FRANCHISE DISCLOSURE DOCUMENT

Costa Oil International, Inc.
A Delaware Corporation
1 East Market Street, Suite 204
York, PA 17401
717-318-5091
partner@costaoils.com
www.CostaOils.com

The franchise offered is to operate a quick lubrication, oil change, and light automotive repair business under the trade name, "Costa Oil".

The total investment necessary to begin operation of a Costa Oil franchise is $128,250 to $196,900. This includes $60,900 to $64,900 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation under a two-unit to five-unit Multi-Unit Development Agreement (including the first unit) is $174,250 to $321,900. This includes $105,900 to $184,900 that must be paid to the franchisor. There is no minimum number of units that you are required to develop under the Multi-Unit Development Agreement.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Constantine Kapothanasis at 1 East Market Street, Suite 204, York, PA 17401 and 717-318-5091.

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

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

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

Issuance date: February 23, 2021, amended as to Item 3 on May 11, 2021.

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
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 F 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 Costa Oil business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Costa Oil franchisee?	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

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

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

In this disclosure document, "we", "us," or "our" refers to Costa Oil International, Inc. "You" means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement's provisions also will apply to your owners.

Us, Any Parents, and Certain Affiliates

Our name is Costa Oil International, Inc. We are a Delaware Corporation. We were formed on October 21st, 2020. Our principal business address is 1 East Market Street, Suite 204, York, PA 17401. We have offered franchises since the date of this disclosure document.

We do not have a parent entity.

We do have an Affiliate, Costa Oils, Inc., which is a Pennsylvania corporation with its principal business address at 224 York St., Hanover, PA 17331. It was formed on 8/07/2017. This Affiliate owns the following locations:

- Harrisburg, PA located at 2720 Walnut St, Harrisburg, PA 17103 was opened on 4/2015
- Dillsburg, located at 4 Tristan Dr, Dillsburg, PA 17019 was opened on 6/2016
- Hanover, PA located at 224 York St, Hanover PA 17331 was opened on 2/2018
- North Versailles, PA located at 1716 Lincoln Hwy, North Versailles PA 15137 was opened on 1/2017
- Mt. Prospect, IL, located at 2016 S Elmhurst Rd, Mt Prospect, IL 60056 was opened on 11/2016
- Boardman, OH, located at 8525 South Ave, Youngstown OH 44514 was opened on 11/2017
- Camp Hill, PA, located at 2313 Gettysburg Rd, Camp Hill, PA 17011 was opened on 1/2019
- Lewisburg, PA, located at 2018 W Market St, Lewisburg PA 17837 and was opened on 7/2020
- Poland, OH, located at 3190 Center Rd, Poland, OH 44514 and was opened on 7/2020
- Gibsonia, PA, located at 5375 William Flinn Hwy, Suite 804, Gibsonia, PA 15044 was opened on 7/2020

- Pittsburgh, PA is located at 215 Richland Mall, Gibsonia PA 15044 was opened on 8/2020

- Bloomingdale, IL, located at 250 South Gary Ave, Unit 100, Bloomingdale, IL 60108 was opened on 7/2019

- Millersville, MD, located at 8267 Veterans Hwy, Millersville MD 21108 was opened on 2/2018 and closed 10/2020

None of our affiliates have offered franchises in any line of business or provide products or services to our franchisees.

Our Predecessors

We do not have any predecessors.

Our Business Name

We use the names "Costa Oil International, Inc." and "Costa Oil". We do not intend to use any other names to conduct business.

Agent for Service of Process

Our agent for service of process in Delaware is Legalinc Corporate Services, Inc., and the agent's principal business address is 651 N Broad St, Suite 206, Middletown, DE 19709. Our agents for service of process in other states are disclosed in Exhibit A.

Information About Our Business

We do not currently operate businesses of the type being franchised; however, we expect to open 2 company-owned locations during the next year. We do not have any other business activities. We have not offered franchises in other lines of business.

The Franchises Offered

The franchise offered is for a quick lubrication, oil change, and light automotive repair business (each a "Business" or "Franchised Business") under the trade name, "Costa Oil". Costa Oil Businesses are built on the premise of efficiency and a focus to provide superior customer service with an oil change and fluids topped off in ten minutes. We offer franchises to persons or legal entities that meet our qualifications and are willing to undertake the investment and effort to own and operate a Business. The Business will be operated in accordance with our management system which may be changed from time to time (the "System") and under a Franchise Agreement, the form of which is attached as Exhibit B to this disclosure document.

We use, promote, and license certain trademarks, service marks, and other commercial symbols including the mark "COSTA OIL" in the operation and management of Businesses (the "Marks"). We may create, use, and license other trademarks, service marks, and commercial

symbols for Businesses. If we do, these other marks and symbols will become part of the Marks and the System.

Multiple Unit Development

If you sign a Multi-Unit Development Agreement ("MUDA") (attached as Exhibit C to this disclosure document), you will develop multiple Costa Oil outlets within a specified geographical area, on an agreed-upon schedule. For each future unit franchise, we will require you to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

Laws and Regulations

The automotive industry is heavily regulated. These laws may include federal, state and local regulations relating to the operation of your business.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of your Business and the other licenses applicable to a Business and its employees. You must not employ any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in the Business' files. You must comply with all state and local laws and regulations regarding the management of your Business.

You must comply with all local, state and federal laws, including various environmental laws such as those that regulate the disposal or recycling of used automotive fluids such as oil and anti-freeze.

You must comply with federal and state truth in labeling and advertising laws and regulations. Additionally, every state has enacted laws, rules, regulations and ordinances which may apply to the operation of a Costa Oil Business, including those which (a) establish general standards, specifications and requirements for the construction, design and maintenance of the premises, (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements, restrictions on smoking, and availability of and requirements for public accommodations, including restrooms, (c) set standards pertaining to employee health and safety, and (d) set standards and requirements for fire safety and general emergency preparedness. You must comply with laws regulating sexual harassment and discrimination, as well as, federal, state and local regulations concerning retail business practices You will also be required to comply with immigration and social security laws regarding the personnel you hire. You should investigate your local laws.

In addition, you must comply with local, state and federal laws regarding health, sanitation, smoking, Equal Employment Opportunity Commission ("EEOC") standards, Occupational Safety and Health Administration, Federal Trade Commission ("FTC"), consumer protection laws, pricing laws, and employment laws. Your business may be subject to various employment regulations concerning wage rates, mandated employee benefits, employment taxes, worker safety, unemployment compensation, workers' compensation, teenage labor Businesses, disabled employees, and discrimination in employment Businesses. You will be subject to the Americans

with Disabilities Act, which prohibits Businesses that discriminate against physically and mentally challenged individuals regarding access to public accommodations and employment opportunities.

You alone are responsible for investigating and complying with all applicable laws and regulations, despite any information that we may give you. You should consult with a legal advisor about legal requirements that may apply to your Business.

General Market and Competition

The market for the automotive and oil change services provided by a franchised business is mature, highly developed, and highly competitive in most markets. As a franchisee, your business will compete with other automotive services businesses, including full-service repair facilities and other quick service locations. Some of these may be franchised. Generally, sales are not seasonal.

Item 2
BUSINESS EXPERIENCE

Constantine Kapothanasis - Chairman, President, and Chief Executive Officer

Mr. Kapothanasis has been our Chairman, President, and CEO since our founding in October 2020, in York, PA. He has also been CEO of Costa Oils, Inc. since August 2017, and the President of Pittsburgh Oil Group, Inc., in Harrisburg, Pennsylvania since 2016. Between October 2016 and March 2019, he was the President of Hellas Oil Group, Inc. in Niles, Illinois. Between 2014 to 2017, he was President of The Kapothanasis Group, Inc., d/b/a Quick Change Oil, in Harrisburg, Pennsylvania.

Justin Arnold - Executive Vice President, Chief Operating Officer, and Director

Mr. Arnold has been our Vice President, Chief Operating Officer, and Director since our founding in October 2020 in York, PA. He was the Chief Executive Officer of Justin Arnold Insurance Agency, Inc. in Bowie, Maryland between August 2013 and September 2020. Mr. Arnold was also the Managing Member of Hangeradz, LLC in Upper Marlboro, Maryland between January 2020 and May 2020; the Managing Member of Baybridge Industries, LLC in Upper Marlboro, Maryland in December 2018; the President of Arnold Media, Inc. in Upper Marlboro, Maryland between August 2020 and May 2020; the President of Leads4Lawyers, LLC in Upper Marlboro, Maryland between May 2020 and July 2020; the President of Cranston Books LLC in Upper Marlboro, Maryland between May 2020 and July 2020; and the President of Georgetown Painting, LLC in District Heights, Maryland from November 2016 through October 2018.

Alex Samios - Director

Mr. Samios is our Director and has been since our finding in October 2020, in York, PA. Since December 2015, he has been Vice President of Franchise Development for Dogtopia in Phoenix, AZ and since October 2017, he has served as Partner with Zoom Room Dog Training in Los Angeles, CA. Since January 2017, he has been President of Zander Holdings. Previously, from 2010 to 2016, he was CEO of Wellness Holdings in Newport Beach, CA.

Item 3
LITIGATION

HotBox Enterprises, LLC v. Jamie Weeks, et al. (Case No. 20GDCV00469); *Jamie Weeks v. Jessica Mortarotti, Nicholas Alexander Samios & Zachary Cox* (Case No. 20STCV20681)

This case arises out of a series of business transactions involving the Hotbox franchise system. Jessica Mortarotti ("Mortarotti") and Zachary Cox ("Cox") developed and owned a studio in Los Angeles, California that offered infrared sauna spa treatments under the name "HotBox" (the "Studio"). When they decided to franchise the concept, they came into contact with Alex Samios ("Samios"), who is one of our Directors. Based upon his 27 years of experience in the franchise industry, including as the former Founder of a similar franchise concept in 2010, Mr. Samios was engaged as a consultant to assist with franchise sales.

After Jamie Weeks ("Weeks") met Samios and signed a Dogtopia Area Development Agreement for 15 Dogtopia locations, Weeks asked Samios about the infrared sauna industry and business model. Samios then introduced Cox and Mortarotti to Weeks, who acquired area development rights to establish 30 franchised Hotbox studios. At the same time, Weeks convinced Mortarotti and Cox to sell him the corporate-owned Studio, which Weeks claimed he needed in order to learn the business. Accordingly, Weeks, Mortarotti and Cox agreed to the sale of the development rights and the Studio. As part of the transaction, Weeks was also gifted an ownership interest in the franchisor entity, HotBox Enterprises, LLC ("HotBox Enterprises"). Mr. Samios was also awarded a minority equity position in HotBox Enterprises in consideration for making the franchise sale and per the terms of his consulting agreement.

Shortly after taking over the Studio, Weeks began to develop and open HotBox studios in relation to the development obligations. However, despite opening and operating the HotBox units, Weeks refused to sign Franchise Agreements and pay royalties as required and failed to comply with his obligations as a franchisee and developer. When Weeks refused to sign Franchise Agreements for these locations, HotBox Enterprises was forced to terminate his franchise rights. Approximately 6 months after the acquisition, Weeks closed the Studio. Weeks then rebranded his former HotBox studios to a new competing brand that he created, and he continued to open and operate additional competitive businesses under the competing brand, which led to this dispute.

The HotBox Lawsuit: *HotBox Enterprises, LLC v. Jamie Weeks, et al.* (Case No. 20GDCV00469)

In an effort to protect the brand, HotBox Enterprises filed a lawsuit in California Superior Court (Los Angeles County) against Weeks and related entities on June 1, 2020 (the "HotBox Lawsuit"). The Defendants filed motions to dismiss the claims raised by HotBox, but each of HotBox's substantive claims were allowed to proceed. The operative Complaint alleges that Weeks engaged in unfair business practices and improper acts in, inter alia, breaching his contractual obligations to HotBox, refusing to sign Franchise Agreements, breaching duties of good faith and loyalty, attempting to start a competing brand, and unlawful use of HotBox's proprietary and confidential intellectual property. The Complaint in the HotBox Lawsuit seeks actual and compensatory

damages, disgorgement of profits, injunctive relief, pre-judgment and post-judgment interest and recovery of attorneys' fees, expert witness fees, and other related costs.

The Weeks Lawsuit: *Jamie Weeks v. Jessica Mortarotti, Nicholas Alexander Samios & Zachary Cox* (Case No. 20STCV20681)

On June 1, 2020, after the HotBox Lawsuit had been filed, Weeks filed a separate lawsuit (the "Weeks Lawsuit") in the same court against HotBox and its owners, Mortarotti, Cox, and Samios (the "HotBox Parties"). On July 24, 2020, Weeks filed an Amended Complaint that included claims for: breach of contract; intentional interference with contractual relations; breach of the covenant of good faith and fair dealing; intentional and negligent misrepresentation; fraudulent concealment, and unfair competition. The Amended Complaint alleges that the defendants made false representations about the Studio (including false representations about the Studio's condition and profitability) and falsely pledged continued support in managing the day-to-day operations of the franchisor. The HotBox Parties filed a motion to dismiss. In response, the Court dismissed the claim for intentional interference with contractual relations but allowed the other claims to proceed. The Amended Complaint seeks unspecified actual damages, compensatory damages, punitive damages, disgorgement of profits, rescission of the asset purchase agreement for the Studio, pre-judgment and post-judgment interest and recovery of attorneys' fees, expert witness fees and other related costs.

The Consolidated Lawsuit: *HotBox Enterprises, LLC v. Jamie Weeks, et al.* (Case No. 20GDCV00469)

On March 24, 2021, the Weeks Lawsuit was consolidated with the HotBox Lawsuit. The lawsuit is currently in the early stages of discovery and set for a jury trial in early 2022.

Except for the 1 action described above, there is no litigation required to be disclosed in this Item.

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us $54,900 as the initial franchise fee. This fee is uniform and is not refundable.

Location Lease Payments

If you decide to lease the prefabricated structure (sometimes referred to as a "Kiosk") that you will conduct business under from us, you will pay us rent as set forth in your lease. A typical Kiosk will range between 400 to 1,080 square feet and will offer 1 to 2 service bays to perform work on vehicles. See Item 7 for more details. The exact amount of your payments will be based on the costs to construct, deliver, and install the Kiosk. We estimate the initial amounts to be between $6,000 to $10,000.

Multi-Unit Development

If you and we agree that you will develop multiple franchises, then you will sign our Multi-Unit Development Agreement ("MUDA") in the form of Exhibit C to this disclosure document. Your initial franchise fees will be reduced to the following amounts based on the number of units you purchase:

2 Unit Purchase: $99,900

3 Unit Purchase: $124,900

5 Unit Purchase: $174,900

You will pay all franchise fees upon signing the MUDA. The franchise fees are not refundable.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	6.5% of Gross Revenue; $150 per week minimum royalty	Weekly, on Tuesday	You must pay your royalty fee directly to us from Gross Revenue generated through your business. See Notes 1, 2, and 3.
Brand Fund Contribution	2% of Gross Revenue	Weekly, on Tuesday	Every month, you shall contribute 2% of the monthly Gross Revenue to the corporate Brand Fund to be used to promote, market, and grow the brand (once the fund is established).

Local Marketing Requirement	2.5% of Gross Revenue	Paid with the last royalty payment of each month	If you fail to spend the local marketing requirement in any given period, you will be required to pay the difference to the Brand Fund or to us.
Market Cooperative Contribution	As determined by co-op. Currently, none.	Weekly, on Tuesday	We have the right to establish local or regional advertising cooperatives. The maximum contribution that a co-op may require is 5% of gross sales.
Software Subscription	Our then current fee (Currently, $200-$300 per month)	Monthly	This is for the operating software you will use to manage your day-to-day business.
Third-party Vendors	Pass-through of costs, plus reasonable administrative charge. Currently, none.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.

Supplier Review Fee	Our actual costs (estimated to be between $500 to $5,000)	Upon demand	Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or products you wish to purchase. Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product, the type of product under review, whether the product or supplier has been rated and other similar factors. You pay our actual costs only.
Late Fees	$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient Funds Processing Fee	$100 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	Due if you have insufficient funds in your account to cover payment, or if payment by check is authorized, a check is returned for insufficient funds.
Non-compliance Fee	$500	On demand	We may charge you $500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you $250 per week until you correct such non-compliance.

Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Collection Costs	Our actual costs	On demand	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.
Convention Fee	Then-current registration fee; currently $0 (plus all travel, lodging and living expenses).	Before attending convention	Payable to us, if we hold a convention and charge a fee, even if you do not attend.
Replacement / Additional Training Fee	Currently, $500 per person	Prior to attending training	If you send a manager or other employee to our training program after you open, we will charge our then-current training fee.
Special Support Fee	Our then-current fee, plus our expenses. Currently, $600 per day.	On demand	If we provide in-person support to you in response to your request (including for additional site selection assistance), we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Customer Complaint Resolution	Our expenses		Costa Oil has a 100% satisfaction guaranty program for your customers that you must participate in at your cost. As part of this program, you must notify us of any customer complaints which you have not satisfied according to our procedures. We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may

			require you to reimburse us for our expenses.
Audit Expenses	Our actual costs	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, (2) the audit shows that you have not met your local advertising requirement, or (3) the audit concludes that you under-reported gross sales by more than 3% for any 4-week period.
Special Inspection Fee	Currently $600, plus our out-of-pocket costs	On demand	Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance Cure Costs and Fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Renewal Fee	25% of the then-current franchise fee	Upon renewal	Payable if you enter into a successor franchise agreement at the end of your agreement term.
Relocation Fee	$5,000	When you receive approval from Costa Oil to relocate to a new location	Payable only if you request and receive approval from us to relocate the Franchised Location.
Temporary Management	Our then-current fee (currently, $600 per	On demand	We have the right to temporarily manage your business if: (i) you are unable to act as or hire a Principal Operator and we elect to operate

	day plus any expenses we incur)		your business due to your death or incapacity; (ii) you operate the business in a dangerous manner, or (iii) you receive a notice of termination and we decide to take over as temporary manager of your business.
Transfer / New Principal Operator Fee	$10,000, plus any brokers fees or other fees we incur	At the time of transfer or hire	Payable to us at time of transfer or hiring of a new Principal Operator.
Appreciation Fee	50% of any amount by which a purchase price exceeds the Minimum Franchisee Proceeds	At the time of transfer	Payable to us at the time of transfer if, the transfer (a) includes substantially all assets located at or used in the operation of the Business or the entire equity ownership of Franchisee; and (b) the proposed purchase price exceeds three (3) times EBITDA of the Business for the prior calendar year (the "Minimum Franchisee Proceeds", as we reasonably calculate.
"Under New Management" Advertising Fee	1,000 to $5,000 depending on market size	Upon completion of transfer	We will design and implement a "under new management" Advertising & Marketing Campaign to promote your new management of the Franchise Business, if you purchase an existing Costa Oil business.
Liquidated Damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.

Indemnification	Our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Prevailing Party's Legal Costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.
Extension Fee	Equal to the Franchise Fees for the number of Costa Oil locations required to be opened under a MUDA that are behind the Development schedule	Upon demand	Payable only under a MUDA and only when franchisor elects to assess pursuant to Item 12

All fees are payable only to us unless noted. All fees are imposed by us and collected by us unless noted. All fees are non-refundable. Except as noted below, all fees are uniform for all franchisees, although we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. "Gross Revenue" is defined in our franchise agreement all revenue you collect and receive from operating the Business which includes all revenue received from all services and products sold, all amounts that you charge, invoice, collect, or receive at or away from the location, and whether from cash, check, credit or debit card, barter exchange, trade credit, or other credit transactions, but excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to taxing authorities.

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

3. We currently require you to pay royalty fees and other amounts due to us by EFT or other pre-authorized bank draft. However, we can require an alternative payment method.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT

Type of expenditure[1]	Amount From	- To	Method of payment	When due	To whom payment is to be made
Franchise Fee[1]	$54,900	$54,900	Cashier's Check	Signing of Franchise Agreement	Us
Kiosk Lease[2]	$6,000	$10,000	Not Specified	Before Beginning Operations	Us
Ground Lease[2,3]	$1,000	$4,000	Not Specified	Before Beginning Operations	Landlord
Training expenses for travel, food and lodging[4]	$2,500	$5,000	Not Specified	During Training	Airlines, Hotels, Restaurants
Leasehold Improvements[5]	$5,000	$10,000	Not Specified	Before Beginning Operations	Contractor
Computer Hardware and Software[6]	$1,000	$2,500	Not Specified	Before Beginning Operations	Supplier
Office Supplies[7]	$250	$500	Not Specified	Before Beginning Operations	Supplier
Signage[8]	$7,500	$12,500	Not Specified	Before Beginning Operations	Supplier

Furniture and Equipment[9]	$7,500	$12,500	Not Specified	Before Beginning Operations	Supplier
Utilities[10]	$500	$2,000	Not Specified	Before Beginning Operations	Utility Provider
Tools[11]	$1,000	$2,000	Not Specified	Before Beginning Operations	Supplier
Inventory & Supplies[12]	$5,000	$5,500	Not Specified	Before Beginning Operations	Approved Supplier
Grand Opening Advertising[13]	$7,500	$10,000	Not Specified	Before Beginning Operations	Supplier
Insurance[14]	$1,000	$3,000	Not Specified	Before Beginning Operations	Insurance Agent
Licenses and Permits[15]	$1,000	$2,000	Not Specified	Before Beginning Operations	Relevant Organizations
Legal and Accounting[16]	$1,500	$3,000	Not Specified	Before Beginning Operations	Accountants, Lawyers
Real Estate Due Diligence[17]	$100	$25,000	Not Specified	Before Beginning Operations	Suppliers
Additional Funds – First 3 Months[18]	$25,000	$32,500	Not Specified	Upon Beginning Operations	Suppliers
Total	$128,250	$196,900			

YOUR ESTIMATED INITIAL INVESTMENT - MULTI UNIT DEVELOPMENT AGREEMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
First franchise (see table above)	$128,250 - $196,900	Varies	Varies	Varies
Additional initial franchise fees for 1-4 additional Locations [19]	$45,000 - $120,000	Check or wire transfer	Upon signing the MUDA	Us

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Business planning and miscellaneous expenses	$1,000 - $5,000	Check	As incurred	Vendors and suppliers
Total	**$174,250 - $321,900**			

Notes

[1] None of the other expenditures in this table will be refundable unless expressly stated. Neither we nor any affiliate finances any part of your initial investment. Details concerning your initial franchise fee are set forth in Item 5.

[2] The average approved location will range from 800 to 1,600 square feet, although the building itself (the Kiosk) will typically range from 400 to 1,080 square feet and should be located in a commercial area, depending on adjacent businesses. See Item 5 for more details on the costs to lease the Kiosk. Franchisees should mimic the existing locations and offer 1 to 2 service bays to work on the cars.

[3] Depending on your location, you may need to have a separate Ground Lease to lease the space where the Kiosk will be developed. It is difficult to estimate lease acquisition costs because of the wide variation in these costs between various locations. Lease costs will vary based upon square footage and cost per square foot, and ground lease variations based on location. The cost of a security deposit is included. Estimated rental costs for 3 months are included with the category "Additional Funds".

[4] The cost of initial training is included in the franchise fee, but you are responsible for transportation and expenses for meals and lodging while attending training. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose. Before making airline ticket, hotel, rental car or other reservations, you should inquire about the refund policy in the event you need to cancel any reservation.

[5] The low end of the range in the initial outlay assumes that you lease a complete Costa Oil Kiosk that requires limited leasehold improvements. The high end of the range reflects the cash outlay by a franchisee that: (i) is converting an existing business and does not lease a Costa Oil Kiosk; or (ii) places their Kiosk upon a site that requires special site work not funded by the landlord.

[6] This is for computers, monitors, battery backups and other IT work. This also accounts for the POS system for your Business. See Items 8 and 11 for more details.

[7] You must purchase general office supplies including stationery, business cards and typical office equipment.

[8] The range of costs represents the outright purchase of all signage on the franchised locations. It is subject to all local ordinances.

[9] Although some of these items may be leased, the range shown represents the actual purchase price. Equipment installation charges are included in the range of expenses for location improvements.

[10] The high side of this range includes payment of a utility deposit that will typically be required if the franchisee is a new customer of the utility company.

[11] This expense is for necessary tools used within the business.

[12] You must purchase an initial inventory of products and other items needed for use in the operation of the franchised business. Based on our experience this amount of inventory should last you about one month.

[13] The Grand Opening Advertising or Market Introduction Plan may be managed and operated by us. You will pay the entire amount to a third-party vendor, and we may provide direction to the marketing program.

[14] All franchisee insurance policies must name the franchisor, Costa Oil International, Inc., and its affiliate, Costa Oils, Inc. as additional insureds. See Item 8 for more details on the insurance you must have.

[15] State and local government agencies typically charge fees for occupancy permits, operating licenses and permits to make improvements to your building and site.

[16] You might need to employ an attorney, an accountant and other consultants to assist you in establishing your Outlet.

[17] You may have real estate due diligence costs associated with finding and locating the space you will use to operate the franchised business from.

[18] We recommend that you have a minimum amount of money available to cover operating expenses for the first 3 months that the Outlet is open. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll and additional inventory, rent, and other operating expenses in excess of income generated by the business. The lower end represents estimated expenses to maintain minimal operations without any sales for three months. The high end is a more conservative working capital estimate. We cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if sales are low or operating costs are high. If your Gross Revenues do not cover these expenses, you will need additional capital to support on-going expenses. You should expect that new businesses usually will generate a negative cash flow. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Costa Oil business by our affiliate, more than 20 years' experience in the industry, and our general knowledge of the industry.

[19] This estimate assumes you sign a MUDA for two to five franchises. The franchise fee for your first unit is counted in the "Estimated Initial Investment – Franchise Agreement" table. Your initial franchise fees are reduced to $45,000 for the second and $25,000 for the third unit and each additional franchise. You will pay all franchise fees upon signing the MUDA.

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us or our designee, or from suppliers approved by us, or (2) according to our specifications.

Specific Obligations

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

A. Real Estate. Your business location is subject to our approval and must meet our specifications. You must use reasonable efforts to have your landlord sign our form of Rider to Lease Agreement (attached to this disclosure document as Exhibit D).

B. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Brand Standards Manual (the "Manual"), which includes (i) "Special" causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible); (ii) Commercial General Liability insurance, including products liability and completed operations coverage, and broad form commercial liability coverage, written on an "occurrence" policy form in an amount of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit, (iii) $50,000 Garage Keepers Coverage per bay, Direct Primary option; (iv) $1,000,000 Commercial Umbrella insurance; (v) business automobile liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than $1,000,000; (vi) Workers Compensation coverage as required by state law with at least $500,000 limits; (vii) Employment Practices Liability insurance with limits not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit; and (viii) business interruption insurance covering at least 12 months of income. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days' prior written notice of cancellation.

C. Point-of-sale software and hardware, and related software and hardware. You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details.

D. Equipment, Inventory and Supplies. Unless we approve your vendors, you must use our approved vendors for the equipment, inventory and supplies to be used in the operation of the Franchised Business, and in the Business to the extent permitted by law.

E. Oil Change Stickers. You will be required to purchase the oil change stickers from us directly.

F. Costa Oil Kiosks. Unless you are converting an existing oil & lube building to a Costa Oil business with our approval, you will be required to lease your oil kiosk from us or purchase it from our approved supplier directly.

Us or our Affiliates as Supplier

We are currently an approved supplier of some of the goods or services that you must purchase. Currently, we are an approved supplier for Costa Oil Kiosks, Apparel, Uniforms, Reminder Stickers, Signage, Computers, and other assorted items. We are not the only approved supplier for any product or service you must purchase, except for the oil change stickers (although we reserve the right to be the only approved supplier for any product or service in the future). You must purchase Uniforms through us or you may establish a relationship with one of our approved Uniform service suppliers.

Ownership of Suppliers

None of our officers owns an interest in any supplier to our franchisees.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We have the sole discretion to approve or reject an alternative supplier. We may condition our approval on criteria we deem appropriate, such as evaluations of the supplier's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There may be fees for us to review or approve an alternate supplier. See Item 6. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after testing in our headquarters, in company-owned outlets, and/or a limited market test in multiple units.

Revenue to Us and Our Affiliates

We will derive revenue from the required purchases and leases by franchisees. Because we are a new franchisor, our total revenue in the prior fiscal year was $0. Our revenue from all required purchases and leases of products and services by franchisees in the prior fiscal year was $0. The

percentage of our total revenues that were from required purchases or leases in the prior fiscal year was 0%.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 90% to 95% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 75% to 85% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We will receive a $300 payment for each Franchisee license purchase of Gusto software, which you will use for your payroll processing. We will receive a real estate development fee from Oil Kiosk LLC, the financier of the construction for oil kiosks leased to franchisees. We will receive rebates from iPromo, the developer of our online company store for promotional items, for purchases made by franchisees. Outside of this, there are currently, no payments from suppliers or approved vendors to us.

Purchasing or Distribution Cooperatives

No purchasing or distribution cooperative currently exists.

Negotiated Arrangements

We do negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

Benefits Provided to You for Purchases

We do provide material benefits to you based on your purchase of particular goods or services and from your use of particular suppliers.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in agreement	Disclosure document item
a. Site selection and acquisition/lease	Franchise Agreement (Franchise Agreement): §§ 6.1, 6.2	Item 11

Obligation	Section in agreement	Disclosure document item
	Multi-Unit Development Agreement (MUDA): Not Applicable	
b. Pre-opening purchase/leases	FA: §§ 6.2, 6.3 MUDA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Article 6 MUDA: §§1(a), 3	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: §§ 5.2, 6.4, 7.6 MUDA: Not Applicable	Items 5, 6, 8 and 11
e. Opening	FA: §§ 6.5, 6.6 MUDA: §1(a)	Items 7, 8 and 11
f. Fees	FA: Article 4, §§ 2.5, 5.3, 6.7, 7.7, 7.8, 7.14, 8.4, 9.5, 10.5, 11.2, 11.3, 14.2, 14.4, 15.2, 16.1, 17.6 MUDA: §§ 1(a), 4	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	FA: §§ 6.3, 7.1, 7.3, 7.5, 7.9 – 7.13, 7.15, 9.1, 10.1, 10.4, 11.1 MUDA: Article 1	Items 8, 11 and 14
h. Trademarks and proprietary information	FA: Article 12, § 13.1 MUDA: Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA: § 7.3 MUDA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: §§ 7.3, 7.8, 7.9 MUDA: Not Applicable	Item 8
k. Territorial development and sales quotas	FA: § 2.2- 2.4 MUDA: §1(a), 4, 5	Item 12
l. Ongoing product/service purchases	FA: Article 8 MUDA: Not Applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	FA: §§ 3.2, 7.11, 7.12, 15.2 MUDA: Not Applicable	Items 6, 7 and 8
n. Insurance	FA: § 7.15 MUDA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Article 9	Items 6, 7, 8 and 11

Obligation	Section in agreement	Disclosure document item
	MUDA: Not Applicable	
p. Indemnification	FA: Article 16 MUDA: Not Applicable	Items 6 and 8
q. Owner's participation/management/staffing	FA: § 2.5 MUDA: Not Applicable	Items 15
r. Records and reports	FA: Article 10 MUDA: Not Applicable	Item 11
s. Inspections and audits	FA: §§ 10.5, 11.2 MUDA: Not Applicable	Items 6 and 11
t. Transfer	FA: Article 15 MUDA: § 8	Items 6 and 17
u. Renewal	FA: § 3.2 MUDA: Not Applicable	Items 6 and 17
v. Post-termination obligations	FA: Article 13, 14 MUDA: Not Applicable	Item 17
w. Non-competition covenants	FA: § 13.2 MUDA: Not Applicable	Item 17
x. Dispute resolution	FA: Article 17 MUDA: § 9	Items 6 and 17

Item 10
FINANCING

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

If requested, we may recommend a third-party lender that may offer financing for fees or equipment to those franchisees that meet certain criteria determined by such lender. We do not receive any revenue from such recommendations or arrangements.

If you intend to finance your Franchised Business with loans backed by the Small Business Administration (SBA), you must sign the SBA Addendum to Franchise Agreement attached to this disclosure document as Exhibit L. We do not guarantee you will be approved for SBA financing.

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

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

Our Pre-Opening Obligations

Before you open your business:

A. *Your site.* We will review and advise you regarding potential locations that you submit to us. (Section 5.2). If you sign a MUDA, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site.

(i) We generally do not own the land on which your kiosk will be located. You will lease the land from a third-party landlord.

(ii) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Franchise Agreement, Summary Page). We do not select your site. You must find a potential site and submit your site to us for approval, together with all information and documents about the site that we request. When we accept a site, we will issue a Location Acceptance Letter (in the form of Attachment 2 to the Franchise Agreement).

(iii) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms.

(iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated in the franchise agreement. Unless we agree to extend the deadline, you will be in default and we may terminate your franchise agreement.

(v) We are not obligated to assist you in conforming the premises of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. *Constructing, remodeling, or decorating the premises*. We will provide you with a set of our standard building plans and specifications and/or standard floor plans, and our specifications for required décor. (Section 5.2)

C. *Hiring and training employees*. Our opening support (as described below) includes assisting you in training employees. All hiring decisions and conditions of employment are your sole responsibility.

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

E. *Brand Standards Manual*. We will give you access to our Manual (Section 5.1).

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

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

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

I. *On-site opening support.* We do not provide on-site support in connection with your business opening. (Section 5.2)

Length of Time to Open

The typical length of time between signing the franchise agreement and the opening of your business is 3 – 6 months. Factors that may affect the time period include your ability to obtain a lease, obtain financing, develop your location, obtain business permits and licenses, and hire employees.

Our Post-Opening Obligations

After you open your business:

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

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

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

D. *Establishing prices*. Upon your request, we will provide recommended prices for products and services. (Section 5.3).

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

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

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

Advertising

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

Your own advertising material. You may use your own advertising or marketing material only with our approval. To obtain our approval, you must submit any proposed advertising or marketing material at least 14 days prior to use. If we do not respond, the material is deemed rejected. If you develop any advertising or marketing materials, we may use those materials for any purpose, without any payment to you.

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

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

Advertising Fund. You and all other franchisees must contribute to our Brand Fund once it is established. Your contribution is 2% of Gross Revenues per week. We reserve the right to have

other franchisees contribute a different amount or at a different rate. Outlets that we own are not obligated to contribute to the Brand Fund. We administer the fund. The fund is not audited. We will make unaudited annual financial statements available to you upon request.

Because we are a new franchisor, we did not spend any money from the Brand Fund in our most recently concluded fiscal year.

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

No money from the Brand Fund is spent principally to solicit new franchise sales. We may use the Brand Fund to pay the salary and benefits for marketing and finance personnel to administer the Brand Fund.

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

Required spending. After you open, you must spend a minimum of at least 2.5% of gross Revenues each month on marketing your business. Purchases made through our company store for promotional items, uniforms, and apparel count toward meeting this This amount is only a minimum requirement, and we do not represent that it is the optimal amount of money for you to spend on marketing.

Point of Sale and Computer Systems

We require you to buy (or lease) and use a point-of-sale system, merchant services provider, computer system, and related software (collectively, the "Required System") that will provide the management tools and operating platform you will use to operate the franchised business.

Hardware	Software
POS Hardware	Gusto (Payroll platform)
Computer	PM Attendant POS System Software
Backup Drive	Microsoft Office (2018 or higher) or OpenOffice
	Square (Merchant services aggregator)

The Required System provides the necessary management tools used to operate the franchised business and manage the day-to-day operations of the Business. These systems will generate or store data such as customer data, customer financial information, contact information and operational data for managing the Business.

We estimate that these systems will cost between $1,500 and $2,500 to purchase and install.

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

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

We estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $3,000 to $6,000 per month.

Through our mandated use of PM Attendant, we will have full independent access to your information that will be generated or stored in the system. The information that we may access may include sales, customer data, and reports. You must agree to allow us to access this information.

Brand Standards Manual

See Exhibit G for the table of contents of our Manual as of the date this disclosure document, with the number of pages devoted to each subject. The Manual has 228 pages.

Training Program

Our training program consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction to Costa Oil 10 Minute Oil Change	4	0	York, PA
Software/POS Training	6	0	York, PA
Management (Culture, Floor Control & More)	2	20	York, PA
Marketing, Customer Satisfaction, and Monitoring	2	0	York, PA
Bookkeeping, KPI, Hiring & Recruiting	2	0	York, PA
Employee Scheduling, Labor Management	2	0	York, PA
Risk Management & Compliance	2	0	York, PA
Total	20	20	40 hours

Training classes will be scheduled in accordance with the needs of new franchisees. We anticipate holding training classes for new franchisees once per month in our corporate headquarters in York, PA. We may occasionally offer virtual training sessions online based on need, the availability of our office and business space in York, Pennsylvania, and pandemic related

guidance from local authorities. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program, and we reserve the right to not provide this training if you are converting an existing oil and lube business.

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

Training classes will be led or supervised by Mr. Constantine Kapothanasis. His experience is described in Item 2. He has 10 years of experience in our industry, and 6 years of experience with us or our affiliates.

For new franchisee training, up to 3 people per franchisee may attend the training provided by us. However, you must pay the travel and living expenses of people attending training.

You and your Principal Operator (and any general manager) must attend our new franchisee training. You may send any additional employees or Owner that you want (up to the maximum described above). You must complete training to our satisfaction at least four weeks before opening your business.

Your business must at all times be under your on-site supervision or under the on-site supervision of your designated Principal Operator or general manager who has completed our training program. If you need to send a new Principal Operator or general manager to our training program, we will charge a fee, which is currently $500 per person. Otherwise, we do not currently require additional training programs or refresher courses, but we have the right to do so.

Item 12
TERRITORY

Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval.

Grant of Territory

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

The franchise is granted for a specific location that must first be approved by us (the "Location"). The Location will be located in a "Marketing Area". Your Marketing Area generally will have a population of approximately 50,000 people or a three-mile radius, whichever is greater. We have no obligation whatsoever to provide you a Marketing Area with a certain minimum number of people. Your Marketing Area will usually be specified by boundaries (such as counties or other political boundaries, streets, geographical features, or trade area). Factors that influence our grant of Marketing Areas include the proximity of the Location to malls, shopping centers,

business centers, industrial parks, airports, traffic count, speed of traffic, access to the Location, and competition in the Marketing Area. We do not have an established geographical formula for defining Marketing Areas. While we may use demographic and market analysis services to assist us, we base it on our sole judgment on a case-by-case basis.

If your Franchised Business is not granted under a MUDA agreement, you do not receive any territorial protection of any kind and we may establish other Costa Oil locations (franchised or owned by us) anywhere inside or outside the Marketing Area that may or may not compete with your location. We may utilize any type of Internet, Intranet, email, site, or website or other means of electronic communication to offer or sell anywhere, products and services bearing our Marks or Copyrights without any compensation to you.

Continuing your Franchised Business or retaining your Marketing Area does not depend on your achieving certain sales volume, market penetration or other contingency (except, of course, your compliance with the Franchise Agreement and all other agreements with us). We may modify, amend, reduce, or enlarge your Marketing Area at any time upon notice to you. In a renewal (successor Franchise) or transfer situation, we may require you or the transferee to accept a different Marketing Area based on our then current policies.

If your Franchised Business is granted under a MUDA, we will not, during the term of the Franchise Agreement (so long as the MUDA has not been terminated), grant to another to operate, or ourselves operate a Costa Oil with a physical location in the Marketing Area. We do not have a minimum size for a Marketing Area under a MUDA, nor do we have a minimum size for a Development Area under a MUDA. We determine the Marketing Areas and Development Areas on a case-by-case basis.

If you do not meet your development obligations in your MUDA, you will be in default under the Development Agreement. If you default under the Development Agreement, we may, in our sole discretion, take 1 of 4 actions: (1) grant you an extension for such time and for a non-refundable Extension Fee equal to the Franchise Fees for the number of Costa Oil locations required to be opened that are behind the development schedule; (2) eliminate the protected development rights under any MUDA or any franchise agreement granted under the MUDA; (3) reduce the Development Area for your MUDA to a size and magnitude that we reasonably believe you are capable of operating; or (4) terminate the MUDA.

We are not required to pay you if we exercise any of the rights described above. We do not restrict you from soliciting or accepting customers from outside of your Marketing Area for on-premises sales at your Costa Oil location; however, we may and currently do confine your marketing to within your Marketing Area. You do not have the right to use alternative channels of Distribution to make sales where the products or services are provided at locations other than your Location. We reserve for ourselves and our affiliates the right to engage in any business activity inside or outside of the Marketing Area that is not expressly and exclusively granted to you under your Franchise Agreement or your MUDA.

Relocation; Establishment of Additional Outlets

You do not have the right to relocate your business, and we have no obligation to approve any request for relocation. Our policy is to approve relocation of a franchisee's business on a case-by-case basis, considering factors such as changes in demographics, profitability of your current business, or a loss of your premises due to circumstances beyond your control.

You do not have the right to establish additional franchised outlets unless you sign a Multi-Unit Development Agreement ("MUDA") in the form attached as Exhibit C to this disclosure document. If you and we sign a MUDA, then you will have the right to establish a mutually-agreed number of additional outlets on a mutually-agreed schedule. Under the MUDA, your right to develop additional outlets is subject to (1) you must comply with the mutually-agreed development schedule, (2) you must have sufficient financial and organizational capacity to develop, open, operate, and manage each additional Costa Oil business, (3) you must be in compliance with all brand requirements at your open Costa Oil business(es), and (4) you must not be in default under any other agreement with us. We will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. You are not obligated to develop additional outlets under the MUDA, and you may terminate it any time without penalty. If you do not meet your development schedule in the MUDA, we have the right to terminate your right to develop additional outlets and we may eliminate any protected development rights under any franchise agreement granted under the MUDA.

Options to Acquire Additional Franchises

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

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

There are no restrictions on us from soliciting or accepting orders from consumers inside your Marketing Area. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your Marketing Area using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your Marketing Area.

Soliciting by You Outside Your Territory

There are no restrictions on you from soliciting or accepting orders from consumers outside of your Marketing Area, except that all marketing and advertising is subject to our approval.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

Item 13
TRADEMARKS

Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by our affiliate, Costa Oils, Inc. We do have a federal registration for our principal trademark.

Trademark	Registration	Registration Number
COSTA OIL	July 28, 2020	6112121

Because the federal trademark registration is less than six years old, no affidavits are required at this time. The registration has not yet been renewed.

Determinations

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

Litigation

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

Agreements

Costa Oils, Inc. our affiliate, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Costa Oils, Inc., we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement has no expiration. It may be modified only by mutual consent of the parties. It may be terminated by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

Protection of Rights

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

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

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

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

Superior Prior Rights and Infringing Uses

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

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

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

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Manual as well as all other sales, training, management and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

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

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

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

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

Proprietary Information

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

All customer data and other non-public data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Costa Oil business.

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

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

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

Your Participation

You are not required to participate personally in the direct operation of your business. However, we recommend that you participate.

You must designate one person as your "Principal Operator". The Principal Operator is the person primarily responsible for your business and has decision-making authority on behalf of the business. The Principal Operator must own at least 10% of the business. The Principal Operator must complete our initial training program. The Principal Operator must complete any post-opening training programs that we develop in the future. The Principal Operator must make

reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls), including regional or national brand conferences, that we require. The Principal Operator cannot fail to attend more than three consecutive required meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreement (see Attachment 3 to Exhibit B).

"On-Premises" Supervision

You are not required to personally conduct "on-premises" supervision (that is, act as general manager) of your business. However, we recommend on-premises supervision by you.

There is no limit on who you can hire as an on-premises supervisor. The general manager of your business (whether that is you or a hired person) must successfully complete our training program.

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

Restrictions on Your Manager

If we request, you must have your general manager (and other key employees that we reasonably designate) sign a confidentiality and non-compete agreement. We will not require you to enter into a confidentiality and non-compete agreement that violates applicable state law. We do not require you to place any other restrictions on your manager.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

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

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

We do not restrict your access to customers, except that all sales must be made at or from your premises.

Item 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	Franchise Agreement (FA): § 3.1 Multi-Unit Development Agreement (MUDA): §1(a)	The term of the franchise agreement is 15 years from date of signing. The MUDA will expire on the date that your last franchise is scheduled to open.
b. Renewal or extension of the term	FA: § 3.2 MUDA: none	You may obtain a successor franchise agreement for up to one additional 15-year term.
c. Requirements for franchisee to renew or extend	FA: § 3.2 MUDA: none	For our franchise system, "renewal" means that at the end of your term, you sign our successor franchise agreement for an additional 15-year year term. You may be asked to sign a contract with materially different terms and conditions than your original contract. To renew, you must give advance notice to us; be in compliance with all contractual obligations to us and third parties; renovate to our then-current standards; sign then-current form of franchise agreement and related documents (including personal guaranty); pay renewal fee; sign general release (unless prohibited by applicable law). If you continue operating your franchise after the expiration of the term without a renewal agreement, then we may either terminate your operation at any time or deem you to have renewed your agreement for a 15-year term and collect the renewal fee.
d. Termination by franchisee	FA: None MUDA: § 5, 6	You have no right to terminate a franchise agreement. If you sign a MUDA, you may terminate it at any time.

Provision	Section in franchise or other agreement	Summary
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	FA: § 14.1 MUDA: §§ 5, 6	We may terminate your agreement for cause, subject to any applicable notice and cure opportunity.
g. "Cause" defined--curable defaults	FA: § 14.1 MUDA: none	Non-payment by you (10 days to cure); violate franchise agreement other than non-curable default (30 days to cure). If you sign a MUDA, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement is terminated, we have the right to terminate your MUDA.
h. "Cause" defined--non-curable defaults	FA: § 14.1 MUDA: § 5, 6	FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; slander or libel of us; refusal to cooperate with our business inspection; cease operations for more than 5 consecutive days; three defaults in 12 months; cross-termination; charge or conviction of, or plea to a felony, or commission or accusation of an act that is reasonably likely to materially and unfavorably affect our brand; any other breach of franchise agreement which by its nature cannot be cured. MUDA: failure to meet development schedule; violation of franchise agreement or other agreement which gives us the right to terminate it.
i. Franchisee's obligations on termination/non-renewal	FA: §§ 14.2 – 14.5 MUDA: none	Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; purchase option by us.
j. Assignment of agreement by franchisor	FA: § 15.1 MUDA: § 9	Unlimited

Provision	Section in franchise or other agreement	Summary
k. "Transfer" by franchisee - defined	FA: Article 1 MUDA: Background Statement	For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest in the business, or (iv) control of the business.
l. Franchisor's approval of transfer by franchisee	FA: § 15.2 MUDA: § 9	No transfers without our approval.
m. Conditions for franchisor's approval of transfer	FA: § 15.2 MUDA: none	Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer and its owners sign our then-current franchise agreement and related documents (including personal guaranty); you've made all payments to us and are in compliance with all contractual requirements; buyer completes training program and pays us our then "under new management" fee; you sign a general release (subject to state law); business complies with then-current system specifications (including remodel, if applicable).
n. Franchisor's right of first refusal to acquire franchisee's business	FA: § 15.5 MUDA: none	If you want to transfer your business (other than to your co-owner or your spouse, sibling, or child), we have a right of first refusal.
o. Franchisor's option to purchase franchisee's business	FA: § 14.5 MUDA: none	When your franchise agreement expires or is terminated, we will have the right to purchase any or all of the assets of your business.
p. Death or disability of franchisee	FA: §§ 2.5, 11.13 15.4 MUDA: none	If you die or become incapacitated, a new principal operator acceptable to us must be designated to operate the business, and your executor must transfer the business to an approved new owner within nine months. We have the right to temporarily operate the business if you die or become incapacitated.
q. Non-competition covenants during the term of the franchise	FA: § 13.2 MUDA: none	Neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by, any competitor.

Provision	Section in franchise or other agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	FA: § 13.2 MUDA: none	For two years, neither you, any owner of the business, or any spouse of an owner may have ownership interest in, lend money or provide financial assistance to, provide services to, or be employed by a competitor located within twenty-five miles of your former marketing are or the marketing area of any other Costa Oil business operating on the date of termination.
s. Modification of the agreement	FA: § 18.4 MUDA: § 5, 9	No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications (or to modify the Development Area as provided in the MUDA).
t. Integration/merger clause	FA: § 18.3 MUDA: § 9	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement (or MUDA) may not be enforceable. However, no claim made in any franchise agreement (or MUDA) is intended to disclaim the express representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	FA: § 17.1 MUDA: § 9	All disputes are resolved by arbitration (except for injunctive relief) (subject to applicable state law).
v. Choice of forum	FA: §§ 17.1; 17.5 MUDA: § 9	Arbitration will take place where our headquarters is located (currently, York Pennsylvania) (subject to applicable state law). Any legal proceedings not subject to arbitration will take place in the District Court of the United States, in the district where our headquarters is then located, or if this court lacks jurisdiction, the state courts of the state and county where our headquarters is then located (subject to applicable state law).
w. Choice of law	FA: § 18.8 MUDA: § 9	Pennsylvania (subject to applicable state law).

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

Item 18
PUBLIC FIGURES

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

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

2020 Financial Results

The following chart contains selected 2020 financial performance information for four of the Costa Oil outlets, each of which is owned by our affiliate, Costa Oils, Inc.

While there were 13 Costa Oil outlets open at various times during 2020, we are only including the information for the 4 outlets ("Designated Outlets") that have been open at least 24 months as of end of 2020 and are "standalone" locations which would be comparable to the franchise businesses offered in this disclosure document. Of the other 9 locations, 4 are not "standalone" locations (meaning that they are connected with a car wash or a part of an auto mall), 1 was open for less than 24 months, and 3 were not open throughout 2020 as they opened during 2020, and 1 was not open throughout 2020 as it closed during 2020.

All of the Designated Outlets are located in Pennsylvania.

Table 1 – 2020 Gross Revenues from Designated Outlets

	Gross Revenue	Number of Sample that Achieved or Surpassed Stated Result	Percent of Sample that Achieved or Surpassed Stated Result

Median	$335,627.09	2	50%
Average	$334,265.05	2	50%
Highest	$450,953.21	1	25%
Lowest	$214,852.80	4	100%

Table 2 – Certain 2020 Expense Revenue from Designated Outlets

	Median	Average	High	Low
Total COGS	$137,648.91	$141,472.49	$152,943.24	$137,648.91
Gross Profit	$197,978.17	$192,792.55	$298,009.97	$77,203.89
Operating Expenses	$66,510.04	$68,005.08	$78,847.00	$60,153.25
Net Income	$136,507.88	$124,787.47	$219,162.97	$6,971.13
Estimated Royalty/Brand Fees	$28,528.30	$28,413.53	$38,331.02	$18,262.49

Notes:

1. The foregoing information shows historical financial performance and is not a projection of future performance. Table 1 describes the gross revenues for the 4 Designated Outlets covered by this disclosure during calendar year 2020. Table 2 describes the certain expenses for the 4 Designated Outlets covered by this disclosure document during calendar year 2020.

2. "Gross Revenues" means total of all revenue in a period, not including discounts, taxes, voids, or refunds for each location.

3. "Cost of Goods Sold" means the cost of all oil, oil filters, payroll for direct management and operations and supplies/materials used in operating the franchised business.

4. "Operating Expenses" means the cost of rent, insurance, bank charges, retirement accounts, utilities, sales tax, and other expenses associated with operating the franchised business. These expenses will vary per location and in how you choose to operate the franchised business. A few minor, individual items comprising Operating Expenses (specifically bank charges, vehicle expenses, insurance, software expenses, and meals & entertainment) are an average as these items are not accounted separately by outlet.

5. "Net Income" means Gross Revenues minus Cost of Goods Sold and Operating Expenses.

6. "Estimated Royalty/Brand Fees" reflect the 6.5% royalty plus the 2% Brand Fund Contribution that these outlets would have paid if they were franchised.

The COVID-19 pandemic has materially affected the financial performance of the Costa Oil businesses described in this Item 19. Shelter-in-place orders, mandated closures, limits on operations, consumer sentiment, and other disruptions to business operations have adversely impacted sales and will continue to impact sales.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you'll sell as much.

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

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Constantine Kapothanasis at 1 East Market Street, Suite 204, York, Pennsylvania 17401 and/or by telephoning him at (717) 318-5091, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2018 to 2020

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Company-Owned	2018	6	8	+2
	2019	8	10	+2
	2020	10	13	+3

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Total Outlets	2018	6	8	+2
	2019	8	10	+2
	2020	10	13	+3

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2018 to 2020

Column 1 State	Column 2 Year	Column 3 Number of Transfers
N/A	2018	0
	2019	0
	2020	0
Total	2018	0
	2019	0
	2020	0

Table 3
Status of Franchised Outlets
For Years 2018 to 2020

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi-Nations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
N/A	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Totals	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0

Table 4
Status of Company-Owned Outlets
For Years 2018 to 2020

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Illinois	2018	1	0	0	0	0	1
	2019	1	1	0	0	0	2
	2020	2	0	0	0	0	2
Maryland	2018	0	1	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	1	0	0
Ohio	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	1	0	0	0	2
Pennsylvania	2018	4	1	0	0	0	5
	2019	5	1	0	0	0	6
	2020	6	3	0	0	0	9
Totals	**2018**	**6**	**2**	**0**	**0**	**0**	**8**
	2019	**8**	**2**	**0**	**0**	**0**	**10**
	2020	**10**	**4**	**0**	**1**	**0**	**13**

*There are two company owned locations in development which had signed leases in 2020, but are scheduled to open in 2021.

Table 5
Projected Openings As Of December 31, 2020

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Colorado	0	1	0
Georgia	0	1	0
Florida	0	1	0
Pennsylvania	0	1	0
Texas	0	1	0
Total	0	5	0

Current Franchisees

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

Former Franchisees

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

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

Confidentiality Clauses

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

Franchisee Organizations

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

Item 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit F contains our audited opening financial statements for January 31, 2021, and December 31, 2020. Our fiscal year ends December 31.

Item 22
CONTRACTS

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

B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Multi-Unit Development Agreement
D. Rider to Lease Agreement
E. Form of General Release
I. Franchise Disclosure Questionnaire

K. State Addenda to Agreements
L. SBA Addendum to Franchise Agreement

Item 23
RECEIPTS

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

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

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

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

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8236	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

EXHIBIT B

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE		
1.	**Franchisee**	_____
2.	**Initial Franchise Fee**	$_____
3.	**Development Area**	_____
4.	**Location**	_____
5.	**Marketing Area**	_____
6.	**Opening Deadline**	_____
7.	**Principal Operator**	_____
8.	**Franchisee's Address**	_____

FRANCHISE AGREEMENT

This Agreement is made between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International"), and Franchisee effective as of the date signed by Costa Oil International (the "Effective Date").

Background Statement:

A. Costa Oil International and its affiliate Costa Oils, Inc., have created and own a system (the "System") for developing and operating quick lubrication, oil change, and light automotive repair businesses under the trade name "Costa Oil".

B. The System includes (1) methods, procedures, and standards for developing and operating a Costa Oil business, (2) plans, specifications, equipment, signage and trade dress for Costa Oil businesses, (3) particular products and services, (4) the Marks, (5) training programs, (6) business knowledge, (7) marketing plans and concepts, and (8) other mandatory or optional elements as determined by Costa Oil International from time to time.

C. The parties desire that Costa Oil International license the Marks and the System to Franchisee for Franchisee to develop and operate a Costa Oil business on the terms and conditions of this Agreement.

ARTICLE 1. DEFINITIONS

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

"**Approved Vendor**" means a supplier, vendor, or distributor of Inputs which has been approved by Costa Oil International.

"**Brand Fund**" means the fund established (or which may be established) by Costa Oil International into which Brand Fund Contributions are deposited.

"**Business**" means the Costa Oil business owned by Franchisee and operated under this Agreement.

"**Competitor**" means any business which offers automotive lubrication, oil change, or light repairs.

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

"**Gross Revenue**" all revenue Franchisee collects and receives from operating the Business which includes all revenue received from all services and products sold, all amounts that you charge, invoice, collect, or receive at or away from the Location, and whether from cash, check, credit or

debit card, barter exchange, trade credit, or other credit transactions, but excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to taxing authorities.

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

"**Location**" means the location stated on the Summary Page. If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

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

"**Manual**" means Costa Oil International's confidential Brand Standards(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

"**Marketing Area**" means the marketing area stated on the Summary Page. If no marketing area is stated on the Summary Page, then the Marketing Area is determined in accordance with Section 6.1.

"**Marks**" means the trade name and logo contained on the Summary Page, and all other trade names, trademarks, service marks and logos specified by Costa Oil International from time to time for use in a Costa Oil business.

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

"Principal Operator" is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Operator must have at least 10% ownership interest in Franchisee.

"**Remodel**" means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Costa Oil business.

"**Required Vendor**" means a supplier, vendor, or distributor of Inputs which Costa Oil International requires franchisees to use.

"**System Standards**" means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Costa Oil International, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, cleanliness, customer service, data protection and privacy, design (such as construction, decoration, layout, furniture, fixtures and signs), equipment, inventory, marketing and public

relations, operating days, operating hours, presentation of Marks, product and service offerings, quality of products and services (including any guaranty and warranty programs), reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), temporary operational changes due to special circumstances (such as a pandemic), uniforms, and vehicles.

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

ARTICLE 2. GRANT OF LICENSE

2.1 Grant. Costa Oil International grants to Franchisee the right to operate a Costa Oil business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open and operate a Costa Oil business at the Location for the entire term of this Agreement.

2.2 Marketing Area. Franchisee will not actively advertise, market or promote its Business outside of the Marketing Area. Unless Franchisee (or one of its affiliates) has also entered into a MUDA which provides otherwise, Costa Oil International may allow other Costa Oil businesses to be physically located in and operate within the Marketing Area. If Marketing Area is not stated on the Summary Page when this Agreement is signed, then the parties will determine the Marketing Area in accordance with Section 6.1.

2.3 Reservation of Rights. Costa Oil International reserve the right in its sole discretion to:

(a) Establish and grant to franchisees the right to establish Costa Oil businesses anywhere inside or outside the Marketing Area, on such terms and conditions as Costa Oil International deems appropriate;

(b) Operate, and grant franchises to others to operate businesses, whether inside or outside the Marketing Area, specializing in the sale of products or provision of services using certain of the Marks and pursuant to such terms and conditions as Costa Oil International deems appropriate;

(c) Operate, and grant franchises to others to operate businesses, whether inside or outside the Marketing Area, that do not use the Marks;

(d) Market and sell, inside and outside of the Marketing Area, through alternative channels of distribution, goods and services competitive with goods and serviced offered by Costa Oil Businesses under the Marks or under trade names, service marks, or trademarks other than Marks, without any compensation to Franchisee except as specifically provided in this Agreement; and

(e) engage in any other acts and exercise any rights not expressly and exclusively granted to Franchisee under this Agreement.

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

2.5 Principal Operator. Franchisee agrees that the person designated as the "Principal Operator" on the Summary Page is the executive primarily responsible for the Business and has decision-making authority on behalf of Franchisee. The Principal Operator must have at least 10% ownership interest in Franchisee. The Principal Operator does not have to serve as a day-to-day general manager of the Business, but the Principal Operator must devote substantial time and attention to the Business. If the Principal Operator dies, becomes incapacitated, transfers his/her interest in Franchisee, or otherwise ceases to be the executive primarily responsible for the Business, Franchisee shall promptly designate a new Principal Operator, subject to Costa Oil International's reasonable approval, and Franchisee shall pay Costa Oil International a New Principal Operator Fee which shall equal the fee set forth in Section 15.2(i).

2.6 Guaranty. If Franchisee is an entity, then Franchisee shall have each Owner sign a personal guaranty of Franchisee's obligations to Costa Oil International, in the form of Attachment 3.

2.7 No Conflict. Franchisee represents to Costa Oil International that Franchisee and each of its Owners (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any Competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation, or executive order.

ARTICLE 3. TERM

3.1 Term. This Agreement commences on the Effective Date and continues for 15 years.

3.2 Successor Agreement. When the term of this Agreement expires, Franchisee may enter into a successor agreement for up to 1 additional period of 15 years, subject to the following conditions prior to expiration:

(i) Franchisee notifies Costa Oil International of the election to renew between 90 and 180 days prior to the end of the term;

(ii) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Costa Oil International (or any of its affiliates) at the time of election and at the time of renewal;

(iii) Franchisee has made or agrees to make (within a period of time acceptable to Costa Oil International) renovations and changes to the Business as Costa Oil International requires (including a Remodel, if applicable) to conform to the then-current System Standards;

(iv) Franchisee and its Owners execute Costa Oil International's then-current standard form of franchise agreement and related documents (including personal guaranty), which may be materially different than this form (including, without limitation, higher and/or different fees), except that Franchisee will not pay another initial franchise fee and will not receive more renewal or successor terms than described in this Section;

(v) Franchisee pays a renewal fee equal to 25% of Costa Oil International's then-current initial franchise fee; and

(vi) Franchisee and each Owner executes a general release (on Costa Oil International's then-standard form) of any and all claims against Costa Oil International, its affiliates, and their respective owners, officers, directors, agents and employees.

ARTICLE 4. FEES

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

4.2 Royalty Fee. Franchisee shall pay Costa Oil International a weekly royalty fee (the "Royalty Fee") that is the greater of (1) 6.5% of Gross Revenue; or (b) $150 per week, if applicable (the "Minimum Royalty"). The Royalty Fee for any given week is due by the first Tuesday of the following week. The Minimum Royalty shall commence being payable beginning the first full calendar week following the opening of the Business.

4.3 Marketing Contributions.

(a) Brand Fund Contribution. Franchisee shall pay Costa Oil International a contribution to the Brand Fund (the "Brand Fund Contribution") equal to 2% of Franchisee's Gross Revenue (or such lesser amount as Costa Oil International determines), at the same time as the Royalty Fee.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Revenue (or other amount) determined by the Market Cooperative, not to exceed 5%.

4.4 Replacement / Additional Training Fee. If Franchisee sends an employee to Costa Oil International's training program after opening, Costa Oil International may charge its then-current training fee. As of the date of this Agreement, the training fee is $500 per person.

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

to all of Costa Oil International's other rights and remedies (including default and termination under Section 14.1).

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

4.7 Payment Terms.

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Brand Fund Contribution, and any other amounts owed to Costa Oil International by pre-authorized bank draft or in such other manner as Costa Oil International may require. Franchisee shall comply with Costa Oil International's payment instructions.

(b) Calculation of Fees. Franchisee shall report weekly Gross Revenue to Costa Oil International by Tuesday of the following week. If Franchisee fails to report weekly Gross Revenue, then Costa Oil International may withdraw estimated Royalty Fees and Brand Fund Contributions equal to 125% of the last Gross Revenue reported to Costa Oil International, and the parties will true-up the actual fees after Franchisee reports Gross Revenue. Franchisee acknowledges that Costa Oil International has the right to remotely access Franchisee's point-of-sale system to calculate Gross Revenue.

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

(d) Insufficient Funds. Costa Oil International may charge $100 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law) or if Franchisee does not have sufficient funds in Franchisee's account to cover payment.

(e) Costs of Collection. Franchisee shall repay any costs incurred by Costa Oil International (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

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

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

ARTICLE 5. ASSISTANCE

5.1 Manual. Costa Oil International shall make its Manual available to Franchisee.

5.2 Pre-Opening Assistance.

(a) Selecting Location. Costa Oil International shall provide its criteria for Costa Oil locations to Franchisee. Costa Oil International will review and advise Franchisee regarding potential locations submitted by Franchisee.

(b) Pre-Opening Plans, Specifications, and Vendors. Within a reasonable period of time after the Effective Date, Costa Oil International shall provide Franchisee with (i) Costa Oil International's standard building plans and specifications and/or standard floor plans; (ii) the applicable System Standards, (iii) other specifications as Costa Oil International deems appropriate (which may include specifications regarding inventory, supplies, materials, and other matters), and (iv) Costa Oil International's lists of Approved Vendors and/or Required Vendors.

(c) Business and Marketing Plan Review. For newly developed Businesses, Costa Oil International shall review and advise on Franchisee's pre-opening business plan, market introduction plan and financial projections. **Franchisee acknowledges that Costa Oil International accepts no responsibility for the performance of the Business.**

(d) Pre-Opening Training. Costa Oil International shall make available its standard pre-opening training to the Principal Operator and up to 2 other employees, at Costa Oil International's headquarters and/or at a Costa Oil business designated by Costa Oil International. Costa Oil International shall not charge any fee for this training. Franchisee is responsible for its own travel, lodging, meal, and other out-of-pocket expenses. Costa Oil International reserves the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the program.

(e) On-Site Opening Assistance. Costa Oil International will not have a representative present for Franchisee's business opening or for onsite opening training and assistance.

(f) Market Introduction Plan. Costa Oil International shall advise Franchisee regarding the planning and execution of Franchisee's market introduction plan.

(g) On-Site Opening Assistance. Costa Oil International will not have a representative present for Franchisee's business opening or for onsite opening training and assistance.

5.3 Post-Opening Assistance.

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

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

(c) Procedures. Costa Oil International shall provide Franchisee with Costa Oil International's recommended administrative, bookkeeping, accounting, and inventory control procedures. Costa Oil International may make any such procedures part of required (and not merely recommended) System Standards.

(d) Marketing. Costa Oil International shall manage the Brand Fund.

(e) Internet. Costa Oil International shall maintain a website for Costa Oil, which will include the location of the Business and its contact information.

ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

6.1 Determining Location and Marketing Area. If the Location and/or Marketing Area are not stated on the Summary Page:

(i) Franchisee shall find a potential Location for the Business within the Development Area described on the Summary Page. Franchisee shall submit its proposed Location to Costa Oil International for acceptance, with all related information Costa Oil International may request. If Costa Oil International does not accept the proposed Location in writing within 30 days, then it is deemed rejected.

(ii) When Costa Oil International accepts the Location, it will issue a Location Acceptance Letter in the form of Attachment 2 which states the Location and Marketing Area. Costa Oil International shall determine the Marketing Area in its good faith discretion, substantially in accordance with Item 12 of the Franchise Disclosure Document. If Costa Oil International fails to state the Marketing Area in writing before Franchisee opens the Business to the public, the Marketing Area will be deemed to be 3 miles from the Location.

(iii) **Costa Oil International's advice regarding or acceptance of a site is not a representation or warranty that the Business will be successful, and Costa Oil International has no liability to Franchisee with respect to the location of the Business.**

6.2 Lease. In connection with any lease between Franchisee and the landlord of the Location: (i) if requested by Costa Oil International, Franchisee must submit the proposed lease to Costa Oil International for written approval, (ii) the term of the lease (including renewal terms) must be for a period of not less than the term of this Agreement, and (iii) Franchisee shall use commercially reasonable efforts to obtain the landlord's signature to a rider to the lease in the form required by Costa Oil International.

6.3 Development. Franchisee shall lease from Costa Oil International a kiosk constructed by Costa Oil International's approved building vendor, purchase a kiosk from Costa International's approved building vendor, or hire Costa International's approved builder to remodel and convert an existing oil and lube location to confirm to Costa Oil International's System Standards. Costa Oil International may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or

opinions expressed by Costa Oil International or its representatives regarding any architectural, engineering, or legal matters (including without limitation the Americans With Disabilities Act) in the development and construction of the Business, and Costa Oil International assumes no liability with respect thereto. Costa Oil International's inspection and/or approval to open the Business is not a representation or a warranty that the Business has been constructed in accordance with any architectural, engineering, or legal standards.

6.4 New Franchisee Training. Franchise Principal Operator and any general manager must complete Costa Oil International's training program for new franchisees to Costa Oil International's satisfaction prior to opening the Business.

6.5 Conditions to Opening. Franchisee shall notify Costa Oil International at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement, (2) Franchisee has obtained all applicable governmental permits and authorizations, (3) the Business conforms to all applicable System Standards, (4) Costa Oil International has inspected and approved the Business, (5) Franchisee has hired sufficient employees, (6) Franchisee's officers and employees have completed all of Costa Oil International's required pre-opening training; and (7) Costa Oil International has given its written approval to open, which will not be unreasonably withheld.

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

6.7 Relocation. You do not have the right to relocate the Business. However, if Franchisee desires to relocate the Business from the Location, then Franchisee must submit a written request for approval along with any documentation or information that Costa Oil International requests concerning the proposed relocation. Costa Oil International may approve or disapprove the relocation request in its sole discretion. Costa Oil International may condition its approval on such criteria as Costa Oil International deems appropriate, which may include evaluations of the proposed site, Franchisee's performance and financial condition, and the effect of such relation on other current and considered Costa Oil outlets. If Costa Oil International approves of the relocation, Franchisee shall pay Costa Oil a relocation fee of $5,000, regardless of whether Franchisee actually effects such relocation.

ARTICLE 7. OPERATIONS

7.1 Compliance with Manual and System Standards. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards.

7.2 Compliance with Law. Franchisee and the Business shall comply with all laws and regulations. Franchisee must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Business. Franchisee and must operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, HIPAA, other federal, state and local regulations regarding the provision of automotive services, government regulations relating to occupational hazards, health, worker's

compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. Franchisee shall not employ, any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in the files of the Business. Franchisee must comply with all state and local laws and regulations regarding the staffing and operation of an automotive services business. Franchisee shall ensure that the Business has a compliance program(s) that meets the requirements of their local market and area. Costa Oil International shall have no liability related to Franchisee's, the Owner's, the Business's legal compliance.

7.3 Products, Services, and Methods of Sale. Franchisee shall offer all products and services, and only those products and services, from time to time prescribed by Costa Oil International in the Manual or otherwise in writing. Franchisee shall make sales only to retail customers, and only at the Location. Unless otherwise approved or required by Costa Oil International, Franchisee shall not make sales by any other means, including without limitation by wholesale, by delivery, by mail order or over the internet, or at temporary or satellite locations. Franchisee shall maintain sufficient levels of inventory at all times. Franchisee shall provide all products and perform all services in a high-quality manner that meets or exceeds the customer's reasonable expectations and all applicable System Standards. Franchisee shall implement any guaranties, warranties, or similar commitments regarding products and/or services that Costa Oil International may require.

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

7.5 Personnel.

(a) Management. The Business must at all times be under the on-site supervision of the Principal Operator or a general manager (which may be an Owner) who has completed Costa Oil International's training program.

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

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

(d) Qualifications. Costa Oil International may set minimum qualifications for categories of employees employed by Franchisee.

(e) Sole Responsibility. Franchisee is solely responsible for all hiring decisions and all terms and conditions of employment of all of its personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Costa Oil International are not joint employers, and no employee of Franchisee will be an agent or employee of Costa Oil International. Within seven days of Costa Oil International's request, Franchisee and each of its employees shall sign an acknowledgment form stating that Franchisee alone (and not Costa Oil International) is the employee's sole employer. Franchisee shall use its legal name on all documents with its employees and independent contractors, including, but not limited to, employment applications, timecards,

pay checks, and employment and independent contractor agreements, and Franchisee shall not use the Marks on any of these documents.

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

7.7 Software. Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Costa Oil International. Franchisee shall enter into any subscription and support agreements that Costa Oil International may require, and Franchisee shall pay the costs of such agreements, which may include paying Costa Oil International for all or part of such software or systems. Franchisee shall upgrade, update, or replace any software from time to time as Costa Oil International may require. Franchisee shall protect the confidentiality and security of all software systems, and Franchisee shall abide by any System Standards related thereto. Franchisee shall give Costa Oil International unlimited access to Franchisee's point of sale system and other software systems used in the Business, by any means designated by Costa Oil International.

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

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

7.10 Payment Systems. Franchisee shall accept payment from customers in any form or manner designated by Costa Oil International (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, merchant services aggregators, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Costa Oil International. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

7.11 Gift Cards, Loyalty Programs, and Incentive Programs. At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs, membership/subscription programs, or customer incentive

programs, designated by Costa Oil International, in the manner specified by Costa Oil International in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Costa Oil business. Franchisee shall comply with all procedures and specifications of Costa Oil International related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty, membership/subscription, or customer incentive programs.

7.12 Maintenance and Repair. Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Costa Oil International may prescribe from time to time, including but not limited to periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, and repair.

7.12 Remodeling. In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Costa Oil International may require Franchisee to undertake and complete a Remodel of the Location to Costa Oil International's satisfaction. Franchisee must complete the Remodel in the time frame specified by Costa Oil International. Costa Oil International may require the Franchisee to submit plans for Costa Oil International's reasonable approval prior to commencing a required Remodel. Costa Oil International's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer), and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel.

7.14 Meetings. The Principal Operator shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone or video conference calls) that Costa Oil International requires, including any national or regional brand conventions. Franchisee shall not permit the Principal Operator to fail to attend more than three consecutive required meetings. Costa Oil International may charge Franchisee the attendance fee for Costa Oil International's national or regional conventions, regardless of whether Franchisee attends.

7.15 Insurance.

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

(i) "Special" causes of loss coverage forms, including fire and extended coverage, crime, vandalism, and malicious mischief, on all property of the Business, for full repair and replacement value (subject to a reasonable deductible);

(ii) Commercial General Liability insurance, including products liability and completed operations coverage, and broad form commercial liability coverage,

written on an "occurrence" policy form in an amount of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit;

(iii) $50,000 Garage Keepers Coverage per bay; Direct Primary option;

(iv) $1,000,000 Commercial Umbrella insurance;

(v) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than $1,000,000;

(vi) Workers Compensation coverage as required by state law with $500,000/500,000/$500,000 limits for employers' liability;

(vii) Employment Practices Liability insurance with limits not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit; and

(viii) Business Income Including Extra Expense – Actual Loss Sustained – 12 Months

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

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Costa Oil International prior to opening and upon annual renewal of the insurance coverage, as well as at any time upon request of Costa Oil International.

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

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

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

7.19 No Other Activity Associated with the Business. Franchisee shall not engage in any business or other activity at the Location other than operation of the Costa Oil Business. Franchisee shall not use assets of the Business for any purpose other than the Business. If Franchisee is an entity, the entity shall not own or operate any other business except Costa Oil businesses.

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

7.21 Identification. Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Costa Oil International. Franchisee must display at the Business signage prescribed by Costa Oil International identifying the Location as an independently owned franchise.

7.22 Business Practices. Franchisee, in all interactions with customers, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Costa Oil International. Franchisee shall not take any action which may injure the goodwill associated with the Marks.

ARTICLE 8. SUPPLIERS AND VENDORS

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

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

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

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

8.5 No Liability of Franchisor. Costa Oil International shall not have any liability to Franchisee for any claim or loss related to any product provided or service performed by any Approved Vendor or Required Vendor, including without limitation defects, delays, or unavailability of products or services.

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

ARTICLE 9. MARKETING

9.1 Approval and Implementation. Franchisee shall not conduct any marketing, advertising, or public relations activities (including in-store marketing materials, websites, online advertising, social media marketing or presence, and sponsorships) that have not been approved by Costa Oil International. Costa Oil International may (but is not obligated to) operate all "social media" accounts on behalf of the System, or it may permit franchisees to operate one or more accounts. Franchisee must comply with any System Standards regarding marketing, advertising, and public relations, including any social media policy that Costa Oil International may prescribe. Franchisee shall implement any marketing plans or campaigns determined by Costa Oil International. Franchisee agrees to independently verify that all advertising proposed and used by Franchisee is in strict compliance with any local rules and regulations regarding the operation, management, and advertising of or for an automotive services business.

9.2 Use by Costa Oil International. Costa Oil International may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, perpetual, royalty-free license to Costa Oil International for such purpose.

9.3 Brand Fund. Costa Oil International has established or may establish a Brand Fund to promote the System on a local, regional, national, and/or international level. If Costa Oil International has established a Brand Fund:

(a) Account. Costa Oil International is not required to hold the Brand Fund Contributions in a bank account separate from Costa Oil International's other accounts.

(b) Use. Costa Oil International shall use the Brand Fund only for marketing, advertising, and public relations materials, programs and campaigns (including at local, regional,

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

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

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

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

(f) Financial Statement. Costa Oil International shall prepare an unaudited annual financial statement of the Brand Fund within 120 days of the close of Costa Oil International's fiscal year and shall provide the financial statement to Franchisee upon request.

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

(a) Governance. Each Market Cooperative will be organized and governed in a form and manner, and shall commence operations on a date, determined by Costa Oil International. Costa Oil International may require the Market Cooperative to adopt bylaws or regulations prepared by Costa Oil International. Unless otherwise specified by Costa Oil International, the activities carried on by each Market Cooperative shall be decided by a majority vote of its members. Costa Oil International will be entitled to attend and participate in any meeting of a Market Cooperative. Any Costa Oil business owned by Costa Oil International in the Market Cooperative shall have the same voting rights as those owned by its franchisees. Each Business

owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Cooperative are unable or fail to determine the manner in which Market Cooperative monies will be spent, Costa Oil International may assume this decision-making authority after 10 days' notice to the members of the Market Cooperative.

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

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

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

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

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

9.5 Required Spending. Franchisee shall spend a minimum of at least 2.5% of Gross Revenue each month on marketing the Business (the "Local Marketing Requirement"). Upon request of Costa Oil International, Franchisee shall furnish proof of its compliance with this Section. Costa Oil International has the discretion to determine in good faith what activities constitute "marketing" under this Section. If Franchisee contributes to a Market Cooperative, the amount of the contribution will be counted towards Franchisee's required spending under this Section. If Franchisee fails to meet the Local Marketing Requirement for a given month, Franchisee shall pay the difference between the Local Marketing Requirement for the month and what the Franchisee actually spent on marketing the Business, with this difference to be paid to the Brand Fund or the Costa Oil International (if the Brand Fund has not yet been established).

9.6 Market Introduction Plan. Unless Franchisee is converting an existing similar business and has obtained Costa Oil International's prior written approval, Franchisee must develop a market introduction plan and obtain Costa Oil International's approval of the market introduction plan at least 30 days before the projected opening date of the Business.

ARTICLE 10. RECORDS AND REPORTS

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

10.2 Reports.

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

(i) a monthly profit and loss statement and balance sheet for the Business within 30 days after the end of each calendar month;

(ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of Costa Oil International's fiscal year; and

(iii) any information Costa Oil International requests in order to prepare a financial performance representation for Costa Oil International's franchise disclosure document.

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

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

(d) Other Information. Franchisee shall submit to Costa Oil International such other financial statements, budgets, forecasts, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Costa Oil International may reasonably request.

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

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

10.5 Records Audit. Costa Oil International may examine and audit all books and records related to the Business, and supporting documentation, at any reasonable time. Costa Oil International may conduct the audit at the Location and/or require Franchisee to deliver copies of

books, records and supporting documentation to a location designated by Costa Oil International. Franchisee shall also reimburse Costa Oil International for all costs and expenses of the examination or audit if (i) Costa Oil International conducted the audit because Franchisee failed to submit required reports or was otherwise not in compliance with the System, or (ii) the audit reveals that Franchisee did not meet Franchisee's local advertising requirements; or (iii) the audit reveals that Franchisee understated Gross Revenue by 3% or more for any 4-week period.

ARTICLE 11. FRANCHISOR RIGHTS

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

11.2 Inspections. Costa Oil International may enter the premises of the Business from time to time during normal business hours and conduct an inspection. Franchisee shall cooperate with Costa Oil International's inspectors. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions, monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Costa Oil International may videotape and/or take photographs of the inspection and the Business. Costa Oil International may set a minimum score requirement for inspections, and Franchisee's failure to meet or exceed the minimum score will be a default under this Agreement. Without limiting Costa Oil International's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Costa Oil International conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then Costa Oil International may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

11.3 Costa Oil International's Right to Cure. If Franchisee breaches or defaults under any provision of this Agreement, Costa Oil International may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse Costa Oil International for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

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

11.5 Business Data. All customer data and other non-public data generated by the Business is Confidential Information and is exclusively owned by Costa Oil International. Costa Oil International hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement. Franchisee agrees to allow Costa Oil International to have independent access to the information generated or stored in Franchisee's computer system or of any system containing any Confidential Information.

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

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

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

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

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

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

11.12 Temporary Public Safety Closure. If Costa Oil International discovers or becomes aware of any aspect of the Business which, in Costa Oil International's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Costa Oil International's order, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. Costa Oil International shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

11.13 Temporary Control. If (i) Franchisee (or, if Franchisee is an entity, the Owner with the largest interest in Franchisee) or the Principal Operator dies or becomes incapacitated, (ii) this

Agreement is terminated or expires and Costa Oil International elects to purchase assets of the Business as provided in Section 14.5, or (iii) Franchisee is operating the Business in a manner which, in Costa Oil International's reasonable opinion, constitutes a danger to the health or safety of any person, then Costa Oil International may (but is not obligated to) enter the Location and operate and manage the Business for Franchisee's (or Franchisee's estate's) account until this Agreement is terminated, the Business is transferred, the Business is purchased by Costa Oil International, or Costa Oil International returns the Business to Franchisee. Costa Oil International's operation and management will not continue for more than 90 days without Franchisee's consent (or the consent of the representatives of Franchisee's estate). If this Agreement has not terminated or expired, then Costa Oil International will account to Franchisee for all net income from the Business during the period in which Costa Oil International operates the Business. Costa Oil International may collect a temporary management fee equal to $600 per day for the period in which Costa Oil International operates the Business, plus all out-of-pocket expenses incurred by Costa Oil International.

ARTICLE 12. MARKS

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

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

12.3 Infringement.

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

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

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

12.4 Name. If Franchisee is an entity, it shall not use the word[s] "Costa Oil" or any confusingly similar words in its legal name.

ARTICLE 13. COVENANTS

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

13.2 Covenants Not to Compete.

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

(b) Restriction – Post Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), no Restricted Party shall directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor within twenty-five miles of Franchisee's Marketing Area or the marketing area of any other Costa Oil business operating on the date of expiration, termination, or transfer, as applicable. If this Agreement is terminated before the Marketing Area is determined, then the area of non-competition will be within twenty-five miles of the Development Area and within twenty-five miles of the marketing area of any other Costa Oil business operating on the date of termination.

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

13.3 General Manager and Key Employees. If requested by Costa Oil International, Franchisee shall cause its general manager and other key employees reasonably designated by Costa Oil International to sign Costa Oil International's then-current form of confidentiality and non-compete agreement (unless prohibited by applicable law).

ARTICLE 14. DEFAULT AND TERMINATION

14.1 Termination by Costa Oil International.

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

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

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

(i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;

(ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Costa Oil International;

(iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors, or Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;

(iv) Franchisee fails to open for business by the date specified on the Summary Page;

(v) Franchisee loses possession of the Location;

(vi) Franchisee or any Owner commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;

(vii) Franchisee abandons or ceases operation of the Business for more than five consecutive days;

(viii) Franchisee or any Owner slanders or libels Costa Oil International or any of its employees, directors, or officers;

(ix) Franchisee refuses to cooperate with or permit any audit or inspection by Costa Oil International or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;

(x) the Business is operated in a manner which, in Costa Oil International's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Costa Oil International or otherwise);

(xi) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;

(xii) Costa Oil International (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give Costa Oil International the right to terminate this Agreement);

(xiii) Franchisee or any Owner is charged with, pleads guilty or no-contest to, or is convicted of a felony; or

(xiv) Franchisee or any Owner is accused by any governmental authority or third party of any act, or if Franchisee or any Owner commits any act or series of acts, that in Costa Oil International's opinion is reasonably likely to materially and unfavorably affect the Costa Oil brand.

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

(i) pay all amounts owed to Costa Oil International based on the operation of the Business through the effective date of termination or expiration;

(ii) return to Costa Oil International all copies of the Manual, Confidential Information and any and all other materials provided by Costa Oil International to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items; and delete all Confidential Information and proprietary materials from electronic devices;

(iii) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Costa Oil International or any new franchisee as may be directed by Costa Oil International, and Franchisee hereby irrevocably appoints Costa Oil International, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to

execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing; and

(iv) cease doing business under any of the Marks.

14.3 Remove Identification. Within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Costa Oil business, to the reasonable satisfaction of Costa Oil International. Franchisee shall comply with any reasonable instructions and procedures of Costa Oil International for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Costa Oil International may enter the Location to remove the Marks and de-identify the Location. In this event, Costa Oil International will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Costa Oil International.

14.4 Liquidated Damages. If Costa Oil International terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 14.1), then within 10 days thereafter Franchisee shall pay to Costa Oil International a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average weekly Royalty Fees and Brand Fund Contributions that Franchisee owed to Costa Oil International under this Agreement for the 52-week period preceding the date on which Franchisee ceased operating the Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (1) 104 or (2) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 52 weeks, then (x) will equal the average weekly Royalty Fees and Brand Fund Contributions that Franchisee owed to Costa Oil International during the period that Franchisee operated the Business. The "average Royalty Fees and Marketing Fund Contributions that Franchisee owed to Costa Oil International" shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Marketing Fund Contributions set forth in an addendum to this Agreement, unless this Section 14.4 is specifically amended in such addendum. Franchisee acknowledges that a precise calculation of the full extent of Costa Oil International's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to Costa Oil International under this Section will be in lieu of any direct monetary damages that Costa Oil International may incur as a result of Costa Oil International's loss of Royalty Fees and Brand Fund Contributions that would have been owed to Costa Oil International after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under Section 14.2 and Section 14.3, Costa Oil International's right to injunctive relief for enforcement of Article 13, and any attorneys' fees and other costs and expenses to which Costa Oil International is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Costa Oil International may have under this Agreement or otherwise.

14.5 Purchase Option. When this Agreement expires or is terminated, Costa Oil International will have the right (but not the obligation) to purchase any or all of the assets related to the Business, and/or to require Franchisee to assign its lease or sublease to Costa Oil International. To exercise this option, Costa Oil International must notify Franchisee no later than 30 days after this Agreement expires or is terminated. The purchase price for all assets that Costa Oil International

elects to purchase will be the lower of (i) the book value of such assets as declared on Franchisee's last filed tax returns or (ii) the fair market value of the assets. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Costa Oil International's purchase will be of assets only (free and clear of all liens), and the purchase will not include any liabilities of Franchisee. The purchase price for assets will not include any factor or increment for any trademark or other commercial symbol used in the business, the value of any intangible assets, or any goodwill or "going concern" value for the Business. Costa Oil International may withdraw its exercise of the purchase option at any time before it pays for the assets. Franchisee will sign a bill of sale for the purchased assets and any other transfer documents reasonably requested by Costa Oil International. If Costa Oil International exercises the purchase option, Costa Oil International may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Costa Oil International to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Costa Oil International may pay a portion of the purchase price directly to the lienholder to pay off such lien. Costa Oil International may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Costa Oil International may assign this purchase option to another party.

ARTICLE 15. TRANSFERS

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

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

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

(ii) the proposed Transferee and its owners have completed Costa Oil International's franchise application processes, meet Costa Oil International's then-applicable standards for new franchisees, and have been approved by Costa Oil International as franchisees;

(iii) the proposed Transferee is not a Competitor;

(iv) the proposed Transferee executes Costa Oil International's then-current form of franchise agreement and any related documents, which form may contain

materially different provisions than this Agreement (provided, however, that the proposed assignee will not be required to pay an initial franchise fee);

(v) all owners of the proposed Transferee provide a guaranty in accordance with Section 2.6;

(vi) Franchisee has paid all monetary obligations to Costa Oil International and its affiliates, and to any lessor, vendor, supplier, or lender to the Business, and Franchisee is not otherwise in default or breach of this Agreement or of any other obligation owed to Costa Oil International or its affiliates;

(vii) the proposed Transferee and its owners and employees undergo such training as Costa Oil International may require, and agree to pay Costa Oil International its then-current "Under New Management Advertising Fee", for which Costa Oil International will design and implement an "under new management" marketing campaign to promote the Business;

(viii) Franchisee, its Owners, and the Transferee and its owners execute a general release of Costa Oil International in a form satisfactory to Costa Oil International;

(ix) the Business fully complies with all of Costa Oil International's most recent System Standards; and

(x) if any Transfer (a) includes substantially all assets located at or used in the operation of the Business or the entire equity ownership of Franchisee; and (b) the proposed purchase price exceeds three (3) times EBITDA of the Business for the prior calendar year, as reasonably calculated by Costa Oil International ("Minimum Franchisee Proceeds"), Franchisee shall pay to Costa Oil International an "Appreciation Fee" of fifty percent (50%) of any amount above the Minimum Franchisee Proceeds. Such Appreciation Fee shall be paid to Costa Oil International in a lump sum payment upon the closing of the Transfer. For the avoidance of doubt, the EBIDTA of the Business for the prior calendar year shall be calculated using generally accepted accounting principles, and Franchisee agrees not to challenge any purchase price so calculated.

15.3 Transfer for Convenience of Ownership. If Franchisee is an individual, Franchisee may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership after at least 15 days' notice to Costa Oil International, if, prior to the Transfer: (1) the transferee provides the information required by Section 2.4; (2) Franchisee provides copies of the entity's charter documents, by-laws (or operating agreement) and similar documents, if requested by Costa Oil International, (3) Franchisee owns all voting securities of the corporation or limited liability company, and (4) Franchisee provides a guaranty in accordance with Section 2.6.

15.4 Transfer upon Death or Incapacity. Upon the death or incapacity of Franchisee (or, if Franchisee is an entity, the Owner with the largest ownership interest in Franchisee), the executor, administrator, or personal representative of that person must Transfer the Business to a third party approved by Costa Oil International (or to another person who was an Owner at the time of death

or incapacity of the largest Owner) within nine months after death or incapacity. Such transfer must comply with Section 15.2.

15.5 Costa Oil International's Right of First Refusal. Before Franchisee (or any Owner) engages in a Transfer (except under Section 15.3, to a co-Owner, or to a spouse, sibling, or child of an Owner), Costa Oil International will have a right of first refusal, as set forth in this Section. Franchisee (or its Owners) shall provide to Costa Oil International a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Costa Oil International's receipt of such copy, Costa Oil International will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that if some or all of the purchase price is not payable in cash, Costa Oil International may pay the equivalent value in cash for the purchase price). If Costa Oil International does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

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

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

ARTICLE 16. INDEMNITY

16.1 Indemnity. Franchisee shall indemnify and defend (with counsel reasonably acceptable to Costa Oil International) Costa Oil International, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Costa Oil International and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the operation of, or any legal non-compliance associated with, the Business. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions arising as a result of any Indemnitee's intentional misconduct or negligence. Any delay or failure by an Indemnitee to notify Franchisee of an Action shall not relieve Franchisee of its indemnity obligation except to the extent (if any) that such delay or failure materially prejudices Franchisee. Franchisee shall not settle an Action without the consent of the Indemnitee. This indemnity will continue in effect after this Agreement ends.

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

ARTICLE 17. DISPUTE RESOLUTION

17.1 Arbitration.

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

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

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

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

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

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

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

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

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

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

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

17.7 Franchisor Personnel. The provisions of this Article 17 will apply to any Action by Franchisee or its Owners against Costa Oil International's officers, directors, shareholders, members, employees, and/or agents. Nothing in this Agreement authorizes any Action against Costa Oil International's officers, directors, shareholders, members, employees, and/or agents or makes those persons liable for Costa Oil International's conduct.

ARTICLE 18. MISCELLANEOUS

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

18.2 No Third-Party Beneficiaries. Except as stated in Article 16 or Article 17, this Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Costa Oil International, and Costa Oil International's affiliates.

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

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

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

delay, forbearance or omission by a party to exercise any right will constitute a waiver of such right.

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

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

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

18.9 Notices. Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (A) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (B) if to Costa Oil International, addressed to 1 East Market Street, Suite 204, York, PA 17401. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notices will be effective upon the earlier of: (i) receipt by the recipient, (ii) first rejection by the recipient, (iii) three business days after mailing if sent via registered or certified mail; or (iv) the next business day after mailing if sent via overnight courier. Notwithstanding the foregoing, Costa Oil International may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication, in which case notice would be effective on Franchisee upon the delivery of the electronic mail or other electronic communication.

18.10 Holdover. If Franchisee continues operating the Business after the expiration of the term without a renewal agreement or successor franchise agreement executed by the parties in accordance with Section 3.2, then at any time (regardless of any course of dealing by the parties), Costa Oil International may by giving written notice to Franchisee (the "Holdover Notice") either (i) require Franchisee to cease operating the Business and comply with all post-closing obligations effective immediately upon giving notice or effective on such other date as Costa Oil International specifies, or (ii) bind Franchisee to a renewal term of 15 years, collect the renewal fee this Agreement specified in Section 3.2, and deem Franchisee and its Owners to have made the general release of liability described in Section 3.2(vi).

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

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

[*Signatures on next page*]

Agreed to by:

FRANCHISOR:

COSTA OIL INTERNATIONAL, INC.

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

FRANCHISEE:

[*if an individual:*]

_____
Name: _____
Date: _____

[*if an entity:*]

_____

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

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

_____ Illinois
_____ Indiana
_____ Maryland
_____ Minnesota
_____ New York
_____ North Dakota
_____ Ohio
_____ Rhode Island
_____ Washington

Attachment 1 to Franchise Agreement

OWNERSHIP INFORMATION

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

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

State: _____

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

Name	Shares or Percentage of Ownership

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

Name	Title

Attachment 2 to Franchise Agreement

LOCATION ACCEPTANCE LETTER

To: _____

This Location Acceptance Letter is issued by Costa Oil International for your Costa Oil franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

   _____

2. The Marketing Area of the Business is:

   _____

COSTA OIL INTERNATIONAL, INC.

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

Attachment 3 to Franchise Agreement

GUARANTY AND NON-COMPETE AGREEMENT

This Guaranty and Non-Compete Agreement (this "Guaranty") is executed by the undersigned person(s) (each, a "Guarantor") in favor of Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International").

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

Guarantor agrees as follows:

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

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

owned by Costa Oil International or its affiliates (except for Confidential Information which Costa Oil International licenses from another person or entity). Guarantor acknowledges that all customer data generated or obtained by Guarantor is Confidential Information belonging to Costa Oil International. This Section will survive the termination or expiration of the Franchise Agreement indefinitely.

3. Covenants Not to Compete.

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

(b) Restriction – Post Term. For two years after the Franchise Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer by Guarantor), Guarantor shall not directly or indirectly have any ownership interest in, lend money or provide financial assistance to, provide any services to, or be employed by, any Competitor located within twenty-five miles of Franchisee's Marketing Area or the marketing area of any other Costa Oil business operating on the date of expiration, termination, or transfer, as applicable. If the Franchise Agreement is terminated before the Marketing Area is determined, then the area of non-competition will be within twenty-five miles of the Development Area and within twenty-five miles of the marketing area of any other Costa Oil business operating on the date of termination.

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

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

5. Governing Law; Dispute Resolution. This Guaranty shall be governed by and construed in accordance with the laws of the state of Pennsylvania (without giving effect to its principles of conflicts of law). The parties agree that any Pennsylvania law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 5. The provisions of Article 17 (Dispute Resolution) of the Franchise Agreement apply to and are incorporated into this Guaranty as if fully set forth herein. Guarantor shall pay to Costa Oil International all costs incurred by Costa Oil

International (including reasonable attorney fees) in enforcing this Guaranty. If multiple Guarantors sign this Guaranty, each will have joint and several liability.

Agreed to by:

_____
Name: _____
Address: _____
_____
_____
Date: _____

_____
Name: _____
Address: _____
_____
_____
Date: _____

_____
Name: _____
Address: _____
_____
_____
Date: _____

Attachment 4 to Franchise Agreement

CERTIFICATION OF FRANCHISOR'S COMPLIANCE

By signing below, the undersigned acknowledges the following:

(1) The undersigned understands all the information in Costa Oil International's Disclosure Document.

(2) The success or failure of the Business will depend in large part upon Franchisee's skills, abilities and efforts and those of the persons Franchisee employs, as well as many factors beyond Franchisee's control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, and the marketplace.

(3) That no person acting on Costa Oil International's behalf made any statement or promise regarding the costs involved in operating a Costa Oil franchise that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.

(4) That no person acting on Costa Oil International's behalf made any claim or representation to Franchisee, orally, visually, or in writing, that contradicted the information in the Disclosure Document.

(5) That no person acting on Costa Oil International's behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money Franchisee may earn, or the total amount of revenue a Costa Oil franchise will generate, that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document.

(6) That no person acting on Costa Oil International's behalf made any statement or promise or agreement, other than those matters addressed in this Agreement, concerning advertising, marketing, media support, market penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Disclosure Document.

(7) The undersigned understands that this Agreement contains the entire agreement between Costa Oil International and Franchisee concerning the Costa Oil franchise, which means that any oral or written statements not set out in this Agreement will not be binding. In deciding to enter into this Agreement, the undersigned is not relying on any statement, promise, claim, or representation not expressly set forth in this Agreement or in the Disclosure Document.

_____	_____
Name: _____	Name: _____
Date: _____	Date: _____

EXHIBIT C

MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (this "MUDA") is made between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ _____ ("Franchisee") on the Effective Date.

Background Statement: On the same day as they execute this MUDA, Costa Oil International and Franchisee have entered into a Franchise Agreement for the franchise of a Costa Oil business (the "Franchise Agreement"; capitalized terms used but not defined in this MUDA have the meanings given in the Franchise Agreement). Costa Oil International and Franchisee desire that Franchisee develop multiple Costa Oil businesses.

1. Multi-Unit Commitment.

(a) Development Schedule; Fee. Franchisee shall develop and open Costa Oil businesses on the following schedule (the "Development Schedule"):

Store #	Deadline for Opening	Total # of Stores to be Open and Operating on Deadline	Initial Franchise Fee
1		1	$_____
2		2	$_____
3		3	$_____
4		4	$_____
5		5	$_____
		Total Initial Franchise Fee:	

(b) Payment**.** Upon execution of this MUDA, Franchisee shall pay the total Initial Franchise Fee to Costa Oil International. The Initial Franchise Fee is non-refundable.

2. Form of Agreement. For Store #1, Franchisee and Costa Oil International have executed the Franchise Agreement simultaneously with this MUDA. For each additional Costa Oil franchise, Franchisee shall execute Costa Oil International's then-current standard form of franchise agreement no later than three business days after Franchisee leases or acquires a location. This MUDA does not give Franchisee the right to construct, open, or operate a Costa Oil business, and Franchisee acknowledges that Franchisee may construct, open, and operate each Costa Oil business only pursuant to a separate franchise agreement executed pursuant to this MUDA for each such Costa Oil business.

3. Development Area. Franchisee shall locate each Costa Oil business it develops under this MUDA within the following area: _____ _____ (the "Development Area").

4. Limited Protection of Rights in Development Area. During the term of this MUDA and so long as this MUDA has not been terminated, Costa Oil International will not establish, or grant the right to another to establish, a Costa Oil location within the Development Area. However, even during the term of this MUDA, Costa Oil International may:

(a) Operate, and grant franchises to others to operate businesses, whether inside or outside the Development Area, specializing in the sale of products or provision of services using certain of the Marks and pursuant to such terms and conditions as Costa Oil International deems appropriate;

(b) Operate, and grant franchises to others to operate businesses, whether inside or outside the Development Area, that do not use the Marks;

(c) Market and sell, inside and outside of the Development Area, through alternative channels of distribution, goods and services competitive with goods and serviced offered by Costa Oil Businesses under the Marks or under trade names, service marks, or trademarks other than Marks, without any compensation to Franchisee except as specifically provided in this Agreement; and

(d) engage in any other acts and exercise any rights not expressly and exclusively granted to Franchisee under this MUDA.

5. Effect of Failure. Strict compliance with the Development Schedule is the essence of this Agreement. If Franchisee does not timely meet its development obligations as of the end of any time period shown on the Development Schedule, Franchisee will be in default of its obligations under this MUDA. If such a default occurs, it will constitute a material breach of this MUDA and Costa Oil International may then, in its sole discretion, elect to:

(a) terminate this MUDA in accordance with Section 6;

(b) reduce the Development Area;

(c) remove any rights granted to Franchisee in Section 4; or

(d) grant you an extension under the Development Schedule for such time period and for a non-refundable extension fee which is equal to the Initial Franchise Fees for those Stores set out in the Development Schedule which are not in compliance with the Development Schedule.

6. Default and Termination. Costa Oil International may terminate this MUDA by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

(i) Franchisee fails to satisfy the development schedule; or

(ii) Costa Oil International has the right to terminate any franchise agreement between Costa Oil International and Franchisee (or any affiliate thereof) due to Franchisee's default thereunder (whether or not Costa Oil International actually terminates such franchise agreement).

7. Limitation of Liability. Franchisee's commitment to develop Costa Oil businesses is in the nature of an option only. If Costa Oil International terminates this MUDA for Franchisee's default, Franchisee shall not be liable to Costa Oil International for lost future revenues or profits from the unopened Costa Oil businesses. Franchisee may terminate this MUDA at any time.

8. Conditions. Franchisee's right to develop each Costa Oil franchise after the Store #1 is subject to the following:

(i) Franchisee must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Costa Oil business, in the reasonable judgment of Costa Oil International, and

(ii) Franchisee must be in full compliance with all brand requirements at its open Costa Oil businesses, and not in default under any Franchise Agreement or any other agreement with Costa Oil International.

9. Dispute Resolution; Miscellaneous. The laws of the State of Pennsylvania (without giving effect to its principles of conflicts of law) govern all adversarial proceedings between the parties. The parties agree that any Pennsylvania law for the protection of franchisees or business opportunity purchasers will not apply unless its jurisdictional requirements are met independently without reference to this Section 9. Franchisee shall not Transfer this MUDA without the prior written consent of Costa Oil International, and any Transfer without Costa Oil International's prior written consent shall be void. The provisions of Article 17 (Dispute Resolution) and Article 18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

[*Signatures on Next Page*]

Agreed to by:

FRANCHISOR:

COSTA OIL INTERNATIONAL, INC.

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

FRANCHISEE:

[*if an individual:*]

_____
Name: _____

[*if an entity:*]

_____

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

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Multi-Unit Development Agreement pursuant to:

_____ Illinois
_____ Indiana
_____ Maryland
_____ Minnesota
_____ New York
_____ North Dakota
_____ Rhode Island
_____ Washington
_____ Other

EXHIBIT D

RIDER TO LEASE AGREEMENT

Landlord: _____
Notice Address: _____
_____
_____
Telephone: _____

Franchisor: Costa Oil International, Inc.
Notice Address: 1 East Market Street, Suite 204, York, PA 17401
Telephone: 800-762-5247

Tenant: _____

Leased Premises: _____

1. Use. Tenant is a franchisee of Franchisor. The Leased Premises shall be used only for the operation of a Costa Oil business (or any name authorized by Franchisor).

2. Notice of Default and Opportunity to Cure. Landlord shall provide Franchisor with copies of any written notice of default ("Default") given to Tenant under the Lease, and Landlord grants to Franchisor the option (but not the obligation) to cure any Default under the Lease (should Tenant fail to do so) within 10 days after the expiration of the period in which Tenant may cure the Default.

3. Termination of Lease. Landlord shall copy Franchisor on any notice of termination of the Lease. If Landlord terminates the Lease for Tenant's Default, Franchisor shall have the option to enter into a new Lease with Landlord on the same terms and conditions as the terminated Lease. To exercise this option, Franchisor must notify Landlord within 15 days after Franchisor receives notice of the termination of the Lease.

4. Termination of Franchise Agreement. If the Franchise Agreement between Franchisor and Tenant is terminated during the term of the Lease, then upon the written request of Franchisor, Tenant shall assign the Lease to Franchisor. Landlord hereby consents to the assignment of the Lease to Franchisor.

5. Assignment and Subletting. Notwithstanding any provision of the Lease to the contrary, Tenant shall have the right to assign or sublet the Lease to Franchisor or its affiliate, provided that no such assignment or sublease shall relieve Tenant or any guarantor of liability under the Lease unless otherwise agreed by Landlord. If Franchisor or its affiliate becomes the lessee of the Leased Premises, then Franchisor shall have the right to assign or sublease its lease to a franchisee of the Costa Oil brand. Any provision of the Lease which limits Tenant's right to own or operate other Costa Oil outlets in proximity to the Leased Premises shall not apply to Franchisor or to its affiliates.

6. Authorization. Tenant authorizes Landlord and Franchisor to communicate directly with each other about Tenant and Tenant's business.

7. Right to Enter. Upon the expiration or termination of the Franchise Agreement or the Lease, or the termination of Tenant's right of possession of the Leased Premises, Franchisor or its designee may, after giving reasonable prior notice to Landlord, enter the Leased Premises to remove signs and other material bearing Franchisor's brand name, trademarks, and commercial symbols, provided that Franchisor will be liable to Landlord for any damage Franchisor or its designee causes by such removal.

8. No Liability. By executing this Rider, Franchisor does not assume any liability with respect to the Leased Premises or any obligation as Tenant under the Lease.

Executed by:

LANDLORD:

_____

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

TENANT:

_____

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

FRANCHISOR:

COSTA OIL INTERNATIONAL, INC.

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

EXHIBIT E

FORM OF GENERAL RELEASE

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

This General Release ("Release") is executed by the undersigned ("Releasor") in favor of Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International").

Background Statement: [*describe circumstances of Release*]

Releasor agrees as follows:

1. Release. Releasor (on behalf of itself and its parents, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, managers, members, partners, agents, and employees (collectively, the "Releasing Parties")) hereby releases Costa Oil International, its affiliates, and their respective directors, officers, shareholders, employees, and agents (collectively, the "Released Parties") from any and all claims, causes of action, suits, debts, agreements, promises, demands, liabilities, contractual rights and/or obligations, of whatever nature, known or unknown, which any Releasing Party now has or ever had against any Released Party based upon and/or arising out of events that occurred through the date hereof, including without limitation, anything arising out of the Franchise Agreement (collectively, "Claims").

2. Covenant Not to Sue. Releasor (on behalf of all Releasing Parties) covenants not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of crossclaim, defense, or counterclaim, against any Released Party with respect to any Claim.

3. Representations and Acknowledgments. Releasor represents and warrants that: (i) Releasor is the sole owner of all Claims, and that no Releasing Party has assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim; (ii) Releasor has full power and authority to sign this Release; and (iii) this Release has been voluntarily and knowingly signed after Releasor has had the opportunity to consult with counsel of Releasor's choice. Releasor acknowledges that the release in Section 1 is a complete defense to any Claim.

4. Miscellaneous. If any of the provisions of this Release are held invalid for any reason, the remainder of this Release will not be affected and will remain in full force and effect. In the event of any dispute concerning this Release, the dispute resolution, governing law, and venue provisions of the Franchise Agreement shall apply. Releasor agrees to take any actions and sign any documents that Costa Oil International reasonably requests to effectuate the purposes of this Release. This Release contains the entire agreement of the parties concerning the subject matter hereof.

5. State Addenda.

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

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

Agreed to by:

_____

Name: _____

Date: _____

Exhibit F

FINANCIAL STATEMENTS

COSTA OIL INTERNATIONAL, INC.

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

ONE MONTH AND ONE YEAR ENDED

JANUARY 31, 2021 AND DECEMBER 31, 2020

DASH Business Solutions, LLC

13957 Exotica Lane Wellington, FL 33414 561.247.5303

COSTA OIL INTERNATIONAL, INC.

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Independent Auditor's Report	1-2
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Members' Equity	5
Statements of Cash Flows	6
Notes to Financial Statements	7-10

DASH Business Solutions, LLC

Independent Auditor's Report

To the Members of
Costa Oil International, Inc.

We have audited the accompanying financial statements of Costa Oil International, Inc., which comprise the balance sheets as of January 31, 2021 and December 31, 2020, and the related statement of operations, members' equity, and cash flows for the month and year then ended, and the related notes to the financial statements.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Costa Oil International, Inc. as of January 31, 2021 and December 31, 2020, and the results of its operations and its cash flows for the month and year then ended, in accordance with the generally accepted accounting principles in the United States of America.

Basis for Opinion

The audit was conducted in accordance with generally accepted auditing standards (GAAS) of the United States of America while specifically adhering to the auditor's responsibility listed below. The auditor is required to be independent of the entity and meet other ethical responsibilities relevant to the audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting principles in the Unites 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Performing an audit in accordance with GAAS requires the auditor to exercise professional judgment and maintain professional skepticism throughout the audit. The GAAS standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by management, consideration of the entity's ability to continue as a going concern for a reasonable amount of time, as well as evaluating the overall presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

The auditor is 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 the auditor identified during the audit.

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

DASH Business Solutions, LLC

DASH Business Solutions, LLC
Wellington, FL
February 22, 2021

COSTA OIL INTERNATIONAL, INC.

Balance Sheets

	1/31/2021	12/31/2020
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 101,284	$ 14,298
Refunds Receivable - Licenses and Taxes	-	99
Total Current Assets	101,284	14,397
Other Assets	-	-
TOTAL ASSETS	$ 101,284	$ 14,397
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities	$ -	$ -
Long-Term Liabilities	-	-
Total Liabilities	-	-
Shareholders' Equity		
Paid In Capital	111,105	20,105
Retained Earnings	(9,821)	(5,708)
Total Shareholders' Equity (Deficit)	101,284	14,397
TOTAL LIABILITIES & EQUITY	$ 101,284	$ 14,397

See accompanying Notes to Financial Statements

COSTA OIL INTERNATIONAL, INC.

Statements of Operations

	Month Ended 1/31/2021	Year Ended 12/31/2020
Revenues		
Franchise Fees	$ -	$ -
Other Revenue	-	-
Total Revenue	-	-
Expenses		
Advertising	166	-
Contractor	1,086	-
Legal	-	2,750
Licenses and Taxes	-	10
Furniture	864	2,948
Job Supplies	508	-
Office Supplies	1,092	-
Software	189	-
Travel	13	-
Utilities	195	-
Total Expenses	4,113	5,708
Operating Income (Loss)	(4,113)	(5,708)
Income Taxes	-	-
Interest Income	-	-
Net Income (Loss)	$ (4,113)	$ (5,708)

See accompanying Notes to Financial Statements

COSTA OIL INTERNATIONAL, INC.

Statements of Changes in Members' Equity

Equity at January 1, 2020	$	-
Capital Contribution		20,105
Net Income (Loss)		(5,708)
Equity at December 31, 2020		14,397
Capital Contribution		91,000
Net Income (Loss)		(4,113)
Equity at January 31, 2021	$	101,284

See accompanying Notes to Financial Statements

COSTA OIL INTERNATIONAL, INC.

Statements of Cash Flows

	Month Ended 1/31/2021	Year Ended 12/31/2020
Cash Flows From Operating Activities:		
Net Income (Loss)	$ (4,113)	$ (5,708)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation & Amortization	-	-
Changes in Assets and Liabilities		
Decrease (Increase) in Assets	99	(99)
Increase (Decrease) in Liabilities	-	-
Net Cash Provided by Operating Activities	(4,014)	(5,807)
Cash Flows From Investing Activities:		
Loans From Owners	-	-
Net Cash Provided by Investing Activities	-	-
Cash Flows From Financing Activities:		
Capital Contribution	91,000	20,105
Owner Draws	-	-
Net Cash Provided by Investing Activities	91,000	20,105
Net Change in Cash	86,986	14,298
Cash - Beginning of Period	14,298	-
Cash - End of Period	$ 101,284	$ 14,298

See accompanying Notes to Financial Statements

COSTA OIL INTERNATIONAL, INC.

Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Business

Costa Oil International, Inc. (the "Company") was formed on October 21,2020 as a Delaware Corporation for the purpose of offering franchise opportunities and support for entrepreneurs who want to own a franchisee location of Costa Oil, a quick lube oil change business.

Basis of Accounting

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year.

Accounting Standards Codification

The financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online search system.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included with cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions. As of January 31, 2021 and December 31, 2020, the Company had cash and cash equivalents of $101,284 and $14,298, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalty fees, and other revenues. These receivables are carried at original invoice amount less an estimate made for doubtful receivables, based on a review of outstanding amounts. As of January 31, 2021 and December 31, 2020, the Company had no accounts receivable and no allowance for uncollectible accounts.

Revenue Recognition

The Company's revenues consist of fees from franchisees such as initial franchise fees, royalties, and other fees. The initial franchise fees are initially deferred revenue and recognized as material services and required conditions are fulfilled in accordance with the franchise agreements. The royalty revenue and fees are recognized when earned and are based on a percentage of gross sales of each individual franchise according to the franchisee contract.

The Financial Accounting Standards Board ("FASB") issued codification Topic 606, Revenue from Contracts with Customers (ASC 606). Under ASC 606, the franchisor must determine if the pre-opening activities contain any distinct goods or services, known as performance obligations, and then allocate the initial franchise fees to those performance obligations using the stand-alone selling price of the goods or services. The Company had no revenue during the month ended January 31, 2021 and year ended December 31, 2020.

Income Taxes

The entity is structured as a corporation under the laws of the State of Delaware. The Company has elected to be classified a S-Corporation for federal and state income tax purposes and, accordingly, the income or loss of the Company will be included in the income tax returns of the shareholders. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the members rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of January 31, 2021 and December 31, 2020, the 2020 tax filing is subject to examination based on the date of incorporation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Recently Issued Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers, which amended revenue recognition guidance to clarify the principles for recognizing revenue from contracts with customers. The guidance requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required about customer contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. ASU No. 2014-09 is effective for annual reporting in fiscal years that begin after December 15, 2019. The Company is in the process of evaluating the impact that this new guidance will have on its financial statements.

Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, long term notes receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities.

Concentration of Risk

The Company maintains its cash in bank deposit accounts which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

Subsequent Events

Management has reviewed and evaluated subsequent events through February 22, 2021, the date on which the financial statements were issued.

NOTE 2 - RELATED PARTY TRANSACTIONS

During the month and year ended January 31, 2021 and December 31, 2020, the Company has not incurred any operating expenses with related parties. As such, there were no related party transactions.

NOTE 3 - COMMITMENTS AND CONTINGENCIES

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company. The Company does not carry general liability or workers' compensation coverage, nor is it self-insured.

NOTE 4 - FRANCHISE AGREEMENT

The terms of the Company's franchise agreement will be as follows:

A. The Company will grant the right to use the Company name, trademark and system in the franchisees franchise development business.
B. The franchisee is obligated to pay a non-refundable initial franchise fee.
C. The franchisee is obligated to pay a monthly royalty fee and other fees as outlined in the contract.

NOTE 5 - STOCK AUTHORIZED AND ISSUED

The Company is authorized to issue 100 shares of stock with a par value of $1.00 per share. As of January 31, 2021 and December 31, 2020, 100 shares and 0 shares have been issued, respectively.

EXHIBIT G

BRAND STANDARDS MANUAL TABLE OF CONTENTS

Manual Section	**Number of Pages**
Preface & Introduction	35
Establishing My Franchise Business	37
Personnel	48
Administrative Procedures	25
Daily Procedures	61
Selling & Marketing	22
Total Number of Pages	**228**

EXHIBIT H

CURRENT AND FORMER FRANCHISEES

Current Franchisees

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

None

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

None

Note: We did not have any multi-unit developers at the close of our last fiscal year.

Former Franchisees

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

None

EXHIBIT I

FRANCHISE DISCLOSURE QUESTIONAIRE

As you know, Costa Oil International, Inc. (“we”, "us" or "Costa Oil'), and you are preparing to enter into a Franchise Agreement for the operation of a Costa Oil franchise (a "Costa Oil Business”). The purposes of this Questionnaire are to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and pay your Franchise Fee. Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

Franchise Applicant: _____

1. ___ Yes ___ No Have you received and personally reviewed the Franchise Agreement, as well as each exhibit or schedule attached to this agreement, you intend to enter into with us?

2. ___ Yes ___ No Have you received and personally reviewed the Franchise Disclosure Document we provided?

3. ___ Yes ___ No Did you sign a receipt for the Disclosure Document indicating the date you received it?

4. ___ Yes ___ No Do you understand all the information contained in the Disclosure Document and the Franchise Agreement you intend to enter into with us?

5. ___ Yes ___ No Have you reviewed the Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating a Costa Oil Business with these professional advisor(s)?

6. ___ Yes ___ No Do you understand the success or failure of your Costa Oil Business will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

7. ___ Yes ___ No Do you understand that you will not receive an exclusive Territory and that you may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we may own or control?

8. ___ Yes ___ No Do you understand that we have no obligation whatsoever to provide you a Marketing Area with a certain minimum number of people, and that we may modify, amend, reduce, or enlarge your Marketing Area at any time upon notice to you, without your approval?

9. ___ Yes ___ No Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be mediated and/or arbitrated in York, Pennsylvania?

10. ___ Yes ___ No Do you understand the Franchise Agreement provides you can only collect compensatory damages on any claim under or relating to the Franchise Agreement and you are not entitled to any punitive, consequential or other special damages?

11. ___ Yes ___ No Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement is Costa Oil International, Inc.?

12. ___ Yes ___ No Do you understand all persons whose names appear on the Franchise Agreement must successfully complete the appropriate initial training program(s) before we will allow the Costa Oil Business to open or consent to a transfer of that Costa Oil Business?

13. ___ Yes ___ No Do you understand we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises?

14. ___ Yes ___ No Do you understand that we will not approve your purchase of a Costa Oil franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any state or federal law?

15. ___ Yes ___ No Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Costa Oil Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

16. ___ Yes ___ No Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Costa Oil Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

17. ___ Yes ___ No Is it true that no broker, employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement concerning advertising, marketing,

media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

18. ___ Yes ___ No Is it true that no broker, employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Costa Oil Business purchase with exception of those payments or loans provided in the Disclosure Document?

19. ___ Yes ___ No Did you receive the Franchise Disclosure Document at least 14 days before you completed and signed this Questionnaire?

20. ___ Yes ___ No Did you receive the Franchise Agreement at least 7 days before you completed and signed this Questionnaire?

21. ___ Yes ___ No Do you understand that the Franchise Agreement and its attachments (and the Development Agreement and its attachments, if applicable) contain the entire agreement between us and you concerning the Costa Oil Business, meaning any prior oral or written statements not set out in the Franchise Agreement (and the Development Agreement, if applicable) will not be binding?

22. ___ Yes ___ No Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

Franchise Applicant:	Franchise Applicant:
_____	_____
_____	_____
Signature of Franchise Applicant	Signature of Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated: _____	Dated: _____

EXHIBIT J

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

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

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE OFFERING CIRCULAR.

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

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

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

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

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

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

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

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

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

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

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

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

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

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

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

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

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

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

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

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

1. A franchise registration is effective or an offering circular is on file in the following states: _____

2. A proposed registration or filing is or will be shortly on file in the following states: _____

3. No states have refused, by order or otherwise to register these franchises.

4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

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

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

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

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

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

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

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

The following is added to Item 17:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
>
> The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

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

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION

WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

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

1. The following information is added to the cover page of the Franchise Disclosure Document:

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

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending

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

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

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

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

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

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

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

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

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

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

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

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**": The foregoing choice of law should not be

considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney’s fees.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

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

COSTA OIL INTERNATIONAL, INC.

February 24, 2021

READ THIS DISCLOSURE DOCUMENT CAREFULLY

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

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

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

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

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

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

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

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

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

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

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

EXHIBIT K

STATE ADDENDA TO AGREEMENTS

ILLINOIS RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ _____ ("Franchisee").

1. Governing Law. Illinois law governs the Agreement.

2. Waivers Void. In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

3. Jurisdiction. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to occur outside of Illinois.

4. Effective Date. This Rider is effective as of the date of the Agreement.

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

INDIANA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

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

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

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

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

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

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

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase

notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

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

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

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

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

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

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

MARYLAND RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

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

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

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

MINNESOTA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

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

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

NEW YORK RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

2. Waivers Not Required. Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Costa Oil International or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the "New York Franchise Law").

3. Waivers of New York Law Deleted. Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Costa Oil International with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.

4. Governing Law. Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

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

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

OHIO RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ _____ ("Franchisee").

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

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

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

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

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

OHIO
NOTICE OF CANCELLATION

[*Insert Date Agreement Signed by FRANCHISEE*]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Costa Oil International's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Costa Oil International at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Costa Oil International regarding the return shipment of the goods at Costa Oil International's expense and risk. If you do make the goods available to Costa Oil International and Costa Oil International does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Costa Oil International, or if you agree to return them to Costa Oil International and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Costa Oil International, at 1 East Market Street, Suite 2014, York, PA 17401, or send a fax to Costa Oil International at [*Insert facsimile number*] or an e-mail to Costa Oil International at partner@costaoils.com, not later than midnight of [*Insert date that is five business days after the date above]*.

I hereby cancel this transaction.

FRANCHISEE:

_____

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

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND MULTI-UNIT DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Multi-Unit Development Agreement] dated _____ (the "Agreement"), between Costa Oil International, Inc., a Delaware Corporation ("Costa Oil International") and _____, a _____ ("Franchisee").

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

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

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AGREEMENT [*if applicable:* **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 will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

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

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

Agreed to by:

FRANCHISEE:	FRANCHISOR:
_____	COSTA OIL INTERNATIONAL, INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT L

SBA ADDENDUM TO FRANCHISE AGREEMENT

ADDENDUM TO FRANCHISE[1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20____, by and between _____ ("Franchisor"), located at _____, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the (Enter type of) interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchisee location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the (enter type of) term (excluding additional renewals) for fair market value.

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the Franchisee owns the real estate where the franchisee location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 - 3733.

Authorized Representative of FRANCHISOR:

By: _____

Print Name: _____

Title: _____

Authorized Representative of FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the (type of agreement) system must meet all SBA eligibility requirements.

EXHIBIT M

KIOSK LEASE FORM

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT is made and entered into the_____ day of ___, 2020, by and between the parties named in Section 1, which parties mconsideration of their mutual agreements herein set forth do hereby agree as herein specified:

1. **PARTIES.** The parties under this Sublease are:

   Costa Oil International, Inc., a Delaware corporation ("Sublessor"), whose address is Costa Oils, Inc., 1 E Market St., Suite 204, York, PA 17401, and _____ ("Sublessee"), whose address is _____

2. **BASIC SUBLEASE PROVISIONS.** The following provisions are basic to this Sublease and are sometimes herein referred to:

   A. **Leased Premises.** A certain quick lube kiosk on the property located at _____, in the Township of _____, County of _____, State of _____ together with all improvements and appurtenances to said quick lube station and all pumps, appliances, furniture and fixtures used in connection with the station.

   B. **Sublease Term.** The term of the Sublease shall commence on the___ day of ———————— 2021 (the Commencement Date") and shall continue thereafterfor a term of fifteen (15) years after Rent Commencement Date.

   C. **Renewal Options.** There are no options to renew. A new Sublease Agreement will beentered into for any additional periods beyond the term of this Sublease.

   D. **Minimum Annual Rent.** Sublessor shall pay Sublessee the amount of _____ a month for the first six (6) months of the Lease and _____ per month for the remainder of the term. Rent shall be due on or before the 10th day of each month and shall be paid to Sublessor at 1 E Market St Suite 204 York PA 17401. Rental payments shall commence sixty (60) days after Sublessee takes possession of the premises, but no later than _____

3. **PREMISES.** Sublessee acknowledges that it has examined the Leased Premises and is familiar with the condition thereof and accepts the Lease Premises and all equipment, supplies, etc. "as is" in the present and physical condition and state of repair.

4. **UTILITIES.** Commencing on the date of possession and continuing thereafter throughout the Term, Sublessee agrees, at Sublessee's expense, to have the utility meters registered in Sublessee's name and to pay for all utility services rendered or furnished to the Leased Premises including, without limitation, electric, gas, water, sprinkler charges, sewer service, telephone service and the like, together with all taxes levied or other charges on such utilities.

5. **USE OF THE LEASED PREMISES.** Sublessee covenants that it shall use the Leased Premise solely as a quick oil change facility and in a careful, safe, sanitary and a proper manner. Sublessee shall, during the Term of this Sublease, at its sole cost and expense, promptly comply with all laws, ordinances, orders, rules regulations and requirements of all federal, state and municipal governmental agencies and all orders, rules and regulations of any other body hereafter exercising similar functions which may be applicable to the Leased Premises and to the use, manner of use or occupancy thereof. Sublessee shall, likewise, observe and comply with the reasonable and customary requirements of all policies of public liability, fire and other insurance at any time in force with respect too the Leased Premises and/or the Building. Sublessee shall not interfere in any way with Sublessor's businesses or any other leases on Sublessor's property.

6. **SUBLESSEE'S IMPROVEMENTS.** A11 improvements to the premises sha11 be at Sublessee's sole expense. All alterations and improvements undertaken by Sublessee shall consist of new materials insta11ed in a workmanlike manner and in compliance with all applicable laws and regulations. Said improvements shall also be performed at Sublessee's sole risk and Sublessee shall be responsible for promptly paying all contractors, laborers and material men performing such work and furnishing such material. Sublessee agrees to indemnify and save and hold harmless Sublessor from all expenses, liens, claims, or damages to either persons or property including, without limitation, the Leased Premise, arising from or out of any such work being performed by or for Sublessee.

7. MAINTENANCE OF LEASED PREMISES.

A. Sublessee sha11 be solely responsible for the maintenance and repair of the station, including any improvements, equipment, or fixtures relating thereto, and for the replacement of all worn out or damaged improvements, equipment or fixtures. Sublessee shall promptly clean all oil or gasoline spills on the Leased Premises. Sublessee shall also be solely responsible for the use and disposal of any and all hazardous materials and indemnify and hold Sublessor harmless for any and all issuesor liability associated with same.

B. Sublessee covenants and agrees to keep and maintain in good order and repair, the Interior portions of the Leased Premises not specifically designated above including, without limitation, the interior portions of all doors, door hardware and operators, window, window hardware, plate glass, plumbing and sewage facilities within the Leased Premises, fixtures, electrical equipment, light bulbs, and interior walls, floors,and ceilings.

8. **OPERATION OF STATION.** Sublessee shall:

   a. Not use the Station for storage of junk, disabled vehicles, used tires or batteries, other than on a temporary basis in connection with servicing customers of the Station;

   b. Not use the Station, without prior written consent of Lessee, for auto, truck or equipment rentals or as a parking lot;

   c. Not obstruct any entrance, exit, pump island or service areas so as to deny free access to storage fill pipes;

   d. If the construction, maintenance, and/or operation of the Station is pursuant to a conditional use permit or other approval ("permit") by a zoning board or other governmental agency, use the Station in accordance with all requirements contained in such permit. If the Station in subject to such permit, a copy will be delivered to Sublessee and Sublessee agrees to acknowledge receipt of the copy to Sublessor;

   e. Conduct all operation lawfully and in strict compliance with all statutes and all ordinances, regulations, and other requirements of governmental authorities.

   f. Except as required by law or as agreed to in writing by Sublessor and Sublessee, not display signs except those usual and customary to advertise products and services offered for sale at the Station by Sublessee. All signs require Sublessor's prior approval.

   g. Not place any buildings or other permanent improvements at the station, or remove or make any alterations or changes in or to the existing buildings and permanent improvements at the Station without prior written consent of the Sublessor, whichconsent shall not be unreasonably withheld.

9. **GENERAL LIABILITY INSURANCE.** Sublessee, at all times during the term of this Sublease, shall procure and maintain in full force and effect, general public liability insurance, insuring the Sublessee against any and all claims, actions, causes of action, costs and expenses for or on account of any injury to the death of any person or personswith policy limits of not less than $1,000,000.00 per occurrence, or for or on account ofany loss of, damage to or destruction of any property, caused by or resulting from any act or omission occurring on or about the Leased Premises or growing out of Sublessee's use and occupancy of said Leased Premises for property damage, with policy limits of not less than $500,000.00per occurrence. Such insurance shall be written with a company authorized to engage in the business of general liability insurance in the State of Delaware and shall name Sublessor as additional insured thereunder. Said insurance shall providethat it may not be canceled without the Sublessor being given at least thirty (30) days prior written notice by the insurance company. Sublessee shall provide Sublessor with current certificates of insurance and shall also provide Sublessor with paid receipts or other evidence

satisfactory to Sublessor indicating payment of premium for said insurance policy or policies at least thirty (30) days prior to the expiration of the policyor policies of insurance. At the request of the Sublessor, Sublessee shall also have named as additional insured and/or lender loss payees on all such policies of public liability insurance the Sublessor and all financial institutions and lenders that may have an interest in the Buildings.

10. **INDEMNIFICATION.** Sublessee covenants and agrees that it will protect and save and keep the Sublessor forever harmless and indemnified against and from any penaltyor damage or charges imposed for any violation of any law or ordinance, whether occasioned by the neglect of Sublessee or those holding under Sublessee, and that Sublessee will at all times protect, indemnify and save and keep harmless the Sublessoragainst and from all claims, loses, costs, damages or expenses arising out of or from anyaccident or other occurrence on or about the Leased Premises causing injury to any person or property whomsoever or whatsoever, and will protect, indemnify and save and keep harmless the Sublessor from and against all claims, losses, costs, damages, or expenses arising out of or from any accident or other occurrence on or about the LeasedPremises causing injury to any person or property whomsoever or whatsoever, and willprotect, indemnify and save and keep harmless the Sublessor against and from any andall claims and against and from any and all losses, costs, damage or expenses arising outof any failure or Sublessee in any respect to comply with and perform all the requirements and provisions of this Sublease.

11. **FIRE AND EXTENDED COVERAGE INSURANCE.** Sublessee agrees that it willmaintain at all times during the term of this Sublease with respect to the Building, insurance against loss or damage by fire, the so-called extended coverage casualties, vandalism and malicious mischief. Sublessee shall maintain fire and extended coverage insurance on its personal property and contents located in the Leased Premises.

12. **WAIVER.** No waiver of any covenant or condition or of the breach of any covenant orcondition of this Lease shall be talcen to constitute a waiver of any subsequent breach of such covenant or condition nor to justify or authorize the non-observance on any other occasion of the same or of any other agreement hereof, nor shall the acceptance of rentor other sums by Sublessor at any time when Sublessee is in default be construed as a waiver of such default or of Sublessor' s right to terminate this Lease on account of such default, nor shall any waiver or indulgence granted by Sublessor to Sublessee be talcenas an estoppel against Sublessor, it being expressly understood that if at any time Sublessee shall be in default hereunder, an acceptance by Sublessor of rent ot other sums during the continuance of such default or the failure on the part of Sublessor to promptly avail itself of such other rights or remedies as Sublessor may have, shall not be construedas a waiver of such default, but Sublessor may at any time thereafter, if such default continues, terminate this Sublease on account of such default in the manner herein provided.

13. **QUIET POSSESSION.** Sublessor agrees that if Sublessee shall perform all of Sublessee's agreements herein specified, Sublessee shall, subject to the terms and

conditions of this Sublease, have the peaceable and quiet possession of the Leased Premises without any manner of hindrance from Sublessor or any persons lawfully claiming through Sublessor, except as to such portion of the Leased Premises as shall be taken under the power of eminent domain.

14. **ACCESS TO LEASED PREMISES.** Sublessee agrees that Sublessor and its agents may inspect the Leased Premises at any time.

15. **SURRENDER OF PREMISES.** Sublessee agrees to deliver up and surrender to Sublessor possession of the Leased Premises upon the expiration of this Sublease, in asgood condition and repair as the same shall be at the commencement of the Term or may have been put by Sublessee during the Term, ordinary wear and tear excepted. Nothingherein shall be construed as relieving Sublessee of any of its maintenance, repair or replacement obligations under this Sublease. At whatever time Sublessee vacates the premises it shall remove only its property from the premises.

16. **ASSIGNEMNT OR SUBLETTING.** Sublessee shall be without right to assign this Sublease or the Leased Premises or sublet the same in whole or in part without the written consent of the Sublessor first having been obtained which consent shall not be unreasonably withheld, nor shall there be an assignment of this Sublease by operation of law. Any assignment or subletting even with the approval of the Sublessor shall not release the Sublessee from liability hereunder.

17. **RELATIONSHIP OF PARTIES.** Nothing in this Sublease shall be deemed or construed so as to create the relationship of principal and agent, partnership, joint venture or of any association between the parties, it being agreed that neither the computation orrent nor any other Sublease provision nor any act of the parties shall be deemed to create any relationship between the parties other that that of Sublessor and Sublessee. Sublessee is an independent business with the exclusive right to direct and control the business operations at the Leased Premises.

18. **LEGAL INTERPRETATION.** This Sublease shall be construed in accordance with the applicable laws of the State of Delaware. In interpreting this Lease, there shall be no inference, by operation of law or otherwise, that any provision of this Sublease shall be construedagainst either party. In the event any provision of this Sublease conflicts with any applicable law, such conflict shall not affect other provisions of this Sublease which canbe given effect without such conflicting provision. If any provision of this Sublease shall be subject to two constructions, one of which would render such provision valid, then such provision shall be given that construction would render it valid. The Section numbers and captions are inserted only as a matter of convenience and in no way defineor limit the scope or intent of such Sections.

19. **ENTIRE AGREEMENT.** This Sublease and any other incorporated attachments contain all of the agreements between the parties and cannot be modified in any mannerother than by written agreement signed by the parties.

20. **PROVISIONS BINDING.** The agreements herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties.
21. **SECURITY DEPOSIT.** Sublessee shall make a $2,500 security deposit to Sublessor at the time Sublessee takes possession of the Leased Premises, which is anticipated to be July 1, 2020. The security deposit shall be nonrefundable and not applied to delinquentrent if delinquencies occur.

22. **DEFAULT.** In the event Sublessee defaults under any of its obligations hereunder, including but not limited to the failure to pay rent required under this Sublease Agreement (and such failure continues for a period often (10) days after written noticeto Sublessee), Sublessor may immediately, without any notice or demand: (1) Terminate this Sublease Agreement, in which event Sublessee shall immediately surrender the Leased Premises to Sublessor; and/or (2) enter upon and take possession of the LeasedPremise and relet same. Sublessee, in the event of any default, shall remain liable for all its obligations under this Sublease Agreement. No failure of Sublessor to avail itself ofany remedies available to Sublessor under this Sublease Agreement or pursuant to lawshall amount to or result in a waiver of same.

23. **JURISDICTION AND VENUE.** The parties agree that any legal action by either partypursuant to this Sublease Agreement shall be maintained in Delaware

IN WITNESS WHEREOF, Sublessor and Sublessee have hereunto executed this Sublease as of the day and year first above written.

SUBLESSOR
:

WITNESSES:

Costa Oil International Inc.

By:_____

Its duly authorized officer

SUBLESSE
E:

WITNESSES:

COSTA OILS, INC.

_____ **By:**_____
Its duly appointed officer

GUARANTEE OF SUBLESSEE'S PERFORMANCE

The undersigned, _____, owner of Sublessee, hereby personally and unconditionally guarantees the performance of all Sublessee's obligations, under the Sublease Agreement, including, but not limited to, the full payment of rent, as an inducement for Sublessorentering into the Sublease Agreement. This Guarantee is absolute and unconditional and shall remain in full force and effect for the duration of the Sublease and as to any amendment, modification, renewal or extension of the Sublease, all to which the undersigned hereby consents in advance.

Date _____

EXHIBIT N

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

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

RECEIPT

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

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

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

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

Name	Principal Business Address	Telephone Number
Constantine Kapothanasis	1 East Market Street, Suite 204, York, PA 17401	717-318-5091

Issuance Date: February 24, 2021, amended as to Item 3 on May 11, 2021

I received a disclosure document dated February 24, 2021, amended as to Item 3 on May 11, 2021, that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement (with Guaranty and Non-Compete Agreement)
C. Multi-Unit Development Agreement
D. Rider to Lease Agreement
E. Form of General Release
F. Financial Statements
G. Brand Standards Manual Table of Contents
H. Current and Former Franchisees
I. Franchise Disclosure Questionnaire
I. State Addenda to Disclosure Document
J. State Addenda to Agreements
L. SBA Addendum to Franchise Agreement
M. Kiosk Lease Form
N. State Effective Dates
Receipts

Signature: _____
Print Name: _____
Date Received: _____

Keep This Copy For Your Records

RECEIPT

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

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

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N. State Effective Dates
Receipts

Signature: _____
Print Name: _____
Date Received: _____

Return This Copy To Us-Costa Oil International, Inc. - 1 East Market Street, Suite 204, York, PA 17401