unit Development Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).

3. The Franchise Agreement and Multi-Unit Development Agreement contain covenants not to compete which extend beyond the termination of the agreements. These provisions may not be enforceable under California law.

4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

5. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.

6. The Franchise Agreement and Multi-Unit Development Agreement require binding arbitration. The arbitration will occur in the county where we maintain our headquarters with the costs being borne by both parties. 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.

7. The Franchise Agreement and Multi-Unit Development Agreement require application of the laws of Michigan. This provision may not be enforceable under California law.

8. You must sign a general release if you renew or transfer your franchise. California Corporation 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).

9. 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.

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

11. OUR WEBSITE, www.tommys-express.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE

DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS at www.corp.ca.gov.

12. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

ADDENDUM REQUIRED BY THE STATE OF ILLINOIS

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

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

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

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

In the State of Illinois, franchisor will defer the payment of the initial franchise fee, development fee and any other initial payment until all of franchisor's material pre-opening obligations have been satisfied and until franchisee is open for business and is operating. However, franchisee must execute the Franchise Agreement prior to looking for a site or beginning training.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

ADDENDUM REQUIRED BY THE STATE OF INDIANA

1. To be added to Item 3 of the Disclosure Document, is the following statement:

There are presently no arbitration proceedings to which the Franchisor is a party.

2. Item 17 of the Disclosure Document is amended to reflect the requirement under Indiana Code 23-2-2.7-1 (9), which states that any post term non-compete covenant must not extend beyond the franchisee's designated territory.

3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1 (10).

4. Under Indiana Code 23-2-2.7-1 (10), jurisdiction and venue must be in Indiana if the franchisee so requests. This amends the Franchise Agreement and Multi-Unit Development Agreement.

5. Under Indiana Code 23-2-2.7-1 (10), franchisee may not agree to waive any claims or rights.

DISCLOSURE 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 (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 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: Katharyn Barron
525 W. Ottawa Street, 1st Floor
Lansing, Michigan 48933
(517) 335-7567

ADDENDUM REQUIRED BY THE STATE OF MINNESOTA

This addendum to the Disclosure Document effectively amends and revises said Disclosure Document and Franchise Agreement and Multi-Unit Development Agreement as follows:

1. Item 13 of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to the original language that appears therein:

> "In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchise from any loss, costs or expenses arising out of any claim, suit or demand regarding such use."

2. Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to the original language that appears therein:

"With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes Sec. 80C.14, Subds.3, 4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld."

3. Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

"Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

4. Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to the original language that appears therein:

"Minn. Rule 2860.4400D prohibits Tommy's from requiring you to assent to a general release."

5. Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

6. The Franchise Agreement and Multi-Unit Development Agreement are amended to comply with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

7. The Franchise Agreement and Multi-Unit Development Agreement are amended to comply with Minn. Stat. §80C.17, Subd. 5 regarding limitations of claims.

8. Item 6, Insufficient Fund Fees: NSF fees are governed by Minnesota Statute 604.113; which puts a cap of $30 on an NSF check. This applies to everyone in Minnesota who accepts checks except banks.

9. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. The Franchise Agreement and Multi-Unit Development Agreement are hereby amended accordingly.

ADDENDUM REQUIRED BY THE DEPARTMENT OF LAW OF 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 SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST

FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

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

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

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

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

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

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

ADDENDUM REQUIRED BY THE STATE OF NORTH DAKOTA

This addendum to the Disclosure Document, Franchise Agreement and Multi-Unit Development Agreement effectively amends and revises said documents as follows:

1. Item 17(c) of the Disclosure Document, Articles 2, 15, and 22 of the Franchise Agreement, and Articles 6 and 9 of the Multi-Unit Development Agreement are hereby amended to indicate that a franchisee shall not be required to sign a general release.

2. Covenants not to compete are generally considered unenforceable in the State of North Dakota, in accordance with Section 51-19-09 of the North Dakota Franchise Investment Law. Item 17(r) of the Disclosure Document, Article 14 of the Franchise Agreement and Article 5 of the Multi-Unit Development Agreement are amended accordingly.

3. Item 6 and Item 17(i) of the Disclosure Document and Article 12 and 13 of the Franchise Agreement require the franchisee to consent to termination or liquidated damages. Since the Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North

Dakota Franchise Investment Law, these provisions are hereby deleted in each place they appear in the Disclosure Document and Franchise Agreement used in North Dakota.

4. Item 17(u) of the Disclosure Document, Article 21 of the Franchise Agreement, and Article 8 of the Multi-Unit Development Agreement are amended to provide that arbitration shall be held at a site that is agreeable to all parties.

5. Item 17(v) of the Disclosure Document and the provisions of Article 21 of the Franchise Agreement, and Article 8 of the Multi-Unit Development Agreement, which require jurisdiction of courts in Michigan are deleted.

6. Item 17(w) of the Disclosure Document, Article 22 of the Franchise Agreement, and Article 9 of the Multi-Unit Development Agreement are amended to indicate that the agreements are to be construed according to the laws of the State of North Dakota.

7. Apart from civil liability as set forth in Section 51-19-12 N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents. Therefore, North Dakota franchisees will not be required to waive their rights under North Dakota law.

8. The provisions of Article 21 of the Franchise Agreement and Article 8 of the Multi-Unit Development Agreement, which require a franchisee to consent to (1) a waiver of trial by jury and (2) a waiver of exemplary and punitive damages are contrary to Section 51-19-09 of the North Dakota Franchise Investment Law and are hereby deleted.

9. The provisions of Article 21 of the Franchise Agreement and Article 8 of the Multi-Unit Development Agreement, which require a franchisee to consent to a limitation of claims are hereby amended to state that the statute of limitations under North Dakota law applies.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

ADDENDUM REQUIRED BY THE STATE OF RHODE ISLAND

The following amends Item 17 and is required to be included within the Disclosure Document and shall be deemed to supersede the language in the Disclosure Document itself:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that:

> "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

ADDENDUM REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Tommy's Express LLC for use in the Commonwealth of Virginia shall be amended as follows:

1. 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 grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable.

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

2. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

WASHINGTON STATE ADDENDA TO THE FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT

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

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

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

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

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The Franchisee Acknowledgment Statement, Exhibit J of the Franchise Disclosure Document, is hereby modified as follows:

- Paragraph 1 is deleted and the following language is inserted:
    1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee.
- Paragraph 12 is deleted in its entirety.

The Multi-Unit Developer Acknowledgment Statement, Attachment 4 of the Multi-Unit Development Agreement, is hereby modified as follows:

- Paragraph 1 is deleted and the following language is inserted:
    1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee.
- Paragraph 11 is deleted in its entirety.

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

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of ____ _____.

FRANCHISEE:

_____

By:_____
Name:_____
Title:_____

FRANCHISOR:
TOMMY'S EXPRESS LLC

By:_____
Name:_____
Title:_____

ADDENDUM REQUIRED BY THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for Tommy's Express LLC's Franchise Disclosure Document.

1. Item 17 of the Disclosure Document is amended to state that 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.

2. Item 17 of the Disclosure Document is amended to state that a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Item 17 of the Disclosure Document is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

4. Item 17 of the Disclosure Document is amended to state that the provisions in the Franchise Agreement and Multi-Unit Development Agreement which provide for termination upon bankruptcy of the franchisee/multi-unit developer/ may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

5. Item 5 of the Disclosure Document is amended to state that based upon franchisor's financial condition, the Maryland Securities Commissioner requires that franchisor defer the payment of the initial franchise fee and all other initial payments until all of franchisor's material pre-opening obligations have been satisfied and until franchisee opens for business and is operating. However, franchisee must sign the Franchise Agreement before beginning training.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for Tommy's Express LLC's Franchise Agreement. The amendments to the Franchise Agreement included in this addendum have been agreed to by the parties.

1. The appropriate sections of the Franchise Agreement are amended to permit a franchisee to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The appropriate sections of the Franchise Agreement are amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

3. The appropriate sections of the Franchise Agreement are amended to state that 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.

4. The Franchise Agreement and Franchisee Acknowledgment Statement are amended to include the following statement: "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

5. The provisions in the Franchise Agreement which provide for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

6. Based upon our financial condition, the Maryland Securities Commissioner requires that franchisor defer the payment of the initial franchise fee and all other initial payments until all of franchisor's material pre-opening obligations have been satisfied and until franchisee opens for business and is operating. However, franchisee must sign the Franchise Agreement before beginning training.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

ADDENDUM TO THE MULTI-UNIT DEVELOPMENT AGREEMENT REQUIRED BY THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for Tommy's Express LLC's Multi-Unit Development Agreement. The amendments to the Multi-Unit Development Agreement included in this addendum have been agreed to by the parties.

1. The appropriate sections of the Multi-Unit Development Agreement are amended to permit a franchisee to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The appropriate sections of the Multi-Unit Development Agreement are amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

3. The appropriate sections of the Multi-Unit Development Agreement are amended to state that 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.

4. The Multi-Unit Development Agreement and the Multi-Unit Developer Acknowledgment Statement are amended to include the following statement: "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

5. Based upon franchisor's financial condition, the Maryland Securities Commissioner requires that franchisor defer the payment of the initial franchise fee and all other initial payments until all of franchisor's material pre-opening obligations have been satisfied and until franchisee's first business under the Multi-Unit Development Agreement is open and operating.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming

reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The parties hereto have duly executed, sealed and delivered this Addendum dated this day of ____ _____.

FRANCHISEE:	FRANCHISOR:
_____	TOMMY'S EXPRESS LLC
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

TOMMY'S EXPRESS LLC

FRANCHISE AGREEMENT

FRANCHISEE

DATE

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ATTACHMENTS
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2 – Premises Ownership Form

3 – Legal Entity Form
4 – Confidentiality and Non-Competition Agreement
5 – Internet Advertising, Social Media, Software, and Telephone Listing Agreement

TOMMY'S EXPRESS LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made and entered into on _____ _____, (the "Effective Date"), between Tommy's Express LLC, a Michigan limited liability company having its principal place of business located 240 East 8th Street, Holland, Michigan, 49423 (hereinafter referred to as "we," "Tommy's," "us" or "our"), and _____ a _____ _____, with a principal address at _____ (hereinafter referred to as "you" or "your").

WHEREAS, as the result of the expenditure of time, skill, effort, and money, we have developed and own a specialized system (the "System") relating to the establishment, development, and operation of an ultra-modern car wash, that does business under the name and marks "Tommy's", or "Tommy's Express", and offers the Approved Products and Services as that term is defined below (the "Tommy's Business").

WHEREAS, A Tommy's Business features a distinctive building in lengths from 50 to 130 feet with an acrylic roof and iconic sunburst entrance; an innovative automated wash system with conveyor belt, stainless steel arches, modular control station, and flight deck; and an interior vacuum area, and offers for sale on-site automated vehicle washing and drying, use of interior vacuums and mat washers, the sale of interior detailing kits, and other products and services as may be described in the Franchise Operations Manual ("Approved Products and Services");

WHEREAS, the distinguishing characteristics of the System include, without limitation, proprietary cleaning formulas and other items required to wash cars; specific equipment, materials and supplies; methods, uniform standards, proprietary designs, specifications and procedures for operations; procedures for management control; training and assistance; merchandising, advertising and promotional programs, all of which may be changed, improved and further developed by Tommy's; and comprehensive operations and training manuals, all of which may be changed, improved and further developed by Tommy's from time to time;

WHEREAS, we identify the System and the business conducted in accordance with the System under certain trademarks, service marks, logos, emblems, and indicia of origin (hereinafter "Proprietary Marks" or "Marks"), including, but not limited to, the names and mark "Tommy's", and "Tommy's Express", along with other such trade names, service marks, and trademarks as may be designated now or hereafter by Tommy's (in our Franchise Operations Manual or otherwise in writing) for use in connection with the System;

WHEREAS, you wish to obtain the right and license from Tommy's for the use of the System and Proprietary Marks, and in association therewith to own and operate a Tommy's Business only at the site of the real property identified on Attachment 1 hereto (hereinafter referred to as the "Premises"), and you understand and accept the terms, conditions and covenants set forth herein as those which are reasonably necessary to maintain our high and uniform standards of quality and service in order to protect the goodwill and enhance the public image of the System and the Proprietary Marks;

WHEREAS, we have the sole and exclusive right to the goodwill associated with the System and the Proprietary Marks and are willing to grant the right and license to you on the terms and conditions herein contained to use the System and the Proprietary Marks;

WHEREAS, you desire to obtain a franchise to use the System and the Proprietary Marks at the Premises, pursuant to the provisions hereof, and you have had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of your own choosing and represent and warrant that you have the business experience and financial ability to operate a Tommy's Business;

WHEREAS, you acknowledge that you have read this Agreement and our Franchise Disclosure Document ("Disclosure Document") and that you understand and accept the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain uniform high standards of quality at all Tommy's Businesses and to protect the goodwill of the Proprietary Marks;

WHEREAS, we expressly disclaim the making of any warranty or guarantee, expressed or implied, oral or written, regarding the potential revenues, profits or success of the business venture contemplated by this Agreement. You acknowledge that you have not received or relied upon any such warranty or guarantee;

WHEREAS, you acknowledge that you have no knowledge of any representations by Tommy's, our officers, directors, shareholders or representatives about the franchise offered hereunder, about Tommy's or our franchising programs and policies that are contrary to the statements in the Disclosure Document or to the terms of this Agreement; and

WHEREAS, you acknowledge that this Agreement places detailed and substantial obligations on you, including full compliance with our present and future requirements regarding facilities, equipment, suppliers, operating procedures, management methods, merchandising strategies, sales promotion programs and related matters. You acknowledge that future improvements, changes, and developments in the System may require additional expense to be undertaken by you.

BEFORE SIGNING THIS AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1
GRANT OF FRANCHISE

1.1 Grant

Subject to the terms, conditions, and limitations elsewhere in this Agreement, we hereby grant to you a non-exclusive right and license to use the System, the Proprietary Marks and to market, sell and provide the Approved Products and Services in accordance with the System on and from the Premises. The Approved Products and Services are the only products and services authorized to be offered, sold, or provided at the Tommy's Business or on the Premises. This grant shall be effective only upon payment of the initial franchise fee in Section 4.1.

1.2 Location

The right and license granted in Section 1.1 of this Agreement shall be restricted solely and exclusively to use in and from the Premises. During the term of this Agreement, the Premises shall be used exclusively by you and solely for the purpose permitted by this Agreement.

1.3 Non-Exclusivity

Except as set forth within this Agreement, the license granted to you by this Agreement is non-exclusive and we shall have, at all times throughout the term of this Agreement and any renewals hereof, the unqualified right to open and operate, or to franchise and license others to open and operate, businesses utilizing the System. Provided that you are in compliance with your duties and obligations set forth in this Agreement, then during the term of this Agreement we shall not establish another Tommy's Business (whether owned by Tommy's, our affiliates or another franchisee in the System) within the designated territory described on Attachment 1hereto ("Territory").

1.4 Limitations on Grant

This license does not include any right to provide the Approved Products and Services at or from any location except from the Tommy's Business Premises. Except and to the extent that you continue to be a franchisee under one or more other franchise agreements from us, use by you, directly or indirectly, of the System, the Proprietary Marks licensed below, the providing of any Approved Products and Services at any location other than from the Premises shall be a material breach of this Agreement and shall give Tommy's, in addition to all other rights and remedies hereunder, the right to terminate this Agreement.

1.5 Rights Reserved to Us

During the term of this Agreement, we (and any affiliates that we periodically might have) have the right:

(a) to establish and operate, and grant rights to other franchise owners to establish and operate, Tommy's Businesses or similar businesses at any locations anywhere outside your Territory and on any terms and conditions we deem appropriate;

(b) to offer and sell car wash equipment, components, detergents, and other products and services that may or may not be identical or similar to those your Tommy's Business uses, provides or sells, whether identified by the Proprietary Mark or other trademarks or service marks in any way and anywhere;

(c) to purchase or otherwise acquire the assets or controlling ownership of one or more businesses identical or similar to your Tommy's Business (and/or franchise or license those businesses), some or all of which might be located anywhere, but if a business we acquire operates within your Territory, it will not operate using the Proprietary Marks;

(d) to be acquired (regardless of the form of transaction) by a business identical or similar to Tommy's Businesses, even if the other business operates, franchises and/or licenses competitive businesses near your Tommy's Business or in your Territory; and

(e) to engage in any other business activities not expressly prohibited by this Agreement, anywhere.

ARTICLE 2
TERM

2.1 Term

This Agreement, unless terminated earlier as hereinafter provided, shall remain in force for a term of twenty (20) years ending on the twentieth (20^{th}) anniversary of the date of our first distribution of Tommy Club revenue to you ("Term").

2.2 Successor Terms

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to Tommy's less than nine (9) months, but more than six (6) months, prior to the end of the Initial Term of this Agreement) to enter into successor franchise agreement(s) to continue the franchise below for three (3) additional terms of ten (10) years each, if:

(a) you have been, throughout the Term of this Agreement, in substantial compliance, and at the expiration of the Term you are in full compliance, with this Agreement;

(b) you enter into our then-current Franchise Agreement and all other ancillary agreements, instruments and documents then customarily used by Tommy's in the granting of Tommy's franchises (all of which will contain terms similar to those herein contained, except with respect to fees to be paid to Tommy's, which fees shall be the same as those Franchise Agreements being executed at the then-current time, and which will not obligate you to pay a further initial franchise fee), provided that if, at our sole option, the requirement to enter into our then-current Franchise Agreement is waived by written notice from Tommy's, the terms hereof shall remain in force for the successor term;

(c) you present evidence satisfactory to us that you are able to maintain possession of the Premises (or at relocated Premises pursuant to Section 3.6 hereof) for the entire successor term;

(d) you refurbish, upgrade, renovate, redecorate and remodel your Tommy's Business to meet the then-current standards and image for all new Tommy's Businesses, including without limitation installing new equipment, which shall not be subject to the limitations of Section 8.4;

(e) you are current on all monetary obligations to Tommy's and any affiliate of ours and must have been current at all times during the preceding twelve (12) months;

(f) you execute a release running in favor of Tommy's, our officers, directors and shareholders releasing all claims resulting from, arising under, or relating to this Agreement; and

(g) you pay to Tommy's a successor term fee in the amount of Two Thousand Five Hundred Dollars ($2,500) ("Successor Term Fee").

2.3 Renewal Under Law

Even though we decline the renewal of your franchise, it is possible that we can be required to renew it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your renewal term will be subject to the conditions of the Franchise Agreement we are using for new franchisees at the time the renewal period begins. If we are not then offering new franchises, your renewal period will be subject to the terms of this Agreement.

2.4 Your Election Not to Renew

For the purposes of this Agreement, you shall be deemed to have irrevocably elected not to continue the franchise hereunder after the Term (and the option to do so shall thereupon terminate) if you fail to execute and return to Tommy's our then-current Franchise Agreement and other ancillary documents required by Tommy's for a successor term franchise within thirty (30) days after we have delivered them to you, together with payment of the Successor Term Fee.

ARTICLE 3
TOMMY'S BUSINESS PREMISES

3.1 Location for Tommy's Business

If a site for the Tommy's Business has not been specified at the time of the execution of this Agreement by Tommy's and you, you shall use your best efforts and proceed with diligence to obtain and designate a location for the Tommy's Business, which location shall be subject to our written acceptance. You shall provide to Tommy's such information concerning a proposed site that we reasonably require, including, but not limited to, photographs of the site, dimensions of the real estate, maps, and evidence of your favorable prospects for obtaining the site, such as a letter of intent or a lease from the property owner. We will, within thirty (30) days after we receive all of the required information, notify you in writing whether the site you propose has been approved or disapproved. Unless we provide our specific acceptance of the site, it is deemed not accepted. We may terminate this Agreement if you fail to secure the site by lease or purchase agreement within one hundred eighty (180) days after we have accepted it.

Upon our acceptance of a location, we and you shall execute Exhibit 1 to this Agreement designating the Premises address and Territory boundaries, which Exhibit shall be deemed to be incorporated herein and made a part of this Agreement. You acknowledge that the location of the Tommy's Business is a major factor in its potential for success, and accordingly we may refuse to accept any proposed location in our sole discretion. You also acknowledge that the acceptance and approval by Tommy's of any location shall not in any way be deemed to be a guarantee, warranty, or any other assurance (express or implied) of the success of your business at such location. Our approval of a location only means that such location has met our minimum specifications for a Tommy's Business.

3.2 Possession and Control of Premises

You must obtain possession and control of the Premises by lease, sublease, purchase, or other arrangement approved in advance in writing by us, which shall be documented by completion and execution of the appropriate portion of Attachment 2 to this Agreement, which shall be immediately updated throughout the Term if any change in possession or control occurs:

(a) with respect to a Premises that you own or will own directly, you must provide us with documentation of ownership and complete and execute Section A of Attachment 2;

(b) with respect to a Premises that you do not own directly but is owned or will be owned by an affiliated entity, you and the owner of the Premises must provide us with documentation of ownership and complete and execute Section B of Attachment 2; and

(c) with respect to a Premise that you do not own directly but are or will be leasing or subleasing from another person or entity, you and your landlord must provide us with the lease agreement for the Premises for review and written approval prior to execution, and you and your landlord must complete and execute Section C of Attachment 2.

We may offer eligible franchisees the opportunity to purchase or lease from Tommy's or our affiliate, real estate upon which to build the Tommy's Business. If we or our affiliate leases or sells real estate to you, we or our affiliate may earn a profit on the lease or sale.

3.3 Building Configuration and Construction

You shall construct and install a fully equipped and functional Tommy's Express building in an approved configuration with a wash tunnel length of between fifty (50) feet to one hundred thirty (130) feet

in length with a site plan that has been approved in advance in writing by us. We shall provide you with a list of specifications for, and the names of any approved suppliers of, the building, equipment, fixtures, signage and inventory that you must purchase for the Tommy's Business. The approved supplier for any item may include or be limited to Tommy's or our affiliates. You must construct (or renovate) and equip the Tommy's Business in a good and workmanlike manner and in conformity with all laws, rules, regulations and requirements of governmental authorities having jurisdiction over the Tommy's Business and in full conformance with the appearance, uniform standards, and our specifications of Tommy's or the System. You will timely ensure that any mechanics' liens, materialmen's liens or other liens which may be recorded or perfected or which may otherwise attach to all or any portion of the Tommy's Business as a result of work done by or for you be timely discharged or released of record or be fully bonded. We shall have the right to inspect all construction and improvements to assure your compliance with our standards and specifications. Following completion of your Tommy's Express building, you shall provide us with a breakdown of all construction costs on a form that we shall provide to you. We may terminate this Agreement if you fail to enter into a purchase order contract and pay any required deposit for a Tommy's Express building and equipment package for the Tommy's Business within three (3) years of the date of this Agreement.

3.4 Equipment, Furnishings and Signs

You shall install in and about the Tommy's Business any required equipment, including computer equipment, fixtures, furnishings, interior and exterior signs, and other personal property which fully conform to the appearance, uniform standards, and specifications of Tommy's or the System existing from time to time (after this sometimes referred to collectively as "equipment and furnishings"). You are required to purchase a complete equipment package (including but not limited to car wash equipment, point of sale equipment, vacuum equipment, water reclamation equipment, electrical control systems, vending, and mat washing systems; ("Tommy's Equipment Package")) from our affiliate, and you shall pay the cost of having our affiliate install the Tommy's Equipment Package. Our affiliate is the sole approved supplier for the Tommy's Equipment Package, certain construction services, as well as cleaning chemicals and detergents required to open your Tommy's Business. We shall furnish you with lists and specifications of the approved equipment and furnishings which are required to outfit and furnish the Tommy's Business in accordance with our image and standards. We shall have the right to inspect all equipment and furnishings and their installation to ensure your compliance with our standards and specifications. You shall not install any additional equipment or components on the Premises unless we give you our written advance permission.

3.5 Opening for Business

You must commence operations within eighteen (18) months of receiving the appropriate approvals to build a car wash, or within one hundred eighty (180) days after your Tommy's Equipment Package is delivered, whichever is earlier. If you are unable to open your Tommy's Business within the required timeframe, we may in our reasonable discretion terminate this Agreement unless (a) the failure to open is the result of a reason beyond your control including the delay in the delivery of the building or equipment you must buy from a Tommy's affiliate or (b) you demonstrate to us that you are continuing to use best efforts to commence operations and open the Tommy's Business as soon as possible.

In no event shall the Tommy's Business be opened for business until: (a) we notify you in writing that all of your development obligations have been fulfilled; (b) pre-opening training of personnel has been completed to our satisfaction; (c) all amounts due to Tommy's have been paid; (d) we have been furnished with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums that we request; (e) all approvals and conditions set forth in this Agreement have been obtained and satisfied; (f) all attachments referenced in

this Agreement have been fully completed and executed; and (g) you have ordered, received and installed all required fixtures, equipment, supplies and inventory we require.

3.6 Loss of Occupancy

In the event you lose the right to possession of the Premises without your fault, in our reasonable judgment, we shall not terminate this Agreement, provided that you relocate and reopen your Tommy's Business at a location mutually agreeable to you and Tommy's and under occupancy terms acceptable to Tommy's. In this relocation, you agree to comply with our then-current location, leasing, design, construction and opening requirements. In addition, such relocation shall occur, and your business must be open to the public, within three hundred sixty-five (365) days from the date on which you lose possession of the Premises.

ARTICLE 4
FEES AND REPORTING

4.1 Initial Franchise Fee

If this Agreement is for the first Tommy's Business developed by you, you shall pay to Tommy's a non-recurring initial franchise fee for the franchise hereunder in an amount equal to Fifty Thousand Dollars ($50,000). If this Agreement is for a subsequent Tommy's Business developed by you, the initial franchise fee shall be reduced by twenty percent (20%) off the then-current initial franchise fee. The initial franchise fee is payable in a lump sum upon execution of this Agreement, shall be deemed fully earned by Tommy's upon execution of this Agreement, and is not refundable.

4.2 Royalty Fee

You agree to pay Tommy's a non-refundable royalty ("Royalty Fee") each week based on the Gross Sales, as defined in Section 4.5 below, of your Tommy's Business received in the preceding week ending Saturday. The Royalty Fee shall be in the amount of four percent (4%) of your Gross Sales per week.

4.3 Brand Development Fee

You agree to pay Tommy's a non-refundable weekly contribution to the brand development fund ("Brand Development Fee") based on Gross Sales of your Tommy's Business received in the preceding week ending Saturday. The Brand Development Fee will be in the amount of one percent (1%) of your Gross Sales per week.

4.4 Technology Fee

During the term of this Agreement, you shall pay to Tommy's, our affiliate or our designated supplier, as applicable, a technology fee ("Technology Fee") of up to Two Hundred Dollars ($200) per week. This Technology Fee is payable at the same time and in the same manner as your Royalty Fee (or such other method we or the designated supplier determine).

4.5 Definition of Gross Sales

As used in this Agreement, "Gross Sales" is defined as all revenue, less any returns or credits, from the sale of all products and services and all other income of every kind and nature at or from the Tommy's Business or otherwise related to the Tommy's Business, including any proceeds from business interruption insurance, whether for cash or credit, and regardless of collection in the case of credit. Gross Sales does not include any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority and shall be reduced by any customer refunds.

4.6 Payment of Fees

The Royalty Fee, Brand Development Fee, and Technology Fee (collectively "Fees") shall be paid weekly as follows:

(a) By Monday of each week, you shall provide to Tommy's a report detailing the Gross Sales generated by your Tommy's Business for the previous week ending Saturday. Such report shall include the information and detail, and shall be included on such form, as we may specify. Notwithstanding the foregoing, you acknowledge that we shall have the right to electronically access your point-of-sale system to download Gross Sales and other data relative to your operation of the Tommy's Business.

(b) We will first collect the Fees and any other amounts due to Tommy's or our affiliates under this Agreement, by deducting such amounts from your portion of TommyClub revenue in our possession. If those funds are insufficient, we may attempt the deduction the following week or we will deduct such amount from your bank account via electronic funds transfer. You shall execute our current electronic funds transfer authorization as well as other documents required by our bank or your bank to permit Tommy's to make debit and credit entries to your bank account, and you shall comply with the payment and reporting procedures specified by Tommy's in our Franchise Operations Manual. You expressly acknowledge and agree that your obligation for the full and timely payment of the Fees shall be absolute, unconditional, fully earned, and due upon generation and receipt of Gross Sales. You shall not for any reason delay or withhold the payment of all or any part of those or any other payments due hereunder, put the same in escrow or set-off same against any claims or alleged claims you may allege against Tommy's, the Fund (as hereinafter defined) or others. You shall not, on grounds of any alleged non-performance by Tommy's or others, withhold payment of the Fees, nor withhold or delay submission of any reports due hereunder.

(c) You agree that sufficient funds will be made available in your account for withdrawal. If you do not report Gross Sales when required, we may debit from your account an amount equal to the last Fees that we debited. If the Fees we debit are less than the Fees you actually owe Tommy's, once we have been able to determine your true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Fees we debit are greater than the Fees you actually owe Tommy's, we will credit the excess against the amount we otherwise would debit from your account during the following week.

(d) Notwithstanding the above, you agree that we may revise, change, or replace the payment/collection procedure described above at any time, and you agree to pay to Tommy's the Fees described herein within seven (7) days of the close of the previous week, regardless of the collection procedure or lack of a collection procedure.

4.7 Interest on Late Payments

Late payment of Fees and other amounts due to Tommy's or our affiliates shall accrue interest on the overdue amount equal to the lesser of: (i) one and one-half percent (1.5%) per month; or (ii) the highest rate permitted by law. Such charges shall accrue from the date payment was due until the date payment is actually received by Tommy's. Notwithstanding the foregoing, and subject to the notice provisions within this Agreement, each failure to pay Royalty Fees, Brand Development Fees, Technology Fees or other payments payable to Tommy's or our affiliate when due will be a material breach of this Agreement and shall give Tommy's, in addition to all other rights and remedies described below, the right to terminate this Agreement.

4.8 Application of Payments

We shall have sole discretion to apply any payments received from you to any past due indebtedness of yours for Royalty Fees, Brand Development Fees, Technology Fees, purchases made from Tommy's or our affiliates, late payment charges or any other indebtedness of yours to Tommy's or our affiliates.

4.9 Insufficient Funds Fee

If, for any reason, any payment owed by you to Tommy's or our affiliate is denied by your bank due to insufficient funds in your account, then you shall, in addition to applicable interest as described in Section 4.7 above, pay Tommy's an insufficient funds fee in the amount of One Hundred Dollars ($100). If you incur three (3) insufficient funds fees within any twelve (12) month period, we will have the right to terminate this Agreement without providing you an opportunity to cure the default.

4.10 Bookkeeping, Accounting and Records

You shall use a bookkeeping, accounting, inventory control, point of sale and record-keeping system for the business of the Tommy's Business that is approved by Tommy's, and you shall retain all invoices, order forms, timecards, payroll records, cash register tapes, check stubs, bank deposit receipts, sales tax records and returns, cash disbursements journals and general ledgers. You shall keep such original documents at the Tommy's Business throughout the term of this Agreement, or at another location of which we have approved and shall be kept advised, and for at least three (3) years thereafter unless we give written permission to dispose of such records.

4.11 Reports and Tax Returns

You shall furnish to Tommy's throughout the term of this Agreement in the form from time to time prescribed by Tommy's:

(a) a statement of profit and loss for that month within twenty (20) days after the end of each calendar month; and

(b) such other reports, statements, sales slips, order forms, records, calculations, and indices as we may, from time to time, require.

Notwithstanding the above, we shall have independent and continuous access to communicate directly with your point-of-sale system and to poll the same on a daily or weekly basis, as determined by Tommy's from time to time.

4.12 Audited Statements

If we, in our sole discretion, determine that any report, financial statement, tax return or schedule furnished by you understates Gross Sales, distorts any other information or is materially incomplete, unclear or misleading, we shall have the right to require you to furnish audited annual financial statements for that year at your sole cost and expense, with such statements being prepared in accordance with generally accepted accounting principles consistently applied.

4.13 Audit

We or our representatives or agents shall have the right at any time during normal business hours, and without prior notice to you, to inspect, copy, request, receive and/or audit or cause to be inspected, copied, requested, received and/or audited the business records, bookkeeping and accounting records, sales, reports, financial statements and tax returns that you are required to submit to Tommy's by this Agreement along with your books and records. If we should determine that an audit is necessary after the expiration

or termination of the franchise, you will, upon notice, deliver to Tommy's all required records and documents and conduct such audit. You shall fully cooperate with our representatives conducting any such audit.

In the event that any such audit should disclose an understatement of Gross Sales or any payment to Tommy's for any period, you shall pay, within fifteen (15) days after receipt of the audit report, the fees and any other amounts (including, without limitation, interest pursuant to Section 4.7 hereof) due upon the amount of such understatement. Further, in the event such audit is made necessary by your failure to furnish reports, financial statements, tax returns or schedules as herein required, or if an understatement is determined by any such audit to be five percent (5%) or greater for such period disclosed by the audit, you shall reimburse Tommy's for the cost of such audit, including, without limitation, the charges of any independent accountants, legal fees, and travel expenses, room, board and compensation of their employees or representatives in addition to paying any understated amount plus interest. The remedies described are in addition to all other rights and remedies we may have under this Agreement or under applicable law.

ARTICLE 5
MARKETING AND PROMOTION

5.1 Local Marketing

You agree to expend, during the term of this Agreement, not less than two percent (2%) of Gross Sales each month on local marketing to promote your Tommy's Business. You shall conduct all advertising in a dignified manner and shall conform to such standards and requirements that we may specify from time to time in the Franchise Operations Manual or otherwise. Within thirty (30) days of our request, you shall provide Tommy's with verification of all expenditures for local advertising, marketing, and promotion, including such information that we may require. At our request, all advertising conducted by you shall include certain language, including, but not limited to, "Franchises Available" and our website, mobile application, address, and telephone number information.

If you choose to utilize your own advertising materials, the materials must be submitted to Tommy's not later than ten (10) days prior to the date you expect to use the materials for our review. If we do not disapprove of your proposed materials within five (5) days after they are submitted to Tommy's, the materials are deemed approved. Any advertising or promotional materials you submit to Tommy's for our review will become our property and there will be no restriction on our use or dissemination of such materials.

5.2 Grand Opening Marketing

You agree to spend no less than Fifteen Thousand Dollars ($15,000) for marketing in your Territory to announce the grand opening of your Tommy's Business. Within thirty (30) days of our request, you shall provide Tommy's with verification of all expenditures for local advertising, marketing, and promotion, including such information as we may require. Additionally, you shall participate in our grand opening mailer and free wash promotional event in connection with the opening of your Tommy's Business. We shall provide you with all the necessary branded supplies and mailers for participation in this promotional event and you will pay us our then-current fee for such supplies and services.

5.3 Brand Development Fund

We have created a brand development fund to create uniform advertising and promotion to the goodwill and public image of the System, (after this referred to as the "Fund") which you are required to contribute to, as described in Section 4.3 above. We or our designee will administer the Fund as follows:

(a) we shall direct all national and regional marketing programs with sole discretion over the creative concepts, materials, endorsements and media used in those efforts, and the placement and allocation of those items. You understand and acknowledge that the Fund is intended to maximize general public recognition and acceptance of the System and the Proprietary Marks for the benefit of all Tommy's Businesses operating under the System, and that we undertake no obligation in administering the Fund to ensure that expenditures from the Fund are proportionate or equivalent to your contributions made for your Tommy's Business, or that any particular Tommy's Business or franchisee benefits directly or pro rata from the placement of any such advertising;

(b) you agree that the Fund may be used to meet any and all costs of maintaining, administering, directing and preparing national and/or regional advertising materials, programs and public relations activities (including, without limitation, the cost of preparing and conducting television, radio, magazine, billboard, newspaper, e-commerce, direct mail and other media programs and activities; for conducting marketing surveys and test marketing; employing advertising agencies to assist; development and maintenance of our Online Presence, defined below; and providing promotional brochures, coupons and other marketing materials to all franchisees of the System). The Fund shall be accounted for separately from our other funds and shall not be used to defray any of our reasonable administrative costs and expenses that we may incur in the administration or direction of the Fund and marketing programs for you and the System. The Fund and its earnings will not otherwise benefit Tommy's. The Fund is operated solely as a conduit for collecting and expending the Brand Development Fees as outlined above. Any sums paid to the Fund that are not spent in the year they are collected will be carried over to the following year;

(c) an unaudited statement of the operations of the Fund shall be prepared annually by our accountants and shall be made available to you. The cost of the statement shall be paid by the Fund. We assume no direct or indirect liability or obligation to you with respect to the maintenance, direction or administration of the Fund except as expressly provided in this Section 5.3;

(d) we and our affiliates shall, for each Tommy's Business owned by Tommy's or our affiliates, make contributions to the Fund on the same basis as our franchisees; and

(e) although the Fund is intended to be perpetual, we may terminate the Fund at any time. The Fund will not be terminated until all monies in the Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Fund, we have the right to reinstate it at any time and you must again contribute to the Fund.

5.4 Online Presence

As used in this Agreement, the term "Online Presence" means an interactive electronic document, website, online page or posting, smartphone or tablet application, social media posting or account, or any other online destination. In connection with any Online Presence, you agree to the following:

(a) We shall establish and maintain an Online Presence, which may, without limitation, promote the Proprietary Marks, Tommy's Businesses and any or all of the products offered at Tommy's Businesses, the franchising of Tommy's Businesses, and/or the System; allow customers to sign up for and manage their TommyClub membership; allow customers to identify Tommy's Businesses nearby depending on a customer's location; or allow customers to redeem discounts and coupons. We shall have the sole right to control all aspects of the Online Presence, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage. We shall also have the right to discontinue, change or revise elements of the Online Presence.

(b) We may designate one or more web page(s), applications, or other online postings to describe you and/or the Tommy's Business. You shall comply with our policies with respect to the creation, maintenance, and content of any such web pages, applications or postings; and we shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any application or page.

(c) You shall not establish a separate Online Presence related to the Proprietary Marks or the System without our prior written approval (which we shall not be obligated to provide). If approved to establish such an Online Presence, you shall comply with our policies, standards, and specifications with respect to the creation, maintenance and content of any such Online Presence. You specifically acknowledge and agree that any such Online Presence owned or maintained by you or for your benefit shall be deemed "advertising" under this Agreement and will be subject to (among other things) our approval under this Article 5.

(d) You understand and agree that you may not promote your Tommy's Business or use any Proprietary Mark in any manner on social and/or networking websites, including, but not limited to, Facebook, LinkedIn, Instagram and Twitter, without our prior written consent.

5.5 Right to Images

We may take photographs or videos of the Tommy's Business and Premises, and any activities or events that occur thereon. You agree that we may use such photographs or videos without compensation to you for any lawful purpose, including, without limitation, purposes of publicity, illustration, advertising, or training.

ARTICLE 6
TRAINING AND TECHNICAL ASSISTANCE

6.1 Managerial Responsibility

It is agreed that at all times during the term of this Agreement, a fully trained onsite manager, who is identified in writing to and approved by Tommy's ("Onsite Manager(s)"), shall:

(a) devote full time, attention and effort to the active management and operation of the Tommy's Business;

(b) irrespective of any delegation of authority, not inconsistent with clause (a), reserve and exercise ultimate authority and responsibility with respect to the day-to-day management and operation of the business of the Tommy's Business; and

(c) represent you and act on your behalf in all dealings with Tommy's, except that the Onsite Manager shall not have authority to amend this Agreement or to waive any of the obligations of Tommy's under this Agreement.

If two (2) or more individuals are named in this Section, each of them shall fulfill the requirements of clause (a) and both or all of them shall jointly fulfill the requirements of clauses (b) and (c) and shall be identified to Tommy's in writing on a form provided by Tommy's.

6.2 Initial Training Program

Not later than six (6) weeks before your Tommy's Business opens, the Onsite Manager and up to two (2) additional owners or employees (for a maximum of three trainees) must attend and complete, to our

satisfaction, our mandatory training program at our headquarters in Holland, Michigan. The orientation and training topics will include, but not be limited to, sessions on what to expect during the construction phase, pre-opening marketing, and other best practices sessions to prepare new owners to operate car washes. Approximately twenty (20) days of training will be held at our headquarters in Holland, Michigan and at an operating Tommy's Business or an affiliate-owned car wash. We reserve the right to designate alternative locations for the initial training program. All costs and expenses incurred by you and your trainees relating to such training program (including, without limitation, the cost of travel, lodging, meals, uniforms, and applicable wages) shall be paid by you. If you request that we provide our training program to additional trainees, whether before your Tommy's Business opens or while it is operating, you must pay our then-current training fee in addition to the trainees' expenses. If the Onsite Manager does not satisfactorily complete our training program, we may permit him or her to re-take our training program at your expense, including our training fee, or we may terminate this Agreement. Additionally, if the Onsite Manager is not also a Controlling Principal (a "Controlling Principal" is defined as every owner who either holds at least 50% of the voting interests in you or is a corporate officer, director, or manager of you), one of the Controlling Principals must attend a three (3)-day owner orientation and training session at our headquarters in Holland, Michigan. This will begin prior to you breaking ground on your site.

6.3 Continuing Training; Franchisee Meetings

We may hold mandatory training sessions either at your site, at another operating franchise location, or at our headquarters in Holland, Michigan which your Onsite Manager, a Controlling Principal, and/or your employees must attend. All costs and expenses incurred by your attendees for such mandatory training sessions shall be paid by you, including a reasonable fee that we may charge.

We may offer optional training sessions which your Onsite Manager, a Controlling Principal, or your employees may, but are not obligated to, attend. All costs and expenses incurred by your attendees for such optional training sessions shall be paid by you, including a reasonable fee that we may charge.

You may request additional training by us, either onsite or at our headquarters in Holland, Michigan. All costs incurred by your attendees and our training personnel shall be paid by you, including a reasonable fee that we may charge.

We may hold franchise wide or regional franchisee meetings from time to time at our Headquarters in Holland, Michigan, or another location to be determined, which a Controlling Principal must attend. All costs and expenses incurred by your attendees for franchisee meetings shall be paid by you.

6.4 Hiring and Training of Employees by You

You shall hire and train, at your expense, except as set forth in Sections 6.2 or 6.3, all employees of the Tommy's Business, and shall be exclusively responsible for the terms of their employment and compensation. You shall not employ anyone who refuses or fails to complete such training programs. You shall always maintain a sufficient number of trained employees to service your customers, but at least the minimum number specified by Tommy's.

ARTICLE 7
OUR DUTIES

7.1 Our Duties

During the term of this Agreement, we shall provide you with the following:

(a) an initial training program in System standards, specifications, methods and techniques as provided for in Section 6.2;

(b) such periodic continuing individual or group advice, consultation, and assistance, rendered in person, by periodic correspondence (electronic or otherwise), or telephone or written communications made available from time to time to all franchisees of the System, as we may deem necessary or appropriate to assist you in conforming to the requirements of the System. Such continuing advice will include, but not be limited to, such topics as products and services to be offered to customers, improvements and developments in operating a Tommy's Business, pricing, and administrative, bookkeeping, accounting and inventory control procedures;

(c) such operating assistance and training on a continuing basis as we consider appropriate and which may consist of advice and guidance with respect to: (i) methods and procedures for the purchase, storage, display and sale of Approved Products and Services; (ii) such additional services and products as we may approve, from time to time, to be used or offered for sale by franchisees; (iii) the purchase, operation, maintenance and use of displays, uniforms, materials and supplies; (iv) formulating and implementing advertising and promotional programs using such merchandising, marketing and advertising research data and advice as may, from time to time, be developed by us and deemed by us to be helpful in the operation of the Tommy's Business; (v) the establishment and implementation of administrative, bookkeeping, accounting, inventory control and general operating procedures for the proper operation of the Tommy's Business; and (vi) the operation, cleanliness and efficiency of the Tommy's Business;

(d) subject to Section 10.1, to lend to you one (1) copy of the Franchise Operations Manual and one (1) copy of any other manuals designated for use with the System, as well as such additions and modifications to them that we may, in our sole discretion, issue from time to time, which manuals may be provided to you electronically, such as via a password protected Website; and

(e) new, modified or supplemented standards for the System that, in our sole discretion, are beneficial or necessary to maintain the uniformity and goodwill of the System utilized by all franchisees.

7.2 Support and Services, and Materials

Upon request and at your expense, we shall offer to you, during the term of this Agreement, any of the following services and materials which we are then offering to other franchisees and on the same terms and conditions:

(a) supplies of signs, equipment, accessories, printed business forms and other materials and supplies used in the operation of the Tommy's Business;

(b) on-site assistance by a person employed or retained by Tommy's at mutually convenient times and at your cost; and

(c) periodic supplemental training, as set forth in Section 6.3.

7.3 System Maintenance

We shall continue our efforts to maintain uniform standards of quality, cleanliness, appearance, and service at all Tommy's Businesses in the System, to promote, protect and enhance the public image and reputation of the System, and to increase the demand for the services and products offered by all System franchisees. To that end we shall:

(a) review all materials prepared by you for use in local marketing and promotion pursuant to Section 5.1;

(b) conduct periodic inspections of the services and products provided to the public by your Tommy's Business as described in Sections 8.13 and 9.10; and

(c) maintain an Online Presence as described in Section 5.4.

ARTICLE 8
YOUR DUTIES

To maintain the high quality and uniform standards associated with the System and the Proprietary Marks, and to promote and protect the goodwill associated with it, you shall perform the following duties.

8.1 Operation of Tommy's Business

Following its opening, you shall continue to operate the Tommy's Business on the Premises for the Term of this Agreement except as provided for in Section 3.6.

8.2 Compliance with Standards and Specifications

You shall always fully comply, and cause the Tommy's Business to fully comply, with all standards, specifications, processes, procedures, requirements and instructions of ours regarding the operation of the Tommy's Business, whether they now exist or are established from time to time during the Term of this Agreement. You shall adopt as a standard for performance and operation of your Tommy's Business our standards and conform to all specifications relating to construction, décor, design, equipment, packaging, products, services, uniforms, signs, displays or decorations, and other identifying materials, uniform record keeping practices, days and hours of operation and such other matters as may be in any administrative bulletins, manuals, or other materials developed or disseminated by Tommy's from time to time.

The primary source for operational standards and procedures is the Franchise Operations Manual, with which you must comply fully. The Franchise Operations Manual as well as all other mandatory specifications, standards, and operating procedures prescribed from time to time by Tommy's and communicated to you in writing, shall constitute provisions of this Agreement as if fully set forth in this Agreement.

8.3 Maintenance of Premises

You shall always keep and maintain all aspects of the Tommy's Business—including but not limited to, the driveway and parking lots, lawns and landscaping, building and signs, equipment and furnishing—in a neat, clean, orderly and sanitary condition, and in good repair, and the Premise shall be adequately lighted at all times. You shall promptly make all maintenance, repairs, or replacements necessary to keep the Tommy's Business, Premises, and equipment in this condition.

8.4 Required Upgrades

To maintain a modern, progressive, sanitary, and uniform operational image, at any time during the Term or any renewal of it, we may require you to perform such remodeling, replacements and redecoration in and upon the Tommy's Business Premises, improvements, equipment and furnishings used by you which are reasonably necessary and practical to bring such Tommy's Business Premises, improvements, equipment and furnishings up to our then-current standards for new franchisees; provided, however, absent

a safety concern, we shall not make this request during the first year or last year of the Term(s) or more frequently than every five (5) years, and the improvements shall not exceed One Hundred Thousand Dollars ($100,000) in any eighteen (18) month period. If you fail to make, or begin to make but fail to continue with reasonable due diligence, any required remodeling, replacements, redecoration, or refurbishing required by this Agreement within thirty (30) days after receipt of notice from Tommy's of the actions required to be taken, we may, but are not required to, arrange for the completion of all required actions on your behalf and you shall reimburse Tommy's upon demand for all costs incurred. You acknowledge that possible additional investment may be required pursuant to this Section.

8.5 Sale of Approved Products and Services

You shall offer for sale and provide all the Approved Products and Services designated as such from time to time by us on a continuous basis at the Tommy's Business at the times and in the manner required by Tommy's. You must always maintain an inventory sufficient in quantity and variety to do so. The marketing, offerings, sale, and providing of an Approved Product or Service must be discontinued if requested by Tommy's on at least thirty (30) days' notice as part of a general program or standardization effort by Tommy's. In such an event, such product ceases to be an Approved Product or Service; provided, however, that you may continue to sell your remaining inventory of the discontinued product. We may, from time to time, conduct market research and testing to determine consumer trends and salability of new products and services. You must cooperate by participating in our market research programs, test marketing new products and services and providing timely reports and other relevant information regarding marketing research. In connection with such test marketing, you must purchase a reasonable quantity of products to be tested and effectively promote and make a reasonable effort to sell such products and services.

You shall not offer, sell or provide any products or services other than the Approved Products and Services at the Tommy's Business or on the Premises. In the event you offer, sell or provide any products or perform any services that we have not prescribed, approved or authorized, you shall, immediately upon notice from Tommy's: (i) stop offering or providing the unauthorized or unapproved product or from performing such services and (ii) pay to Tommy's, on demand, a prohibited product or service fine equal to Two Hundred Fifty Dollars ($250) per day for each day such unauthorized or unapproved product or service is offered or provided by you after written notice from Tommy's. The prohibited product or service fine shall be in addition to all other remedies available to Tommy's under this Agreement or at law.

8.6 Advertising, Signage, and Marketing

You shall, at your own expense, promotionally display in and upon the Premises "Tommy's" advertising signs of such nature, form, color, number, location, size and containing such material as we shall direct or approve in writing. Only signs or advertising media approved by Tommy's shall be displayed by you in or upon the Tommy's Business Premises or elsewhere. All signs must be purchased from suppliers approved by Tommy's. You shall install and maintain such signs at your own expense for the period that such signs remain in your possession.

All advertising and marketing conducted by you must be completely factual, in good taste (in our judgment), and must conform to the highest standards of ethical advertising. You must refrain from any advertising or marketing practice which may be harmful to our business, the goodwill associated with the Proprietary Marks or other Tommy's Businesses. You shall fully participate in any national or worldwide marketing campaigns and promotions that we may initiate or require.

8.7 Approved Suppliers

You shall full comply to our minimum quality standards and specifications for all facets of the "Tommy's" franchise, including equipment, signage, layout design, decor, furniture, fixtures, furnishings,

inventory supplies, advertising and sales promotion materials and other products or materials used in the operation of a Tommy's Business. Such standards and specifications have been established by Tommy's for uniformity, quality control and to protect, maintain and foster our reputation, goodwill and public acceptance.

(a) We have and will continue to periodically approve suppliers and distributors of the products, materials and supplies used in the operation of a Tommy's Business that meet our standards and requirements, including, without limitation, standards and requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, and customer relations. You must purchase all products, materials, and supplies only from distributors and other suppliers approved by Tommy's from time to time.

(b) We may approve a single distributor or other supplier (collectively "supplier") for any product and may approve a supplier only as to certain products. We may concentrate purchases with one (1) or more suppliers to obtain lower prices or the best advertising support or services for any group of Tommy's Businesses. We may, if we choose, take advantage of discounts offered by a supplier in connection with the acquisition of large quantities of products and resell said products to franchisees at a profit. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, or other criteria and may be temporary, pending our continued evaluation of the supplier from time to time.

(c) If you desire to purchase any unapproved product or from any unapproved supplier, you must submit to Tommy's a written request for approval of the proposed product or supplier and obtain our written approval of the product or supplier prior to purchasing any such products or from said supplier. We may inspect the proposed supplier's facilities and require product samples from the proposed supplier to be delivered at our option either directly to Tommy's or to any independent entity which we designate for testing. You agree to reimburse our reasonable costs in conducting our evaluation of the proposed product or supplier, not to exceed Five Hundred Dollars ($500), which evaluation and ultimate approval or rejection shall be completed within ninety (90) days of submission. We reserve the right to periodically re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier does not continue to meet any of our criteria. You understand and acknowledge that nothing in this Agreement requires Tommy's to approve any product or supplier you propose. We reserve the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of your purchases of non-proprietary goods, services or equipment be paid to us or any affiliate that we may designate. If we do so, then you hereby acknowledge that you will not assert any interest in such monies.

8.8 Compliance with Applicable Laws

You shall secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of the Tommy's Business. You must develop, construct, and operate the Tommy's Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to workers' compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales taxes. All necessary and appropriate measures must be taken to avoid unsatisfactory safety, sanitation or health ratings at all times from government authorities. Conditions or practices disapproved by any such authorities must be corrected promptly except that, after consultation between you and Tommy's, you may contest in good faith the action by such authority as being arbitrary, capricious, unfair or unlawful. You must notify Tommy's in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other

governmental unit, which may adversely affect the operation or financial condition of you or the Tommy's Business, or of any notice of violation of any law, ordinance or regulation relating to health or safety.

8.9 General Conduct

You must in all dealings with Tommy's, our affiliates, your contractors, suppliers, customers, and public officials adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You must refrain from any business practice which may be harmful to our business, the goodwill associated with the Proprietary Marks or other Tommy's Businesses.

8.10 Business Management; Employee Training

You shall ensure that the Tommy's Business is always under the direct, on-premises supervision of an Onsite Manager who has satisfactorily completed our training program. You shall staff the Tommy's Business with the number of Onsite Managers, assistant managers or other key personnel as we specify from time to time. You shall hire all employees of the Tommy's Business and be exclusively responsible for the terms of their employment, their compensation, and training. You must establish at the Tommy's Business a training program for all employees that meets our standards.

8.11 Payments to Us or Our Affiliates

You shall timely pay Tommy's or our affiliates for all inventory, products and services purchased from them. Unless otherwise specified in a purchase order, invoices or other transaction specific document, the term timely pay shall mean within fifteen (15) days of receipt of an invoice therefor.

8.12 Forms of Payment; Club/Gift Cards

You shall accept as payment at your Tommy's Business, cash, credit cards, Tommy's Express gift cards, promotional coupons, and membership in our TommyClub subscription program. You shall participate in our gift card and TommyClub programs. The terms of our gift card and TommyClub programs are described in the Franchise Operations Manual. We reserve the right to alter the terms of any gift card or TommyClub programs.

8.13 Inspection

We or our representatives or agents shall have the right at any time, and without prior notice to you, to remotely access from the video surveillance system on the Premises to ascertain that you are operating the Tommy's Business in accordance with the System, the terms of this Agreement and the Franchise Operations Manual. You represent and warrant that the video surveillance system on the Premises and the use thereof by us for the purposes stated above fully complies with all applicable privacy and other laws of the state and municipality in which the Premises is located.

We or our representatives or agents shall have the right at any time during normal business hours, and without prior notice to you, to enter and inspect the Premises and all aspects of the operation of the Tommy's Business together with all records, books of account, tax returns and other documents and materials in your possession or under your control relating to the business of the Tommy's Business, you and the subject matter and terms of this Agreement, including, without limitation, all of your records required to be maintained pursuant to applicable law, to ascertain that you are operating the Tommy's Business in accordance with the System, the terms of this Agreement and the Franchise Operations Manual; provided that we shall take all reasonable steps to minimize interference with operation of the Tommy's Business. We or our representatives or agents shall be allowed to make extracts from or copies of any such material and to take samples of any products sold at the Tommy's Business and immediately remove any

unauthorized products, signage, or advertisements from the Tommy's Business without any liability to Tommy's, including, but not limited to, payment for such unauthorized products.

If any deficiencies are observed, we will notify you and if necessary, may implement the compliance/corrective action procedures described in the Franchise Operations Manual.

ARTICLE 9
PROPRIETARY MARKS

9.1 Proprietary Marks

When used in this Agreement, "Proprietary Marks" mean the trademarks, service marks, design patents, and other intellectual property rights, whether owned directly by us or licensed to us by an affiliate, which are used now or in the future to identify Tommy's Businesses and the Approved Products and Services, and to distinguish it from that of any other business, and the trademarks, service marks, trade names, colors, designs, logos, and commercial symbols as may be designated by Tommy's from time to time for use in connection with the System.

9.2 License of Proprietary Marks

You are licensed to use the Proprietary Marks, goodwill and trade secrets in the operation of the Tommy's Business only at the Premises. Nothing in this Agreement shall be construed as authorizing or permitting their use at any other location or for any other purpose, except as may be authorized in writing by Tommy's. During the term of this Agreement and any renewal or extension hereof, you shall identify yourself as the independent owner and operator of the Tommy's Business in conjunction with any use of the Proprietary Marks, including, but not limited to, on invoices, order forms, receipts, business stationery, contracts with all third parties or entities, as well as the display of such notices in such content and form and at such conspicuous locations as we may designate in writing.

9.3 Ownership of Proprietary Marks

You acknowledge that, as between you and Tommy's, the ownership of all the Proprietary Marks, goodwill and trade secrets remains solely with Tommy's or an affiliate of Tommy's, and that you shall not register or attempt to register the Proprietary Marks or to assert any rights in them other than as specifically granted in this Agreement. You acknowledge that we are the licensee of the owner of the Proprietary Marks, and we have the authority to grant to you and other franchisees a sub-license to use such Proprietary Marks.

9.4 Use of Proprietary Marks

You shall only use the Proprietary Marks, logos, trade styles, color combinations, designs, signs, symbols and slogans, and only in the manner and to the extent specifically permitted by this Agreement or in the Franchise Operations Manual or any other manuals, directives or memos prepared by Tommy's.

9.5 Approval of Items Using Proprietary Marks

We reserve the right to approve all signs, memos, stationery, business cards, advertising material, forms and all other objects and supplies using the Proprietary Marks. All advertising, publicity, point of sale materials, signs, decorations, furnishings, equipment, or other materials employing the word "Tommy's" shall be in accordance with this Agreement and the Franchise Operations Manual, and you shall obtain our approval prior to such use.

9.6 Cessation of Use after Expiration, Termination or Non-Renewal

Upon the expiration, termination or non-renewal of this Agreement, you shall immediately cease using the Proprietary Marks, color combinations, designs, symbols or slogans; and we may cause you to execute such documents and take such action as may be necessary to evidence this fact. After the effective date of expiration, termination or non-renewal, you shall not represent or imply that you are associated with Tommy's. To this end, you irrevocably appoint Tommy's or our nominee to be your attorney-in-fact to execute on your behalf any document or perform any legal act necessary to protect the Proprietary Marks from unauthorized use. To the extent that Tommy's must execute a document on your behalf, we will promptly notify you of the utilization of the attorney-in-fact and provide a copy of any document executed. You acknowledge and agree that the unauthorized use of the Proprietary Marks will result in irreparable harm to Tommy's for which we shall be entitled to obtain injunctive relief, monetary damages, reasonable attorneys' fees and costs.

9.7 Notification of Infringement

You shall immediately notify Tommy's of any apparent infringement of or challenge to your use of the Proprietary Marks, or any claim, demand, or suit based upon or arising from the unauthorized use of, or any attempt by any other person, firm, or corporation to use, without authorization, or any infringement of or challenge to, any of the Proprietary Marks. You also agree to immediately notify Tommy's of any other litigation instituted by any person, firm, corporation or governmental entity against Tommy's or you.

9.8 Our Right to Defend

We shall undertake the defense or prosecution of any litigation concerning you that relates to any of the Proprietary Marks or that, in our judgment, may affect the goodwill of the System; and we may, in such circumstances, undertake any other action which we deem appropriate. We shall have sole and complete discretion in the conduct of any defense, prosecution or other action we choose to undertake. In that event, you shall cooperate and execute those documents and perform those acts which in our opinion are necessary for the defense or prosecution of the litigation or for such other action as may be undertaken by Tommy's.

9.9 You Shall Use Only Designated Proprietary Marks

To develop and maintain high uniform standards of quality and service and to protect our reputation and goodwill, you shall do business and advertising using only the Proprietary Marks designated by Tommy's. You shall not do business or advertise using any other name. You are not authorized to and shall not use the word "Tommy's" by itself, as a part of the legal name of any corporation, partnership, proprietorship or other business entity to which you are associated, or with a bank account, trade account or in any legal or financial connection.

9.10 Inspection

To preserve the validity and integrity of the Proprietary Marks, and to assure that you are properly employing them in the operation of your Tommy's Business, we and our agents shall have the right at all reasonable times to inspect your business and operations without notice. You shall cooperate with and assist our representative in such inspection.

9.11 Trademark Symbols

You shall be required to affix the ®, ™ or ^{SM} symbol upon all advertising, publicity, signs, decorations, furnishings, equipment or other printed or graphic material employing the word "Tommy's" or any other of the Proprietary Marks, whether presently existing or developed in the future.

9.12 No Right to Deny Use of Proprietary Marks

You acknowledge that you do not have any right to deny the use of the Proprietary Marks to any other "Tommy's" franchisees. In consideration therefor, you shall execute all documents and take such action as may be requested to allow Tommy's or other "Tommy's" franchisees to have full use of the Proprietary Marks.

9.13 Avoidance of Conflict

If during the term of this Agreement there is a claim of prior use of the "Tommy's" name or any other of the Proprietary Marks in the area in which you are doing business or in another area or areas, you shall so use our other Proprietary Marks in such a way and at our discretion to avoid a continuing conflict.

9.14 Limited License

You understand and agree that the limited license to use the Proprietary Marks granted hereby applies only to such Proprietary Marks as are designed by Tommy's, and which are not subsequently designated by Tommy's as being withdrawn from use, together with those which may hereafter be designated by Tommy's in writing. You expressly understand and agree that you are bound not to represent in any manner that you have acquired any ownership or equitable rights in any of the Proprietary Marks by virtue of the limited license granted hereunder, or by virtue of your use of any of the Proprietary Marks.

If it becomes advisable at any time, in our discretion, to modify or discontinue use of any Proprietary Mark and/or to adopt or use one or more additional or substitute Proprietary Marks, then you shall be obligated to comply with any such instruction by Tommy's. We shall not be required to reimburse you for any expenses of compliance, such as changing signs, stationery, etc. You waive any claim arising from or relating to any Proprietary Mark change, modification or substitution and we will not be liable to you for any expenses, losses or damages sustained by you because of any Proprietary Mark addition, modification, substitution or discontinuation. You covenant not to commence or join in any litigation or other proceeding against Tommy's for any of these expenses, losses or damages.

9.15 Name Registrations

Before commencing business at the Tommy's Business, you must register an appropriate variation of "Tommy's Express" (see below) as a d/b/a or assumed name of you in the appropriate municipal jurisdiction where the Premises is located and supply evidence satisfactory to Tommy's that you have complied with all applicable laws regarding the use of fictitious or assumed names. The d/b/a or assumed name shall be "Tommy's Express" followed by the franchisee designation given to you by us (i.e., "Tommy's Express MI34"). Except for registration of the "d/b/a" or assumed name described above in connection with the operation of the Tommy's Business, you must not register or attempt to register our names or the Proprietary Marks in your own name or that of any other entity, nor shall you make any attempt to register a domain name, whether or not they include domain derivatives, outlaw websites, or the Proprietary Marks.

9.16 Innovations to System

All innovations, ideas, products and discoveries developed or used in connection with the System or with the Tommy's Businesses become our property, whether developed by you, by Tommy's, an affiliate of yours, or any other franchisee. We shall not be obligated to provide payment or reward to you, any affiliate of yours or any franchisee in the System if any innovation, idea, product or discovery is developed by any such person, whether or not implemented into the System. Should you, or anyone affiliated with you, develop any innovations, ideas, products or discoveries related to Tommy's Businesses or any of the concepts, Approved Products and Services or anything else associated with them, you shall advise

Tommy's promptly of the innovation, idea, product or discovery. We have sole discretion over the decision to implement such innovation, idea, product or discovery. You shall not use such innovation, idea, product or discovery without prior authorization from Tommy's.

ARTICLE 10
FRANCHISE OPERATIONS MANUAL

10.1 Franchise Operations Manual

We have developed and will lend to you during the term of this Agreement an operating manual for the Tommy's Business (in this Agreement referred to as the "Franchise Operations Manual") containing mandatory specifications, standards, methods, techniques and procedures for the operation of the Tommy's Business prescribed from time to time by Tommy's for our franchisees, and containing information relative to your other obligations under this Agreement. You shall operate your Tommy's Business in full compliance with the Franchise Operations Manual. We shall have the right to add to, and otherwise modify, the Franchise Operations Manual from time to time to reflect changes in Approved Products and Services, the System, or the operation of the Tommy's Business; provided, however, no such addition or modification shall alter your fundamental status and rights under this Agreement. You covenant to accept, implement and adopt any such modifications at your own cost. You shall keep the Franchise Operations Manual up to date with replacement pages and insertions as instructed by Tommy's. In the event a dispute arises as to the contents of the Franchise Operations Manual, the master copy maintained by Tommy's shall control.

10.2 Confidentiality

You acknowledge that the Franchise Operations Manual contains our proprietary information, and you agree to always keep the Franchise Operations Manual and its contents confidential and not to make any copies of it. You shall not, during the term of this Agreement or at any time afterwards, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or corporation any confidential information or know-how concerning the methods of operation of the System covered by this Agreement, which may be communicated to you, or of which you may become apprised, by virtue of the operation of the Tommy's Business under this Agreement ("Confidential Information"). You shall divulge such Confidential Information only (a) to your employees who must have access to it in order to operate the Tommy's Business, (b) to your attorneys, accountant, or other advisors as is necessary or useful in connection with the performance of your obligations or the exercise of your rights under this Agreement, and (c) to the extent that disclosure is required to be made in response to a valid order of a court of competent jurisdiction or other governmental body of a country or any political subdivision thereof of competent jurisdiction. Any and all information, knowledge, and know-how, including, without limitation, the materials, equipment, specifications, techniques, and other data which we have now or in the future designate as confidential, shall be deemed confidential for purposes of this Agreement, except information which you can demonstrate came to your attention prior to disclosure of it by Tommy's; or which, at the time of disclosure by Tommy's to you, had become a part of the public domain through publication or communication by others; or which, after disclosure to you by Tommy's, becomes a part of the public domain through publication or communication by others. Tommy's reserves the right to challenge any assertion by you that such information was obtained via the public domain or has become part of the public domain and you agree that you may not further disseminate said information until that determination is resolved to Tommy's satisfaction.

You shall require any personnel having access to any Confidential Information provided by Tommy's to execute covenants that they will maintain the confidentiality of information they received in connection with their employment by you at the Tommy's Business. Such covenants shall be in the form of a Confidentiality and Non-Competition Agreement which is Attachment 4 to this Agreement, and will

include, without limitation, specific identification of Tommy's as a third-party beneficiary of such covenants with the independent right to enforce them.

10.3 Return of Franchise Operations Manual

The Franchise Operations Manual shall always remain our property, and you shall promptly return the Franchise Operations Manual to Tommy's upon our request and in any event upon the termination or expiration of this Agreement for any reason. You shall not keep any copies of it. All copies of excerpts and extracts made by you that in whole or in part are comprised of materials contained in the Franchise Operations Manual shall be destroyed by shredding.

ARTICLE 11
INSURANCE

11.1 Insurance Coverage Requirements

Prior to opening the Tommy's Business for business, you must obtain the insurance coverages we specify in the Franchise Operations Manual or otherwise in writing. The insurance policies must be issued by the insurance carrier(s) that we designate or, if we do not designate a specific insurance carrier, by carriers having an A.M. Best rating of "A-" or better. As of the date of this Agreement, you agree to purchase and maintain the following insurance coverages:

(a) Builder's risk insurance, including "soft cost" coverage based on the completed value of the facility.

(b) General liability coverage - comprehensive coverage One Million Dollars ($1,000,000) per occurrence, Two Million Dollars ($2,000,000) annual aggregate.

(c) Umbrella liability insurance – Two Million Dollars ($2,000,000) per occurrence, Two Million Dollars ($2,000,000) annual aggregate.

(d) Equipment breakdown coverage with limits based on the full replacement value.

(e) Special Form property damage coverage - all perils coverage with limits of not less than the full replacement value of the Tommy's Business facility and all property located at the facility.

(f) Automobile coverage - coverage for any vehicles used in the Tommy's Business, whether owned or non-owned. You are required to comply with state requirements for underinsured or uninsured coverage.

(g) Business interruption coverage - insurance to recover lost income for up to twelve (12) months in the event the Tommy's Business is unable to operate.

(h) Money and Securities – Ten Thousand Dollars ($10,000) per occurrence, inside or outside.

(i) Worker's compensation insurance and any other coverage that may be required by applicable law or statute.

(j) Cyber Insurance – minimum Five Hundred Thousand Dollars ($500,000) per occurrence.

(k) Employer Practices Liability Insurance (recommended) – minimum Five Hundred Thousand Dollars ($500,000).

(l) Any other insurance coverages we may require in the future.

You shall also ensure that any sub-contractor engaged to perform work or services to you or on the Premises has all required by law, insurance coverages in place, including without limitation, worker's compensation liability insurance.

11.2 Continuing Obligation

You must maintain all required policies in force during the entire term of this Agreement and any renewals. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances. Each insurance policy we specify must name Tommy's (and, if we so request, our directors, employees or shareholders) as additional insureds and must provide Tommy's with thirty (30) days' advance written notice of any material modification, cancellation, or expiration of the policy. Your obligation to maintain insurance coverage, as described in this Agreement, will not be reduced in any manner by reason of any separate insurance we maintain on our own behalf, nor will our maintenance of that insurance relieve you of any obligations under this Article 11.

11.3 Proof; Replacement Insurance

Not later than fifteen (15) days before your Tommy's Business opens for business, and then upon renewal of each insurance policy, you must furnish Tommy's with a Certificate of Insurance for each policy to be maintained for the upcoming term, along with evidence of the payment of the premium for each. If you do not maintain the required insurance coverage, or do not furnish Tommy's with satisfactory evidence of the required insurance coverage and the payment of the premiums for same, we may obtain, at our option and in addition to our other rights and remedies under this Agreement, any required insurance coverage on your behalf at your expense through agents and insurance companies of our choosing. If we do that, you agree to fully cooperate with Tommy's in our effort to obtain the insurance policies, promptly execute all forms or instruments required to obtain or maintain the insurance, allow any inspections of the Tommy's Business which are required to obtain or maintain the insurance and pay to Tommy's, on demand, any costs and premiums we incur plus a ten percent (10%) administrative fee.

ARTICLE 12
DEFAULT, TERMINATION, AND OTHER REMEDIES

12.1 Automatic Termination

You shall be in default under this Agreement and this Agreement shall immediately terminate without notice to you if you, or any of your Controlling Principals make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or any of your Controlling Principals or such a petition is filed against and not opposed by you or any of your Controlling Principals or; if you of any of your Controlling Principals are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any of your Controlling Principals, or any part of them, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment in excess of Five Hundred Thousand Dollars ($500,000) against you or any of your Controlling Principals remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property or the assets of

any of your Controlling Principals; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Tommy's Business shall be sold after levy upon it by any sheriff, marshal, or constable;

12.2 Termination By Us – No Opportunity to Cure

You shall be in default under this Agreement and we shall have the right to terminate this Agreement, effective immediately upon written notice to you if:

(a) you make an assignment, transfer or sale of the Tommy's Business or this Agreement or the franchise granted by this Agreement, or any of your owners make an assignment of all or a portion of their ownership in you, without first complying with the provisions of this Agreement, including without limitation, the provisions of Article 15, or;

(b) you or any of your Controlling Principals' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.

12.3 Termination By Us – With Opportunity to Cure

Except as provided in Sections 12.1 and 12.2, we shall have the right to terminate this Agreement upon written notice to you, which termination shall be effective upon the expiration of a 15-day opportunity to cure as stated in the notice, if you fail to comply with any provision of this Agreement, the Franchise Operations Manual, or any other specification, standard or operating procedure prescribed by Tommy's.

12.4 Default and Other Remedies

In addition to, and without limiting, the right of termination described in this Agreement, and all other rights and remedies provided by law, we shall have the following rights and remedies if you are in default under or fail to comply with any provision of this Agreement, the Franchise Operations Manual, or any other specification, standard or operating procedure prescribed by Tommy's:

(a) we may suspend our performance of any of our obligations under this Agreement, and the performance of any obligations of our affiliates to you, including, without limitation, the sale or supply of any services or products for which we are an approved supplier to you and/or suspension of your webpage or posting on our Online Presence;

(b) we may implement the compliance/corrective action procedures described in the Franchise Operations Manual which include, without limitation, the ability to (i) impose a per diem fine (and to withhold such fine from TommyClub funds held by us), (ii) back charge you for any costs incurred in issuing refunds or reimbursement to customers (and to withhold such amounts from TommyClub funds held by us), and (iii) withdraw certain discount offers on equipment and detergents, for as long as the default continues;

(c) we may exercise our step-in rights under Section 12.7; or

(d) we may take possession of the Collateral as provided in Section 20.3.

12.5 Amendment Pursuant to Applicable Law

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties to it shall limit our rights of termination under this Agreement or shall require longer notice periods than those

set forth above, this Agreement is deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations; provided, however, that such constructive amendment shall not be deemed a concession by Tommy's that the grounds for termination set forth in this Agreement do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation. We shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination of this Agreement.

12.6 Transfer Damages

If you sell, transfer or assign the Tommy's Business, this Agreement or the franchise granted hereunder, or any of your owners sell, transfer, or assign all or a portion of their ownership in you, prior to the end of the term of this Agreement without first complying with the applicable transfer provisions of this Agreement (including without limitation, the provisions of Article 15) you agree to pay to Tommy's, within fifteen (15) days after the effective date of the sale, transfer or assignment, in addition to the amounts owed under this Agreement, transfer damages equal to (a) one hundred twenty-five percent (125%) of the average monthly value of the Royalty Fees you paid or owed to Tommy's during the twelve (12) months of operation preceding the effective date of termination multiplied by the number of months left in the Term from the effective date of the sale, transfer, or assignment, or (b) Five Hundred Thousand Dollars ($500,000), whichever is greater.

The parties to this Agreement acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalty Fee would have grown over what would have been this Agreement's remaining term. The parties consider this transfer damages provision to be a reasonable, good faith pre-estimate of those damages.

This transfer damages provision only covers our damages from the loss of cash flow from the Royalty Fee. It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. You and each of your owners agree that the transfer damages provision does not give Tommy's an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

12.7 Step-In Rights

Upon the occurrence of a triggering event described below, you authorize us to step-in and operate the Tommy's Business in accordance with the terms and conditions of this section.

(a) For purposes of this section, the term "triggering event" shall mean any of the following:

(i) the failure to keep the Tommy's Business open for business during the hours required by Tommy's (whether pursuant to the Franchise Operations Manual or otherwise) or the lease for the Premises;

(ii) the absence from the Tommy's Business for more than five (5) consecutive days or more than thirty (30) days in any consecutive ninety (90) day period of both the Onsite Manager and the Controlling Principal who has completed the Tommy's training;

(iii) our determination, in our reasonable discretion, that (1) the operation of the Tommy's Business is in jeopardy, (2) the Tommy's Business is being operated in a manner that is harmful or detrimental to the good name and reputation of our brand, (3) you intend to sell the Tommy's Business, or any of your owners intend to sell their interest in you, without first complying with the terms of this Agreement, including without limitation Article 15, and you do not unequivocally deny such intent in writing within three (3) business days of a written inquiry by us, or (4) the Tommy's Business is being operated in a manner that poses a safety risk to its employees, customers, or others; or

(iv) the occurrence of a default by you under this Agreement.

(b) Upon the occurrence of a triggering event, we may assume operation of the Tommy Business immediately upon written notice to you, which shall include a statement of the basis for the exercise of our step-in rights. We may continue operation of the Tommy's Business for as long as we deem necessary and practical in our reasonable discretion. We shall account to you for all net income from the operation of the Tommy's Business, less our reasonable expenses incurred in, and a reasonable management fee not to exceed twenty percent (20%) of Gross Sales for, our operation of the Tommy's Business.

(c) In the event of our exercise of the step-in rights, you agree to hold harmless Tommy's and our representatives for all actions occurring during such temporary operation. If you do not immediately surrender operational control to us upon exercise of our step-in rights, you agree to pay all our reasonable attorneys' fees and costs incurred in exercising such step-in rights. Nothing contained within this Section shall prevent Tommy's from exercising any other right or remedy which we may have under this Agreement or applicable law, including, without limitation, termination under Article 12 above.

12.8 Reimbursement of Costs

You shall reimburse us for all costs and expenses, including but not limited to attorneys' fees, incurred by us because of your default, including costs in connection with collection of any amounts owed to us and/or enforcement of our rights under this Agreement.

ARTICLE 13
RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION

13.1 Payment of Amounts Owed to Us and Other Creditors

You agree to pay, within fifteen (15) days of the effective date of termination or expiration of this Agreement, all amounts owed to Tommy's, including transfer damages (if applicable), and any company affiliated with Tommy's and your trade and other creditors which are then unpaid.

13.2 Return of Manuals and Retention of Records

You agree that, within fifteen (15) days of the effective date of termination, non-renewal or expiration of this Agreement for any reason, you will immediately return to Tommy's all copies of the Franchise Operations Manual and all promotional or other materials of a proprietary nature or which bears any of the Proprietary Marks. You shall retain all business records for at least three (3) years following the expiration or termination of this Agreement and shall keep Tommy's advised of the location of such records.

13.3 Cancellation of Assumed Names; Transfer of Online Presence and Phone Numbers

You agree, upon termination, non-renewal or expiration of this Agreement for any reason, to take such action as may be required to cancel all registrations relating to the use of any of the Proprietary Marks and will not directly or indirectly at any time or in any manner identify any premises or any business as a

franchise, or yourself as a franchisee, of ours (except and to the extent that you continue to be a franchisee under one or more other franchise agreements from us); and you shall not, in any manner or for any purpose, use any of the Proprietary Marks or any colorable imitation thereof (except and to the extent that you continue to be a franchisee under one or more other franchise agreements from us). You shall notify your internet service provider, the telephone company and all listing agencies of the termination or expiration of your right to use any website domain name or uniform resource locator (whether or not created in contravention of this Agreement), social media accounts, other online presence accounts, telephone number and any classified or other telephone directory listings associated with such names and to authorize the transfer of same to Tommy's or our designee. You acknowledge that, as between Tommy's and you, we have the sole rights to and interest in all domain names, uniform resource locators, telephone numbers and directory listings associated with the Proprietary Marks. You will provide Tommy's with undated assignments of websites, online accounts, software, and listings and the telephone number and related listings to Tommy's, in the form attached to this Agreement as Attachment 5.

13.4 De-identification of the Tommy's Business

Unless you are transferring the Tommy's Business, in full compliance with the terms of this Agreement or we are purchasing or assuming operation of the Tommy's Business according to our rights under this Agreement, upon termination, non-renewal or expiration, you agree to immediately, upon request from Tommy's, remove all Proprietary Marks and patented and trademarked materials from the Premises and make such alterations to the architecture and appearance of the building and removals or changes in signs and colors, as we may reasonably require so as to distinguish effectively the Tommy's Business from its former appearance and from the then-prevailing Tommy's Business image. Such required alterations to the architecture and appearance to the building will likely include, without limitation, significantly altering (likely to the point of eliminating) the arched roof, the rounded entrance and exit, the sunburst pattern on the entrance and exit walls, the angled windows and associated louvers, the banding and capping on the towers, and the grid pattern on the building ends and tower walls. You further consent and agree that we or our designated agents shall have the right to enter the Tommy's Business at any time, at your sole risk and expense and without liability for trespass, tort or other act, to make any alterations thereto required by this section upon your failure or refusal to do so within ten (10) days after the termination, non-renewal or expiration of this Agreement.

13.5 Our Option to Purchase Assets

Upon termination of this Agreement, we shall have the option, exercisable by written notice to you within thirty (30) days after termination of this Agreement, to purchase from you for cash all or a portion of the tangible assets, both real and personal, of the Tommy's Business. If you have a lease for the Premises, we will be entitled to an assignment of such lease. If an assignment is prohibited, we shall be entitled to a sublease of the Premises for the full remaining term of the lease and on the same terms and conditions as your lease. Nothing in this Agreement requires Tommy's to purchase any assets of the Tommy's Business upon the expiration or termination of this Agreement.

The purchase price for said assets shall be fair market value as agreed upon by you and Tommy's. In the event you and we cannot agree on a purchase price within a reasonable time, the purchase price shall be determined by an independent appraiser selected as follows: we and you shall each select one (1) appraiser and those two (2) appraisers shall select a third appraiser who shall determine the purchase price. The decision of the third appraiser shall be binding on all parties. We and you shall each pay the cost of our respective appraisers, and the cost of the third appraiser shall be divided equally between Tommy's and you. In determining the purchase price, no value shall be included for intangibles, goodwill or going concern value.

The closing of our purchase of the assets (the "Closing") shall occur at a time and place designated by Tommy's, but in no event later than sixty (60) days after determination of the purchase price.

If we exercise the option to purchase set forth herein, we shall have the right, pending the Closing, to appoint a manager to maintain the operation of the Tommy's Business. Alternatively, we may require you to close the Tommy's Business during such time period without removing any assets. We have an unrestricted right to assign the option to repurchase set forth herein.

13.6 Continuing Obligations

All obligations of the parties to this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect, notwithstanding such expiration or termination. In particular, but without limiting the generality of the foregoing, the provisions of Articles 9, 10, 13, 14, and 15, and our rights to enforce such provisions, shall survive termination or expiration of this Agreement.

ARTICLE 14
NON-COMPETITION

14.1 Non-Competition During Agreement

During the term of this Agreement, and except for the operation of another Tommy's Express franchise, you and all individual owners in you, whether direct or indirect, shall not individually nor in conjunction with any person, firm, partnership, corporation or other third party as principal, agent, shareholder, director, officer, employee, consultant or guarantor or in any other manner whatsoever, directly or indirectly, carry on or be engaged in or concerned with or interested in, financially or otherwise, or advise in the establishment or operation of, any business which offers products or services that are the similar to or competitive with the Approved Products and Services (a "Competitive Business"). All individual owners in you, whether their ownership is direct or indirect, shall execute the Confidentiality and Non-Competition Agreement attached as Attachment 4.

14.2 Non-Competition Following Termination, Expiration or Transfer

In the event of the expiration, non-renewal or termination of this Agreement for any reason whatsoever, or in the event this Agreement is transferred you, or in the case of a transfer of an interest in you by an owner, the transferring owner shall not, without our prior written consent, at any time during the period of two (2) years from the date of such expiration or termination or transfer, either individually or in conjunction with any person, firm, partnership or corporation or other third party as principal, agent, shareholder, director, officer, employee, consultant, guarantor or in any other manner whatsoever, directly or indirectly carry on, be engaged in or be concerned with or interested in, financially or otherwise, or advise in the operation of a Competitive Business that is within a radius in any direction of twenty (20) miles of any Tommy's Business.

14.3 Non-Solicitation

During the term of this Agreement and for a period of three (3) years after the termination or expiration of this Agreement for any reason whatsoever, or in the event this Agreement is transferred by you or, in the case of a transfer of an interest in you by an owner in you, you or the transferring owner shall not recruit, solicit, or hire, either directly or indirectly, for employment any person who is, or was within the previous six (6) months, employed by Tommy's or by any other franchisee of ours, nor shall you directly or indirectly induce any such person to leave his or her employment, without the prior express written consent of Tommy's or the other franchisee, as the case may be. In the case of a Tommy's employee, such consent shall be given, or withheld, in our sole discretion and shall, at a minimum, be contingent on payment

by you to Tommy's of an amount equal to at least six (6) to thirty-six (36) months of the employee's wages, as determined by Tommy's.

14.4 Amendment of Restrictive Covenants

You acknowledge that the provisions of this Article 14 have been inserted for our sole benefit and that we shall have the right, from time to time during the term of this Agreement in our sole discretion, to waive in whole or in part or otherwise reduce the scope of any covenant set forth in this Article 14 or any portion thereof without your consent, effective upon our giving notice of it to you.

14.5 Other Covenants

You covenant that after termination, non-renewal or expiration of this Agreement, regardless of the cause of termination or expiration and except as specifically authorized by another franchise agreement for a different location, you shall not, without our prior written consent, directly or indirectly:

(a) adopt, use, employ or trade under any of the Proprietary Marks, nor adopt, use, employ or trade under any other name, mark or symbol that constitutes a reproduction, counterfeit, copy, imitation or variation of them, or which is confusingly similar to them;

(b) adopt, use, employ or trade under any description or representation that falsely suggests or indicates a connection or association with Tommy's;

(c) copy, communicate or otherwise use for the benefit of you or of any other person any information deemed confidential pursuant to Article 10; or

(d) contest or aid others in contesting the validity or enforceability of the Proprietary Marks or the System, contrary to Article 9.

ARTICLE 15
ASSIGNMENT, TRANSFER AND SALE

15.1 By Tommy's

We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Proprietary Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Proprietary Marks (or any variation thereof) and/or the loss of association with or identification of "Tommy's Express LLC " as Franchisor. Nothing contained in this Agreement shall require Tommy's to remain in the car wash industry or to offer the same products and services, whether or not bearing the Proprietary Marks, in the event that we exercise our right to assign our rights in this Agreement.

15.2 By You

You shall not, in whole or in part, voluntarily or involuntarily, directly or indirectly, pledge, encumber, mortgage, assign, subdivide, sub franchise or otherwise transfer any interest in the Tommy's Business, this Agreement, the franchise granted under it, or all or substantially all of the assets of the Tommy's Business, nor offer, permit or suffer the same without our prior written approval, which approval shall not be unreasonably withheld. If such approval is granted, it shall be conditional upon:

(a) your being then in full compliance with the terms of this Agreement and settling and paying to Tommy's or our affiliates and all trade creditors of the Tommy's Business all outstanding debts;

(b) the transferee being an entity or individual having adequate financial resources and otherwise meeting all the criteria for "Tommy's" franchisees;

(c) the transferee not being a competitor, or affiliated in any way with a competitor, of Tommy's or one of our affiliates;

(d) the transferee executing our then-current Tommy's Business franchise agreement (which shall have a term at least equal to the remainder of the term hereof) and such other ancillary agreements, instruments, and documents then customarily used by Tommy's to grant Tommy's Business franchises;

(e) you and your officers, directors, managers, and, owners as the case may be, executing a release running in favor of Tommy's, our officers, directors, shareholders, and employees releasing all claims resulting from, arising under, or relating to this Agreement;

(f) the transferee purchasing all of your assets used in the business of the Tommy's Business in accordance with all applicable bulk sales legislation and assuming all of your business liabilities;

(g) our being paid a transfer fee for the administration of such transfer and the preparation, execution and filing of all documentation required by Tommy's in connection with such transfer. If the transfer is to a new franchisee for the System, the transfer fee payable to Tommy's is fifty percent (50%) of the then-current initial franchise fee. If the transfer is to an existing franchisee in the System, the transfer fee payable to Tommy's shall be equal to twenty-five percent (25%) of the then-current initial franchise fee; and

(h) you and transferee entering into a written agreement of purchase and sale, the form and content of which shall be approved in writing by us prior to its execution.

15.3 By an Owner of You

Your owner(s) shall not, in whole or in part, voluntarily or involuntarily, directly or indirectly, pledge, encumber, mortgage, assign, subdivide, sub franchise or otherwise transfer any interest in you, nor offer, permit or suffer the same, other than to another existing owner of you as described below, without our prior written approval, which approval shall not be unreasonably withheld. If such approval is granted, it shall be conditional upon:

(a) your being then in full compliance with the terms of this Agreement and settling and paying to Tommy's or our affiliates and all trade creditors of the Tommy's Business all outstanding debts;

(b) the transferee being an entity or individual having adequate financial resources and otherwise being acceptable to us, and not being a competitor, or affiliated in any way with a competitor, of Tommy's;

(c) the transferee executing any documents that we may reasonably demand, including, but not limited to the Confidentiality and Non-Competition Agreement (Attachment 4 to this Agreement);

(d) the transferor, and you and your officers, directors, managers, and owners, as the case may be, executing a general release of Tommy's, our officers, directors and employees;

(e) the transferor and transferee entering into a written agreement of purchase and sale, the form and content of which shall be subject to our approval.

Notwithstanding the foregoing, an owner in you may transfer the owner's interest in you to another owner in you if we determine, in our reasonable discretion, that the remaining owner(s) of you is (are) capable of operating the Tommy's Business without the transferor.

15.4 Our Right of First Refusal

If you decide at any time to sell the Tommy's Business or all, or substantially all of the assets of the Tommy's Business, or an owner at any time decides to sell a majority controlling ownership interest in you, whether at one time or in the aggregate over time, you shall obtain a bona fide, executed written offer (in the form of a letter of intent) to purchase the Tommy's Business, together with all real or personal property, leasehold improvements and other assets used by you in connection with the Tommy's Business, from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to Tommy's, which offer shall specifically reference, and state that it is contingent on, our right of first refusal.

We shall, for a period of thirty (30) days from the date of delivery of such offer, have the right, but not the obligation, exercisable by written notice to you, to purchase all of the Tommy's Business and the said assets for the price and on the terms and conditions contained in such offer, provided that we may substitute cash for any form of payment proposed in such offer and there shall be deducted from the purchase price the amount of any commission or fee that would otherwise have been payable to any broker, agent or other intermediary in connection with such sale. During said thirty (30) day period, we shall have the right to inspect all your books and records relating to the Tommy's Business's operation, specifically including all financial records and statements for the three (3) full fiscal years preceding the date on which the thirty (30) day right of first refusal commences.

If we do not exercise our right of first refusal, you may move forward toward the sale of the Tommy's Business to such purchaser on the same terms offered to Tommy's subject to the provisions of Section 15.2 and 15.3. If the sale to such purchaser is not completed within ninety (90) days after the expiration of our thirty (30) day right of first refusal period, or if the terms of the offer change, we shall again have the right of first refusal as described.

Notwithstanding the foregoing, this right of first refusal shall not apply to a transfer of an ownership interest in you by one owner to another owner if we determine in our reasonable discretion, that the remaining owner(s) of you is (are) capable of operating the Tommy's Business without the transferor.

15.5 Transfer Upon Death or Incapacity

If an owner dies or becomes incapacitated (which shall be deemed to include, in our reasonable opinion, the inability, by reason of physical or mental illness or disability, to operate the Tommy's Business in the ordinary course for a period of thirty (30) days or more in any consecutive ninety (90) day period) then the rights granted by this Agreement may be transferred to the owner's heirs or personal representatives, with our prior written consent, which consent shall not be unreasonably withheld, within twelve (12) months from the beginning of the disability or from the date of death. In no event will we provide our consent to such transfer unless the conditions set forth in Section 15.2 are satisfied. If such conditions are not satisfied, we shall have the right in our sole discretion to terminate this Agreement by notice, in the case of death, to the estate of the deceased owner and, in the case of your incapacity, to your authorized representative. In the case where an owner in you is a trust, the death or incapacity of the grantor of the trust shall trigger the provisions of this section. In the case where an owner in you is an entity, the death or incapacity of the holder of a majority of the voting rights in the entity shall trigger the provisions of this Section.

ARTICLE 16
LIMITED LIABILITY AND CORPORATE FRANCHISEES

16.1 Notice of Transfer Restrictions

Your organizational documents and governing documents shall recite that the issuance and transfer of any interest in you is restricted by the terms of Article 15 of this Agreement. If you are a corporation, you shall maintain stop transfer instructions against the transfer on your records of any securities with voting rights subject to the restrictions of Article 15 hereof and shall issue no such securities, nor permit any issued securities to remain outstanding, upon the face of which the following printed legend does not legibly and conspicuously appear: "The transfer of the shares represented by this certificate is subject to the terms and conditions of a Franchise Agreement with Tommy's Express LLC dated _____."

16.2 Organizational and Ownership Documents

You shall provide us with copies of the organizational and governing documents, and a sample stock certificate, if applicable, for you and any affiliated entity that owns any of the assets used in the operation of the Tommy's Business. You shall also disclose to us the legal structure, ownership, and management of you and any affiliated entity that owns any of the assets used in the operation of the Tommy Business. You shall provide us with an updated disclosure within seven (7) days of any material change.

ARTICLE 17
TAXES AND COMPLIANCE WITH LAWS

17.1 Responsibility for Taxes

You shall be solely responsible for all expenses of the Tommy's Business and shall promptly pay when due all taxes levied or assessed in connection with the conduct of such business.

In addition to Royalty Fees, we have the right to collect from you the cost of all sales taxes and other taxes, other than income tax, arising because of our licensing of intellectual property to you in the state where your Tommy's Business is located, as well as any assessment on the Royalty Fees, and any other income we receive from you. This fee is payable with the Royalty Fees and only imposed if a state collects such taxes or assessments.

17.2 Compliance with Laws

You shall comply with all federal, state, and local by-laws, rules and regulations, and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper development, construction, and conduct of the Tommy's Business, including, without limitation, licenses to do business, name registrations and sales tax permits.

ARTICLE 18
CUSTOMER AND BUSINESS RELATIONS

18.1 Cooperation

You shall cooperate with Tommy's and all other franchisees of ours in promoting good public and customer relations with the public generally and with customers and potential customers of the Tommy's Business. You shall comply with all our policies relating to customer service, including, but not limited to, our policies relating to customer refunds and satisfaction.

18.2 Notice to Us

You shall promptly forward to Tommy's copies of all correspondence received from customers containing complaints or compliments regarding service received or products purchased from you or from any other franchisee of ours. You shall promptly advise and provide Tommy's with copies of any formal complaints received from or filed by customers. We shall be entitled to respond to any customer complaints or to require you to respond to any customer complaints.

ARTICLE 19
RELATIONSHIP AND INDEMNIFICATION

19.1 Independent Parties

You understand and agree that this Agreement is purely a contractual relationship between the parties and does not appoint or make you an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of ours for any purpose whatsoever, nor does it create a fiduciary relationship of any kind. You may not represent or imply to third parties that you are an agent of ours, and you are in no way authorized to make any contract, agreement, warranty or representation on our behalf, or to create any obligation, express or implied, on our behalf. During the term of this Agreement, and any extension or renewal of it, you shall hold yourself out to the public only as a franchisee and an independent owner and operator of the Tommy's Business pursuant to a franchise from us.

None of your employees will be considered to be our employees. Neither you nor any of your employees whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our 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. We will not have the power to hire or fire your employees. Except as provided for by Section 6.4, you expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions for your Tommy's Business does not directly or indirectly vest in us the power to hire, fire or control any such employee.

You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Tommy's Business and that under no circumstance shall we do so or be deemed to do so except as provided for by Section 12.7. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions,

prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in our Francise Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Tommy's Business, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Tommy's Business .

You may not, without our prior written approval, have any power to obligate us for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, we may not control or have access to your funds or the expenditure of your funds or in any other way exercise dominion or control over your Tommy's 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 us and you is other than that of franchisor and franchisee. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. We will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to your operation of the Tommy's Business.

19.2 Sole and Exclusive Employer of Your Employees

You acknowledge and agree that your employees will be employed exclusively by you and in no fashion will any such employee employed, jointly employed or co-employed by us. You acknowledge and agree that each of your employees will be under the exclusive dominion and control of you and never under the direct or indirect control of us in any fashion whatsoever except as attendant to the exercise of our Step-In Rights under Section 12.7. You alone will hire each of your employees; set their schedules; establish their compensation rates; and, pay all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/ /unemployment insurance premiums). You alone shall have the ability to discipline or terminate your employees to the exclusion of us. You further acknowledge and agree that any minimum staffing requirements established by us are solely for the purpose of ensuring that your Tommy's Business is at all times staffed at those levels necessary to operate your Tommy's Business in conformity with the System and the products, services, standards of quality and efficiency, and other Tommy's Express brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. You affirm, warrant and understand that you may staff your Tommy's Business with as many employees as you desire at any time so long as our minimal staffing levels are achieved. You also affirm and attest that any recommendations you may receive from us regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist it to efficiently operate your Tommy's Business, and that you are entirely free to disregard our recommendations regarding such employee compensation. Moreover, you affirm and attest that any training provided by us for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of a Tommy's Business and in no fashion reflects any employment relationship between us and such employees. Finally, should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) having your owners or employees appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting to depositions, other appearances and/or preparing affidavits). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue.

19.3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of your officers, directors, or owners to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we shall in no event assume liability for or be deemed liable under this Agreement as a result of, any such action.

19.4 Indemnification by Us

We shall, during the term of this Agreement only, indemnify you and hold you harmless from and against all expenses and costs (including your attorney and customer costs, travel, investigation and living expenses and witness fees, but not for lost business or any type of damages, including, but not limited to, consequential, punitive and incidental damages) for which you are held liable, or which you incur, in the defense of any litigation commenced against you as a direct result of your proper use of the Proprietary Marks in accordance with this Agreement, provided that you have timely notified us of such litigation or threatened litigation, have otherwise complied with this Agreement, and have tendered complete control of the defense of such to us. We shall have the right to participate in and to control such litigation or proceeding (including the right to compromise or settle such litigation or proceeding) to the extent that we deem necessary or advisable, and you shall fully cooperate with us and execute such documents and do such acts and things as, in our opinion, may be necessary. If we defend such claim, we shall have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney retained by you.

19.5 Indemnification by You

You shall, during the term of this Agreement and after the termination or expiration of this Agreement, indemnify us and our officers, directors and employees, and hold them harmless from and against all damages, losses, claims, actions, liability, expenses and costs for which they are held liable or which they incur (including attorneys' fees, travel, investigation and living expenses of employees and witness fees) in any litigation or proceeding as a result of or arising out of:

(a) a breach by you of this Agreement, or any other lease, sublease, agreement or contract to which we or our affiliates and you are parties;

(b) any injury to, or loss of property of, any person in or on the Premises;

(c) your taxes, liabilities, costs or expenses of your business;

(d) losses, claims or damages incurred by persons, other than you, due to errors or omissions contained in financial statements prepared by you pursuant to Article 4, even if caused by the negligence of you, your employees, agents, contractors, or others for whom you are, in law, responsible;

(e) any negligent or willful act or omission of you, your employees, agents, servants, contractors or others for whom you are, in law, responsible; and

(f) any advertising or promotional material distributed, broadcast or in any way disseminated by you or on your behalf, unless such material has been produced or approved in writing by Tommy's.

ARTICLE 20
SECURITY INTERESTS

20.1 Collateral

You grant to Tommy's a security interest ("Security Interest") in all of the furniture, fixtures, equipment, signage, and realty (including your interests under all real property and personal property leases) of the Tommy's Business, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Tommy's Business. All items in which a security interest is granted are referred to as the "Collateral". You authorize Tommy's to file a financing statement describing the Collateral. Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Tommy's Business, including, but not limited to, a real property mortgage or equipment lease.

20.2 Obligations Secured

The Security Interest is to secure payment or performance as the case may be of:

(a) all amounts due under this Agreement or otherwise by you;

(b) all sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens;

(c) all expenses, including reasonable attorneys' fees, which we incur in connection with enforcing or protecting our rights under the Security Interest and this Agreement; and

(d) all obligations of you under this Agreement, including without limitation, our right of first refusal, option to purchase, and step-in rights.

20.3 Our Remedies in Event of Default

You agree that, upon the occurrence of any default by you of the obligations set forth above, we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Michigan (or other applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral shall be conducted by Tommy's in a commercially reasonable manner. Reasonable notification to you of the time and place of any sale shall be satisfied by the notice provisions of Section 22.8.

ARTICLE 21
DISPUTE RESOLUTION

21.1 Arbitration

Except to the extent we elect to have the provisions of this Agreement enforced by judicial process and/or injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation of it (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) will be settled by binding arbitration within fifteen (15) miles of our headquarters under the authority of Michigan Statutes. Unless we agree otherwise, the arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitrator shall be selected as per the

selection method set forth in the commercial arbitration rules of the American Arbitration Association. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Michigan Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

21.2 Litigation, Waiver of Jury Trial; Limitation of Damages, etc.

The parties agree that any litigation between you and Tommy's (and/or involving any principal of yours or which could be brought by you or on your behalf and including matters involving any of our related entities or otherwise), whether involving any litigation, dispute, controversy, claim, proceeding or otherwise between or involving you and Tommy's or otherwise, will be held exclusively before a court in the most immediate state or federal judicial district and court encompassing our headquarters and having subject matter jurisdiction, the parties consenting to the exclusive jurisdiction of such court(s) and WAIVING ALL RIGHTS TO TRIAL BY JURY.

THE PARTIES AGREE THAT IN ANY LITIGATION BETWEEN US AND YOU (AND/OR ANY PRINCIPAL OF YOURS OR WHICH COULD BE BROUGHT BY YOU OR ON YOUR BEHALF) THE PARTIES KNOWINGLY WAIVE ALL RIGHTS TO TRIAL BY JURY. IN ANY ARBITRATION, LITIGATION OR OTHERWISE, THE PARTIES WAIVE ALL RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE, PAIN-AND-SUFFERING, MENTAL DISTRESS OR SIMILAR DAMAGES AND AGREE THAT THE PARTIES MAY ONLY RECOVER ACTUAL FINANCIAL LOSSES.

21.3 Prior Notice of Claims by You

Prior to your taking any legal or other action against Tommy's, whether for arbitration, damages, injunctive, equitable or other relief (including but not limited to rescission) and whether by way of claim, counterclaim, cross-complaint, raised as an affirmative defense or otherwise, based on any alleged act or omission of ours, you will first give Tommy's sixty (60) days' prior written notice and opportunity to cure such alleged act or omission.

21.4 Periods in Which to Make Claims

The parties agree that, except as provided below, no arbitration proceeding, action or suit (whether by way of claim, counterclaim, cross-complaint, raised as an affirmative defense or otherwise) by either party will lie against the other (nor will any action or suit by you against any person and/or entity affiliated with Tommy's), whether for damages, rescission, injunctive or any other legal and/or equitable relief, in respect of any alleged breach of this Agreement, or any other claim of any type, unless such party will have commenced such arbitration proceeding, action or suit before the expiration of the earlier of one hundred eighty (180) days after the date upon which the state of facts giving rise to the cause of action comes to the attention of, or should reasonably have come to the attention of, such party; or one (1) year after the initial occurrence of any act or omission giving rise to the cause of action, whenever discovered.

Notwithstanding the foregoing limitations, where any federal or state law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

The foregoing limitations may, where brought into effect by our failure to commence an action within the time periods specified, operate to exclude our right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Tommy's from terminating your rights and our obligations under this Agreement as provided by this Agreement and under

applicable law nor prevent Tommy's from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination. The foregoing limitations shall not apply to our claims arising from or related to: (a) your under-reporting of revenue; (b) your under-payment or non-payment of any amounts owed to Tommy's or any affiliated or otherwise related entity; (c) indemnification by you; (d) your confidentiality, non-competition or other exclusive relationship obligations; and/or (e) your unauthorized use of the Proprietary Marks.

21.5 Withholding Consent

In no event will you make any claim, whether directly, by way of setoff, counterclaim, defense or otherwise, for money damages or otherwise, by reason of any withholding or delaying of any consent or approval by Tommy's. Your sole remedy for any such claim is to submit it to arbitration as described in this Agreement seeking for the arbitrator to order Tommy's to grant such consent.

21.6 Injunctive Relief

Notwithstanding anything to the contrary contained in this Article 21, we and you each have the right, in a proper case, to seek injunctions, restraining orders and orders of specific performance from a court of competent jurisdiction.

You acknowledge that your failure to comply with this Agreement could cause Tommy's irreparable harm which may not be compensable by way of damages, and, therefore, we shall be entitled to apply to a court of competent jurisdiction to have ourselves appointed as the receiver of your business and/or to obtain declarations, temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to your use of the Proprietary Marks or Confidential Information, relating to your obligations upon termination or expiration of this Agreement, relating to assignment of the franchise hereunder and ownership interests in you, and to prohibit any act or omission by you or your employees that constitutes a violation of any applicable law, by-law or regulation, is dishonest or misleading to your customers or prospective customers, or constitutes a danger to employees, customers, or to the public, or which may impair the goodwill associated with the Proprietary Marks.

You agree that we will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction if warranted upon due hearing. All claims for damages by reason of the wrongful issuance of such injunction are hereby expressly waived. If we secure any such injunction or order of specific performance, you agree to pay to Tommy's an amount equal to the aggregate of our costs of obtaining such relief including, without limitation, reasonable legal fees, costs and expenses as provided in this Section and any damages incurred by Tommy's as a result of the breach of any such provision.

ARTICLE 22
GENERAL

22.1 Governing Law

This Agreement shall be interpreted and construed under the laws of the State of Michigan except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.).

22.2 Construction

The language of this Agreement will be construed according to its fair meaning and not against or for any party. The introduction, attachments to this Agreement, the Franchise Operations Manual, and any other documents incorporated by reference in this Agreement, are a part of this Agreement and constitute

the entire agreement of the parties with respect to the subject matters in it and supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for within this Agreement. If there is an inconsistency between the terms of this Agreement and the Franchise Operations Manual, the terms of this Agreement will prevail. Except as provided in this Agreement, you acknowledge and agree that there are no warranties, representations, statements, promises or inducements, express or implied, or collateral, whether oral or written, about this Agreement by Tommy's or our officers, directors, shareholders, employees or agents that are contrary to the terms of this Agreement or the documents referred to within it; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Tommy's in the Disclosure Document that was furnished to you by Tommy's. Except as otherwise expressly provided in this Agreement, there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement, other than our franchise disclosure document, that either party may or does rely on or that will have any force or effect. This Agreement is binding on the parties to it and their respective executors, administrators, heirs, assigns and successors in interest; provided, however, that nothing in this Agreement will be deemed to confer any rights or remedies on any person or legal entity not a party of it, other than successors and assigns of any party to this Agreement whose interests are assigned in accordance with its terms.

The parties acknowledge and agree that the franchise relationship contemplated by this Agreement, as well as other similar agreements with other franchisees, confers on us discretion to make decisions and to take certain actions and that we will exercise our business judgment honestly in doing so. The other party must make a written request whenever this Agreement requires the approval or consent of either party, and such approval or consent must be obtained in writing. Except where this Agreement expressly provides otherwise, we have the right to condition, withhold and/or refuse, in our sole and absolute discretion, any request by you and our approval of, or consent to, any action or omission by you. Furthermore, unless specified otherwise in this Agreement, no such approval, acceptance, or consent shall be deemed to constitute a warranty or representation of any kind, express or implied, and the approving, accepting or consenting party shall have no responsibility, liability or obligation arising from it.

The headings of the several articles and sections of this Agreement are for convenience only and do not define, limit, or construe the contents of such articles or sections. This Agreement may be executed in multiple copies, each of which will be deemed an original. Time is of the essence in this Agreement.

22.3 No Modifications; Waivers

No waiver or modification of this Agreement or of any covenant, condition, or limitation will be valid unless it is made in writing and duly executed by the party to be charged with it. No custom, practice, or course of conduct of the parties shall constitute a waiver or modification of this Agreement. No evidence of any waiver or modification may be offered or received in evidence in any proceeding between the parties arising out of or affecting this Agreement, or the rights or obligations of any party, unless such waiver or modification is in writing, duly executed. Our waiver of your breach of any term of this Agreement applies only to that one breach and that one term, and not to any subsequent breach of any term. Acceptance by us of any payments due under this Agreement will not be deemed to be a waiver by us of any preceding breach by you of any term.

22.4 Costs and Attorneys' Fees

Except as expressly provided otherwise in this Agreement, each party shall be responsible to pay its own costs of enforcement and/or defense (including but not limited to attorneys' fees) in any claim or dispute between the parties (including your and/or our affiliates, related persons/entities, etc.). The term "attorneys' fees" will include, without limitation, legal fees, whether incurred prior to, in preparation for or in contemplation of the filing of any written demand or claim, action, hearing or proceeding to enforce the obligations of this Agreement.

22.5 Rights Cumulative

No right or remedy conferred upon or reserved to Tommy's or you by this Agreement is intended to be, nor shall such right or remedy be deemed to be, exclusive of any other right or remedy in the Agreement or by law or equity provided or permitted. Our and your rights under this Agreement are cumulative, and no exercise or enforcement by us or you of any right or remedy will preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce, except as specifically limited by this Agreement.

22.6 Invalid Provisions; Severability; and Substitution of Provisions

Every part of this Agreement will be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair the other parts of this Agreement. If any part of this Agreement is deemed unlawful in any way, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful or, if such construction is not permitted or available, the remainder of this Agreement will continue in full force and effect.

If any provision of this Agreement relating to the payment of fees to Tommy's, to non-competition during the term of this Agreement, or to the preservation of any of the Proprietary Marks or Confidential Information disclosed pursuant to this Agreement is declared invalid or unenforceable, and if, as a result, we believe in our sole opinion that the continuation of this Agreement would not be in the best interests of the System, we have the right to terminate this Agreement on written notice to you.

To the extent that any restrictive covenant contained in this Agreement is deemed unenforceable because of its scope in terms of area, business activity prohibited, or length of time, you agree that the invalid provision will be deemed modified or limited to the extent or manner necessary to make that particular provision valid and enforceable to the greatest extent possible in light of the intent of the parties expressed in that provision under the laws applied in the forum in which we are seeking to enforce it.

If any lawful requirement or court order of any jurisdiction (1) requires a greater advance notice of the termination or non-renewal of this Agreement than is required under this Agreement, or the taking of some other action which is not required by this Agreement, or (2) makes any provision of this Agreement or any specification, standard or operating procedures prescribed by Tommy's invalid or unenforceable, then advance notice and/or other action required or revision of the specification, standard or operating procedure shall be revised to the extent required in order to make the modified provision enforceable to the greatest extent possible. You agree to be bound by the modification to the greatest extent lawfully permitted.

22.7 Gender

Whenever a personal pronoun is used herein, it is understood that such usage shall include both singular and plural, masculine, feminine and neuter, and refer in appropriate cases to corporations or other legal entities as well as to individuals.

22.8 Notice

All notices and reports to Tommy's or you, if not personally served, shall be deemed so delivered one (1) business day after sending by email or comparable electronic system or two (2) business days after deposit with Federal Express or a comparable overnight courier company or five (5) business days after being placed in the U.S. mail by Registered or Certified Mail, return receipt requested. It shall be

responsibility of each party to keep their notice information current. All notices shall be sent postage prepaid and addressed to the respective party as follows, or as either party may from time to time designate in writing at the addresses set forth in the Introductory Paragraph of this Agreement.

22.9 Impossibility of Performance

Notwithstanding anything to the contrary contained in this Agreement, if either party is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labor troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, pandemic, endemic, acts of God or other reasons beyond the control of such party, whether all of a like nature or not, which is not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement, then the performance of such term, covenant or act is excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. However, the provisions of this Section shall not in any way operate to excuse you from the prompt payment of any fees or other sums required to be paid to Tommy's or our affiliates by the terms of this Agreement, or from the prompt performance of any of your other obligations hereunder where such prompt performance is delayed, hindered or prevented by reason of lack of funds.

22.10 Further Assurances

Each of the parties covenants and agrees to execute and deliver such further and other agreements, assurances, undertakings, acknowledgments or documents, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their vote and influence and do and perform and cause to be done and performed any further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof. You shall, at any time and from time to time upon our reasonable request, promptly provide Tommy's with access to your corporate records to confirm your compliance with the terms of this Agreement.

22.11 You May Not Withhold Payments

You agree that you will not, on grounds of an alleged non-performance by Tommy's of any of our obligations or for any other reason, withhold payment of any amount due whatsoever to Tommy's or our affiliates. No endorsement or statement on any check or payment of any sum less than the full sum due to Tommy's shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy provided herein or by law. We may apply any payments made by you as we may see fit. We may set off against any payment due by you to Tommy's, and may, at our option, pay your trade creditors.

22.12 Changes to System

You understand and agree that the System must not remain static if it is to meet (without limitation) presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other marketplace variables, and if it is to best serve the interests of Tommy's, you and all other franchisees. Accordingly, you expressly understand and agree that we may from time to time change the components of the System including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting from or modifying those products, programs and services which your Tommy's Business is authorized and required to offer; modifying or substituting entirely the building, premises, equipment, signage, trade dress, decor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which you are

required to observe hereunder; and changing, improving, modifying or substituting the Proprietary Marks. Subject to Section 8.4, you expressly agree to comply with any such modifications, changes, additions, deletions, substitutions or alterations. You shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed.

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated by this Section. You hereby covenant not to commence or join in any litigation or other proceeding against Tommy's or any third party complaining of any such modifications or seeking expenses, losses or damages caused by them. Finally, you expressly waive any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

22.13 Compliance With Anti-Terrorism Laws

You and your owners agree to comply, and to assist Tommy's to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean 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. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in Section 12.1 above.

22.14 Survival

Each provision of this Article 22, together with the provisions of Article 21, will be deemed to be self-executing and continue in full force and effect subsequent to and notwithstanding the expiration, termination, setting aside, cancellation, rescission, unenforceability or otherwise of this Agreement (or any part of it) for any reason, will survive and will govern any claim for rescission or otherwise.

-Remainder of page intentionally left blank-

The parties have executed this Franchise Agreement as of the day and year first above written.

TOMMY'S EXPRESS LLC

By:_____
Name: Ryan Essenburg
Title: President

FRANCHISEE:

_____

By:_____
Name:_____
Title:_____

ATTACHMENT 1 TO THE FRANCHISE AGREEMENT

PREMISES AND TERRITORY

The Premises of the Tommy's Business shall be:_____

The Territory of the Tommy's Business shall be:_____

We may declare this Attachment 1 void if you fail to enter into a purchase order contract and pay any required deposit for a Tommy's Express building and equipment package for the Tommy's Business to be located on the Premises within three (3) years of the date of this Agreement.

The parties have executed this Attachment 1 to the Franchise Agreement on _____.

FRANCHISOR:
TOMMY'S EXPRESS LLC

By:_____
Name: Ryan Essenburg
Title: President

FRANCHISEE:

By:_____
Name:_____
Title:_____

ATTACHMENT 2 TO THE FRANCHISE AGREEMENT

PREMISES OWNERSHIP FORM

You must complete and execute the appropriate section of this Exhibit, depending on ownership of the Premises.

ATTACHMENT 2 TO THE FRANCHISE AGREEMENT (Section A)

VERIFICATION OF OWNERSHIP BY FRANCHISEE

This Verification of Ownership of Premises ("Verification") is made on _____, by the undersigned Franchisee. Franchisee represents and warrants to Tommy's:

1. That Franchisee acquired title to the Premises on _____, by deed recorded at _____ in the records of the county in which the Premises is located;

2. That Franchisee presently holds title to the Premises and owns the building, equipment, and all other assets used in connection with the Tommy's Business (collectively, the "Assets"); and

3. That Franchisee shall not sell, assign, or otherwise transfer title of the Premises or the Assets during the Term without Tommy's prior written consent, which shall not be unreasonably withheld.

FRANCHISEE:

By:_____
Name: _____
Title: _____

ATTACHMENT 2 TO THE FRANCHISE AGREEMENT (Section B)

CONSENT OF AFFILIATED ENTITY

This Consent of Affiliated Entity ("Consent") is given on _____, by the undersigned affiliated entity ("Affiliated Entity") to Tommy's Express LLC, a Michigan limited liability company, of 240 E 8th Street, Holland, Michigan 49423 ("Franchisor").

1. Affiliated Entity shares common ownership and/or control with Franchisee. Franchisee shall operate the Tommy's Business and Affiliated Entity owns, or will own, the

___ real property
___ building/improvements
___ equipment

located at _____ ("Premises"), used in connection with the Tommy's Business (the "Assets").

2. Affiliated Entity represents and warrants that it has granted, and will continue to grant, Franchisee exclusive possession, use, and control of the Assets for the Term of the Franchise Agreement and all renewal terms.

3. Affiliated Entity affirms that it has read, is familiar with, and consents to the terms of the Franchise Agreement between Franchisor and Franchisee, including, but not limited to, the provisions which would (i) allow Franchisor to purchase the assets of the Tommy's Business or to assume operation and control of the Tommy's Business and all asset, both real and personal, used in connection with said business, (ii) require the alteration of the building to distinguish it from the then-prevailing Tommy's Express appearance, and (iii) permit Franchisor to purchase the tangible assets of the Tommy's Express franchise business. Affiliated Entity agrees, for purposes of the provisions of the Franchise Agreement, that the Assets shall be subject to such provisions to the same extent as if they were owned directly by Franchisee.

4. Affiliated Entity acknowledges that its failure to fully comply with the terms of this Consent may cause irreparable harm to Franchisor, and that such harm cannot be adequately compensated for by money damages. Accordingly, in the event Affiliated Entity fails to comply with the terms of this Consent, Franchisor shall be entitled to seek specific performance by, or injunctive relief against, Affiliated Entity in regard to such failure or refusal.

5. Affiliated Entity shall not sell, assign, or otherwise transfer title of the Assets during the Term without Tommy's prior written consent, which shall not be unreasonably withheld.

6. This Consent is given by Affiliated Entity to induce Franchisor to enter into the Franchise Agreement with Franchisee, which is a benefit to Affiliated Entity, and Affiliated Entity intends Franchisor to rely on this Consent.

AFFILIATED ENTITY
_____

By: _____
Name: _____
Title: _____

ATTACHMENT 2 TO THE FRANCHISE AGREEMENT (Section C)

COLLATERAL LEASE ASSIGNMENT

This Collateral Lease Assignment ("Assignment") is made on _____, by and between the undersigned tenant ("Tenant Assignor") and Tommy's Express LLC, a Michigan limited liability company, of 240 E 8th Street, Holland, Michigan 49423 ("Franchisor").

1. Assignment. Tenant Assignor assigns, transfers and sets over to Franchisor all of Tenant Assignor's right and title to and interest in that certain lease regarding the

___ real property
___ building/improvements
___ equipment

located at _____ (the "Premises" and the ("Lease").

2. Effect of Assignment. This Assignment is given for collateral purposes only to allow Franchisor to exercise its rights and protect its interests under a franchise agreement for a Tommy's Express franchise on the Premises ("Franchise Agreement"). Franchisor shall have no liability or obligation of any kind under the Lease unless and until Franchisor assumes Tenant Assignor's obligations under the Lease by written notice to the Landlord and takes possession of the Premises pursuant to the terms of the Franchise Agreement.

3. Assignor Representations and Warranties. Tenant Assignor represents and warrants to Franchisor that, to the best of its knowledge:

a. The Lease is in full force and effect, unmodified except as provided in this Assignment, with a term of not less than the term of the Franchise Agreement;

b. Tenant Assignor has the requisite power and full legal authority to assign the Lease to Franchisor; and

c. Tenant Assignor has not previously assigned, transferred, or otherwise encumbered its interest in the Lease.

4. No Modification, Assignment or Termination. Tenant Assignor shall not permit any modification or amendment changing the economic terms of or uses permitted in the Lease, or assign, surrender or terminate the Lease without Franchisor's prior written consent; which consent shall not be unreasonably withheld, conditioned or delayed.

5. Renewal. Throughout the term of the Franchise Agreement, Tenant Assignor shall elect and exercise all options to extend the term of or renew the Lease pursuant to the terms of the Lease, but in no event less than thirty (30) days before the last day on which the option or renewal must be exercised, unless Franchisor agrees otherwise in writing. If Tenant Assignor fails to do so, Tenant Assignor appoints Franchisor as its true and lawful attorney-in-fact with the authority to exercise the extension or renewal option in its name, place, and stead.

6. Governing Law; Forum. This Assignment will be deemed to be made under and will be construed in accordance with the laws of the State in which the Premises is located applicable to agreements

made and fully to be performed in that state, without regard to its conflicts of law principles that would require the application of the laws of any other jurisdiction. Any action arising out of this Assignment will be brought only in the state courts within the State in which the Premises is located having appropriate venue and all parties consent to and submit to the exclusive jurisdiction of such courts. Both parties waive any defense to lack of jurisdiction, improper forum, *forum non conveniens*, or improper venue and waive any right to attempt to seek a change of venue or change of forum.

7. Notices. Notices sent to Franchisor under this Assignment shall be sent to the address set forth above and done in a manner permitted under the Lease and shall be deemed delivered when received.

FRANCHISOR
TOMMY'S EXPRESS LLC

By: _____
Name: _____
Title: _____

TENANT ASSIGNOR

_____

By: _____
Name: _____
Title: _____

Landlord's Consent

The undersigned Landlord acknowledges and consents to this Assignment, and to fully effectuate this Assignment, agrees as follows:

a. Landlord consents to this Assignment and shall recognize Franchisor as the tenant under the Lease upon receipt of written notice from Franchisor that it is exercising its rights under the Franchisor Agreement and this Assignment, assuming the obligations of the Lease, and taking possession of the Premises. Landlord agrees that Franchisor may further assign the Lease to or enter into a sublease with a person or entity whom Franchisor has accepted as a Tommy's Express franchisee, in good standing, and who agrees to assume the Tenant's obligations under the Lease. In such an event, Franchisor will have no further liability or obligation under the Lease.

b. Landlord agrees that Franchisor shall have the opportunity, but not the obligation, to cure any default of Tenant Assignor under the Lease. Landlord shall give Franchisor written notice of any default by Tenant Assignor and shall take no adverse action under the Lease, whether to evict Tenant Assignor, terminate the Lease, or otherwise, unless the default continues for more than thirty (30) days following Franchisor's receipt of such notice. Landlord waives any defaults by Tenant Assignor which Landlord did not give Franchisor written notice of within ninety (90) days of their occurrence.

c. Landlord acknowledges that Franchisor has certain rights under the Franchise Agreement between Franchisor and Tenant Assignor, including, but not limited to, rights which would (i) allow Franchisor, under certain circumstances, to assume operation and control of the Tommy's Express franchise business on the Premises, (ii) require the alteration of the building to distinguish it from the then-prevailing Tommy's Express appearance, and (iii) permit Franchisor to purchase the tangible assets of the Tommy's Express franchise business.

d. Landlord approves of Tenant Assignor's use and display of the proprietary marks and trade-dress associated with the Tommy's Express brand, and the installation of the signage package required by Franchisor from time to time, subject only to the provisions of local ordinances. Landlord shall provide Franchisor, Tenant Assignor, and their respective agents, full access to the Premises upon expiration or early termination of the Lease or the Franchise Agreement, (collectively, an "Access Event"), for a period of not less than thirty (30) days, to de-identify, repaint and/or remove from the Premises, at Franchisor's reasonable discretion, any trademarked or trade-dress elements, design or brand elements and signage, so as to effectively distinguish the building from the then-prevailing Tommy's Express appearance.

e. Landlord acknowledges that any landlord's lien or security interest arising under or from the Lease shall not apply to any signage, printed materials, trademarked or trade-dress elements, inventory, or other items containing or constituting the intellectual property of Franchisor.

f. Landlord acknowledges that this Assignment may contain terms that vary from those contained in the Lease. If there is a conflict or discrepancy between the terms of this Assignment and the Lease, this Assignment shall be considered an amendment to the Lease and shall control over any inconsistent terms in the Lease. Landlord agrees that it shall not amend or modify the Lease in a manner that impacts Franchisor's rights under this Assignment in any respect without the prior written consent of Franchisor.

g. Landlord agrees that its failure to fully comply with the terms of this Assignment may cause irreparable harm to Franchisor, and that such harm cannot be adequately compensated for by money damages. Accordingly, in the event Landlord fails to comply with the terms of this Assignment or refuses to recognize Franchisor or its assignee as the tenant under the Lease, Franchisor shall be

entitled to seek specific performance by, or injunctive relief against, Landlord in regard to such failure or refusal.

h. Landlord recognizes that the purpose of this Assignment is to ensure that a Tommy's Express franchise has the opportunity to operate on the Premises for the term of the Franchise Agreement, whether that franchise is operated by the Tenant Assignor, Franchisor, or another franchisee, provided that such operator complies with the terms of the Lease. This Assignment and consent shall be interpreted to the fullest extent possible to achieve that purpose.

The Landlord has executed this Landlord Consent on _____.

LANDLORD

_____

By:_____
Name:_____
Title:_____

ATTACHMENT 3 TO THE FRANCHISE AGREEMENT

FRANCHISEE LEGAL ENTITY FORM

1. **The Franchisee.** The legal name and formation information of the Franchisee is as follows:

Legal Name of Franchisee: _____

Type of Entity: _____

State of Formation: _____

Date of Formation: _____

2. **The Owners.** The names, addresses, and ownership percentages of the owners of the Franchisee are as follows:

Name	Address	%
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. **The Management.** The names, addresses, and titles of the managers, officers and/or directors of the Franchisee are as follows:

Name	Address	Title
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. **The Corporate Documents**. The operating agreement, bylaws, or other organizational documents of the Franchisee are described as follows:

Title of Organizational Document: _____

Date of Execution: _____

The undersigned owners, constituting all of the owners of Franchisee, represent that the above information is true and accurate as of _____.

_____

_____

_____

_____

_____

_____

AFFILIATED ENTITY LEGAL ENTITY FORM

1. **The Affiliated Entity.** The legal name and formation information of the Affiliated Entity is as follows:

Legal Name of Affiliated Entity: _____

Type of Entity: _____

State of Formation: _____

Date of Formation: _____

2. **The Owners.** The names, addresses, and ownership percentages of the owners of the Affiliated Entity are as follows:

Name	Address	%
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. **The Management.** The names, addresses, and titles of the managers, officers and/or directors of the Affiliated Entity are as follows:

Name	Address	Title
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. **The Corporate Documents**. The operating agreement, bylaws, or other organizational documents of the Affiliated Entity are described as follows:

Title of Organizational Document: _____

Date of Execution: _____

The undersigned owners, constituting all the owners of the Affiliated Entity, represent that the above information is true and accurate as of _____.

_____

_____

_____

_____

_____

_____

_____

ATTACHMENT 4 TO THE FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for owners, shareholders, officers, directors, members and managers of Franchisee; the site manager; and any other employees receiving Confidential Information)

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

1. Pursuant to a Franchise Agreement dated _____ (the "Franchise Agreement"), Franchisee has acquired the right and franchise from TOMMY'S EXPRESS LLC (the "Franchisor") to establish and operate a Tommy's Business (the "Tommy Business") and the right to use in the operation of the Tommy's Business the Franchisor's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Franchisor's sole discretion, only at the following authorized and approved location: _____ (the "Approved Location").

2. The Franchisor, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Tommy's Businesses, which feature and offer for sale to the public car washing and detailing products and services. The Franchisor possesses certain proprietary and Confidential Information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Tommy's Business (the "Confidential Information").

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

4. The Franchisor and Franchisee will disclose the Confidential Information to me in my role with the Franchisee in relation to me training programs, the Franchisor's Franchise Operations Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Tommy's Business during the term of the Franchise Agreement, and 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 confidence all Confidential Information and all other information designated by the Franchisor as confidential. Unless the Franchisor otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties related to the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will 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. Except as otherwise approved in writing by the Franchisor, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with

any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any retail business or e-commerce business which: (a) is the same as, or substantially similar to, a Tommy's Business; or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products and services offered by a Tommy's Business (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 The Territory, as defined in the Franchise Agreement;

7.2 Twenty (20) miles of the Territory; or

7.3 Twenty (20) miles of any Tommy's Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Tommy's Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. 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 will cause the Franchisor and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Franchisor may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to 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.

11. 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 Franchisor, the Franchisee, and me.

-Remainder of page intentionally left blank-

This Confidentiality and Non-Competition Agreement is signed on _____.

_____
Signature

_____
Name

_____
Address

ACKNOWLEDGED BY FRANCHISEE

_____

By:_____

Name:_____

Title:_____

ATTACHMENT 5 TO THE FRANCHISE AGREEMENT

INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE LISTING AGREEMENT

THIS INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE LISTING AGREEMENT (the "Agreement") is made and entered into _____ (the "Effective Date") by and between Tommy's Express LLC, a Michigan limited liability company (the "Franchisor"), and _____, a _____ (the "Franchisee").

WHEREAS, Franchisee desires to enter into a franchise agreement with Franchisor for a Tommy's Express car wash business ("Franchise Agreement") which will allow Franchisee to conduct internet-based advertising, maintain social media accounts when authorized, use software, and use telephone listings linked to the Tommy's Express brand.

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained in this Agreement, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained in it, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Definitions**

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration of it.

2. **Internet Advertising and Telephone Listings**

2.1 Interest in Websites, Social Media Accounts, Other Electronic Listings and Software. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet websites, the right to hyperlink to certain websites and listings on various internet search engines, and the right to use certain software (collectively, "Electronic Advertising and Software") related to the Franchised Business or the Marks.

2.2 Interest in Telephone Numbers and Listings. Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the "Telephone Listings") related to the Franchised Business or the Marks.

2.3 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately:

2.3.1 direct all internet service providers, domain name registries, internet search engines, other listing agencies and software companies (collectively, the "Internet and Software Companies") with which Franchisee has Electronic Advertising and Software: (i) to transfer all of

Franchisee's interest in such Electronic Advertising and Software to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Software, Franchisee will immediately direct the Internet and Software Companies to terminate such Electronic Advertising and Software or will take such other actions with respect to the Electronic Advertising and Software as Franchisor directs; and

2.3.2 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which Franchisee has Telephone Listings: (i) to transfer all Franchisee's interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet and Software Companies to transfer all Franchisee's interest in and to the Electronic Advertising and Software to Franchisor, or alternatively, to direct the Internet and Software Companies to terminate any or all of the Electronic Advertising and Software;

2.4.2 Direct the Telephone Companies to transfer all Franchisee's interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet and Software Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee's interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet and Software Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet and Software Companies and the Telephone Companies have duly transferred all Franchisee's interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and Software and/or Telephone Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet and Software Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for

obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

3. **Miscellaneous**

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet and Software Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, debts, claims, demands, or obligations that are related to or are based on this Agreement.

3.3 No Duty. The powers conferred on Franchisor in this Agreement are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and attachments and schedules to it shall remain in effect as set forth therein.

3.7 Survival. This Agreement shall survive the Termination of the Franchise Agreement.

3.8 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Michigan, without regard to the application of Michigan conflict of law rules.

-Remainder of Page Intentionally Blank-

The undersigned have executed or caused their duly authorized representatives to execute this Internet Advertising, Social Media, Software, and Telephone Listing Agreement as of the Effective Date.

FRANCHISOR:

TOMMY'S EXPRESS LLC

By:_____
Name: Ryan Essenburg
Title: President

FRANCHISEE:

By:_____
Name:_____
Title:_____

EXHIBIT D TO THE DISCLOSURE DOCUMENT

MULTI-UNIT DEVELOPMENT AGREEMENT

TOMMY'S EXPRESS LLC

MULTI-UNIT DEVELOPMENT AGREEMENT

_____

MULTI-UNIT DEVELOPER

_____

DATE

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Attachments

1 – Development Area and Schedule
2 – Development and Franchise Fees
3 – Form of Franchise Agreement

TOMMY'S EXPRESS LLC

MULTI-UNIT DEVELOPMENT AGREEMENT

THIS MULTI-UNIT DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20__ by and between Tommy's Express LLC, a Michigan limited liability company, with its principal office at 240 East 8th Street, Holland, Michigan, 49423 ("Tommy's", "we", "us" or "our"), and _____, a _____ whose principal address is _____ ("Multi-Unit Developer", "you" or "your").

WHEREAS, you intend to enter into franchise agreements with Tommy's in the form of our then-current franchise agreement (the "Franchise Agreement") to operate multiple businesses ("Tommy's Business(es)") using our plan and a system of uniform standards, methods, procedures, specifications, merchandising and advertising (hereinafter referred to as the "System") for the operation of businesses offering the establishment, development, and operation of an ultra-modern car wash, that does business under the name and Proprietary Marks "Tommy's," or "Tommy's Express," featuring a distinctive building in lengths from 50 to 130 feet with an acrylic roof and iconic sunburst entrance; an innovative automated wash system with conveyor belt, stainless steel arches, modular control station, and flight deck, and a free interior vacuum area;

WHEREAS, we are the licensee of the owner of the Proprietary Marks specified in the Franchise Agreement, or as may be hereafter designated as a part of the System and not thereafter withdrawn, and which we may hereafter acquire or develop for use with the System;

WHEREAS, you wish to obtain the rights and license from Tommy's for the use of the System and Proprietary Marks and, in association therewith, to own and operate additional Tommy's Businesses in the area described in Attachment "1" attached hereto (hereinafter referred to as the "Development Area") and you understand and accept the terms, conditions and covenants set forth herein and in the Franchise Agreement as those which are reasonably necessary to maintain our high and uniform standards of quality and service in order to protect the goodwill and enhance the public image of the System and the Proprietary Marks;

WHEREAS, we identify the System and the business conducted in accordance with the System under certain trademarks, service marks, logos, emblems, and indicia of origin (hereinafter "Proprietary Marks" or "Marks"), including, but not limited to, the names and mark "Tommy's," and "Tommy's Express," along with other such trade names, service marks, and trademarks as may be designated now or hereafter by Tommy's (in our Franchise Operations Manual or otherwise in writing) for use in connection with the System;

WHEREAS, you acknowledge that you have read this Agreement, the current Franchise Agreement, and our Disclosure Document and that you understand and accept the terms, conditions and covenants contained therein as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at all Tommy's Businesses in order to protect and preserve the goodwill of the Proprietary Marks; and

WHEREAS, we expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guarantee, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement. You acknowledge that you have not received or relied on any representations, written or oral, about the franchise by Tommy's, or our officers, directors, employees or agents, that are contrary to the statements made in our Disclosure Document or to the terms

herein, and you further represent to us, as an inducement to our entry into this Agreement, that you have made no misrepresentations, written or oral, to Tommy's in the application for the multi-unit development rights granted hereunder.

BEFORE SIGNING THIS AGREEMENT, YOU SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1
DEVELOPMENT RIGHTS AND OBLIGATIONS

1.1 Grant of Franchises

Provided you: (i) are in full compliance with the terms and conditions contained in this Agreement, including, without limitation, the development obligations contained in Section 1.4; and (ii) are in full compliance with all obligations under all Franchise Agreements heretofore or hereafter entered into with Tommy's; then during the Development Schedule, we (1) will grant to you, in accordance with the provisions of Article 2 hereof, franchises for the ownership and operation of Tommy's Businesses located within the Development Area; and (2) will not operate (directly or through an affiliate), nor grant a franchise for the operation of, any Tommy's Business to be located within the Development Area, except such franchises as are granted to you. You may develop, own, and operate the Tommy's Businesses pursuant to this Agreement through one or more entities which you or your owners are majority owners, provided that we have approved the owners of such entities, after full disclosure by you, and such entities otherwise meet all other of our requirements to become a franchisee.

1.2 Term

Subject to the provisions contained herein, this Agreement shall be for a term commencing on the date hereof and expiring upon the opening of the last Tommy's Business to be developed hereunder according to the schedule provided in Attachment 1, attached hereto and incorporated herein by reference ("Development Schedule").

1.3 Rights Retained

We retain the right, in our sole discretion and without granting any rights to you: (a) to own and operate, or to grant other persons the right to own and operate, Tommy's Businesses at such locations outside the Development Area, and on such terms and conditions as we deem appropriate in our sole discretion; and (b) to sell outside the Development Area the services and products authorized for Tommy's Businesses under the Proprietary Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution and pursuant to such terms and conditions as we deem appropriate.

1.4 Your Obligations

You agree, during the term of this Agreement, that you will at all times exercise your best efforts to perform your obligations hereunder and that you will continuously exert your best efforts to promote and enhance the development of Tommy's Businesses within your Development Area. Without limiting the foregoing obligation, you agree to have developed within the Development Area the cumulative number of Tommy's Businesses according to the Development Schedule. If you fail at any time to meet any

Development Schedule, we shall have the right to terminate this Agreement by delivering a written notice to you stating that we elect to terminate this Agreement as a result of such failure. Such termination shall be effective upon delivery of such notice of termination as provided for in Section 9.9 of this Agreement. Our right to terminate this Agreement shall be our sole and exclusive remedy for your failure to meet a Development Schedule.

1.5 Limitations of Grant

You understand and acknowledge that (a) this Agreement does not confer upon you the right or license to use the Proprietary Marks or the System, which right and license may only be granted pursuant to a Franchise Agreement with us; and (b) you shall not open a Tommy's Business to the public unless and until a fully executed Franchise Agreement is in place for such Tommy's Business and all initial fees have been paid to Tommy's.

ARTICLE 2
FRANCHISE LOCATIONS

2.1 Site Approval

Subject to the provisions of Article 1 hereof, we agree to grant franchises to you for the operation of Tommy's Businesses located within the Development Area, subject to the following: You shall use your best efforts and proceed with due diligence to obtain and designate locations for the Tommy's Business, which locations shall be subject to our written acceptance. You shall provide to Tommy's such information concerning each proposed site that we reasonably require, including but not limited to, photographs of the site, dimensions of the real estate, maps, and evidence of your favorable prospects for obtaining the site, such as a letter of intent or a lease from the property owner. For each site we will within thirty (30) days after we receive all of the information we require, notify you in writing whether the site you propose has been approved or disapproved. Unless we provide our specific acceptance of the site, it is deemed not accepted. If you fail to secure a site by lease or purchase agreement within one hundred eighty (180) days after we have accepted the site, we may, at our sole discretion, withdraw approval of such site. Our approval of a site is not a representation, warranty or guarantee that you will be successful at such site. Our approval only indicates that the site has met our criteria applied at the time of our review.

2.2 Execution of Franchise Agreement

Provided you shall have obtained lawful possession of any approved site by lease or purchase, we shall offer to you a franchise to operate a Tommy's Business at such approved site by delivering to you a Franchise Agreement in the form attached as Attachment 3 for execution by you. Such Franchise Agreement shall be executed by you and returned to Tommy's within fifteen (15) days of our delivery thereof, with payment of the balance of the initial franchise fee required thereunder. If you fail to execute such Franchise Agreement and tender payment of the balance of the initial franchise fee as above provided, we may, at our sole discretion, terminate our offer to grant to you a franchise to operate a Tommy's Business at such approved site and withdraw our approval of such site.

ARTICLE 3
DEVELOPMENT AND FRANCHISE FEES

3.1 Development Fee

Upon execution of this Agreement, you shall pay to Tommy's a non-refundable Development Fee, which shall be deemed fully earned by us upon execution of this Agreement. The Development Fee payable

hereunder will be determined based on the number of Tommy's Businesses to be developed hereunder. The Development Fee payable by you is as set forth on Exhibit 2 hereto.

3.2 Credit to Franchise Fees

For the first Tommy's Business to be developed hereunder, we will credit a portion of the Development Fee as full payment of the initial franchise fee payable for such Tommy's Business. The remainder of the Development Fee shall be credited toward the initial franchise fees for the future units to be developed hereunder as described on Attachment 2. Upon execution of a Franchise Agreement for each Tommy's Business developed after the first, the balance of the reduced initial franchise fee as described on Attachment 2, shall be due to Tommy's in a lump sum.

ARTICLE 4
TERMINATION

4.1 Termination

In addition to our right to terminate under Section 1.4 hereof for your failure to meet the Development Schedule, we shall have the right to terminate this Agreement by delivering a written notice to you stating that we elect to terminate this Agreement as a result of any of the breaches set forth below. Such termination shall be effective upon delivery of such notice of termination or, if applicable, upon your failure to cure (to our satisfaction) any such breach by the expiration of any period of time within which such breach may be cured in accordance with the provisions set forth below. It shall be a material breach of this Agreement if:

(a) you, or any of your owners, make an unauthorized assignment or transfer of this Agreement or an ownership interest in you;

(b) you, or any of your owners, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Tommy's Business shall be sold after levy thereupon by any sheriff, marshal, or constable;

(c) you or any of your owners have made any material misrepresentation or omission in your application for the development rights conferred by this Agreement or are convicted of or plead no contest to a felony or other crime or offense that may adversely affect the goodwill associated with the Proprietary Marks;

(d) you fail to comply with any other provision of this Agreement, and such breach is not cured within thirty (30) days after delivery to you of our notice of termination; or

(e) any other agreement between you and Tommy's, including, but not limited to, a Franchise Agreement, is terminated in accordance with its terms and conditions as defined in such agreement.

ARTICLE 5
UPON TERMINATION

5.1 Survival

All of our and your obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

5.2 Non-competition

Upon termination or expiration of this Agreement, you agree that for a period of three (3) years, commencing on the effective date of expiration or termination of this Agreement, you and your owners will not have any interest as an owner, partner, director, officer, employee, consultant, representative or agent, or in any other capacity, in any business that offers products or services similar to those offered at a Tommy's Business located or operating within the Development Area or within twenty (20) miles of any Tommy's Business, except for Tommy's Businesses operated under Franchise Agreements granted by Tommy's and the ownership of securities in a publicly held company that represent less than five percent (5%) of that class of securities.

ARTICLE 6
ASSIGNMENT

6.1 By Us

We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Proprietary Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Proprietary Marks (or any variation thereof) and/or the loss of association with or identification of "Tommy's Express LLC" as Franchisor. Nothing contained in this Agreement shall require Tommy's to remain in the car wash and detailing business or to offer the same products and services, whether or not bearing the Proprietary Marks, in the event that we exercise our right to assign our rights in this Agreement.

6.2 By You

You understand and acknowledge that the rights and duties created by this Agreement are personal to you and that we have granted this Agreement in reliance upon the individual or collective character, skill,

aptitude, attitude, business ability, and financial capacity of your owners. Therefore, neither this Agreement (or any interest therein) nor any part or all of the ownership of you may be voluntarily, involuntarily, directly or indirectly, assigned, sold, subdivided, sub-franchised, pledged, mortgaged hypothecated, given as security for an obligation, or otherwise transferred by you or your owners (including, without limitation, by consolidation or merger, by issuance of securities representing an ownership interest in you, by transfer of an interest in you, or in the event of death of an owner of you, by will, declaration of or transfer in trust or the laws of intestate succession), without our prior written approval. If such approval is granted, it shall be conditioned on the following requirements:

(a) all of your obligations created by this Agreement are assumed by the transferee. You understand and acknowledge that we may require you to transfer all Tommy's Businesses developed hereunder to such transferee;

(b) all ascertained or liquidated debts of you to Tommy's or our affiliated or subsidiary corporations are paid;

(c) you are not in default hereunder;

(d) we are reasonably satisfied that the transferee meets all of our requirements for new multi-unit developers, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations;

(e) the transferee and its owners execute our standard then-current form of Multi-Unit Development Agreement and Franchise Agreements for all Tommy's Businesses open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit developers and franchisees on the date of transfer;

(f) the transferee is not a competitor, or affiliated in any way with a competitor, of Tommy's or one of our affiliates;

(g) you execute a release, in a form satisfactory to Tommy's, of any and all claims against Tommy's, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way resulting from, arising under, or relating to this Agreement; and

(h) you or transferee pay to us a transfer fee of Twenty Thousand Dollars ($20,000).

Our consent to a transfer of any interest in you or in the development rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee.

6.3 Death or Incapacity

Upon the death or mental incapacity of any owner of an interest in you, the executor, administrator or personal representative of such person shall transfer their interest to a third party approved by us within twelve (12) months. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any *inter vivos* transfer. However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions stated in Section 6.2 hereof, the personal representative of the deceased shall have a reasonable time, not to exceed twelve (12) months from the date said personal representative is appointed, to dispose of the deceased's interest in you, which disposition shall be subject to all the terms and conditions for transfers contained in

this Agreement. It is understood and agreed, however, that notwithstanding the foregoing, the Development Schedule shall be complied with as though no such death or mental incapacity had occurred. In the event the interest described above is not disposed of within such time, we shall have the right to terminate this Agreement, provided such termination had not previously occurred for failure to perform pursuant to the Development Schedule, upon ninety (90) days' notice to your representative, or we shall have the right to re-purchase same at the same price being sought by your representative.

6.4 Intent to Develop

You have represented to Tommy's that you are entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the development rights hereunder. Therefore, you agree that any attempt to assign this Agreement, prior to the time that at least twenty-five percent (25%) of the Tommy's Express Businesses to be constructed hereunder are opened or under construction shall be deemed to be an event of default.

6.5 Right of First Refusal

If you receive from an unaffiliated third party and desire to accept a bona fide written offer to purchase your business, development rights and interests, we shall have the option, exercisable within thirty (30) days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 6.5, to purchase such business, development rights and interests, including your right to develop sites within the Development Area, on the same terms and conditions as offered by said third party. In order that we may have information sufficient to enable Tommy's to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request. If we decline, or do not accept the offer in writing within thirty (30) days, you may, within thirty (30) days from the expiration of the option period, sell, assign and transfer your business, development rights and interest to said third party, provided we have consented to such transfer as required by this Article 6 and all of your duties regarding de-branding and disposition of Confidential Information specified in the Franchise Agreement(s) upon non-renewal or termination of a Tommy's Business are fully complied with to Tommy's satisfaction. Any material change in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by Tommy's or our nominee, as in the case of an initial offer. Our failure to exercise the option afforded by this Section 6.5 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Article with respect to the proposed transfer.

ARTICLE 7
RELATIONSHIP

7.1 Independent Parties

You understand that nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment, or fiduciary relationship of any kind. This Agreement is purely a contractual relationship between the parties and does not appoint or make you an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of ours for any purpose whatsoever. You may not represent or imply to third parties that you are an agent of ours, and you are in no way authorized to make any contract, agreement, warranty or representation on our behalf, or to create any obligation, express or implied, on our behalf.

You may not, without our prior written approval, have any power to obligate us for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, we may not control or have access to your funds or the expenditure of your funds or in any other way exercise dominion or control over your 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 us and you is other than a contractual relationship. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. We will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to your business.

7.2 Sole and Exclusive Employer of Your Employees

You hereby irrevocably affirm, attest and covenant your understanding that your employees will be employed exclusively by you and in no fashion will any such employee be employed, jointly employed or co-employed by us. You further affirm and attest that each of your employees will be under the exclusive dominion and control of you and never under the direct or indirect control of us in any fashion whatsoever. You alone will hire each of your 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). You alone shall have the ability to discipline or terminate your employees to the exclusion of us, which will have no such authority or ability. Should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that we are the employer, joint employer or co-employer of any of your employees). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions for your Tommy's Business does not directly or indirectly vest in us the power to hire, fire or control any such employee.

7.3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of your owners to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of you or any of the owners or any claim or judgment arising therefrom.

ARTICLE 8
DISPUTE RESOLUTION

8.1 Arbitration

Except to the extent we elect to have the provisions of this Agreement enforced by judicial process and/or injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) will be

settled by binding arbitration within fifteen (15) miles of our headquarters under the authority of Michigan Statutes. Unless we agree otherwise, the arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitrator shall be selected as per the selection method set forth in the commercial arbitration rules of the American Arbitration Association. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Michigan Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

8.2 Litigation, Waiver of Jury Trial; Limitation of Damages, etc.

The parties agree that any litigation between you and Tommy's (and/or involving any principal of yours or which could be brought by you or on your behalf and including matters involving any of our related entities or otherwise), whether involving any litigation, dispute, controversy, claim, proceeding or otherwise between or involving you and Tommy's or otherwise, will be held exclusively before a court in the most immediate state or federal judicial district and court encompassing our headquarters and having subject matter jurisdiction, the parties consenting to the exclusive jurisdiction of such court(s) and WAIVING ALL RIGHTS TO TRIAL BY JURY.

THE PARTIES AGREE THAT IN ANY LITIGATION BETWEEN US AND YOU (AND/OR ANY PRINCIPAL OF YOURS OR WHICH COULD BE BROUGHT BY YOU OR ON YOUR BEHALF) THE PARTIES KNOWINGLY WAIVE ALL RIGHTS TO TRIAL BY JURY. IN ANY ARBITRATION, LITIGATION OR OTHERWISE, THE PARTIES WAIVE ALL RIGHTS TO PUNITIVE, EXEMPLARY, MULTIPLE, PAIN-AND-SUFFERING, MENTAL DISTRESS OR SIMILAR DAMAGES AND AGREE THAT THE PARTIES MAY ONLY RECOVER ACTUAL FINANCIAL LOSSES.

8.3 Prior Notice of Claims by You

Prior to your taking any legal or other action against Tommy's, whether for arbitration, damages, injunctive, equitable or other relief (including but not limited to rescission) and whether by way of claim, counterclaim, cross-complaint, raised as an affirmative defense or otherwise, based on any alleged act or omission of ours, you will first give Tommy's sixty (60) days' prior written notice and opportunity to cure such alleged act or omission.

8.4 Periods In Which to Make Claims

The parties agree that, except as provided below, no arbitration proceeding, action or suit (whether by way of claim, counterclaim, cross-complaint, raised as an affirmative defense or otherwise) by either party will lie against the other (nor will any action or suit by you against any person and/or entity affiliated with Tommy's), whether for damages, rescission, injunctive or any other legal and/or equitable relief, in respect of any alleged breach of this Agreement, or any other claim of any type, unless such party will have commenced such arbitration proceeding, action or suit before the expiration of the earlier of one hundred eighty (180) days after the date upon which the state of facts giving rise to the cause of action comes to the attention of, or should reasonably have come to the attention of, such party; or one (1) year after the initial occurrence of any act or omission giving rise to the cause of action, whenever discovered.

Notwithstanding the foregoing limitations, where any federal, state or provincial law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

The foregoing limitations may, where brought into effect by our failure to commence an action within the time periods specified, operate to exclude our right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Tommy's from terminating your rights and our obligations under this Agreement as provided herein and under applicable law nor prevent Tommy's from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination. The foregoing limitations shall not apply to our claims arising from or related to: (a) your under-payment or non-payment of any amounts owed to Tommy's or any affiliated or otherwise related entity; (b) indemnification by you; (c) your confidentiality, non-competition or other exclusive relationship obligations; and/or (d) your unauthorized use of the Proprietary Marks or the System.

8.5 Withholding Consent

In no event will you make any claim, whether directly, by way of setoff, counterclaim, defense or otherwise, for money damages or otherwise, by reason of any withholding or delaying of any consent or approval by Tommy's. Your sole remedy for any such claim is to submit it to arbitration as described in this Agreement seeking for the arbitrator to order Tommy's to grant such consent.

8.6 Injunctive Relief

Notwithstanding anything to the contrary contained in this Article 8, we and you each have the right, in a proper case, to seek injunctions, restraining orders and orders of specific performance from a court of competent jurisdiction.

You acknowledge that your failure to comply herewith could cause Tommy's irreparable harm which may not be compensable by way of damages, and, therefore, we shall be entitled to apply to a court of competent jurisdiction to have ourselves appointed as the receiver of your business and/or to obtain declarations, temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to your use of the Proprietary Marks or confidential information, relating to your obligations upon termination or expiration of this Agreement, relating to assignment of the franchise hereunder and ownership interests in you, and to prohibit any act or omission by you or your employees that constitutes a violation of any applicable law, by-law or regulation, is dishonest or misleading to your customers or prospective customers, or constitutes a danger to employees, customers, or to the public, or which may impair the goodwill associated with the Proprietary Marks.

You agree that we will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction if warranted upon due hearing. All claims for damages by reason of the wrongful issuance of such injunction are hereby expressly waived. If we secure any such injunction or order of specific performance, you agree to pay to Tommy's an amount equal to the aggregate of our costs of obtaining such relief including, without limitation, reasonable legal fees, costs and expenses as provided in this Section and any damages incurred by Tommy's as a result of the breach of any such provision.

ARTICLE 9
GENERAL

9.1 Governing Law

This Agreement shall be interpreted and construed under the laws of the State of Michigan except to the extent governed by federal law.

9.2 Construction

The language of this Agreement will be construed according to its fair meaning and not strictly against or for any party. The introduction, exhibits to this Agreement, and any other documents incorporated by reference herein, are a part of this Agreement and constitute the entire agreement of the parties with respect to the subject matters hereof and supersede all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein. Except as provided herein, you acknowledge and agree that there are no warranties, representations, statements, promises or inducements, express or implied, or collateral, whether oral or written, about this Agreement by Tommy's or our officers, directors, shareholders, employees or agents that are contrary to the terms of this Agreement or the documents referred to herein; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Tommy's in the Disclosure Document that was furnished to you by Tommy's. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement, other than our franchise disclosure document, that either party may or does rely on or that will have any force or effect. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest; provided, however, that nothing in this Agreement will be deemed to confer any rights or remedies on any person or legal entity not a party hereto, other than successors and assigns of any party to this Agreement whose interests are assigned in accordance with its terms.

The headings of the several articles and sections hereof are for convenience only and do not define, limit, or construe the contents of such articles or sections. This Agreement may be executed in multiple copies, each of which will be deemed an original. Time is of the essence in this Agreement.

9.3 No Modifications; Waivers

No waiver or modification of this Agreement or of any covenant, condition, or limitation will be valid unless it is made in writing and duly executed by the party to be charged with it. No custom, practice, or course of conduct of the parties shall constitute a waiver or modification of this Agreement. No evidence of any waiver or modification may be offered or received in evidence in any proceeding between the parties arising out of or affecting this Agreement, or the rights or obligations of any party, unless such waiver or modification is in writing, duly executed. Our waiver of your breach of any term of this Agreement applies only to that one breach and that one term, and not to any subsequent breach of any term. Acceptance by us of any payments due under this Agreement will not be deemed to be a waiver by us of any preceding breach by you of any term.

9.4 Indemnification by You

You shall, during the term of this Agreement and after the termination or expiration of this Agreement, indemnify us and our officers, directors and employees, and hold them harmless from and against all damages, losses, claims, actions, liability, expenses and costs for which they are held liable or which they incur (including attorneys' fees, travel, investigation and living expenses of employees and witness fees) in any litigation or proceeding as a result of or arising out of:

(a) a breach by you of this Agreement, or any other lease, sublease, agreement or contract to which we or our affiliates and you are parties;

(b) any injury to, or loss of property of, any person in or on the Premises;

(c) your taxes, liabilities, costs or expenses of your business;

(d) losses, claims or damages incurred by persons, other than you, due to errors or omissions contained in financial statements prepared by you, even if caused by the negligence of you, your employees, agents, contractors, or others for whom you are, in law, responsible;

(e) any negligent or willful act or omission of you, your employees, agents, servants, contractors or others for whom you are, in law, responsible; and

(f) any advertising or promotional material distributed, broadcast or in any way disseminated by you or on your behalf, unless such material has been produced or approved in writing by Tommy's.

9.5 Costs and Attorneys' Fees

Except as expressly provided otherwise in this Agreement, each party shall be responsible to pay its own costs of enforcement and/or defense (including but not limited to attorneys' fees) in any claim or dispute between the parties (including your and/or our affiliates, related persons/entities, etc.). The term "attorneys' fees" will include, without limitation, legal fees, whether incurred prior to, in preparation for or in contemplation of the filing of any written demand or claim, action, hearing or proceeding to enforce the obligations of this Agreement.

9.6 Rights Cumulative

No right or remedy conferred upon or reserved to Tommy's or you by this Agreement is intended to be, nor shall such right or remedy be deemed to be, exclusive of any other right or remedy herein or by law or equity provided or permitted. Our and your rights under this Agreement are cumulative, and no exercise or enforcement by us or you of any right or remedy will preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce, except as specifically limited by this Agreement.

9.7 Invalid Provisions; Severability; and Substitution of Provisions

Every part of this Agreement will be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair the other parts of this Agreement. if any part of this Agreement is deemed unlawful in any way, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful or, if such construction is not permitted or available, the remainder of this Agreement will continue in full force and effect.

If any provision of this Agreement relating to the payment of fees to Tommy's, to non-competition during the term of this Agreement, or to the preservation of any of the Proprietary Marks or confidential information disclosed pursuant to this Agreement is declared invalid or unenforceable, and if, as a result, we believe in our sole opinion that the continuation of this Agreement would not be in the best interests of the System, we have the right to terminate this Agreement on written notice to you.

To the extent that any restrictive covenant contained in this Agreement is deemed unenforceable because of its scope in terms of area, business activity prohibited, or length of time, you agree that the invalid provision will be deemed modified or limited to the extent or manner necessary to make that particular provision valid and enforceable to the greatest extent possible in light of the intent of the parties expressed in that provision under the laws applied in the forum in which we are seeking to enforce it.

If any lawful requirement or court order of any jurisdiction (a) requires a greater advance notice of the termination than is required under this Agreement, or the taking of some other action which is not required by this Agreement, or (b) makes any provision of this Agreement invalid or unenforceable, the advance notice and/or other action required or revision of the specification, standard or operating procedure will be substituted for the comparable provisions of this Agreement in order to make the modified provision enforceable to the greatest extent possible. You agree to be bound by the modification to the greatest extent lawfully permitted.

9.8 Gender

Whenever a personal pronoun is used herein, it is understood that such usage shall include both singular and plural, masculine, feminine and neuter, and refer in appropriate cases to corporations or other legal entities as well as to individuals.

9.9 Notice

All notices and reports to Tommy's or you, if not personally served, shall be deemed so delivered one (1) business day after sending by email or comparable electronic system or two (2) business days after deposit with Federal Express or a comparable overnight courier company or five (5) business days after being placed in the U.S. mail by Registered or Certified Mail, return receipt requested. All notices shall be sent postage prepaid and addressed to the respective party as follows, or as either party may from time to time designate in writing at the addresses set forth in the Introductory Paragraph of this Agreement.

9.10 Impossibility of Performance

Notwithstanding anything to the contrary contained in this Agreement, if either party hereto is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of strikes, labor troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, pandemic, endemic, acts of God or other reasons beyond the control of such party, whether all of a like nature or not, which is not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement, then the performance of such term, covenant or act is excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay.

9.11 Further Assurances

Each of the parties covenants and agrees to execute and deliver such further and other agreements, assurances, undertakings, acknowledgments or documents, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their vote and influence and do and perform and cause to be done and performed any further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof. You shall, at any time and from time to time forthwith upon our reasonable request, provide Tommy's with access to your corporate records to confirm your compliance with the terms of this Agreement.

9.12 You May Not Withhold Payments

You agree that you will not, on grounds of an alleged non-performance by Tommy's of any of our obligations or for any other reason, withhold payment of any amount due whatsoever to Tommy's or our affiliates. No endorsement or statement on any check or payment of any sum less than the full sum due to Tommy's shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and we may accept and cash such check or payment without prejudice to our right to recover the balance due or pursue any other remedy provided herein or by law. We may apply any payments made by you as we see fit. We may set off against any payment due by you to Tommy's, and may, at our option, pay your trade creditors.

9.13 Compliance With Anti-Terrorism Laws

You and your owners agree to comply, and to assist Tommy's to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean 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. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in this Agreement.

9.14 Survival

Each provision of this Article 9, together with the provisions of Article 8, will be deemed to be self-executing and continue in full force and effect subsequent to and notwithstanding the expiration, termination, setting aside, cancellation, rescission, unenforceability or otherwise of this Agreement (or any part of it) for any reason, will survive and will govern any claim for rescission or otherwise.

The parties hereto have executed this Multi-Unit Development Agreement as of the day and year first above written.

TOMMY'S EXPRESS LLC

By:_____
Name: Ryan Essenburg
Title: President

MULTI-UNIT DEVELOPER:

_____

By:_____
Name:_____
Title:_____

ATTACHMENT 1 TO THE MULTI-UNIT DEVELOPMENT AGREEMENT

DEVELOPMENT AREA AND SCHEDULE

The Development Area referred to in Article 1 of the captioned agreement shall be:

_____

The Agreement authorizes and obligates Multi-Unit Developer to establish, operate, and continue to operate a minimum of _____(_____) Tommy's Businesses within the Development Area pursuant to a Franchise Agreement for each Tommy's Business. The following is Multi-Unit Developer's Development Schedule:

Business #	To Be Opened By (Date)
Site #1	
Site #2	
Site #3	
Site #4	

Agreed and accepted by:

TOMMY'S EXPRESS LLC

By:_____
Name:_____
Title:_____

MULTI-UNIT DEVELOPER

By:_____
Name:_____
Title:_____

ATTACHMENT 2 TO THE MULTI-UNIT DEVELOPMENT AGREEMENT

DEVELOPMENT AND FRANCHISE FEES

The Initial Franchise Fee for each Tommy's Business developed under this Agreement shall be as follows:

1st Tommy's Business:	$50,000
Each Additional Tommy's Business:	$40,000

The non-refundable Development Fee for this Agreement is $_____, which shall be fully earned by us upon execution of this Agreement. The Development Fee shall be credited to the Initial Franchise Fee(s) as follows:

1st Tommy's Business:	$50,000 (100%)
Each Additional Tommy's Business:	$20,000 (50%)

The remaining balance for the Initial Franchise Fee for each Tommy's Businesses after the 1st Tommy's Business developed under this Agreement shall be paid upon the execution of a Franchise Agreement for such business.

Agreed and accepted by:

TOMMY'S EXPRESS LLC

By:_____
Name:_____
Title:_____

MULTI-UNIT DEVELOPER

By:_____
Name:_____
Title:_____

ATTACHMENT 3 TO THE MULTI-UNIT DEVELOPMENT AGREEMENT

FORM OF FRANCHISE AGREEMENT

EXHIBIT E TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES
(As of December 31, 2022)

ARKANSAS	
Franchisee	**Location**
AWN, LLC* George Stem	2000 Highway 5 North Benton, Arkansas 72019 501-299-8449
AWN, LLC* George Stem	1250 East Dave Ward Drive Conway, Arkansas 72032 501-214-0855
AWN, LLC* George Stem	1821 S. Caraway Rd. Jonesboro, Arkansas 72401 870-477-6069
AWN, LLC* George Stem	1702 Visions Avenue Jonesboro, Arkansas 72401 870-455-8886
Wildcat Partners, LLC Kasey Graham	4571 West Sunset Avenue Springdale, Arkansas 72762 (479) 269-5794
CALIFORNIA	
Franchisee	**Location**
Cal Cruz LLC Michael Luders	30015 Winter Hawk Road Menifee, California 92584 951-723-5800
Ramona Express Car Wash, Inc. Jevan Chimayan	10805 Ramona Avenue Montclair, California 91763 909-417-4776
OC Development Tahir Salim	1560 South San Jacinto Avenue San Jacinto, California 92583 951-543-8665
COLORADO	
Franchisee	**Location**
Dutchman Car Washes, LLC Calvin Prins	4089 Tutt Boulevard Colorado Springs, Colorado 80922 719-401-6930
Dutchman Car Washes, LLC Calvin Prins	3006 County Line Road Littleton, Colorado 80129 720-515-1980
DELAWARE	
Franchisee	**Location**
Blue Sky Dover, LLC Manpreet Mattu	656 North Dupont Highway Dover, Delaware 19901 732-718-9812
Middletown CW OpCo, LLC Manpreet Mattu	1725 Lake Seymour Drive Middletown, Delaware 19709 302-321-5045

FLORIDA	
Franchisee	**Location**
TE Ventures, LLC* Chuck Caranci *Transferred from Ray Sargenti in 2022*	10951 Saxum Drive Fort Myers, Florida 33908 239-299-1990
TE Ventures, LLC* Chuck Caranci *Transferred from Sargenti in 2022*	10680 Colonial Boulevard Fort Myers, Florida 33913 239-217-6600
TXH Fund 1, LLC* Zachary Bossenbroek	2980 North John Young Parkway Kissimmee, Florida 34741 407-225-8515
Tommy's Express Holdings, Inc* Dan Dykgraaf	5315 East Bay Drive Largo, Florida 33764 727-477-1399
Tommy's Express Holdings, Inc* Dan Dykgraaf	1240 Missouri Avenue North Largo, Florida 33770 727-748-4477
RCH Holding, LLC Michael Ash	2800 Veterans Way Melbourne, Florida 32940 321-335-4075
TE Ventures, LLC* Chuck Caranci *Transferred from Hale in 2022*	4205 US Highway 19 New Port Richey, Florida 34652 727-810-8858
Tommy's Express Holdings, Inc* Dan Dykgraaf	1141 Front Place North Port, Florida 34287 941-876-8764
Tommy's Express Holdings, Inc* Dan Dykgraaf	1155 Sun Market Place North Port, Florida 34288 941-777-5020
TXH Fund 1, LLC* Zachary Bossenbroek	4512 Old Goldenrod Road Orlando, Florida 32822 321-352-7463
Tommy's Express Holdings, Inc* Dan Dykgraaf	19010 Murdock Circle Port Charlotte, Florida 33948 941-344-9205
Tommy's Express Holdings, Inc.* Dan Dykgraaf	4615 South Tamiami Trail Sarasota, Florida 34231 941-217-8118
Tommy's Express Holdings, Inc* Dan Dykgraaf	5020 Fruitville Road Sarasota, Florida 34232 941-954-8084
Navarro Family Carwash, LLC Joe Navarro	4085 Mariner Boulevard Spring Hill, Florida 34609 727-755-7494
Tommy's Express Holdings, Inc* Dan Dykgraaf	3825 West Waters Avenue Tampa, Florida 33614 813-445-6889

Tommy's Express Holdings, Inc* Dan Dykgraaf	1758 South Tamiami Trail Venice, Florida 34293 941-946-8989
GEORGIA	
Franchisee	**Location**
Gulfsouth Holdings, LLC* Richard Southerland	10 Ford Way Carrollton, Georgia 30116 770-285-8505
TXH Fund 1, LLC* Zachary Bossenbroek *Transferred from Dykgaaf in 2022*	8160 Tara Boulevard Jonesboro, Georgia 30236 470-502-0520
TXH Fund 1, LLC* Zachary Bossenbroek	865 Scenic Highway Lawrenceville, Georgia 30045 770-904-9690
Gulfsouth Holdings, LLC* Richard Southerland	2772 Riverside Drive Macon, Georgia 31204 478-227-2327
TXH Fund 1, LLC* Zachary Bossenbroek *Transferred from Dykgaaf in 2022*	2208 Scenic Highway North Snellville, Georgia 30078 470-508-8229
IDAHO	
Franchisee	**Location**
Wash It Down, LLC Johnny Miller	450 Overland Avenue Burley, Idaho 83318 208-425-4414
Dutch Touch, LLC Donald VanderPoel William Dejong	135 Cheney Drive Twin Falls, Idaho 83301 208-944-9109
ILLINOIS	
Franchisee	**Location**
Tommy's Orland, LLC Dan Elliot Matt McCullough	15819 Wolf Road Orland Park, Illinois 60467 708-505-6699
Premier Wash Systems, LLC Kevin Christianson	2145 Knoxville Avenue Peoria, Illinois 61603 309-204-0480
INDIANA	
Franchisee	**Location**
RYJO Enterprises, LLC* Ryan Franks	7950 IN-66 Newburgh, Indiana 47630 812-203-0818
IOWA	
Franchisee	**Location**
Premier Wash Systems, LLC* Kevin Christianson	4420 Westdale Parkway Southwest Cedar Rapids, Iowa 52404 319-242-3277

Premier Wash Systems, LLC* Kevin Christianson	4035 1st Avenue SE Cedar Rapids, Iowa 52402 319-450-0841
Premier Wash Systems, LLC* Kevin Christianson	4200 Brady Street Davenport, Iowa 52806 563-207-4877
TCW Holdings, LLC Mike Whalen	2480 East 1st Street Grimes, Iowa 50111 515-379-5130
Premier Wash Systems, LLC* Kevin Christianson	444 Tiffany Drive Mason City, Iowa 50401 641-428-0420
Premier Wash Systems, LLC* Kevin Christianson	3110 University Avenue Waterloo, Iowa 50701 319-427-6332
TCW Holdings, LLC Mike Whalen	180 SE Alice's Road Waukee, Iowa 50263 515-585-0940
KANSAS	
Franchisee	**Location**
Wild Pines Ventures, LLC * Austin & Tamara Davis	2209 North 14th Street Dodge City, Kansas 67801 620-209-5550
Wild Pines Ventures, LLC* Austin & Tamara Davis	3900 West 6th Street Lawrence, Kansas 66049 785-330-5132
Wildcat Partners, LLC Kasey Graham	510 Tuttle Creek Boulevard Manhattan, Kansas 66502 785-340-3399
Frontier Investments Kasey Graham	1350 Westloop Place Manhattan, Kansas 66502 785-236-7400
Frontier Investments Kasey Graham	225 South Parker Street Olathe, Kansas 66061 913-732-1150
Wildcat Partners, LLC Kasey Graham	10600 Roe Avenue Overland Park, Kansas 66207 816-895-9300
Vandyne Capital, LLC * Milton Wolf	1256 North Greenwich Road Wichita, Kansas 67206 316-500-6340
Vandyne Capital, LLC* Milton Wolf	455 South Ridge Road Wichita, Kansas 67209 316-500-3002
Vandyne Capital, LLC * Milton Wolf	1340 North Tyler Road Wichita, Kansas 67212 316-477-3010

LOUISIANA	
Franchisee	**Location**
Car Wash Revive, LLC Jordan Williams	1810 North Highway 190 Covington, Louisiana 70433 985-400-2705
TEW of Louisiana, LLC Todd Burns Chase Burns	800 Sterlington Road/LA 71203 Monroe, Louisiana 71203 318-215-5965
Car Wash Revive, LLC Jordan Williams	2170 Gause Boulevard East Slidell, Louisiana 70461 985-259-6260
TEW of Louisiana, LLC Todd Burns Chase Burns	200 Thomas Road West Monroe, Louisiana 71291 318-350-6050
MICHIGAN	
Franchisee	**Location**
JLB Car Wash Systems, Inc. Jon Brokamp	4095 Plainfield Avenue NE Grand Rapids, Michigan 49525 616-256-0559
Fit Express LLC* Robert Morse	2283 44th Street SE Grand Rapids, Michigan 49508 616-541-5332
JMR Property 2, LLC Robert Morse	6390 28th Street SE Grand Rapids, Michigan 49546 616-541-5810
Brutus Capital Management, LLC Scott Ward	861 Brown Road Lake Orion, Michigan 48359 248-270-8665
HIL, LLC Mike Herrema	3715 West Saginaw Street Lansing, Michigan 48917 517-334-0086
MI Express, LLC Cliff Lunney	31800 Woodward Avenue Royal Oak, Michigan 48073 248-246-0016
TE Ventures, LLC* Chuck Caranci	5707 State Street Saginaw, Michigan 48603 989-244-8310
MINNESOTA	
Franchisee	**Location**
Premier Wash Systems, LLC* Kevin Christianson	321 East Central Entrance Duluth, Minnesota 55811 218-270-5270
7201 Bass Lake, Inc. Chris Robbins	7201 Bass Lake Road Minneapolis, Minnesota 55428 763-400-4955
Premier Wash Systems, LLC* Kevin Christianson	3115 8th Street South Moorhead, Minnesota 56560 218-234-2969

Premier Wash Systems, LLC* Kevin Christianson	3102 US-10 Moorhead, Minnesota 56560 218-234-2957
Rise LLC Shawn Ingvaldsen *Transferred from Christianson in 2022*	2525 Mounds View Boulevard Mounds View, Minnesota 55112 612-895-1988
Premier Wash Systems, LLC* Kevin Christianson	265 Penny Lane NE Rochester, Minnesota 55906 507-405-0131
Premier Wash Systems, LLC* Kevin Christianson	17 2nd Avenue North Waite Park Waite Park, Minnesota 56387 320-318-8950
MISSOURI	
Franchisee	**Location**
Dowling Enterprises* William Dowling	14918 Manchester Road Ballwin, Missouri 63011 636-224-8278
Dowling Enterprises* William Dowling	101 Fallon Loop Road O'Fallon, Missouri 63368 636-271-5970
SN Investment Group, LLC Sunny Sandhu	102 North Belt Highway Saint Joseph, Missouri 64506 816-646-2230
NEBRASKA	
Franchisee	**Location**
Nebraska Tunnel Wash 1, LLC* Matt Preister	2112 23rd Street Columbus, Nebraska 68501 402-205-2157
Shiny & Dry, LLC* David Shaner	2323 East 23rd Avenue South Fremont, Nebraska 68025 402-262-4860
Nebraska Tunnel Wash 1, LLC* Matt Preister	710 Allen Drive Grand Island, Nebraska 68803 308-251-6500
Olympus Pines Management, LLC* Michael Cianelli *Transferred from Jones in 2022*	150 North 70th Street Lincoln, Nebraska 68505 402-257-5535
Nebraska Tunnel Wash 1, LLC* Matt Preister	1025 South 13th Street Norfolk, Nebraska 68701 402-851-8100
Olympus Pines Management, LLC* Michael Cianelli *Transferred from Anderson in 2022*	4225 South 132nd Street Omaha, Nebraska 68137 402-204-4999
Olympus Pines Management, LLC* Michael Cianelli *Transferred from Anderson in 2022*	17805 Burt Street Omaha, Nebraska 68118 402-364-0820

Accelerate, LLC* Mark Mitchell	1402 South Washington Street Papillion, Nebraska 68046 402-205-0730
NEVADA	
Franchisee	**Location**
Cabral Car Wash Inc. Mike Cabral	4555 West Ann Road Las Vegas, Nevada 89031 702-780-6771
NORTH CAROLINA	
Franchisee	**Location**
Olympus Pines Management LLC* Trevor Sperry *Transferred from Mann in 2022*	2598 Raeford Road Fayetteville, North Carolina 28305 910-240-3360
Olympus Pines Management LLC* Trevor Sperry *Transferred from Mann in 2022*	400 Greenville Boulevard SE Greenville, North Carolina 27858 252-439-0974
Tommy Express Wash of North Carolina LLC Chase Burns	2191 Roxie Street Kannapolis, North Carolina 28083 704-765-2710
NORTH DAKOTA	
Franchisee	**Location**
Premier Wash Systems, LLC* Kevin Christianson	1800 North 12th Street Bismarck, North Dakota 58501 701-581-4111
Premier Wash Systems, LLC* Kevin Christianson	1702 40th Street South Fargo, North Dakota 58103 701-506-0191
Premier Wash Systems, LLC* Kevin Christianson	4682 32nd Avenue South Fargo, North Dakota 58104 701-499-4344
OKLAHOMA	
Franchisee	**Location**
TE Ventures, LLC* Chuck Caranci	13311 East 116th Street North Collinsville, Oklahoma 74021 918-308-5910
Wild Pines Ventures, LLC* Austin & Tamara Davis	5210 West Owen K Garriott Road Enid, Oklahoma 73703 580-440-0779
TE Ventures, LLC* Chuck Caranci	7188 South Memorial Drive Tulsa, Oklahoma 74133 918-417-2080
TE Ventures, LLC* Chuck Caranci	2181 South Sheridan Road Tulsa, Oklahoma 74129 918-400-9222
TE Ventures, LLC* Chuck Caranci	7855 South Olympia Avenue Tulsa, Oklahoma 74132 918-417-4644

TE Ventures, LLC* Chuck Caranci	4631 South Peoria Avenue Tulsa, Oklahoma 74105 539-202-4424
PENNSYLVANIA	
Franchisee	**Location**
Mid Atlantic Car Wash Group, LLC Lee Wells	825 Norland Avenue Chambersburg, Pennsylvania 17201 717-496-0507
SWS Ventures, LLC* Tyler Weber	798 East Main Street Ephrata, Pennsylvania 17522 717-220-8730
SOUTH CAROLINA	
Franchisee	**Location**
Olympus Pines Management LLC* Trevor Sperry *Transferred from Mann in 2022*	4700 Devine Street Columbia, South Carolina 29209 803-310-7739
TE Ventures, LLC* Chuck Caranci	2440 Cherry Road Rock Hill, South Carolina 29732 803-310-3990
SOUTH DAKOTA	
Franchisee	**Location**
Premier Wash Systems, LLC* Kevin Christianson	515 South 2nd Street Aberdeen, South Dakota 57401 605-277-8220
TENNESSEE	
Franchisee	**Location**
Johnson Commercial Development Steve Johnson	1415 Highway 11 West Bristol, Tennessee 37620 423-212-3385
Scott & Anita Findlay*	5313 Franklin Road Murfreesboro, Tennessee 37128 615-270-3700
Scott & Anita Findlay*	1810 Memorial Boulevard Murfreesboro, Tennessee 37129 615-205-5075
TEXAS	
Franchisee	**Location**
Tahir Salim	6010 Lowes Lane Amarillo, Texas 79106 806-200-6965
L Docter Enterprises, LLC* Lucas Docter	12303 Will Clayton Parkway Atascocita, Texas 77346 281-909-4007
Premier Wash Systems, LLC* Kevin Christianson	271 Southwest Wilshire Boulevard Burleson, Texas 76028 817-406-2753
Premier Wash Systems, LLC* Kevin Christianson	2901 South Mayhill Road Denton, Texas 76210 940-253-7690

Phase 2 Corporation* Josefino Bencomo	9990 Kenworthy Street El Paso, Texas 79924 915-233-9635
Phase 2 Corporation* Josefino Bencomo	11330 Montwood Drive El Paso, Texas 79936 915-320-4045
Premier Wash Systems, LLC* Kevin Christianson	250 East Euless Boulevard Euless, Texas 76040 817-753-8555
L Docter Enterprises, LLC* Lucas Doctor	13915 Timber Forest Drive Houston, Texas 77044 346-297-2900
Brothers Partnership, LLC Michael Forrest Ross Forrest	3525 Faudree Road Odessa, Texas 79765 432-201-8755
Olympus Pines Management LLC* Trevor Sperry *Transferred from Blom in 2022*	23202 US Highway 281 North San Antonio, Texas 78259 210-971-6890
UTAH	
Franchisee	**Location**
Olympus Pines Management LLC* Trevor Sperry	2150 West Antelope Drive Layton, Utah 84041 801-416-2205
VIRGINIA	
Franchisee	**Location**
East Hull CW, LLC Rob Worrell Mark O'Neil Tom Folliard	10100 Hull Street Road North Chesterfield, Virginia 23236 804-210-2520
Forest Hill CW, LLC Rob Worrell Mark O'Neil Tom Folliard	7048 Forest Hill Avenue Richmond, Virginia 23225 804-362-9388
West Broad CW, LLC Rob Worrell Mark O'Neil Tom Folliard	1504 Little Tuckahoe Court Richmond, Virginia 23233 804-210-7050
Arthur Ashe Blvd CW, LLC Rob Worrell Mark O'Neil Tom Folliard	3110 North Arthur Ashe Boulevard Richmond, Virginia 23220 804-215-7057
WISCONSIN	
Franchisee	**Location**
Stratton Management, Inc.* Raj Sundaram Rolly Lokre	1000 West Clairemont Avenue Eau Claire, Wisconsin 54701 715-391-3357
Stratton Management, Inc.* Raj Sundaram Rolly Lokre	102 West Bridge Street Wausau, Wisconsin 54401 715-841-9799

Stratton Management, Inc.* Raj Sundaram Rolly Lokre	1611 Schofield Avenue Weston, Wisconsin 54476 715-257-6001
WYOMING	
Franchisee	**Location**
Premier Wash Systems, LLC* Kevin Christianson	801 Edwards Street Gillette, Wyoming 82716 307-241-5850

***Multi-Unit Developer**

FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED

(as of December 31, 2022)

Arizona	
United Car Wash, LLC Tony Diza/Nibras Admon 1533 Tillman Falls Avenue Las Vegas, Nevada 89183 619-504-2271	Code Purple, LLC Vik Patel 3030 North Rocky Point Drive West, Suite 262 Tampa, Florida 33607 908-304-2852
California	
J&J Express Management LLC Jake Kofdarali/Jack Kofdarali 139 Radio Road Corona, California 92879 949-584-5252	Express Car Wash, Inc. Parneet Parmar 2998 Foothills Boulevard Roseville, California 95747 510-328-4000
RPG Express Washes, LLC Gleb Lvovich/Patrick Wood/Robert Beaton 10938 Portal Drive Los Almitos, California 90720 949-365-6698	BDKD Inc Babak Kashkhouli 1061 Summit Oak Drive Pertola Hills, California 92679 949-350-2363
Campus Car Wash Inc Sher Singh 5187 West Carmen Avenue Fresno, California 93722 559-681-0138	
Colorado	
Dutchman Car Washes, LLC Calvin Prins 890 South Washington Avenue Holland, Michigan 49423 616-836-1106	WMCC Capital, LLC Chris Poe 10 Woodmen Lane Colorado Springs, Colorado 80919 479-739-6601
Western Express Wash, LLC Mathew Tomme PO Box 4146 Telluride, Colorado 81435 970-708-1843	

Delaware	
Blue Sky Dover, LLC Manpreet Mattu 12636 Blue Sky Drive Clarksburg, Maryland 20871 302-897-5130	Clean Car, LLC Vrajesh Patel 221 North Broad Street Middletown, Delaware 19709 302-438-0000
Florida	
Soo Fresh and Soo Clean, Inc. Brian Carey 8296 32nd Avenue North St. Petersburg, Florida 33710 608-213-6270	Super Wash Bros, LLC Robert Palmiotto/Joseph Palmiotto 365 NE 28th Street Boca Raton, Florida 33431 305-965-9314
JR Wash Systems Richard Hyman 2632 Ardsley Drive Orlando, Florida 32804 407-808-2902	Tommy's Express Holdings Inc. Dan Dykgraaf 240 East 8th Street Holland, Michigan 49423 616-218-1333
With Valor Washing, LLC Amanda Williams 3602 Ridgewood Avenue Cincinnati, Ohio 45211 513-276-0998	Little Ollie Corporation Kerry Hatch 100 Ocean Road Vero Beach, Florida 32963 914-320-3577
TE Ventures, LLC Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661	
Georgia	
Zara 786, LLC Saheel Momin 1040 Liberty Way Watkinsville, Georgia 30677 678-425-8045	Lindanity, LLC Daniel Kedme/Logan Matsuoka 4009 North Stratford Road Northeast Atlanta, Georgia 30342 678-613-3292
Illinois	
TECW, LLC Keith Zimmerman/Richard Divelbiss 434 South Yellowstone Drive, Suite 101 Madison, Wisconsin 53719 608-220-1268	Premier Wash Systems, LLC* Kevin Christianson 4265 45th Street Fargo, South Dakota 58104 701-361-7277
H2GoExpress, LLC Jim Gottfred 607 North Avenue Lombard, Illinois 60148 630-410-9360	
Indiana	
ITE Holdings, LLC Todd Penning/Randy Moeller 6125 Sheldon Oak Drive Hudsonville, Michigan 49426 616-502-2906	Central Wash Group, LLC George Stem 6009 Dalton Farmer Driver Jonesboro, Arkansas 72404 870-253-9188

Iowa	
TCW Holding, LLC Michael Whalen 1501 River Drive Moline, Illinois 61265 563-343-4405	
Kentucky	
JADA Express, LLC* David DenHerder/Jamal Aqel 3939 North Greenbrooke Drive SE Grand Rapids, Michigan 49512 616-334-4666	
Louisiana	
Balaton Express Wash, LLC Patrick Lukacs 2720 Long Lake Drive Shreveport, Louisiana 71106 318-572-5888	
Maryland	
Bluesky Severna Car Wash LLC Manpreet Mattu 217 Old Mill Bottom Road South Annapolis, Maryland 21409 240-417-8723	Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297
Michigan	
TE Ventures, LLC* Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661	MI Express, LLC* Cliff Lunney/Jordan Jonna 4036 Telegraph Road, Suite 200 Bloomfield Hills, Michigan 48302 248-940-0402
Minnesota	
Premier Wash Systems, LLC* Kevin Christianson 4265 45th Street Fargo, South Dakota 58104 701-361-7277	
Mississippi	
TEW of Louisiana, LLC Todd Burns 1225 Mercedes Benz Drive Shreveport, Louisiana 71105 318-422-1700	
Missouri	
Dowling Enterprises, LLC William Dowling 5 Birdie Lane Frontenac, Missouri 63131 313-614-4294	SN Investment Group, LLC Sunny Sandhu 102 North Belt Highway Saint Joseph, Missouri 64506 913-709-9089

Oread Express Services, Corp. Brian Smith 24365 West 116th Court Olathe, Kansas 66061 913-707-0233	
Nebraska	
Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297	Nebraska Tunnel Wash 1, LLC* Matt Priester 2508 Timber Meadows Lane Norfolk, Nebraska 68701 402-920-0826
Nevada	
SudzBudz, Inc. Scott Mueller/Tom Wood/Bill Dezavala 844 Via Serenelia Henderson, Nevada 89011 805-479-8650	Cabral Car Wash Inc. Mike Cabral 540 Puenta Del Rey Street Las Vegas, Nevada 89138 702-780-6771
New Jersey	
A&Y Brothers, LLC Yogesh Patel 101 Hopkins Avenue Haddonfield, New Jersey 08033 732-859-3969	
New Mexico	
Phase 2 Corporation* Joseph Bencomo 5700 North Mesa Street El Paso, Texas 79912 915-204-8274	
New York	
TE Ventures, LLC* Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661	
North Carolina	
Wilson Wash, LLC Valli Kodali 7560 Carpenter Fire Station Road Cary, North Carolina 27519 910-308-8364	TE Ventures, LLC* Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661
MPM Hickory One, LLC Patrick Mullally/Mike Lieto/Matt Grimm 5600 Robinhood Road Charlotte, North Carolina 28211 231-571-3038	

Ohio	
Red Mountain Management Services Julian Monterosso/Aaron Sarver 133 West Main Street, Suite #279 Northville, Michigan 48167 248-277-8543	Dutchess Capital Partners, LLC Brad McAlpine/Matt Eldean 4971 146th Avenue Holland, Michigan 49423 616-368-9227
Dixie Car Wash, LLC Andrew Leonhard/Roy Smith 5435 Hobbit Road Cincinnati, Ohio 45243 908-447-3072	Yassini Wash Systems, LLC Musa Jundi 12160 Pheasant Run Circle North Royalton, Ohio 44133 440-334-0151
Oklahoma	
Wild Pines Ventures, LLC Austin & Tamara Davis 107 Layton Street, Suite A Dodge City, Iowa 67801 620-225-1674	RRC Washes, LLC Rodney Porter 6000 Carmel Valley Way Edmond, Oklahoma 73025 405-209-0246
Premier Wash Systems, LLC* Kevin Christianson 4265 45th Street Fargo, South Dakota 58104 701-361-7277	JTG Investments, LLC Chad Johnson 209 South Main Street Perryton, Texas 806-435-4131
Wild Pines Ventures, LLC* Austin & Tamara Davis 2121 North Perkins Road Stillwater, Oklahoma 74075 405-338-7484	
Pennsylvania	
Bruckhart, LLC Adam Bruckhart 3395 West College Avenue York, Pennsylvania 17408 617-733-5510	SWS Ventures, LLC Weston Shertzer/Nelson Shertzer/Tyler Weber 97 Charlestown Road Washington Boro, Pennsylvania 17582 717-575-9706
TE Ventures, LLC* Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661	M5 Car Wash LLC DJ Meagher 16 Radcliffe Drive Moosic, Pennsylvania 18507 570-419-7348
Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297	
South Carolina	
Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297	TE Ventures, LLC* Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661

Tennessee	
Scott and Anita Findlay* 6885 Williams Road Christiana, Tennessee 37037 615-293-1084	Zadik Holdings, LLC Didacus Onodingene 25 Century Boulevard, Suite 501 Nashville, Tennessee 37214 615-424-1990
H/S Holdings, LLC Justin Hampton 5133 Harding Pike Nashville, Tennessee 37205 615-306-1744	OKLA Inc Aaron Sternberg/Jack Sullivan 5445 Hazeltine Avenue Sherman Oaks, California 91401 818-307-5944
Johnson Commercial Development Steve Johnson 1407 Sunset Drive Johnson City, Tennessee 37604 423-948-1586	
Texas	
Cedar Ridge Express, LLC James Ocker 122222 Merit Drive, #1229 Dallas, Texas 75251 214-797-3302	Precision Auto Wash of Texas, LLC John Fairleigh 207 East Bellevue Avenue Scott City, Kansas 67871 620-872-1111
Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297	ARCW LLC Jeff Ottmers/David Nelson 1218 Sunset View San Antonio, Texas 78258 765-710-5947
Premier Wash Systems, LLC* Kevin Christianson 4265 45th Street Fargo, South Dakota 58104 701-361-7277	Brothers Partnership, LLC Michael Forrest/Ross Forrest 2525 East 8th Street Odessa, Texas 79761 432-967-2771
Tommy's 88-1, LLC Alan Drennen, Eric Ungaro, Jeffrey Bleacher 115 Sandra Muraida Way, Apt. 615 Austin, Texas 78703 404-307-1695	Armadillo Equity Partners, LLC Ryan Kelly/Gregory Hodges/Kevin Moses/Chris Jones 29144 Old Fredericksburg Road Boerne, Texas 78015 910-554-6567
TX Tommys Operations, LLC Mat Trenchard 11111 Katy Freeway Houston, Texas 77079 281-686-3559	D4 Entities No 1 LLC David Davenport 6014 Firecrest Drive Garland, Texas 75044 214-677-8252
Cee Dee Enterprises Dilip Naik/Chiraag Naik 1034 Jacksdaw Drive Austin Texas 78737 512-791-1417	W Main Enterprises LLC Robert Main 35 Heights Creek Drive Missouri City, Texas 77459 832-428-6770

Premier Wash Systems, LLC* Kevin Christianson 4530 Teasley Lane Denton, Texas 76210 940-215-6005	
Virginia	
KSMA Wash VA, LLC Michael Barnes 729 Thimble Shoals Boulevard Newport News, Virginia 23606 703-434-1090	Olympus Pines Management, LLC* Trevor Sperry/Michael Cianelli 6900 South 900 East, Suite 250 Midvale, Utah 84047 801-201-0297
Washington	
Clayton's Car Wash, LLC Clayton Wall 1850 North 34th Street Seattle, Washington 98105 901-827-4899	
Wisconsin	
Stratton Management, LLC Raj Sundaram/Rolly Lokre 3062 Village Park Drive Plover, Wisconsin 54467 805-455-2096	STKJR Express, LLC Steve Kilian 2110 West Washington Street West Bend, Wisconsin 53095 262-751-5541
Stratton Management, Inc.* Raj Sundaram/Rolly Lokre 117 Division Street North Stevens Point, Wisconsin 54481 715-280-2969	
Wyoming	
Precision Auto Wash of Colorado, LLC John Fairleigh 4443 Windmill Road Cheyenne, Wyoming 82001 620-872-1111	
Puerto Rico	
GP+5 Ventures, LLC Orlando González Rivera Mirador de Cupey A-8 Street 2 San Juan, Puerto Rico 00926 787-207-0700	

***Multi-Unit Developer**

EXHIBIT F TO THE DISCLOSURE DOCUMENT

FRANCHISEES WHO HAVE LEFT THE SYSTEM

(as of December 31, 2022)

California	
Kevin Scuitto Fresno 559-289-2574 *Outlet never opened*	
Connecticut	
ROC Wash Holdings, LLC** Robert Morgan/Chuck Caranci 1170 Pittsford Victor Road Pittsford, New York 14534 585-752-7661 *Outlet never opened*	
Florida	
K2 Enterprises Todd Kirby 513-264-6940 *Outlet never opened*	
Georgia	
Greg & Chris Yarber Powder Springs 770-380-4186 *Outlet never opened*	
Minnesota	
Kevin Christianson** Mounds View 701-361-7277 *Transferred to Ingvaldsen in 2022*	
Nebraska	
Ray Anderson Omaha 402-415-4540 *Transferred two outlets to Cianelli in 2022*	Craig & Paul Jones Lincoln 402-206-6766 *Transferred to Cianelli in 2022*
Nevada	
David Daneshforooz Las Vegas 702-239-9999 *Outlet never opened*	
North Carolina	
Coke Mann Columbia, South Carolina 803-238-1799 *Transferred two outlets to Sperry in 2022*	

South Carolina	
Coke Mann Columbia 803-238-1799 *Transferred to Sperry in 2022*	
Tennessee	
Terry Swatley Collierville 901-230-6855 *Outlet never opened*	
Texas	
Nicolaas Blom San Antonio 210-556-8407 *Transferred to Sperry in 2022*	Brian Houtman Sugar Land 505-570-7159 *Outlet never opened*

**Franchisee continues to operate other Tommy's Express outlet(s).

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EXHIBIT H TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

TOMMY'S EXPRESS, LLC

FINANCIAL STATEMENTS

Years ended December 31, 2022 and 2021

BeeneGarter
A DOEREN MAYHEW FIRM

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Officers and Members
Tommy's Express, LLC
Holland, MI

Opinion

We have audited the accompanying financial statements of Tommy's Express, LLC which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Tommy's Express, LLC as of December 31, 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. 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 Tommy's Express, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

56 Grandville Ave. SW, Suite 100
Grand Rapids, MI 49503
616.235.5200 | 800.824.7882
FAX 616.235.5285 | BeeneGarter.com

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 an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the 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 Tommy Express, LLC'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 Tommy's Express, LLC'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.

Beene Garter
A Doeren Mayhew Firm
Grand Rapids, Michigan
May 22, 2023

FINANCIAL STATEMENTS

BeeneGarter
A DOEREN MAYHEW FIRM

	2022	2021
ASSETS		
Current Assets		
Cash	**$ 13,560,023**	$ 10,569,396
Restricted cash	**2,267,909**	1,391,009
Accounts receivable - trade	**582,827**	49,825
Accounts receivable - related party	**515,348**	29,713
Prepaid expenses	**335,137**	145,856
Current portion of deferred costs to obtain contracts	**91,281**	79,513
TOTAL CURRENT ASSETS	**17,352,525**	12,265,312
Property and Equipment	**158,547**	194,235
Other Assets		
Deferred costs to obtain contracts	**1,493,290**	1,354,075
Intangible assets (net of amortization)	**75,611**	90,488
	$ 19,079,973	$ 13,904,110

December 31, 2022 and 2021

	2022	2021
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	**$ 450,773**	$ 1,524,436
Franchise site app revenue payable	**2,443,417**	-
Contract liabilities	**8,651,139**	6,994,755
Accrued liabilities		
Salaries, wages, and other compensation	**604,898**	257,506
Distributions	**263,090**	135,319
TOTAL CURRENT LIABILITIES	**12,413,317**	8,912,016
Contract liabilities, long-term	**3,491,888**	2,193,369
Members' Equity	**3,174,768**	2,798,725
	$ 19,079,973	$ 13,904,110

See accompanying notes

TOMMY'S EXPRESS, LLC

STATEMENTS OF INCOME

Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Initial franchise fees	**$ 1,541,991**	$ 1,274,789
Continuing franchise fees	**9,796,279**	5,789,400
Finder's fee income	**2,100,000**	1,650,000
Marketing fees	**792,868**	264,179
Total Revenues	**14,231,138**	8,978,368
General and Administrative Expenses		
Payroll	**4,760,022**	3,136,436
Payroll taxes	**386,391**	232,058
Employee benefits	**517,503**	276,648
Training and education	**1,004,388**	466,422
Travel	**836,279**	112,955
Meals & entertainment	**77,063**	31,926
Franchise management fees	**391,618**	473,039
Technology	**552,052**	105,763
Advertising	**1,027,542**	297,291
Brand fund marketing	**1,826,032**	1,189,543
Legal & professional fees	**436,712**	120,920
Tradeshows	**-**	122,525
Occupancy	**251,447**	166,551
Office expenses	**115,758**	74,774
Insurance	**74,288**	29,067
Depreciation	**34,021**	34,021
Amortization	**14,877**	14,877
Charitable contributions	**204,301**	143,545
Dues & subscriptions	**16,830**	10,139
Miscellaneous	**292,629**	27,798
Total General and Administrative Expenses	**12,819,753**	7,066,298
Other Income		
Interest Income	**17,326**	-
Miscellaneous Income	**1,346**	40,991
Pass-through of Paycheck Protection Program debt payback	**-**	(45,283)
NET INCOME	**$ 1,430,057**	$ 1,907,778

See accompanying notes

TOMMY'S EXPRESS, LLC

STATEMENTS OF MEMBERS' EQUITY

Years Ended December 31, 2022 and 2021

BALANCE - January 1, 2021	**$ 1,546,661**
Members' contribution	133,668
Members' distribution	(789,382)
Net income	1,907,778
BALANCE - December 31, 2021	**2,798,725**
Members' distribution	(1,054,014)
Net income	1,430,057
BALANCE - December 31, 2022	**$ 3,174,768**

See accompanying notes

	2022	2021
Cash Flows from Operating Activities		
Net income	**$ 1,430,057**	$ 1,907,778
Noncash items included in net income		
Depreciation and amortization	**48,898**	48,898
Amortization of deferred costs to obtain contracts	**143,384**	64,329
Loss on sale of assets	**1,667**	-
Changes in operating assets and liabilities		
Accounts receivable	**(1,018,637)**	(28,605)
Prepaid expenses	**(189,281)**	(92,324)
Deferred costs to obtain contracts	**(294,367)**	(587,050)
Accounts payable	**1,369,754**	827,138
Contract liabilities	**2,954,903**	3,452,866
Accrued liabilities	**347,392**	164,256
NET CASH PROVIDED BY OPERATING ACTIVITIES	**4,793,770**	5,757,286
Cash Flows from Financing Activities		
Members' contributions	**-**	133,668
Members' distributions	**(926,243)**	(654,063)
NET CASH USED BY FINANCING ACTIVITIES	**(926,243)**	(520,395)
NET INCREASE IN CASH AND RESTRICTED CASH	**3,867,527**	5,236,891
Cash and Restricted Cash at Beginning of Year	**11,960,405**	6,723,514
CASH AND RESTRICTED CASH AT END OF YEAR	**$ 15,827,932**	$ 11,960,405
Cash	**$ 13,560,023**	$ 10,569,396
Restricted cash	**2,267,909**	1,391,009
	$ 15,827,932	$ 11,960,405
Noncash Transactions		
Distribution included in accrued liabilities	**$ 263,090**	$ 135,319

See accompanying notes

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activity

Tommy's Express, LLC (Company) was formed in September 2015 in the State of Michigan. The Company is a franchisor of automatic exterior tunnel car washes under the Tommy's Express brand. The Company offers franchises throughout the United States.

There were one hundred twenty-nine and eighty-four total car wash locations in operation as of December 31, 2022 and 2021, respectively.

Revenues and Cost Recognition

The Company earns revenue from its franchised locations including franchise fees, royalties, brand development fees and technology fees. The Company sells franchisees the right to operate Tommy's car wash locations within a defined territory using the franchise name. The initial term of a franchise agreement is typically 20 years with an option to renew for a fee. Initial franchise revenues for the year ended December 31, 2022 and 2021 include $1,541,991 and $1,274,789 for new franchise agreements, respectively.

The Company's franchise agreements require the payment of various fixed and variable fees. Initial franchise and renewal franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Royalties and brand development fees are paid on a weekly basis, based upon a percentage, between 0% and 4%, of franchisee gross sales. Additional weekly fees are also charged for technology support provided to the franchisees. As franchisee locations commence operations, the Company may at times choose to waive or discount royalties or fees. Royalty fees are recognized as revenue on a weekly basis as the underlying sales occur. Royalties, brand development fees, and technology fees are included in continuing franchise fees on the Statement of Income.

The franchise agreement includes three distinct performance obligations: the franchise right, training, and site selection. The revenue related to training and site selection services are recognized at the point in time when the services have been substantially completed. The remaining portion of initial franchise fees are allocated to the franchise right and recognized ratably over the term of the related franchise agreement. Further, the Company pays sales commission upon the sale of franchise agreements which are recognized ratably over the term of the related franchise agreement and reflected as deferred costs to obtain contracts. Amortization of deferred costs to obtain contracts was $143,384 and $64,329 in 2022 and 2021, respectively.

The following table presents the aggregate amounts of revenue and expense the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2022:

	Franchise Revenue	Commission Expense
Years ending		
2023	$ 2,006,035	$ 91,281
2024	203,235	91,281
2025	203,235	91,281
2026	203,235	91,281
2027	203,235	91,281
Thereafter	2,681,147	1,128,166
	$ 5,500,122	**$ 1,584,571**

Franchise revenue includes initial performance obligations for site selection and training which management anticipates will occur in the next year.

All franchisees are required to contribute to the brand development fund in accordance with policies established by the Company or stipulated in franchise agreements. Brand development fees from the franchisees of $1,804,505 and $1,134,897 for 2022 and 2021, respectively, are included in Continuing franchise fees. Brand fund marketing expenses of $1,826,032 and $1,189,543 for 2022 and 2021, respectively, are included in general and administrative expenses in the Statements of Income.

The Company recognizes marketing revenue as the services are provided and billed. Revenue from fixed fee projects may be billed in advance and is recognized as a liability under deferred revenue until earned.

The Company has entered into an agreement with a related party to charge fixed finder's fees for franchisee equipment sales. Finder's fee revenue is recognized when franchisees' equipment is shipped and the franchisee has paid for the equipment in accordance with the agreement.

Cash and Restricted Cash

The Company maintains cash balances at one bank. Accounts are insured by the Federal Deposit Insurance Corporation. From time to time, cash balances may exceed the federally insured limits.

Restricted cash represents funds collected and segregated for the purpose of funding unredeemed gift cards. A corresponding contract liability is recorded.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances, based on management's evaluations of individual franchisee circumstances. Amounts deemed uncollectible are written off through a charge to the valuation allowance and a credit to accounts receivable in the period that determination is made. Management considers the amounts currently recorded to be fully collectible.

Related party receivables are finder fees due from a related party under common ownership.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the respective assets. Costs of repairs and maintenance are charged to expense when incurred.

Property, equipment and intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the expected future cash flow from the use of the asset and its eventual disposition is less than the carrying amount of the asset, an impairment loss is recognized and measured using the asset's fair value. No such losses were recognized during 2022 or 2021.

Intangible Assets

Intangible assets subject to amortization include a trademark, development costs of the Tommy's Club app, and goodwill, which are being amortized on a straight-line basis. The trademark is being amortized over fifteen years. Development costs of the Tommy's Club app are being amortized over three years. The goodwill was acquired at the end of 2017 and represents the excess of cash paid over assets acquired. The Company elected the alternative method of accounting for goodwill as allowed by U.S. generally accepted accounting principles. Goodwill is being amortized over ten years.

In 2021, the Company adopted ASU 2021-03, *Accounting Alternative for Evaluating Triggering Events*, to perform goodwill impairment triggering event evaluation as of the end of the reporting period.

Franchise Site App Revenue Payable

Franchise site app revenue payable represents undistributed weekly revenue owed to franchise sites for revenues, net of royalties, brand development fees and technology fees.

Contract Liabilities

Contract liabilities include franchise deposits, deferred franchise fee revenue, and unredeemed gift cards. Unearned franchise revenue is generally recognized as the benchmarks of the franchise agreements are achieved. Franchise deposits held at December 31, 2022 and 2021 consist of deposits for 408 and 355 prospective franchise locations, respectively.

Unredeemed gift cards are recorded net of management's estimate of card breakage. Management's policy is to segregate available cash to cover the future gift card liability.

Income Taxes

The Company is organized as a limited liability company under provisions of the Internal Revenue Code. Under these provisions, all tax attributes are passed through to the members. Income taxes, if any, are payable by members based on their respective share of operations.

Tax positions taken are assessed for uncertainty and a provision may be recorded if a tax position is not likely to be sustained upon examination.

The Company has elected to pay a new tax at the entity level, effective retroactively for tax years beginning on or after January 1, 2021. The Michigan Flow Through Entity (FTE) tax is levied at the current individual income tax rate on the Company's positive business income tax base, after allocation and apportionment of income to Michigan and certain adjustments. The Company pays the FTE tax only on the business income tax base allocable to members who are individuals, flow-through entities, estates, or trusts, and not on the business income tax base allocable to members that are corporations, insurance companies, or financial institutions. Accordingly, the Company has recorded an expense in the amount of $59,000 and $7,500 for the years ended December 31, 2022 and 2021, respectively.

Based on the insignificance of the tax, the Company has omitted all income tax disclosures and recorded the tax as an office expense in the statement of income.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. Total advertising expenses were $234,674 in 2022 and $297,291 in 2021.

Subsequent Events

Management has evaluated significant events or transactions occurring subsequent to December 31, 2022, for potential recognition or disclosure in these financial statements. The evaluation was performed through May 22, 2023, the date the financial statements were available for issuance. See Note 6 for subsequent event.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from the estimates used.

Significant estimates include management's calculation of deferred revenues for unredeemed gift cards. This calculation involves assumptions related to redemption patterns based upon collected data and historical experience. Management believes that any future adjustments to this calculated obligation will not be material to the accompanying financial statements.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326). The main provisions of this pronouncement include requiring financial assets to be presented at the net amount expected to be collected utilizing an allowance for credit losses. The ASU is effective for annual periods beginning after December 15, 2022. Management does not expect the adoption of this standard to have a material effect on the financial statements.

NOTE 2 - CONTRACT BALANCES

Contract balances related to contracts with customers for the years ended December 31, 2022 and 2021, were as follows:

	2022	2021
Accounts receivable - trade	**$ 582,827**	$ 49,825
Contract liabilities		
Franchise deposits	**$ 4,375,000**	$ 4,245,000
Deferred franchise fee revenue	**2,008,234**	1,358,744
Unredeemed gift cards	**2,267,905**	1,391,011
	$ 8,651,139	$ 6,994,755
Contract liabilities, long-term		
Deferred franchise fee revenue	**$ 3,491,888**	$ 2,193,369

At January 1, 2021, accounts receivable – trade were $50,933, current contract liabilities were $4,502,621, and contract liabilities, long-term were $1,232,637.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2022	2021
Furniture and fixtures	**$ 165,877**	$ 165,877
Equipment	**-**	31,495
Leasehold improvements	**125,119**	125,119
	290,996	322,491
Accumulated depreciation	**(132,449)**	(128,256)
	$ 158,547	$ 194,235

NOTE 4 - INTANGIBLE ASSETS

Intangible assets are comprised of the following:

	2022	2021
Trademark	**$ 5,656**	$ 5,656
Tommy's Club App Development	**34,348**	34,348
Goodwill	**145,000**	145,000
Total	**185,004**	185,004
Less: Accumulated Amortization	**(109,393)**	(94,516)
Net Intangible Assets	**$ 75,611**	$ 90,488

Amortization on the above intangible assets is expected to be $14,877 for the next five years.

NOTE 5 - RELATED PARTY

Following is information regarding transactions with companies related by common ownership for the years ended December 31, 2022 and 2021:

	2022	2021
Continuing franchise fee revenue from related party	**$ 580,811**	$ 434,342
Finders fee revenue from related party	**2,100,000**	1,650,000
Employee leasing through payroll	**4,760,022**	3,136,436
Payroll taxes associated with leased employees	**386,391**	232,058
Employee benefits associated leased employees	**517,503**	276,648
Other purchases from related party	**739,128**	374,030
Rent and other occupancy expenses paid to related party	**205,570**	140,290
Amounts payable to related party	**412,625**	401,701
Accrued payroll to a related party	**545,782**	219,263
Amounts receivable from related party	**515,348**	29,713

In addition, the Company has recognized initial franchise fees totaling approximately $69,000 and $92,000 in 2022 and 2021, respectively, from entities in which members have a minority interest. The Company has also recognized continuing franchise fees totaling approximately $885,000 and $423,000 in 2022 and 2021, respectively, from the same entities.

During the year ended December 31, 2020 a company related through common ownership, through which the Company leased employees, received a federal Paycheck Protection Program (PPP) Loan. This company complied with applicable program requirements and applied for and received partial forgiveness. The remainder of the PPP loan was paid back. The company allocated a portion of their PPP loan payback to Tommy's Express, LLC in the amount of $45,283 in 2021 and is reported as Pass-through of Paycheck Protection Program debt payback on the statement of income.

NOTE 6 - LEASE

The Company leases office space for $6,516 per month plus related occupancy costs from a company related through common ownership under a lease agreement. Under the terms of the lease, the Company is responsible for all utilities, maintenance, taxes, and insurance. The agreement initially is set to expire in August 2030, however, the lease will terminate in mid-2023, as the lessor of the building is terminating the lease. Remaining payments on the lease for the year-ending December 31, 2023 are expected to be approximately $39,000.

The Company leases office space for $9,975 per month from a company related through common ownership under an agreement expiring in May 2023. Remaining payments on the lease for the year-ending December 31, 2023 are expected to be approximately $50,000.

The Company leases office space for $1,400 per month from a third party under an agreement expiring in September 2023. Remaining payments on the lease for the year-ending December 31, 2023 are expected to be approximately $13,000.

Total rent paid for 2022 and 2021 was $149,192 and $74,628, respectively, and is included in occupancy costs in the statements of income.

Management anticipates entering into a lease agreement with a related party for new facilities in 2023.

NOTE 7 - BUY AND SELL AGREEMENTS

The Company's operating agreement provides for certain ownership transfers in the event that a member exits or otherwise divests of their ownership.

A member of the Company is permitted to withdraw from the Company only upon unanimous consent of the other members. Remaining members have the right to purchase the withdrawing member's entire membership interest or to dissolve and liquidate the Company. If the remaining members elect to purchase the membership interest of the withdrawing member, the purchase shall occur at the fair market value of the Company.

Upon the death, bankruptcy or incompetency of a member, the other members shall have the first option to purchase all or any portion of the shares held by the deceased, bankrupt or incompetent member. If the remaining members elect to purchase the membership interest of the withdrawing member, the purchase shall occur at the fair market value of the Company.

NOTE 8 - RECLASSIFICATIONS

Certain reclassifications were made to the 2021 financial statements in order to conform to the 2022 presentation.

TOMMY'S EXPRESS, LLC

FINANCIAL STATEMENTS

Years ended December 31, 2021 and 2020

BeeneGarter

A DOEREN MAYHEW FIRM

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INDEPENDENT AUDITOR'S REPORT

Officers and Members
Tommy's Express, LLC
Holland, MI

Opinion

We have audited the accompanying financial statements of Tommy's Express, LLC which comprise the balance sheet as of December 31, 2021, and the related statements of income, members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Tommy's Express, LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of Tommy's Express, LLC as of and for the year ended December 31, 2020 were audited by Beene Garter LLP whose report dated April 22, 2021 expressed an unmodified opinion on those statements.

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 Tommy's Express, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Tommy Express, LLC'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 Tommy's Express, LLC's ability to continue as a going concern for a reasonable period of time.

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

Beene Garter

Beene Garter
A Doeren Mayhew Firm
Grand Rapids, MI
May 6, 2022

FINANCIAL STATEMENTS

	2021	2020
ASSETS		
Current Assets		
Cash	**$ 10,569,396**	$ 5,987,829
Restricted cash	**1,391,009**	735,685
Accounts receivable - trade	**79,538**	50,933
Prepaid expenses	**145,856**	53,532
Current portion of deferred costs to obtain contracts	**79,513**	50,200
TOTAL CURRENT ASSETS	**12,265,312**	6,878,179
Property and Equipment	**194,235**	228,257
Other Assets		
Deferred costs to obtain contracts	**1,354,075**	860,667
Intangible assets (net of amortization)	**90,488**	105,365
	$ 13,904,110	$ 8,072,468

December 31, 2021 and 2020

	2021	2020
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	**$ 1,524,436**	$ 697,298
Contract liabilities	**6,994,755**	4,502,621
Accrued liabilities		
Salaries, wages, and other compensation	**257,506**	93,251
Distributions	**135,319**	-
TOTAL CURRENT LIABILITIES	**8,912,016**	5,293,170
Contract liabilities, long-term	**2,193,369**	1,232,637
Members' Equity	**2,798,725**	1,546,661
	$ 13,904,110	$ 8,072,468

See accompanying notes

TOMMY'S EXPRESS, LLC

STATEMENTS OF INCOME

Years Ended December 31, 2021 and 2020

	2021	2020
Revenues		
Initial franchise fees	**$ 1,274,789**	$ 782,587
Continuing franchise fees	**5,789,400**	2,789,610
Finder's fee income	**1,650,000**	1,050,000
Marketing fees	**264,179**	198,749
Total Revenues	**8,978,368**	4,820,946
General and Administrative Expenses		
Payroll	**3,136,436**	1,748,686
Payroll taxes	**232,058**	152,632
Employee benefits	**276,648**	182,621
Outside labor	**-**	8,523
Training and education	**466,422**	209,427
Travel	**112,955**	75,339
Meals & entertainment	**31,926**	17,112
Franchise management fees	**473,039**	232,287
Technology	**64,533**	42,875
Software	**41,230**	24,520
Advertising	**297,291**	163,086
Brand fund marketing	**1,189,543**	430,133
Legal & professional fees	**120,920**	63,351
Tradeshows	**122,525**	92,057
Occupancy	**166,551**	161,499
Office expenses	**74,774**	22,188
Insurance	**29,067**	20,758
Depreciation	**34,021**	34,021
Amortization	**14,877**	14,876
Charitable contributions	**143,545**	76,961
Dues & subscriptions	**10,139**	14,932
Bad debt	**-**	9,282
Miscellaneous	**27,798**	25,492
Total General and Administrative Expenses	**7,066,298**	3,822,658
Other Income		
Miscellaneous Income	**40,991**	2,093
Pass-through of Paycheck Protection Program debt (payback) forgiveness	**(45,283)**	325,350
NET INCOME	**$ 1,907,778**	$ 1,325,731

See accompanying notes

BALANCE - January 1, 2020	**$ 293,930**
Members' contribution	2,000
Members' distribution	(75,000)
Net income	1,325,731
BALANCE - December 31, 2020	**1,546,661**
Members' contribution	133,668
Members' distribution	(789,382)
Net income	1,907,778
BALANCE - December 31, 2021	**$ 2,798,725**

See accompanying notes

	2021	2020
Cash Flows from Operating Activities		
Net income	**$ 1,907,778**	$ 1,325,731
Noncash items included in net income		
Depreciation and amortization	**48,898**	48,897
Amortization of deferred costs to obtain contracts	**64,329**	76,483
Changes in operating assets and liabilities		
Accounts receivable - trade	**(28,605)**	(19,092)
Accounts receivable - related party	**-**	537,124
Prepaid expenses	**(92,324)**	(53,532)
Deferred costs to obtain contracts	**(587,050)**	(324,983)
Accounts payable	**827,138**	516,204
Contract liabilities	**3,452,866**	2,002,273
Accrued liabilities	**164,256**	(5,813)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**5,757,286**	4,103,292
Cash Flows from Investing Activities		
Purchase of property and equipment	**-**	(4,890)
Cash Flows from Financing Activities		
Members' contributions	**133,668**	2,000
Members' distributions	**(654,063)**	(75,000)
NET CASH USED BY FINANCING ACTIVITIES	**(520,395)**	(73,000)
NET INCREASE IN CASH AND RESTRICTED CASH	**5,236,891**	4,025,402
Cash and Restricted Cash at Beginning of Year	**6,723,514**	2,698,112
CASH AND RESTRICTED CASH AT END OF YEAR	**$ 11,960,405**	$ 6,723,514
Cash	**$ 10,569,396**	$ 5,987,829
Restricted cash	**1,391,009**	735,685
	$ 11,960,405	$ 6,723,514
Noncash Transactions		
Distribution included in accrued liabilities	**$ 135,319**	$ -

See accompanying notes

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activity

Tommy's Express, LLC (Company) was formed in September 2015 in the State of Michigan. The Company is a franchisor of automatic exterior tunnel car washes under the Tommy's Express brand. The Company offers franchises throughout the United States.

Navigate Creative Works, a division of Tommy's Express, LLC, provides marketing, creative and strategic services. Fees are charged on a fixed fee and time and material basis. There was limited activity under Navigate Creative Works during 2021 and 2020.

There were eighty-four and fifty-six total car wash locations in operation as of December 31, 2021 and 2020, respectively.

Revenues and Cost Recognition

The Company earns revenue from its franchised locations including franchise fees, royalties, brand development fees and technology fees. The Company sells franchisees the right to operate Tommy's car wash locations within a defined territory using the franchise name. The initial term of a franchise agreement is typically 20 years with an option to renew for a fee. Initial franchise revenues for the year ended December 31, 2021 and 2020 include $1,274,789 and $782,587 for new franchise agreements, respectively.

The Company's franchise agreements require the payment of various fixed and variable fees. Initial franchise and renewal franchise fees are due and typically paid when a franchise agreement is executed and are nonrefundable. These fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Royalties and brand development fees are paid on a weekly basis, based upon a percentage, between 0% and 4%, of franchisee gross sales. Additional weekly fees are also charged for technology support provided to the franchisees. As franchisee locations commence operations, the Company may at times choose to waive or discount royalties or fees. Royalty fees are recognized as revenue on a weekly basis as the underlying sales occur. Royalties, brand development fees, and technology fees are included in continuing franchise fees on the Statement of Income.

The franchise agreement includes three distinct performance obligations: the franchise right, training, and site selection. The revenue related to training and site selection services are recognized at the point in time when the services have been substantially completed. The remaining portion of initial franchise fees are allocated to the franchise right and recognized ratably over the term of the related franchise agreement. Further, the Company pays sales commission upon the sale of franchise agreements which are recognized ratably over the term of the related franchise agreement and reflected as deferred costs to obtain contracts. Amortization of deferred costs to obtain contracts was $64,329 and $76,483 in 2021 and 2020, respectively.

The following table presents the aggregate amounts of revenue and expense the Company expects to recognize in future years as a result of satisfying the performance obligations associated with franchise agreements that have unsatisfied performance obligations as of December 31, 2021:

	Franchise Revenue	Commission Expense
Years ending		
2022	$ 1,358,745	$ 79,513
2023	126,945	79,513
2024	126,945	79,513
2025	126,945	79,513
2026	126,945	79,513
Thereafter	1,685,588	1,036,023
	$ 3,552,113	**$ 1,433,588**

Franchise revenue includes initial performance obligations for site selection and training which management anticipates will occur in the next year.

All franchisees are required to contribute to the brand development fund in accordance with policies established by the Company or stipulated in franchise agreements. Brand development fees from the franchisees of $1,134,897 and $582,212 for 2021 and 2020, respectively, are included in Continuing franchise fees. Brand fund marketing expenses of $1,189,543 and $430,133 for 2021 and 2020, respectively, are included in general and administrative expenses in the Statements of Income.

The Company recognizes marketing revenue as the services are provided and billed. Revenue from fixed fee projects may be billed in advance and is recognized as a liability under deferred revenue until earned.

During 2019, the Company entered into an agreement with a related party to charge fixed finder's fees for franchisee equipment sales. Finder's fee revenue is recognized when franchisees' equipment is shipped and the franchisee has paid for the equipment in accordance with the agreement.

Cash and Restricted Cash

The Company maintains cash balances at one bank. Accounts are insured by the Federal Deposit Insurance Corporation. From time to time, cash balances may exceed the federally insured limits.

Restricted cash represents funds collected and segregated for the purpose of funding unredeemed gift cards. A corresponding contract liability is recorded.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the respective assets. Costs of repairs and maintenance are charged to expense when incurred.

Property, equipment and intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the expected future cash flow from the use of the asset and its eventual disposition is less than the carrying amount of the asset, an impairment loss is recognized and measured using the asset's fair value. No such losses were recognized during 2021 or 2020.

Intangible Assets

Intangible assets subject to amortization include a trademark, development costs of the Tommy's Club app, and goodwill, which are being amortized on a straight-line basis. The trademark is being amortized over fifteen years. Development costs of the Tommy's Club app are being amortized over three years. The goodwill was acquired at the end of 2017 and represents the excess of cash paid over assets acquired. The Company elected the alternative method of accounting for goodwill as allowed by U.S. generally accepted accounting principles. Goodwill is being amortized over ten years.

In 2021, the Company adopted ASU 2021-03, *Accounting Alternative for Evaluating Triggering Events*, to perform goodwill impairment triggering event evaluation as of the end of the reporting period.

Contract Liabilities

Contract liabilities include franchise deposits, deferred franchise fee revenue, and unredeemed gift cards. Unearned franchise revenue is generally recognized as the benchmarks of the franchise agreements are achieved. Franchise deposits held at December 31, 2021 and 2020 consist of deposits for 355 and 231 prospective franchise locations, respectively.

Unredeemed gift cards are recorded net of management's estimate of card breakage. Management's policy is to segregate available cash to cover the future gift card liability.

Income Taxes

The Company is organized as a limited liability company under provisions of the Internal Revenue Code. Under these provisions, all tax attributes are passed through to the members. Income taxes, if any, are payable by members based on their respective share of operations.

Tax positions taken are assessed for uncertainty and a provision may be recorded if a tax position is not likely to be sustained upon examination.

The Company has elected to pay a new tax at the entity level, effective retroactively for tax years beginning on or after January 1, 2021. The Michigan Flow Through Entity (FTE) tax is levied at the current individual income tax rate on the Company's positive business income tax base, after allocation and apportionment of income to Michigan and certain adjustments. The Company pays the FTE tax only on the business income tax base allocable to members who are individuals, flow-through entities, estates, or trusts, and not on the business income tax base allocable to members that are corporations, insurance companies, or financial institutions. Accordingly, the Company has recorded an expense in the amount of $7,500 for the year ended December 31, 2021.

Based on the insignificance of the tax, the Company has omitted all income tax disclosures and recorded the tax as an office expense in the statement of income.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. Total advertising expenses were $297,291 in 2021 and $163,086 in 2020.

Subsequent Events

Management has evaluated significant events or transactions occurring subsequent to December 31, 2021, for potential recognition or disclosure in these financial statements. The evaluation was performed through May 6, 2022, the date the financial statements were available for issuance.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from the estimates used.

Significant estimates include management's calculation of deferred revenues for unredeemed gift cards. This calculation involves assumptions related to redemption patterns based upon collected data and historical experience. Management believes that any future adjustments to this calculated obligation will not be material to the accompanying financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, Leases (Topic 842), which provides guidance for accounting for leases. The new guidance requires companies to recognize the assets and liabilities for the rights and obligations created by leased assets, initially measured at the present value of the lease payments. The accounting guidance for lessors is largely unchanged. The ASU is effective for annual periods beginning after December 15, 2021. The Company is currently evaluating the impact this guidance will have on the Company's financial statements.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326). The main provisions of this pronouncement include requiring financial assets to be presented at the net amount expected to be collected utilizing an allowance for credit losses. The ASU is effective for annual periods beginning after December 15, 2022. Management does not expect the adoption of this standard to have a material effect on the financial statements.

NOTE 2 - CONTRACT BALANCES

Contract balances related to contracts with customers for the years ended December 31, 2021 and 2020, were as follows:

	2021	2020
Accounts receivable - trade	**$ 79,538**	$ 50,933
Contract liabilities		
Franchise deposits	**$ 4,245,000**	$ 2,920,000
Deferred franchise fee revenue	**1,358,744**	784,265
Unredeemed gift cards	**1,391,011**	798,356
	$ 6,994,755	$ 4,502,621
Contract liabilities, long-term		
Deferred franchise fee revenue	**$ 2,193,369**	$ 1,232,637

At January 1, 2020, accounts receivable – trade were $31,841, current contract liabilities were $2,913,864, and contract liabilities, long-term were $819,121.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2021	2020
Furniture and fixtures	**$ 165,877**	$ 165,877
Equipment	**31,495**	31,495
Leasehold improvements	**125,119**	125,119
	322,491	322,491
Accumulated depreciation	**(128,256)**	(94,234)
	$ 194,235	$ 228,257

NOTE 4 - INTANGIBLE ASSETS

Intangible assets are comprised of the following:

	2021	2020
Trademark	**$ 5,656**	$ 5,656
Tommy's Club App Development	**34,348**	34,348
Goodwill	**145,000**	145,000
Total	**185,004**	185,004
Less: Accumulated Amortization	**(94,516)**	(79,639)
Net Intangible Assets	**$ 90,488**	$ 105,365

Amortization on the above intangible assets is expected to be $14,877 for the next five years.

NOTE 5 - RELATED PARTY

Following is information regarding transactions with companies related by common ownership for the years ended December 31, 2021 and 2020:

	2021	2020
Continuing franchise fee revenue from related party	**$ 434,342**	$ 196,234
Finders fee revenue from related party	**1,650,000**	1,050,000
Employee leasing through payroll	**3,136,436**	1,748,686
Payroll taxes associated with leased employees	**232,058**	152,632
Employee benefits associated leased employees	**276,648**	182,621
Other purchases from related party	**374,030**	196,674
Rent paid to related party	**140,290**	140,690
Amounts payable to related party	**401,701**	268,423
Accrued payroll to a related party	**219,263**	71,737
Amounts receivable from related party	**29,713**	-

In addition, the Company has recognized initial franchise fees totaling approximately $92,000 and $57,000 in 2021 and 2020, respectively, from entities in which members have a minority interest. The Company has also recognized continuing franchise fees totaling approximately $423,000 and $175,000 in 2021 and 2020, respectively, from the same entity.

During the year ended December 31, 2020 a company related through common ownership, through which the Company leases employees, received a federal Paycheck Protection Program (PPP) Loan. This company complied with applicable program requirements and applied for and received partial forgiveness. The remainder of the PPP loan will be paid back. The company allocated a portion of their PPP loan payback to Tommy's Express, LLC in the amount of $45,283. This is reported as Pass-through of Paycheck Protection Program debt (payback) forgiveness on the statement of income.

NOTE 6 - LEASE

The Company leases office space for $6,326 per month plus related occupancy costs from a company related through common ownership under an agreement expiring in August 2030. Under the terms of the lease, the Company is responsible for all utilities, maintenance, taxes, and insurance. Total rent paid for 2021 and 2020 was $140,290 and $140,690, respectively, and is included in occupancy costs in the statement of income.

Approximate minimum future rental payments are as follows:

Years ending December 31:	
2022	$ 76,867
2023	79,173
2024	81,548
2025	83,994
2026	86,514
Thereafter	331,529

NOTE 7 - BUY AND SELL AGREEMENTS

The Company's operating agreement provides for certain ownership transfers in the event that a member exits or otherwise divests of their ownership.

A member of the Company is permitted to withdraw from the Company only upon unanimous consent of the other members. Remaining members have the right to purchase the withdrawing member's entire membership interest or to dissolve and liquidate the Company. If the remaining members elect to purchase the membership interest of the withdrawing member, the purchase shall occur at the fair market value of the Company.

Upon the death, bankruptcy or incompetency of a member, the other members shall have the first option to purchase all or any portion of the shares held by the deceased, bankrupt or incompetent member. If the remaining members elect to purchase the membership interest of the withdrawing member, the purchase shall occur at the fair market value of the Company.

NOTE 8 - RISKS AND UNCERTAINTIES

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic significantly impacted the economic conditions in the U.S and globally throughout 2020 and 2021. While many industries have returned to normal operating conditions, there is still uncertainty around future outbreaks and related economic effects. At this time management does not anticipate significant disruptions in the Company's operations.

NOTE 9 - RECLASSIFICATIONS

Certain reclassifications were made to the 2020 financial statements in order to conform to the 2021 presentation.

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

Tommy's Express LLC

Balance Sheet

As of March 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	$14,601,091
Accounts Receivable	$1,450,259
Other Current Assets	$155,908
Total Current Assets	**$16,207,258**
Fixed Assets	$89,158
Other Assets	$1,758,321
TOTAL ASSETS	**$18,054,736**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	$3,339,005
Credit Cards	$24,426
Other Current Liabilities	$11,644,214
Total Current Liabilities	**$15,007,645**
Total Liabilities	**$15,007,645**
Equity	$3,047,091
TOTAL LIABILITIES AND EQUITY	**$18,054,736**

Tommy's Express LLC

Profit and Loss

January - March, 2023

	TOTAL
Income	
41000 Royalty Fees	**2,961,628**
42000 Franchise Fees	**304,000**
43000 TCWS Finders Fee	400,000
44000 Wash Club Service	119,668
45000 Marketing Agency Inc	**319,519**
Total Income	**$4,104,815**
Cost of Goods Sold	**$953,953**
GROSS PROFIT	**$3,150,862**
Expenses	**$3,321,998**
NET OPERATING INCOME	**$ -171,137**
Other Income	**$58,211**
Other Expenses	**$0**
NET OTHER INCOME	**$58,211**
NET INCOME	**$ -112,925**

EXHIBIT I TO THE DISCLOSURE DOCUMENT

GENERAL RELEASE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20___, by and between Tommy's Express LLC, a Michigan limited liability company having its principal place of business located at 240 East 8th Street, Holland, Michigan, 49423 (the "Franchisor"), and _____, a _____ with a principal address at _____ (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. **Release by Releasor**:

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises, covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. Michigan law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein and said action must be filed in the State of Michigan.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

Witness:

RELEASOR:
(Franchisee)

_____

_____
(Name)

Witness:

TOMMY'S EXPRESS LLC

_____

By:_____
Name:_____
Title:_____

EXHIBIT J TO THE DISCLOSURE DOCUMENT

ACKNOWLEDGMENT STATEMENTS

****NOT FOR USE IN CALIFORNIA OR MARYLAND****

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement (or Multi-Unit Development Agreement). Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) 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.

Franchise Agreement Acknowledgments

You hereby acknowledge the following:

(a) You have conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Tommy's Business. You further acknowledge that, except as may be set forth in our Disclosure Document, no representations of performance (financial or otherwise) for the Tommy's Business provided for in this Agreement has been made to you by us and you and all principals hereby waive any claim against us for any business failure you may experience as a franchisee under this Agreement.

_____
Initial

(b) You have conducted an independent investigation of the business contemplated by this Agreement and understand and acknowledge that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of you and your efforts as an independent business operation.

_____
Initial

(c) You agree that no claims of success or failure have been made to you prior to signing the Franchise Agreement and that you understand all the terms and conditions of the Franchise Agreement. You further acknowledge that the Franchise Agreement contains all oral and written agreements, representations and arrangements between the parties to it, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

_____
Initial

(d) You have no knowledge of any representations by us or our officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated within it. You acknowledge that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. You represent, as an inducement to our entry into this Agreement, that you have made no misrepresentations in obtaining the Franchise Agreement.

_____
Initial

(e) You expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

_____
Initial

(f) You acknowledge that our approval or acceptance of your Tommy's Business' location does not constitute a warranty, recommendation or endorsement of the location for the Tommy's Business, nor any assurance by us that the operation of the Tommy's Business at the premises will be successful or profitable.

_____
Initial

(g) You acknowledge that you have received the Tommy's Express LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. You further acknowledge that you have read such Franchise Disclosure Document and understand its contents.

_____
Initial

(h) You acknowledge that you have had ample opportunity to consult with your own attorneys, accountants and other advisors and that the attorneys for us have not advised or represented you with respect to the Franchise Agreement or the relationship created by it.

_____
Initial

(i) You, together with your advisers, have sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement.

_____
Initial

(j) You are aware of the fact that other present or future franchisees of ours may operate under different forms of agreement(s), and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances.

_____
Initial

(k) It is recognized by the parties that we are, or an affiliate of ours is, also (or may become) a manufacturer or distributor of certain products under the Proprietary Marks licensed in this Agreement; and it is understood that we do not warrant that such products will not be sold within your Territory by others who may have purchased such products from us.

_____
Initial

(l) By executing the franchise agreement, you and any principal, individually and on behalf of your and such principal's heirs, legal representatives, successors and assigns, hereby forever release and discharge Tommy's Express LLC, VQ, Inc., and any of either's parent company, subsidiaries, divisions, affiliates, successors, assigns and designees, and the foregoing entities' directors, officers, employees, agents, shareholders, successors, designees and representatives from any and all claims, demands and judgments relating to or arising under the statements, conduct, claims or any other agreement between the parties executed prior to the date of the franchise agreement, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, tax or antitrust laws of the United States or of any state or territory thereof.

_____
Initial

(m) You acknowledge that you have received, read, and understood this agreement, including the exhibits to it; that we have fully and adequately answered your questions about the provisions of each to your satisfaction; and that we have accorded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this agreement.

_____
Initial

(n) You acknowledge that under applicable U.S. Law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("Order"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, act of terrorism, as defined in the Order. Accordingly, you represent and warrant to us that as of the date of this agreement, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you is designated under the Order as a person with whom business may not be transacted by us, and that you (1) do not, and hereafter shall not, engage in any terrorist activity; (2) are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and

(3) are not acquiring the rights granted under this agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

_____
Initial

(o) You further acknowledge the truthfulness of the statements contained in this section. Your acknowledgments are an inducement for us to enter into this agreement. You shall immediately notify us, prior to acknowledgment, if any acknowledgement is incomplete or incorrect.

_____
Initial

Acknowledged _____

FRANCHISEE:

_____

By:_____
Name:_____
Title_____

Multi-Unit Development Agreement Acknowledgments

You hereby acknowledge the following:

(a) You have conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the Agreement. You further acknowledge that, except as may be set forth in our Disclosure Document, no representations of performance (financial or otherwise) has been made to you by us and you and any and all owners hereby waive any claim against us for any business failure you may experience as a franchisee under this Agreement.

_____
Initial

(b) You have conducted an independent investigation of the business contemplated by this Agreement and understand and acknowledge that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of you and your efforts as an independent business operation.

_____
Initial

(c) You agree that no claims of success or failure have been made to you prior to signing this Agreement and that you understand all the terms and conditions of this Agreement. You further acknowledge that this Agreement contains all oral and written agreements, representations and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

_____
Initial

(d) You have no knowledge of any representations by us or our officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by this Agreement that are contrary to the terms of the Franchise Disclosure Document or the documents incorporated herein. You acknowledge that no representations or warranties are made or implied, except as specifically set forth in this Agreement. You represent, as an inducement to our entry into this Agreement, that you have made no misrepresentations in obtaining this Agreement.

_____
Initial

(f) You expressly disclaim the making of, and you acknowledge that you have not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

_____
Initial

(g) You acknowledge that our approval or acceptance of a Tommy's Business location does not constitute a warranty, recommendation or endorsement of the location for the Tommy's Business, nor any assurance by us that the operation of the Tommy's Business at the premises will be successful or profitable.

_____
Initial

(h) You acknowledge that you have received the Tommy's Express, LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Exhibits and agreements for review. You further acknowledge that you have read such Franchise Disclosure Document and understand its contents.

_____
Initial

(i) You acknowledge that you have had ample opportunity to consult with your own attorneys, accountants and other advisors and that the attorneys for us have not advised or represented you with respect to this Agreement or the relationship thereby created.

_____
Initial

(j) You, together with your advisers, have sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchises contemplated by this Agreement.

_____
Initial

(k) You are aware of the fact that other present or future franchisees of ours may operate under different forms of agreement(s), and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances.

_____
Initial

(l) You are aware that we are, or an affiliate of ours, is also (or may become) a manufacturer or distributor of certain products under the Proprietary Marks licensed herein; and it is understood that we do not warrant that such products will not be sold within your Territory by others who may have purchased such products from us.

_____
Initial

(m) By executing this Agreement, you and any principal, individually and on behalf of your and such principal's heirs, legal representatives, successors and assigns, hereby forever release and discharge Tommy's Express, LLC, VQ, Inc., and any of either's parent company, subsidiaries, divisions, affiliates, successors, assigns and designees, and the foregoing entities' directors, officers, employees, agents, shareholders, successors, designees and representatives from any and all claims, demands and judgments relating to or arising under the statements, conduct, claims or any other agreement between the parties executed prior to the date of this Agreement, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, tax or antitrust laws of the United States or of any state or territory thereof.

_____
Initial

(n) You acknowledge that you have received, read, and understood this Agreement, including the exhibits hereto; that we have fully and adequately explained the provisions of each to your

satisfaction; and that we have accorded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

_____
Initial

(o) You acknowledge that under applicable U.S. Law, including, without limitation, Executive Order 13224, signed on September 23, 2001 ("Order"), we are prohibited from engaging in any transaction with any person engaged in, or with a person aiding any person engaged in, act of terrorism, as defined in the Order. Accordingly, you represent and warrant to us that as of the date of this agreement, neither you nor any person holding any ownership interest in you, controlled by you, or under common control with you is designated under the Order as a person with whom business may not be transacted by us, and that you (i) do not, and hereafter shall not, engage in any terrorist activity; (ii) are not affiliated with and do not support any individual or entity engaged in, contemplating, or supporting terrorist activity; and (iii) are not acquiring the rights granted under this agreement with the intent to generate funds to channel to any individual or entity engaged in, contemplating, or supporting terrorist activity, or to otherwise support or further any terrorist activity.

_____
Initial

(p) You further acknowledge the truthfulness of the statements contained in this section. Your acknowledgments are an inducement for us to enter into this Agreement. You shall immediately notify us, prior to acknowledgment, if any acknowledgement is incomplete or incorrect.

_____
Initial

Acknowledged _____

MULTI-UNIT DEVELOPER:

_____

By:_____
Name:_____
Title_____

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	December 28, 2022 (Exempt)
Illinois	*Pending* (Exempt)
Indiana	December 20, 2022, amended *Pending*
Maryland	
Michigan	November 15, 2022
Minnesota	*Pending*
New York	June 27, 2018, amended *Pending*
North Dakota	*Pending*
Rhode Island	*Pending*
South Dakota	Exempt
Virginia	*Pending* (Exempt)
Washington	Exempt
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.

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Tommy's Express LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise 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 you to receive 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 Tommy's Express LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580, and to your state authority listed on Exhibit A.

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

Sean Oatney 240 East 8th Street Holland, Michigan 49423 616-320-3492	Alan Van Campen 240 East 8th Street Holland, Michigan 49423 616-320-3418

Issuance Date: May 23, 2023

I received a Disclosure Document date May 23, 2023, that included the following Exhibits:

EXHIBIT A: State Agencies/Agents for Service of Process
EXHIBIT B: Multi-State Addendum
EXHIBIT C: Franchise Agreement
EXHIBIT D: Multi-Unit Development Agreement
EXHIBIT E: List of Franchisees
EXHIBIT F: Franchisees Who Have Left the System
EXHIBIT G: Table of Contents of Operations Manual
EXHIBIT H: Financial Statements
EXHIBIT I: Form of General Release
EXHIBIT J: Acknowledgment Statements

Date Received:_____
(If other than date signed)

Entity Name (if applicable)

_____

_____
Recipient's Role with Entity

Date:_____

_____
Signature of recipient

Print Name:_____

_____
Address (Recipient's home or Entity's legal)

KEEP FOR YOUR RECORDS

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Tommy's Express LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise 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 you to receive 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 Tommy's Express LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580, and to your state authority listed on Exhibit A.

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

Sean Oatney 240 East 8th Street Holland, Michigan 49423 616-320-3492	Alan Van Campen 240 East 8th Street Holland, Michigan 49423 616-320-3418

Issuance Date: May 23, 2023

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Print Name:_____

_____
Recipient's Role with Entity

_____
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Please return signed Receipt to: Tommy's Express LLC
240 East 8th Street
Holland, Michigan 49423