FRANCHISE DISCLOSURE DOCUMENT

Jewelry Repair Enterprises, Inc.
A Pennsylvania Corporation
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Boca Raton, Florida 33487
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Jewelry Repair Enterprises, Inc. offers franchises for a retail store specializing in the sale of jewelry and watch repair services and related products under the name FAST-FIX JEWELRY AND WATCH REPAIRS®.

The total investment necessary to begin operation of a FAST-FIX franchised business is $114,700 to $227,500 for a kiosk or $177,700 to $362,500 for an Inline Store. This includes $20,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact Benjamin Russell at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487, brussell@fastfixfranchise.com, (800) 359-0407 or (561) 330-6060.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this 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: June 26, 2025 (amended August 7, 2025)

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits D and E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction; Item 7 lists the initial investment to open, and 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 FAST-FIX 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 FAST-FIX franchisee?	Item 20 or Exhibits D and E list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

Supplier restriction. 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, 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 and/or litigation only in Florida. 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 Florida than in your own state.
2. **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.
3. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.
4. **Mandatory Minimum Payments**. You must make mandatory minimum royalty payments or advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.

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

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 document relating to a franchise:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

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

To simplify the language in this disclosure document, "we," "us" and "our" refer to Jewelry Repair Enterprises, Inc., the franchisor. "You" and "your" means the person who buys the franchise, the franchisee. If the purchaser of the franchise is a partnership, corporation, limited liability company, or other entity, "you" includes the franchisee's owners, who must join, and agree to be bound by, the contracts listed in Item 22 of this disclosure document.

The franchised business offered under this Disclosure Document is a retail store specializing in the sale of jewelry and watch repair services and related products under the name FAST-FIX JEWELRY AND WATCH REPAIRS® (a "Fast-Fix Service Center" or a "Service Center").

Corporate Information

We are a Pennsylvania corporation that was incorporated on October 14, 1986. We do not conduct business under any name other than Jewelry Repair Enterprises, Inc. Our principal place of business is 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487. Our agents for service of process are set forth in Exhibit A to this disclosure document.

Business History

The first Fast-Fix Service Center opened in 1984 in an enclosed shopping mall in Pittsburgh, Pennsylvania. We began offering franchises for Fast-Fix Service Centers in October 1986. We are not engaged in any business other than offering franchises for Fast-Fix Service Centers and administering the franchise system. We have never offered franchises in any other line of business. We do not own and operate a Fast-Fix Service Center.

Parents, Predecessors, and Affiliates

Our 2 parent companies include: (1) our direct parent, JRE Holdings, Inc., whose principal business address is 1515 Sunset Drive, Suite 32, Miami, Florida 33143; and (2) our indirect parent, DK-JRE, LLC, whose principal business address is 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487.

We have no predecessors.

Our affiliate JRE Franchising, Inc. ("JREF") has offered Fast-Fix Service Center franchises in Ireland since February 2004. As of December 31, 2024, JREF had 6 franchised Fast-Fix Service Centers in Ireland. JREF has never offered franchises in any other line of business. JREF does not own or operate a Fast-Fix Service Center. JREF shares our principal business address. Except for JREF, we have no affiliates that: (a) offer (or have ever offered) franchises in this or any other line of business; and/or (b) provide products or services to our franchisees.

Description of the Franchised Business

The franchised business offered under this Disclosure Document is for a retail store that offers jewelry and watch repair services and sells jewelry. Service Centers offer a wide range of "while you shop" services, including ring sizing, chain repair and replacement, remounting, engraving, eyeglass frame repair, watch and electronic device repair, battery replacement and custom jewelry design. They also offer and sell select gifts, jewelry, watches and other retail products.

Service Centers are typically located in major regional shopping malls and other high traffic venues and may consist of inline stores ("Inline Stores") or kiosks ("Kiosks"). In some cases, Service Centers are located within larger retail stores ("Store-In-Stores"). However, we are not offering franchises for Store-In-Stores at this time.

If we award you a franchise, you must sign the form of franchise agreement attached to this Disclosure Document as EXHIBIT B (the "Franchise Agreement"). We refer to the franchised business you purchase as your "Business" or your "Service Center". The Franchise Agreement grants you a license to use certain service marks, trademarks, trade names and logos, including FAST-FIX JEWELRY AND WATCH REPAIRS®, FAST-FIX JEWELRY REPAIRS® and the associated logos (collectively, the "Marks"). The Marks also include any distinctive trade dress used to identify a Service Center or the products it sells. The Franchise Agreement also grants you a license to use our system that was developed for the operation of a Service Center (the "System"). Our confidential Brand Standards Manual (the "Manual") describes the operational aspects of a Service Center. You will operate your Service Center as an independent business using the Marks, the System, the information in the Manual, and the

support, guidance and other methods and materials we provide.

General Market

The target market for Fast-Fix Service Centers includes members of the general public. To a lesser extent, customers may include other businesses (such as jewelry stores) needing repair services. While sales are generally not considered to be seasonal, many Service Centers experience their highest annual sales volumes during the months of November and December.

The jewelry and watch repair industry is developed and competitive. As a franchisee, you will compete with jewelry stores, jewelry and watch repair stores, wholesale jewelry marts and larger department stores. Some of these businesses are independently owned and operated while others consist of regional or national chains. Some competitors operate under a franchise model. However, we are not aware of any franchised jewelry and watch repair stores that are concentrated within shopping malls or comparable venues.

Industry Regulations

There are no regulations specific to the operation of jewelry and watch repair businesses. However, certain states have regulations governing the repair of electronic devices and eyeglass frame repair.

ITEM 2 BUSINESS EXPERIENCE

Director, President and Treasurer: Patrick A. Kuiper

Patrick Kuiper has been a member of our Board of Directors since March 2018, and has been our President and Treasurer since October 2021. Since July 2013, he has been and remains a Managing Director, General Partner, and Limited Partner of Pine Tree Equity Partners in Miami, Florida.

Director, Vice President and Secretary: Russell Cooper

Russell Cooper has been a member of our Board of Directors, and our Vice President and Secretary since October 2021. From October 2016 to October 2021, he was retired.

Director: Gregory Diem

Gregory Diem has been a member of our Board of Directors since March 2019. From March 2019 to August 2021, he was our President.

Executive Vice President of Operations: Benjamin L. Russell

Benjamin L. Russell has been our Executive Vice President of Operations since June 2024. From January 2014 to May 2024, he was Senior Vice President and Co-Chief Executive Officer of Prestige Preschool Academy in Glendale, California.

Regional Vice President, Operations: Linda Mossessian Keshishian

Linda Mossessian Keshishian has been our Regional Vice President, Operations since April 2020. From August 2019 to March 2020, she was a System Vice President for us.

Office Manager and Franchise Administrator: Anita Briggs

Anita Briggs has been our Office Manager and Franchise Administrator since July 2022. From March 2022 to June 2022, she was not employed. From February 2019 to February 2022, Anita was a Legal Assistant with Unified Women's Healthcare in Boca Raton, Florida.

Regional Vice President, Operations: Anna Heebner

Anna Heebner has been our Regional Vice President, Operations since March 2023, previously serving as our Operations Manager from February 2022 to March 2023. From February 2021 to February 2022, she was an Account Manager with 1st Mile in Tampa, Florida. From May 2018 to February 2021, Anna was a District Director for Home Credit in Tampa, Florida.

ITEM 3 LITIGATION

R & M Gadel, Inc. v. Jewelry Repair Enterprises, Inc., Circuit Court of Fifteenth Judicial Circuit, Palm Beach County, Florida, Case No. 2014 CA 003295AG; ***R & M Gadel, Inc. v. Jewelry Repair Enterprises, Inc.***, American Arbitration Association, Case No. 01-14-001-8149.

On March 18, 2014, R & M Gadel, Inc. ("Gadel") filed a complaint against us in Palm Beach County, Florida. Gadel was a franchisee who owned Service Centers in Northlake Mall and the Mall of Georgia. The complaint alleged we wrongfully: (a) refused to consent to a proposed transfer of the Northlake Mall Service Center to MVP Elite, Inc. ("MVP"), the plaintiff in another action described below; (b) terminated the Northlake Mall franchise agreement due to Gadel's transfer to MVP without our consent; and (c) required MVP Elite, Inc. to sign a different form of franchise agreement after we consented to the transfer of the Mall of Georgia Service Center to MVP. Gadel sought damages of $200,000, declaratory relief, injunctive relief, specific performance, attorneys' fees, interest and costs. We filed a motion to stay the action and compel arbitration, which was granted by the court on October 10, 2014. On October 27, 2014, Gadel filed for arbitration with the American Arbitration Association based on the same claims. We denied any wrongdoing. On March 15, 2016, we entered into a settlement agreement with Gadel and its owner, Moshiyakh R. Gadelov ("Gadelov"). Under the settlement agreement: (a) we agreed to pay Gadel $175,000; (b) Gadel agreed to dismiss the proceeding; (c) the parties exchanged mutual releases; and (d) neither party admitted any liability or wrongdoing. The lawsuit and arbitration proceedings were dismissed on March 16, 2016.

MVP Elite, Inc. and Vladislav R. Gadelov v. Jewelry Repair Enterprises, Inc., Circuit Court of Fifteenth Judicial Circuit, Palm Beach County, Florida, Case No. 2014 CA 003330AG.

On March 18, 2014, MVP and Gadelov filed a complaint against us. After acquiring franchise rights to the Mall of Georgia Service Center from Gadel, MVP signed a modified franchise agreement dated July 2013. MVP and Gadelov alleged that we wrongfully: (a) refused to accept the modified franchise agreement; (b) required MVP to sign our then-current form of franchise agreement; and (c) refused to agree to arbitration. MVP and Gadelov sought unspecified damages, injunctive relief, specific performance, declaratory relief, attorneys' fees, interest and costs. On October 16, 2014, plaintiffs filed an amended complaint. We denied any wrongdoing. On August 12, 2015, we entered into a settlement agreement with MVP and Gadelov. Under the settlement agreement: (a) we agreed to pay MVP $28,457; (b) MVP and Gadelov agreed to dismiss the proceeding; (c) the parties exchanged mutual releases; and (d) neither party admitted any liability or wrongdoing. The lawsuit was dismissed on February 11, 2016.

In the Matter of the Commissioner of Business Oversight v. Jewelry Repair Enterprises, Inc., Department of Business Oversight of the State of California, Fil Org Id: 84603.

In September 2015, the Commissioner of Business Oversight of the State of California (the "Commissioner") issued a citation against us for alleged violations of the California Franchise Investment Law, Ca Corp. Code §31150 (the "Code"). According to the citation, we failed to maintain all franchise records required to be maintained under the Code. The Commissioner specifically noted that we had not maintained copies of 16 Item 23 FDD receipts. On September 2, 2015, we signed a stipulation agreeing to the finality of the citation. Without admitting or denying the findings in the citation we agreed to: (a) pay the Commissioner a $32,000 administrative penalty and $8,000 in attorneys' fees; (b) the appointment of a monitor to assist us in implementing recordkeeping procedures; and (c) provide franchise sales compliance training to our directors, officers and managers. On December 16, 2015, the Commissioner confirmed our fulfilment of the terms of the stipulation. The stipulation orders us to maintain franchise records in compliance with the Code.

No litigation is required to be disclosed in this Item other than the actions described above.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Initial Franchise Fee

You pay us a nonrefundable $20,000 initial franchise fee in one lump sum at the time you sign the Franchise Agreement. The initial franchise fee is uniformly imposed except for the discounts listed below:

Discount	Discount Amount*	Eligibility Criteria
Multi-Unit	$5,000 discount ($15,000 initial franchise fee)	Applies if you (a) are an existing franchisee in good standing, (b) are purchasing your 2nd or subsequent franchise and (c) do not sell any of your Service Centers within 6 months after the sale involving the multi-unit discount (you must immediately pay us $5,000 if you sell any Service Center within the 6-month period). Discount does not apply to the 1st Service Center purchased.
Veterans	50% discount ($10,000 initial franchise fee)	Person owning 51% or more of the business is an honorably discharged veteran of any brand of the United States military and provides Form DD-214.

* The multi-unit discount and veterans discount may not be combined. If you are a veteran purchasing your 2nd or subsequent Service Center, you receive the discount that results in the lowest initial franchise fee.

Travel Expense Reimbursement

Before you open we may (but need not) conduct up to 3 visits to your territory, at no additional charge, including:

- 1 visit to evaluate a site or sites you propose for your Service Center
- 1 visit to verify the construction of your Service Center complies with our standards and specifications
- 1 visit to provide onsite training as part of our initial training program

If you request additional pre-opening site visits for any reason, we may require you to reimburse all Travel Expenses we incur for the additional site visits. We estimate our Travel Expenses could range from $1,000 to $3,000 per visit (assuming the visit lasts 1 to 2 days). The Travel Expense reimbursement is due 10 days after invoicing and payable in one lump sum. Travel Expense reimbursements are non-refundable and uniformly imposed. Most franchisees do not request additional visits or incur these expenses.

As used in this FDD, "Travel Expenses" includes all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your territory or Service Center; or (b) by you or your personnel to attend training programs or conventions.

ITEM 6 OTHER FEES

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Royalty Fee	6% of monthly Gross Sales, subject to minimum royalty fee (if applicable)	10th day of month	Minimum royalty fee is $14,400 for each 12-month period beginning the 13th month after opening. If royalty fees over a 12-month period are less than the minimum royalty fee, you pay us the difference within 30 days of invoicing. You must send us monthly Gross Sales reports (weekly reports are required your 1st year of operation).
Brand Fund Fee	2% of Gross Sales	Same as royalty fee	We deposit this fee into a brand fund. You have no voting rights pertaining to administration of the brand fund, creation or placement of advertising, or the amount of the brand fund fee.
Cooperative Advertising Fee	Amount determined by us or by the cooperative	Same as royalty fee	Company-owned outlets have the same voting power as franchised outlets in a cooperative. If a majority of outlets are company-owned, we will not increase the fee without the majority vote of franchised outlets in favor of the fee increase.

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Franchise Advertising Program ("FAP")	Currently $150 per month for a Kiosk or $175 per month for an Inline Store	10th day month	We use this fee to produce and provide you with various promotional products and materials at our cost. If our costs increase, we may increase the FAP fee by not more than 15% per year.
Local Advertising Commitment ("LAC")	1% of monthly Gross Sales (increased to 2% of Gross Sales if we discontinue Brand Fund)	Monthly, as incurred (paid to third parties)	The LAC is the minimum amount you must spend on local advertising. If your actual expenditures over a 1-year period are less than your LAC, you pay us the difference. Cooperative advertising fees are credited against the LAC, but brand fund fees and FAP fees are not.
Technology Fee	Up to $2,000 per month (currently $137 or $177 per month for POS system fees that we collect from you and remit to the licensor)	10th day of month or as we otherwise specify	Includes amounts you pay us or our affiliate for Technology Systems, including (a) amounts you pay for proprietary items (b) amounts we collect from you and remit to third parties and (c) an administrative fee for managing the technology platform and negotiating/managing relationships with various licensors of the technology. It does not include amounts you pay to third parties. The current monthly fee is $137 if you have 1 POS station or $177 if you have 2 POS stations.
Special Assistance Fee	$1,000 per person per day (plus Travel Expenses for onsite assistance)	10 days after invoice	Imposed if you request, and we provide, training or assistance beyond what we are required to provide under the Franchise Agreement.
Registration Fee for Conferences or Conventions	Up to $1,000 per person per day	10 days after invoice, but before convention or conference begins	We host periodic conventions and conferences to discuss matters relevant to franchisees. Attendance is mandatory unless we (a) designate attendance as optional or (b) waive your obligation to attend for good cause. We currently require attendance every other year at our national convention. If you miss a required conference / convention without a waiver you must still pay the registration fee. You are also responsible for your Travel Expenses.
New Product or Supplier Testing	Cost of testing (estimated to range from $250 to $500 per test)	10 days after invoice	This covers the costs of testing new products or inspecting new suppliers you propose.
Reimbursement of expenses for relocation support	All costs and expenses we incur	10 days after invoice	Imposed if we approve your request to relocate your Service Center. You must reimburse all costs and expenses we incur to help you find a new site and develop your Service Center at the new site.
Renewal Fee	50% of then-current initial franchise fee	30 days before renewal	If you are unable to secure a 10-year renewal of your lease, you pay us a pro-rated renewal fee calculated as our then-current initial franchise fee, divided by 240 (to determine "monthly" renewal fee) multiplied by number of months comprising the renewal term of the lease.
Transfer Fee	$5,000	Before Transfer	You pay the transfer fee for all Transfers other than Permitted Transfers. Buyer must also pay our then-current training fee (currently $7,500).
Reimbursement of costs to perfect security interest	Actual filing fees and costs we incur to perfect security interest in your assets	10 days after invoice	To secure your payment obligations, you must grant us a security interest in your business assets. If we file or record a UCC-1 financing statement or similar instrument, you reimburse our costs.

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Audit Fee	Actual cost of audit (including Travel Expenses for audit team)	10 days after invoice	Imposed if an audit (a) is required due to your failure to send us required information or reports in a timely manner or (b) reveals you understated Gross Sales by 2% or more.
Late Fee	$50 plus default interest at lesser of (a) 18% per annum (prorated on daily basis) or (b) highest rate allowed by applicable law	10 days after invoice	Default interest is limited to 10% per annum in California.
Noncompliance Fee – for failure to sign the renewal agreement	$250 per day	10 days after invoice	Imposed if (a) we send you a renewal agreement to sign (b) you fail to sign the renewal agreement in a timely manner and (c) you continue to operate the Service Center after the term expires (and we allow you to do so). The daily fee begins the day after the term expires and ends the day you deliver the signed renewal agreement (if parties renew) or the effective date of the termination of the Franchise Agreement (if parties do not renew).
Noncompliance Fee – for matters other than failure to sign renewal agreement	Up to $500 per incident	Upon demand	Imposed if you breach a mandatory standard or operating procedure (including submission of required reports) and fail to cure within the time period we require. We may impose an additional $500 fee every 48 hours the breach remains uncured after we impose the initial fee.
Default Inspection Fee	$1,000 per person per day plus Travel Expenses	10 days after invoice	Imposed for inspections (a) that reveal a default (b) to confirm a suspected default occurred (c) to cure a default on your behalf or (d) to verify a default was cured.
Default Fee & Reimbursements	$1,000 per day plus reimbursement of Travel Expenses and other costs we incur to remedy breach	10 days after invoice	If you fail to cure a breach of the Franchise Agreement or our brand standards in the time period we require, we may take steps to cure on your behalf and you must pay the daily fee and reimburse our costs to remedy your default (examples include failure to maintain insurance, pay suppliers or de-brand when term expires).
Management Fee	Up to $500 per day plus Travel Expenses and other costs we incur to manage your Business	10 days after invoice	If the Franchise Operator is incapacitated or dies, we can designate a person to temporarily manage your Business until Franchise Operator regains ability to manage your Business or is replaced.
Indemnification	Amount of our damages, losses or expenses	10 days after invoice	You must indemnify us for losses and expenses we incur due to your operation of the Business or breach of the Franchise Agreement.
Attorneys' Fees and Costs	Amount of attorneys' fees and costs we incur	Upon demand	You must reimburse all attorneys' fees and costs we incur relating to your breach of the Franchise Agreement or any related agreement.
Liquidated Damages	Royalty & brand fund fees for lesser of 36 months or number of months left on franchise term - see Note 4	30 days after invoice	Imposed if we terminate the Franchise Agreement due to your default.

Notes:

1. Nature and Manner of Payment: All fees are imposed by and payable to us except: (a) you pay the cooperative advertising fee directly to the cooperative (we may instead require you to pay this fee to us, in which case we remit the fee to the cooperative on your behalf); and (b) you spend the LAC directly with third-party suppliers.

If you your annual statement of Gross Sales reveals an overpayment of royalty fees and brand fund fees, we will credit the overpayment towards your next royalty fees owed or refund the amount if the Franchise Agreement expired. No other fees or payments are refundable. All fees are uniformly imposed. We may require you to pay any or all periodic or recurring fees to us by electronic funds transfer.

2. Definitions: As used in this Disclosure Document, the following capitalized terms have the meanings given to them below:

   "***Gross Sales***" means the entire amount of the sales price of all goods, wares, merchandise or services sold or rendered from your Service Center (including all precious metal sales to refiners), whether for cash, charge, credit card or time-sale basis, without reserve or deduction for inability or failure to collect, including all orders for goods or services, whether by mail, telephone, internet or otherwise, and whether the orders will be filled from your Service Center or elsewhere, so long as you in the normal course of business would attribute the orders or sales to your Business. The following are not included in Gross Sales: (a) the amount of refunds, allowances or discounts to customers, provided the same had been previously included in Gross Sales and provided further that if the refunds, allowances or discounts are in the form of credits to customers, the credits will be included in Gross Sales when used by the customers in the future; and (b) the amount of any excise or sales tax levied on retail sales and paid to the appropriate governmental authority, provided that specific record is made at the time of each sale which clearly indicates that the amount is expressly charged to the customer.

   "***Franchise Operator***" means the owner you designate to personally participate in the operation of your Business on a full-time basis.

   "***Permitted Transfer***" means a Transfer: (a) between existing owners; or (b) by the owners to a new business entity that is 100% owned and controlled by the transferring owners. It does not include a Transfer described in (a) or (b) that results in the Franchise Operator owning less than 25% of the franchised business.

   "***Technology Systems***" means all information and communication technology systems that we designate, including computer systems, point-of-sale systems, webcam systems, telecommunications systems, security systems, music systems and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, software applications, mobile apps and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

   "***Transfer***" means a transfer or assignment of: (a) the Franchise Agreement; (b) the Service Center's assets (other than the sale of furniture, fixtures or equipment in the ordinary course); (c) an ownership interest in the entity that is the "franchisee"; or (d) the franchised business you conduct under the Franchise Agreement.

3. CPI Adjustments: All fees (and minimum fees) expressed as a fixed dollar amount are subject to adjustment based on changes to the Consumer Price Index in the United States (CPI). We may periodically review and increase these fees based on changes to CPI, but only if the increase to CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of the Franchise Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before it goes into effect. We may implement no more than 1 fee adjustment during any 5-year period.

4. Liquidated Damages: Liquidated damages are calculated as the sum of average monthly royalty fees and brand fund fees imposed during the 36-month period preceding termination (or your entire period of operation if less than 36-months) multiplied by the lesser of: (a) 36 (representing 3 years); or (b) the total number of months remaining under the term. If your average royalty fees during the measuring period are less than $1,200 per month (i.e., the $14,400 minimum annual royalty divided by 12), then liquidated damages are calculated using $1,200 as your assumed average monthly royalty fee. If you pay us liquidated damages in a timely manner, we may not pursue a claim against you for lost profits (but we may still seek other damages we incur due to your breach).

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
TYPE OF EXPENDITURE [1]	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	KIOSK	*INLINE STORE*			
Initial Franchise Fee [2]	$20,000	$20,000	Lump sum	When Franchise Agreement signed	Us
Initial Training Expenses [3]	$2,000–$4,000	$2,000–$4,000	As incurred	During training	Hotels, restaurants and airlines
Lease Deposit [4]	$0–$25,000	$0–$25,000	Lump sum	At lease signing	Landlord
Rent [4] (3 months)	$5,000–$18,000	$9,000–$22,000	Lump sum	Monthly	Landlord
Construction & Development [5]	$15,000–$55,000	$60,000–$125,000	As incurred	Before opening	Architect & suppliers
POS System	$2,000–$5,000	$2,000–$5,000	Lump sum	Before opening	Suppliers
Fixtures, Inventory & Equipment	$45,000–$60,000	$40,000–$100,000	Lump sum	Before opening	Suppliers
Preopening Advertising [6]	$4,000–$6,000	$5,000–$7,000	Lump sum	Before opening	Suppliers
Utility Deposits	$300–$400	$300–$400	As incurred	Before opening	Utility companies
Professional Fees/ Licenses/ Permits [7]	$4,000–$6,000	$12,000–$16,000	Lump sum	Before opening	Lawyers, advisors & government agencies
Insurance Premium (3 months)	$2,000–$2,500	$2,000–$2,500	Lump sum	Before opening	Insurance companies
Additional Funds [8] (3 months)	$15,400–$25,600	$25,400–$35,600	As incurred	As incurred	Suppliers, us & employees
Total [9]	$114,700–$227,500	$177,700–362,500			

Notes:

1. Financing and Refunds: We do not offer direct or indirect financing. No amounts paid to us are refundable. We are not aware of any amounts paid to third-party suppliers that are refundable, although your landlord may refund your security deposit at the end of the lease if you do not damage the property or default.
2. Initial Franchise Fee: This estimate includes our standard initial franchise fee. If you qualify for our veteran's discount ($5,000 discount) or multi-unit discount ($10,000 discount), your initial investment may be lower.
3. Initial Training Expenses: This estimates your expenses to send 1 person to a designated training center for initial training. Various franchised Fast-Fix Service Centers current serve as our designated training centers. Your actual training expenses may vary depending on: (a) the number of people you send to training; (b) the distance they must travel; and (c) the level and quality of accommodations, travel and dining selected.
4. Lease Deposit & Rent: Kiosks are located in enclosed shopping malls and typically require 120 to 160 square feet of space. Inline Stores are located in enclosed shopping malls, outlet malls or retail strip centers and typically require 300 to 1,000 square feet of space. The estimated costs in the table include a lease deposit and 3 months' rent based on total occupancy costs, including additional charges such as common area maintenance fees. Rent varies depending on factors such as: the size and location of the premises; local market conditions and rental rates; businesses in the area; site profile; and other factors. Rent could be considerably higher in large metropolitan areas. These estimates assume you lease the premises. A franchisee developing an Inline Store may choose to purchase the real estate. The cost to purchase real estate varies so widely that we cannot reasonably estimate the cost.
5. Construction & Development: This estimates the cost to develop and construct your Service Center, including site costs, building permits, architectural fees, real estate brokerage fees, signage, licenses, freight, delivery, installation and related fees and costs. Development costs vary based on numerous factors including:

- mall design criteria and materials
- the nature and extent of existing leasehold improvements
- square footage
- local code and ordinance requirements
- construction costs and prevailing wage rates in the local market
- union labor assessments
- the amount of landlord contributions, if any, towards leasehold improvement costs (a "TI Allowance")

The estimates in the table above assume you do not receive any TI Allowance.

6. Preopening Advertising: This estimates your costs for preopening advertising and promotional purchases, including digital advertising and print advertising materials.
7. Professional Fees/Licenses/Permits: This estimate includes costs to procure business licenses, permits and other governmental approvals. It also includes the estimated fees for professionals you may choose to hire in order to:
   - assist you in reviewing this Disclosure Document and negotiating your Franchise Agreement
   - review and negotiate your lease (we recommend you hire an attorney to provide these services)
   - advise you regarding local laws and regulations applicable to your Service Center
   - form a business entity
   - set up your books, records and accounts
   - develop a business plan and budget for the development and operation of your Business
8. Additional Funds: This estimates your expenses during the first 3 months of operation including: payroll costs (excluding any wage or salary paid to you); marketing and advertising expenses; software and technology fees (including 3 months of Technology Fees paid to us); costs to replenish inventory and supplies; utilities; professional fees; and other miscellaneous expenses. Your initial 3 months of rent and insurance premium are listed separately in the table. This estimate is limited to your costs and does not include any sales revenue your Business may generate to offset these costs. These figures are estimates based on our management team's 37+ years of experience in the jewelry repair business.
9. Budget and Initial Investment Report: We strongly recommend you hire an accountant, business advisor or other professional to assist you in developing a budget for the construction, opening and operation of your Service Center. Within 60 days after your opening date, you must send us a report, in the form we designate, listing the expenses you incur to develop and open your Service Center. We may use this data to update the initial investment estimate in future versions of our Franchise Disclosure Document.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source-Restricted Purchases and Leases - Generally

You must purchase or lease certain source-restricted goods and services to develop and operate your Business. "Source-restricted" means the good or service must meet our specifications or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate). The Manual includes our specifications and supplier list. We may notify you of changes to our specifications and suppliers via updates to the Manual or other means of communication.

Supplier Criteria

Our criteria for evaluating suppliers include standards for: (a) quality, performance, design, appearance and price of the product or service; and (b) dependability, production capabilities, reputation and financial strength of the supplier. Upon request, we will provide you with any objective specifications pertaining to our evaluation of a supplier or product, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing.

If you wish to purchase or lease a source-restricted item from a non-approved supplier you (or the supplier) must send us: (a) a written request for approval; (b) product samples for testing purposes; and (c) all additional information we request, including a Dun and Bradstreet, or comparable, financial and business report on the proposed supplier. The supplier must agree to comply with our minimum insurance, indemnification and confidentiality requirements for system suppliers and allow us to periodically inspect their facility. We will notify you of our decision within 30 days after we receive all required information and product samples. You must reimburse all costs we incur to evaluate products and suppliers you propose. We may periodically reinspect approved products and suppliers and revoke our approval if a product or supplier fails to meet our then-current criteria. Before doing so, we may notify the supplier of the deficiency and give them an opportunity to cure.

Current Source-Restricted Purchases and Leases

Most of the purchases and leases to establish and operate a Fast-Fix Service Center are source-restricted, as further described in the table below:

Nature of Restriction	Estimated Percentage of Total Purchases & Leases	
	To Establish Business	***To Operate Business***
Purchases/leases from us	0% to 5%	0% to 5%
Purchases/leases from approved and designated suppliers	15% to 25%	15% to 25%
Purchases/leases that must meet our specifications	70% to 85%	70% to 85%

Lease

We must approve your lease before you sign it. The lease must incorporate the mandatory lease rider provisions described in Attachment 5 to the Franchise Agreement.

Fixtures and Equipment

All furniture and equipment must meet our standards and specifications. We may require you to purchase fixtures and equipment only from suppliers we designate or approve.

Technology Systems

Your Technology Systems (including hardware, software, equipment, applications and similar items) must meet our standards and specifications. Certain Technology System components must be purchased from approved or designated suppliers. Other components may be purchased from any supplier of your choosing. We may require you to purchase certain services relating to the establishment, use, maintenance, monitoring, security or improvement of Technology Systems from approved or designated suppliers. You must purchase the point-of-sale (POS) system we specify from a supplier we designate and pay us the associated monthly fees (which we remit in full to the unaffiliated licensor of the POS system).

Signage

All signage must meet our standards and specifications and be purchased from suppliers we designate or approve.

Inventory and Supplies

All inventory and supplies (including uniforms, business cards and stationery) must meet our standards and specifications. You may not offer or sell any items we have not approved. You must purchase certain inventory and supplies from suppliers we designate or approve.

Marketing Materials and Services

All marketing materials must comply with our brand standards and other requirements. We must approve your marketing materials (print, media or web-based) prior to use. You must purchase branded marketing materials only from us or other suppliers we designate or approve. You must participate in our franchise advertising program, which provides you with advertising and promotional materials at our cost and promotes brand consistency at point of purchase. You must engage our designated supplier to develop your local website.

Insurance Policies

You must obtain the minimum insurance coverage we require (whether in the Franchise Agreement or in the

Manual) from licensed insurance carriers rated A or better by AM Best, including the following:

Policy Type	Minimum Coverage
"All risk" Property Insurance	Replacement Value
Comprehensive General Liability Insurance	$2,000,000 per occurrence and $3,000,000 in the aggregate
Automobile Liability Insurance	$50,000 per occurrence and $100,000 in the aggregate
Builders' and/or Contractor's Insurance	In amounts reasonably acceptable to us
Bailee's or Jeweler's Block Insurance	Sufficient to cover value of customer valuables placed in your care
Business Interruption Insurance	Sum of 1 year's rent plus greater of (i) total royalties paid during prior 12-month period or (ii) $14,400
Employment Practices Liability Insurance	This insurance policy is recommended but not required
Worker's Compensation Insurance	As required by law
Landlord-Required Insurance	As required by lease

The required coverage and policies are subject to change. Each policy must be endorsed to: (a) name us and our owners, officers and directors as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy.

Purchase Agreements

We use reasonable efforts to negotiate purchase agreements with suppliers, including favorable pricing terms, for the benefit of franchisees. We have negotiated these agreements for certain goods and services you will purchase. We may also purchase items in bulk and resell them to you at our cost plus a markup. Currently there are no purchasing cooperatives but we may establish them in the future. You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing we negotiate.

Franchisor Revenue from Source-Restricted Purchases

We are currently the exclusive designated supplier for: (a) licenses associated with your POS system (we collect monthly fees from you and remit them to the unaffiliated licensor of the POS system); and (b) advertising and promotional materials provided under our Franchise Advertising Program. We may designate ourselves or an affiliate as an approved or designated supplier for other goods or services in the future. We and our affiliates may generate a profit from these purchases (we do not currently generate a profit on the purchases described above). No person affiliated with us is currently an approved (or the only approved) supplier. There are no approved or designated suppliers in which any of our officers own an interest.

We may receive rebates, payments or other material benefits from suppliers based on your purchases and leases. We have no obligation to pass these amounts through to you or use them in any particular manner. Rebate programs vary depending on the supplier and the nature of the product or service. Some suppliers do not pay us rebates. As of the date of this Disclosure Document, we receive rebates ranging from 0% to 5% from suppliers of certain inventory, operating supplies and equipment.

Our total revenue during the fiscal year ended December 31, 2024 was $5,794,601. During that year, we generated $108,185 in revenue as a result of franchisee purchases or leases (including revenue from franchisee purchases from us and supplier rebates), which represents 1.9% of our total revenue for that year.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under your Franchise Agreement (FA) 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	SECTIONS IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	3.1 & 7.1	Items 7 & 11
b. Pre-opening purchases/leases	3.1, 3.4, 4.1, 7.1, 7.2, 7.5, 7.9 & 7.12	Items 7 & 8

OBLIGATION	SECTIONS IN FRANCHISE AGREEMENT	DISCLOSURE DOCUMENT ITEM
c. Site development & other pre-opening requirements	7.1, 7.2, 7.3, 7.5, 7.9 & 7.12	Items 6, 7 & 11
d. Initial and ongoing training	3.5 & 3.9	Item 11
e. Opening	7.3	Item 11
f. Fees	2.5, 2.8, 3.2, 3.7, 3.8, 3.9, 4, 7.1, 7.2, 7.9, 8.1, 10.9, 11.5, 13.3, 13.4, 14 & 15.17	Items 5, 6 & 7
g. Compliance with standards and policies/ Operating Manual	6.1, 7 & 8	Items 8 & 11
h. Trademarks and proprietary information	4.3, 6, 7.4 & 12.3	Items 13 & 14
i. Restrictions on products/services offered	7.5, 7.6, 7.7, 7.8, 7.9 & 7.11	Item 16
j. Warranty and client service requirements	4.8 & 7.14	Not Applicable
k. Territorial development and sales quotas	Not Applicable	Not Applicable
l. Ongoing product/service purchases	7.8 & 7.9	Item 8
m. Maintenance, appearance and remodeling requirements	7.1 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, 7.11 & 7.12	Item 11
n. Insurance	11.1, 11.2, 11.3 & 11.4	Items 7 & 8
o. Advertising	4.3, 7.4, 7.6, 7.9 & 7.11	Items 6, 7, 8 & 11
p. Indemnification	6.4 & 11.5	Item 6
q. Owner's participation/management/staffing	7.8	Items 11 & 15
r. Records/reports	4.5 & 4.9	Item 6
s. Inspections/audits	4.5, 4.9, 4.10, 7.2 & 7.10	Item 6
t. Transfer	10	Item 17
u. Renewal	2.5, 2.6 & 2.7	Item 17
v. Post termination obligations	7.12, 7.14 & 12.3	Item 17
w. Non-competition covenants	8.4, 8.5 & 8.8	Item 17
x. Dispute resolution	13	Item 17
y. Other – Guaranty	7.8	Item 15

ITEM 10 FINANCING

We do not offer direct or indirect financing. Except as described below, we do not guarantee any of your notes, leases or obligations.

As of December 31, 2024, we held guarantees on specific leases. We no longer provide lease guarantees. However, we reserve to do so in extraordinary situations.

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

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

Before you open your Service Center, we will provide the following assistance:

1. *Site Selection Assistance*. We will provide our site selection criteria to help you find a site for your Service Center. We do not select the site and we do not purchase the premises and lease it to you. You must find and secure our approval of the site for your Service Center within 60 days after signing the Franchise Agreement. We may terminate your Franchise Agreement if you fail to meet this deadline or if we cannot agree on a site. We consider the following factors when evaluating sites: demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; other physical and commercial characteristics; and lease terms. (§3.1 & 7.1)

2. *Lease Review*. We must review and approve the terms of your lease before you sign it. We strongly recommend you hire a real estate attorney to help you negotiate your lease. Upon request, and at no additional charge, we will help you negotiate the lease with your landlord. (§4.1(c) & 7.1)

3. *Specifications & Suppliers*. We will specify (and provide our written specifications for) the equipment, trade fixtures, inventory, Technology Systems and other goods and services necessary to develop, equip and operate your Business and a list of suppliers. We do not deliver or install any items you purchase. (§3.4)

4. *Design Services*. We provide our standard plans and specifications for the design, layout, equipping and trade dress for a Fast-Fix Service Center. You must hire an architect to adapt our standard plans and specifications and prepare construction plans for your Service Center that: (a) satisfy all required standards and specifications in the Manual; and (b) comply with all federal, state and local ordinances, building codes, permits and lease requirements and restrictions applicable to the premises. You must submit the final construction plans to us for approval. Once approved, you must construct your Service Center in accordance with the approved plans at your expense. (§3.4 & 7.2)

5. *Initial Training*. We provide the initial training program described below under *Training Programs*. (§3.5)

6. *Brand Standards Manual*. We provide online access to our confidential and proprietary Manual, which will help you develop and operate your Service Center. The Manual includes approximately 286 paper pages. The Table of Contents is attached as EXHIBIT C. (§3.7)

7. *Grand Opening*. We help coordinate your grand opening promotional program. (§3.6)

During the operation of your Service Center, we will provide the following assistance:

1. *Developments*. We may, but need not, provide advice regarding new research or developments involving special sales and repair techniques, merchandising, marketing and advertising, or other operational matters we deem helpful. (§3.8)

2. *Routine Assistance*. Our staff may, but need not, provide periodic consultation and advice regarding routine operational matters relevant to your Business. This assistance may be provided remotely (e.g., by telephone, video conference or similar means) or onsite at your Service Center. (§3.8)

3. *Special Assistance*. Our staff may, but need not, conduct periodic field visits to provide onsite consultation, assistance and guidance pertaining to the management and operation of your Service Center. (§3.8)

4. *Conventions and Conferences*. We may organize and host periodic franchisee conventions, conferences and regional meeting for various purposes such as providing additional training, sharing best practices and discussing updates and developments on topics we deem relevant or useful to the operation of a Fast-Fix Service Center (e.g., sales techniques, software and technology, personnel training, bookkeeping, accounting, inventory control, performance standards, advertising programs and merchandising procedures). We select the venue for each event. You must attend each event we designate as mandatory. (§3.10 & 4.12)

5. *Relocation Assistance*. We will help you find a new site for your Service Center if: (a) the premises is destroyed, condemned or otherwise rendered unusable, or you lose possession of the site through no fault of your own; and (b) there are at least 2 years remaining on the term of your Franchise Agreement. If you have less than 2 years remaining on the term of your Franchise Agreement, then we may, but need not, provide this assistance. You must reimburse all expense we incur to provide relocation assistance. (§3.2)

Advertising (§§4.3 & 6.6)

Our Advertising Obligations

We have no obligation to conduct advertising for the franchise system. We have a franchise advertising program (i.e., FAP) that promotes seasonal, holiday or promotional themes and includes videos, coupons, posters, signage, décor items, visuals, and other point of purchase and display materials, as well as our website program. The FAP may involve print or digital promotions that are national, regional or local in coverage. All promotional products are provided through third-party vendors (via electronic means or otherwise) and are sold to you at cost (currently $150 per month for a Kiosk or $175 per month for an Inline Store). The program is mandatory.

Your Advertising Obligations

Each month you must spend an amount equal to or greater than your LAC on local advertising to promote your Service Center in your local market. The LAC is currently 1% of Gross Sales, but will increase to 2% of Gross Sales if we discontinue the brand fund. If you fail to spend an amount equal to or greater than your LAC during any 12-month period, you must pay us an amount equal to the difference between your LAC and the amount you actually spent on local advertising during the 12-month measuring period. We will use these funds for brand support. You may develop your own advertising and marketing materials and programs but we must approve them prior to use. We must also approve the media you intend to use. You may not use any advertising materials, programs or media that we have not approved.

Websites, Social Media and Digital Advertising

We maintain a corporate website to promote our brand. We will also develop and host a local webpage for your Service Center that will: (a) be linked to our corporate website; and (b) list information about your Service Center we deem appropriate, such as menu and product offerings, location, service specialties and contact information. You must ensure your webpage conforms to our policies and is ADA-compliant.

Except for the local webpage referenced above, you may not: (a) develop, host, or otherwise maintain a website (or other digital presence) bearing our Marks; (b) utilize the Internet to conduct digital or online advertising; or (c) engage in ecommerce. However, we do permit you to market your Service Center through approved social media channels, subject to the following requirements:

- you may only conduct social media using social media platforms we approve
- you must strictly comply with our social media policy, as revised from time to time
- you must immediately remove any post we disapprove
- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrator rights to your social media accounts
- we must retain ownership of all social media accounts relating to your Service Center

We may (but need not) develop and maintain an intranet site or comparable system to enable private and secure communications between us, our franchisees and other persons and entities we deem appropriate. You must use the intranet or other system we develop in the manner we require in accordance with our policies and procedures.

Advertising Cooperatives

We may, but need not, establish regional advertising cooperatives for purposes of pooling advertising funds to be used in discrete regions. We determine the boundaries of the cooperative, which usually coincide with zip codes, designated marketing areas or municipal boundaries. We specify the manner in which the cooperative is organized and governed. We may choose to: (a) administer the cooperative ourselves; or (b) establish an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that cooperatives operate in accordance with written bylaws, organizational documents or other governing documents we approve. Each Service Center in the cooperative has 1 vote. No advertising cooperatives were in effect on December 31, 2024.

If your Service Center is located in a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. The cooperative advertising fee will not exceed the LAC amount unless a higher fee is approved by majority vote of the cooperative members. All cooperative advertising fees you pay are credited against your LAC. Company-owned Service Centers located in a cooperative contribute on the same basis as franchisees.

Advertising cooperatives are not required to prepare annual or periodic financial statements. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate any advertising cooperative we establish at any time. However, we will not change or dissolve any advertising cooperative established by franchisees.

Brand and System Development Fund

We administer a brand and system development fund to promote public awareness of our brand and improve our System. We may use the brand fund to pay for any of the following:

- developing, distributing or administering advertising and marketing materials and programs
- conducting and administering promotions, contests or giveaways
- public and consumer relations and publicity
- brand development
- sponsorships and charitable and nonprofit donations and events
- research and development of technology, products and services
- website development and search engine optimization
- development, maintenance and promotion of an ecommerce platform
- development and implementation of quality control programs
- conducting market research
- reimbursing us for costs we incur to host franchisee conferences, conventions or meetings
- changes and improvements to the System
- fees and expenses charged by advertising agencies we engage to provide marketing services
- collecting and accounting for brand fund fees and preparing financial accountings of the brand fund
- any other programs or activities we deem appropriate to promote or improve the System
- reimbursing us for administrative, overhead and other expenses we incur to administer the brand fund, including compensation paid to our personnel for time spent working on brand fund matters

We direct and have complete control and discretion over all advertising programs paid for by the brand fund, including the creative concepts, content, materials, endorsements, frequency, placement and media used. Currently, most advertising is intended to be regional or national in coverage. We may use any media we desire, including digital, print, television, radio or billboard. The brand fund will not be used to pay for advertisements principally directed at selling additional franchises, although consumer advertising may include notations such as "franchises available" and one or more pages on our website may promote the franchise opportunity.

You must pay the brand fund fee we specify from time to time (not to exceed 2% of Gross Sales). Company-owned Service Centers are not required to contribute to the brand fund on the same basis as franchisees. Monies deposited into the fund that are not used in the fiscal year in which they accrue will be used in a subsequent fiscal year. Any surplus of monies may be invested and we may lend money if there is a deficit. An unaudited financial accounting of brand fund contributions and expenditures will be prepared annually and made available to you upon request. During the fiscal year ended December 31, 2024, we spent marketing funds in the following manner:

Allocation of Marketing Expenditures (2024)				
Use of Funds	**Production**	**Media Placement**	**Administrative Expenses**	**Other***
Percentage Allocation	25%	75%	0%	0%

The brand fund is not a trust. We have no fiduciary obligations or liability to you with respect to our administration of the brand fund. We may discontinue the brand fund on 30 days' notice.

Franchisee Advisory Council

There is no franchisee advisory council (FAC) at this time, but we may form one in the future. If formed, the FAC may advise us on advertising practices, but will only serve in an advisory capacity.

Training Programs (§3.5)

Our initial training program covers all aspects of operating a jewelry repair and retail sales business using our System. Your Franchise Operator and any initial manager you hire must successfully complete initial training to our satisfaction before your Service Center opens. Other owners may attend initial training but it is not required.

Initial training includes: (a) 3 to 7 days of franchise operations and management training conducted at one of our designated training centers, which currently consist of certain franchised Fast-Fix Service Centers, 4 to 6 weeks before your opening date; and (b) 2 to 3 days of onsite training conducted at your Service Center around the time it opens. Onsite training is an informal program where we monitor your operations and assist you with the opening of your Service Center.

The format for training may include lectures, interactive role playing, online training modules, conference calls and/or webinars. We reserve the right to conduct all (or any portion) of the training program virtually. The training materials include the Manual. We do not charge for training materials. Training is conducted in the English language. We can modify the training program at our discretion based on our subjective assessment of the skills, abilities and prior experience of your Franchise Operator and/or other trainees. Currently, we intend to offer initial training on an "as needed" basis. There are no regularly scheduled initial training sessions. Initial training currently covers the following topics:

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Overview History Traditions Values Image	3	0	Designed Training Facility
Technical Equipment Inventory Tools Supplies	2	6	Designed Training Facility
Appearance Housekeeping Displays Merchandising	1	3	Designed Training Facility
Workflow Scheduling Staffing Intake Handling Forms	3	4	Designed Training Facility
POS Operation SP Orders Service Codes Pay Methods Voids Deposits	4	4	Designed Training Facility

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Customer Service Policies Contact Delivery Discounts Problems	3	4	Designed Training Facility
Selling Selling Up SPIFF's Warranties Pricing	3	4	Designed Training Facility
Staffing Positions Employment Interviewing Performance Pay Periods Testing Standards	2	3	Designed Training Facility
General Business Goals Records Controls Policies Merchandising Relationships Ordering Reporting	3	2	Designed Training Facility
TOTAL	24	30	

We do not charge a training fee for our initial training program, but you are responsible for all Travel Expenses incurred by the trainees to attend training.

Linda Mossessian Keshishian and Anna Heebner are in charge of our training program. Linda and Anna provide instruction on all topics. Each of them currently serves as a Regional Vice President, Operations. Linda has been with us since 2020. She has a total of 10 years of experience in industry, including with Michael Aram and Macey's. Anna has been with us since 2022. She has a total of 12 years of experience in industry, including with Signet. Linda and Anna may periodically recruit assistance from other instructors, who would have a minimum of 1 year of experience with us or in the field relevant to the subject(s) taught.

Computer System (§3.4 & 7.12)

You must purchase and use all Technology Systems we designate. We currently require you to purchase and use the computer and point-of-sale system we designate (referred to as your "computer system"). The main components include: 1 tablet or computer; 1 to 2 POS terminals; cash drawer; credit card reader; LightSpeed (ERP and POS system); and Ikeono (customer communication and photo tool).

How Computer System Is Used

The computer system is generally used to: process payments; record sales; communicate with us and clients; track, process and manage inventory; take pictures of valuables submitted for repair; schedule employees; manage payroll; prepare business and financial reports; access the Manual and any online resources we make available to you (e.g., online training, intranet, advertising forms, etc.); conduct advertising and marketing; and manage customer relationships. The computer system is also used to implement our gift card and customer loyalty program.

Data Collection and Access

Your POS system collects sales data and information about your customers. We have independent unlimited access to all data collected through your POS system and there are no contractual limits imposed on our access. Upon our request, you must provide any assistance we require to integrate your POS system with our computer system. We do not have independent access to data that you store on your computer but do not enter into your POS system. However, we may inspect your computer system and access that data during an inspection.

Maintenance, Support, Updates and Upgrades

The monthly technology fee (described below) includes maintenance, support and updates for your POS system, which are provided by the licensor of the POS system. We are not aware of any optional or required maintenance, updating, upgrading or support contracts. If any such contract were to exist, we estimate the cost could be up to $360 per year. Except as disclosed above, neither we nor any other person is required to provide maintenance, repairs, upgrades or updates for your computer system.

Fees and Costs

We estimate the initial cost of your computer system will range from $2,000 to $5,000.

As further detailed in Item 6, you pay us technology fees for software, technology and related services we provide. Our current technology fee is either $137 or $177 per month ($1,644 or $2,124 per year). We collect this fee from you and remit the entire amount to the licensor of the POS system. The fee is $137 if you have 1 POS station or $177 if you have 2 POS stations. Our current technology fee covers the licensing fees associated with your POS system and includes maintenance, support and updates. The technology fee may change based on: (a) pricing changes implemented by the licensor of the POS system; or (b) new software, technology, Apps, online tools and resources or other technology-related services we provide. However, the fee will not exceed $2,000 per month ($24,000 per year) during the term of your Franchise Agreement.

You must also license Ikeono, which currently costs $150 per month ($1,800 per year).

Computer System Maintenance and Changes

You must maintain the computer system in good condition at your cost. We may require that you upgrade, update or otherwise change your computer system and other Technology Systems to conform to our then-current specifications. There is no contractual limitation on the frequency or cost of these updates, upgrades or changes.

Time to Open

We expect most franchisees will open their Fast-Fix Service Center within 180 days after signing the Franchise Agreement. Factors that may affect this time include:

- the amount of time needed to find an approved site
- protracted lease negotiations with the landlord
- the amount of time needed to secure financing, insurance, licenses and permits
- the condition of the building and extent of required upgrades, remodeling and renovations
- construction delays due to labor or materials shortages, inclement weather or other reasons
- delayed delivery or installation of equipment and fixtures
- the amount of time needed to comply with zoning requirements and other laws and regulations
- the amount of time needed to complete training and hire staff

ITEM 12 TERRITORY

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

Location of Your Service Center

The Franchise Agreement grants you the right to operate one Service Center from a site we approve. We will help you find a new site for your Service Center if: (a) the premises is destroyed, condemned or otherwise rendered

unusable, or you lose possession of the site through no fault of your own; and (b) there are at least 2 years remaining on the term of your Franchise Agreement. If you have less than 2 years remaining on the term of your Franchise Agreement, then we may, but need not, provide this assistance. You must reimburse all expenses we incur to provide location assistance. We may designate a new territory after the site for your new Service Center is approved. You must reopen your Service Center at the new site no later than: (a) 45 days after you close the former Service Center, if the relocation was pre-planned; or (b) 180 days after you close the former Service Center, if you relocate because your former Service Center was destroyed or condemned. You may not relocate your Service Center under any other circumstances unless we grant our approval (which may be in our sole discretion).

Territory Description

We will grant you a territory consisting of the area comprised by: (a) the enclosed shopping mall in which your Service Center is located (if you own a Kiosk); or (b) the enclosed mall, shopping center, outlet mall or retail strip center where your Service Center is located (if you own an Inline Store). If the enclosed shopping mall, shopping center, outlet mall or retail strip center that defines your territory changes during the term of the Franchise Agreement, your territory will be deemed amended to coincide with the new boundaries (unless the amended territory would result in another Fast-Fix Service Center being located in your territory).

Territorial Protections and Limitations

During the term of your Franchise Agreement we will not develop or operate, or license a third party to develop or operate, another Fast-Fix Service Center that uses our Marks and is located in your territory except as otherwise permitted below with respect to Non-Traditional Sites and Acquisitions (each defined below).

We reserve the right to develop and operate, and license third parties to develop and operate, Fast-Fix Service Centers at Non-Traditional Sites located in your territory. A "Non-Traditional Site" means a site for a Fast-Fix Service Center that generates customer traffic flow which is independent from the general customer traffic flow of the surrounding area. Examples of Non-Traditional Sites include Fast-Fix Service Centers located in military bases, airports, stadiums, arenas, major industrial or office complexes, hotels, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, and sports or entertainment venues. However, a Non-Traditional Site does not include a Fast-Fix Service Center located in a mall or shopping center.

We also reserve the right to acquire (or be acquired by) another company or system that sells goods or services the same as or similar to the goods or services sold by Fast-Fix Service Centers, and the outlets of the acquired or acquiring company may be converted into Fast-Fix Service Centers (using the same Marks and System licensed to franchised Fast-Fix Service Centers) even if located in your territory (an "Acquisition").

Alternative Channels of Distribution

We reserve the right to sell, and license others to sell, the same or similar goods and services (either under the Marks or different trademarks) within your territory through alternative channels of distribution. An alternative channel of distribution means any channel of distribution other than retail sales made to customers while present at a Fast-Fix Service Center, including sales through direct marketing (such as over the Internet or through sales catalogs) or through retail stores that do not operate under the Marks (such as department stores). You are not entitled to any compensation for sales that take place through alternative channels of distribution.

Restrictions on Sales and Marketing Activities

You can advertise outside your territory as long as you comply with all policies and procedures in the Manual governing extra-territorial marketing (if any). You may sell to any customer who visits your Service Center, including customers who reside outside your territory. Except for the local webpage we provide and social media conducted in accordance with our policies, you may not advertise or sell using alternative channels of distribution (such as the Internet, catalog sales, telemarketing or other direct marketing) either inside or outside your territory. There are no other restrictions on your right to solicit customers from inside or outside your territory.

Additional Franchises and Territories

We do not grant options, rights of first refusal or similar rights to acquire additional territories or franchises. You may only develop additional Service Centers if we approve your request to purchase additional franchises and you sign our then-current form of Franchise Agreement for each Service Center you develop.

Competing Businesses Under Different Marks

Currently, neither we nor our affiliates intend to operate or franchise another business under a different trademark that sells products or services similar to those sold by a Fast-Fix Service Center. However, we reserve the right to do so in the future.

ITEM 13 TRADEMARKS

We own the following Marks registered with the U.S. Patent and Trademark Office:

REGISTERED MARKS			
Mark	**Registration Number**	**Registration Date (Renewal Date)**	**Register (Principal or Supplemental)**
Fast-Fix Jewelry Repairs	2,342,938	April 18, 2000 (June 20, 2020)	Principal
Fast-Fix Jewelry Repairs	2,378,790	August 22, 2000 (January 6, 2020)	Principal
Fast-Fix Jewelry Repairs	2,348,361	May 9, 2000 (June 20, 2020)	Principal
Fast-Fix Jewelry and Watch Repairs	3,067,269	March 14, 2006 (July 6, 2015)	Principal
Fast-Fix Jewelry and Watch Repairs	3,048,421	January 24, 2006 (July 6, 2015)	Principal
Fast-Fix Jewelry and Watch Repairs	3,569,301	February 3, 2009 (September 17, 2018)	Principal
America's Jewelry Repair Professionals	2,352,865	May 23, 2000 (July 23, 2020)	Supplemental
America's Jewelry Repair Professionals	2,347,858	May 2, 2000 (June 20, 2020)	Supplemental
	2323841	February 29, 2000 (July 23, 2019)	Principal
	2,323,842	February 29, 2000 (July 18, 2019)	Principal
	3707598	November 10, 2009 (December 13, 2019)	Principal
	5981101	February 11, 2020	Principal

We do not have a Principal Register federal registration for 2 of the Marks above. Therefore, these Marks do not have as many legal benefits and rights as a Principal Register federally registered trademark. If our right to use these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We have filed all required affidavits and renewals for the Marks and intend to file all additional affidavits and renewals when due.

We may change the trademarks you may use from time to time, including by discontinuing use of the Marks listed in Item 13. If this happens, you must change to the new trademark at your expense.

You must promptly notify us (within 7 days) if you discover an infringing use (or challenge to your use) of the Marks. We will take the action we deem appropriate. We are not required to take any action if we do not feel it is warranted. You may not control any proceeding or litigation involving our Marks.

The Franchise Agreement does not require that we: (a) protect your right to use the Marks; (b) protect you against claims of infringement or unfair competition arising out of your use of the Marks; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our Marks or if the proceeding is resolved in a manner unfavorable to you.

There are currently no: (a) effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; (b) pending infringements, oppositions or cancellations; (c) pending material litigation matters involving any of the Marks; (d) infringing uses we are aware of that could materially affect your use of the Marks; or (e) agreements that limit our right to use or sublicense use of the Marks.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise.

Although we have not filed an application for copyright registration for our Manual, website or marketing materials, we do claim a copyright to these items.

During the term of the Franchise Agreement, we allow you to develop and operate your Service Center using certain confidential and proprietary information (some of which constitute "trade secrets"). Examples include:

- proprietary know-how, knowledge, technologies, processes, techniques and operational forms
- policies, procedures, standards and specifications
- supplier lists, customer lists and information regarding suppliers and customers
- franchise or instructional materials
- information comprising the System

We own all ideas, improvements, inventions, marketing materials and other concepts you develop relating to a Fast-Fix Service Center. We also own all operational and customer data pertaining to your Service Center. You must treat this data as confidential and proprietary. We license you the right to use this data during the term of your Franchise Agreement. You must comply with all applicable data protection laws and our data processing and data privacy policies in the Manual.

We provide access to our confidential information through the Manual, training programs and other periodic support and guidance. You may only use this information to develop and operate your Service Center. All information in the Manual is confidential. You may not disclose our confidential information to anyone other than your employees, on a need-to-know basis, without our prior permission. All your employees and representatives who receive training must sign the Nondisclosure and Noncompetition Agreement attached to the Franchise Agreement before you give them access to our confidential information.

You must promptly notify us if you discover an unauthorized use of our proprietary information or copyrighted materials. We are not required to act, but will respond as we deem appropriate. You may not control any proceeding or litigation involving allegations of unauthorized use of our proprietary information or copyrighted materials. We have no obligation to indemnify you for any expenses or damages you incur as a result of any such proceeding or litigation. There are no infringements known to us at this time.

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

Owner Participation

You must designate an owner who will personally participate in the operation of your Service Center (the "Franchise Operator"). The Franchise Operator must: (a) dedicate full-time best efforts to the onsite management of your Service Center (except when a trained manager is onsite); (b) have binding decision-making authority on matters involving your Service Center; (c) successfully complete all training programs we require; and (d) at all times hold at least a 25% ownership interest in the franchised business. Any new Franchise Operator you appoint must successfully complete initial training prior to managing your Service Center.

Except as otherwise provided above with respect to the Franchise Operator, we do not require that your owners personally participate in the management or operation of your Service Center. If you are an entity, each owner

(i.e., each person holding a direct or indirect ownership interest in the entity) and the spouse of each owner must sign the Nondisclosure and Noncompetition Agreement (attached to the Franchise Agreement as Attachment 4) and the Personal Guaranty Agreement (attached to the Franchise Agreement as Attachment 7).

Managers

You may hire a manager to assist the Franchise Operator with the onsite management of your Service Center. Any person you hire as a manager must: (a) be approved by us; (b) successfully complete all training programs we require; and (c) sign a Nondisclosure and Noncompetition Agreement. We do not require that your managers own an equity interest in the franchise.

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all products, services and programs we require except to the extent: (a) prohibited by your lease or by law (local laws may prohibit you from offering certain services such as eyeglass frame repair or electronic device repair); or (b) you obtain a written waiver from us. You may not sell any goods or services we have disapproved. You may request the right to offer products, services or programs we have not yet approved for use with our System. You may only offer such products, services or programs with our prior written approval, which we may revoke at any time. Any products, services or programs you propose and we approve will be owned by us and may be offered at other Fast-Fix Service Centers without any compensation to you. At any time, we may change the goods and services you sell and you must comply with the change.

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

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

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
a. Length of franchise term	2.4	Initial term for a Kiosk or an Inline Store is 10 years from signing of the Franchise Agreement. Or, if you purchase an operational Kiosk or Inline Store from another franchisee, the initial term will be term remaining under the transferor's Franchise Agreement.
b. Renewal or extension of the term	2.5, 2.6 & 2.7	If you meet our conditions for renewal, you can enter into up to 3 consecutive successor franchise agreements. Each renewal term is either 10 years or the period of time that coincides with the lease renewal term (if less than 10 years). The parties may mutually agree to further renewals but neither party is obligated to do so (subject to state law).
c. Requirements for you to renew or extend	2.5 & 2.6	You must: not be in default under Franchise Agreement; not be in default under your lease or with System suppliers or other creditors; give us timely notice; sign then-current form of franchise agreement; sign general release (subject to state law); pay renewal fee; remodel Service Center and upgrade fixtures and equipment to current standards; and extend lease term. We may refuse to renew your franchise if your Gross Sales during the 12-month period preceding renewal are in the bottom 25% of Gross Sales generated by all similarly-situated Fast-Fix Service Centers in the U.S. for the same period of time (excluding those open less than 2 years as of your expiration date). If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract.
d. Termination by you	Not Applicable	You can terminate under any grounds permitted by law.
e. Termination by us without cause	Not Applicable	We do not have the right to terminate without cause.
f. Termination by us with cause	12.1 & 12.2	We can terminate if you default.

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
g. "Cause" defined - curable defaults	12.1	You have the following cure periods: (a) 2 days for health or safety hazards (or period of time reasonably necessary, not to exceed 30 days, if breach cannot be cured in 2 days of 30 days); or (b) 10 days for any other default (other than a default described below under "non-curable defaults").
h. "Cause" defined - non-curable defaults	12.1 & 12.2	The following defaults cannot be cured: insolvency or bankruptcy; failure to find approved site or open in timely manner; owner or manager convicted of or pleads no contest to a felony or other material crime; acts that may adversely affect reputation of System or Marks; refusal to cooperate with inspection or audit; knowingly maintaining false books or records or submitting false reports; unauthorized Transfer; unauthorized pledge or security interest in business assets; unauthorized use of our intellectual property; breach of confidentiality or non-competition covenant; termination of lease (unless you are authorized to relocate); 3 or more default notices; or termination of any other agreement between you (or your affiliate) and us (or our affiliate) due to your default.
i. Your obligations on termination/ non-renewal	12.3 & 12.4	Obligations include: remove trade dress and alter premises to eliminate resemblance to a Fast-Fix Service Center; cease use of intellectual property; cancel fictitious names; return Manual and branded materials; assign telephone numbers, listings and domain names; and pay amounts due (also see "r", below).
j. Assignment of contract by us	10.10	No restriction on our right to assign.
k. "Transfer" by you – definition	10.1	Includes ownership change or transfer of contract or assets.
l. Our approval of transfer by you	10	You may engage in a Permitted Transfer (defined in Note 2 in Item 6) without approval. We must approve other Transfers but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	10.2 & 10.3	Transferee must: meet our qualifications and submit required information; successfully complete training (or arrange to do so) and pay training fee; obtain required licenses and permits; sign then-current form of franchise agreement for remainder of term or, at our option, assume your Franchise Agreement; and remodel Service Center and upgrade furniture, fixtures and equipment to current standards within the period of time we specify. You must: be compliant with Franchise Agreement; obtain landlord consent to lease assignment; pay amounts owed to us and third parties; provide 30 days' prior notice to suppliers and vendors; pay transfer fee; sign general release (subject to state law); and sign and send us documentation of your continuing liability. We must approve Transfer terms and notify you that we will not exercise our right of first refusal.
n. Our right of first refusal to acquire your business	10.11	We can match any offer to purchase: (a) some or all ownership interests from a 10% or greater owner; (b) your interest under the Franchise Agreement; or (c) all or a material part of your business assets.
o. Our option to purchase your business	12.3(b)	We or our designee may, but need not, purchase any of your equipment (free of liens or encumbrances) for lesser of: (a) fair market value; or (b) your cost less depreciation on a straight line basis of 10% per year.
p. Your death or disability	10.9	Within 180 days, interest must be assigned to an assignee in compliance with conditions for other Transfers. If Franchise Operator dies or becomes permanently disabled, we may also appoint a manger to manger the Service Center until you appoint a new, and fully trained, Franchise Operator.

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
q. Non-competition covenants during the term of the franchise	8.5	Neither you nor any of your owners or affiliate may have any interest in a Competitive Business (as defined in §1.5 of Franchise Agreement) regardless of where the Competitive Business is located or operates (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	8.5	For 2 years after franchise relationship ends, neither you nor any of your owners or affiliate may have any interest in a Competitive Business located within 25 miles of any franchised or company-owned Fast-Fix Service Center or otherwise divert business opportunities away from us or other franchisees or interfere with our business relationships.
s. Modification of the agreement	8.2 & 15.2	Requires writing signed by both parties (except we may unilaterally change Manual or System).
t. Integration/ merger clause	15.5	Only the terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.
u. Dispute resolution by arbitration or mediation	13.4 & 13.5	Subject to state law, all disputes must be arbitrated, except for certain disputes where we seek injunctive relief our intellectual property or compliance with restrictive covenants or post-term obligations.
v. Choice of forum	13.1 & 13.9	Subject to state law, arbitration and litigation must take place in Broward County, Florida.
w. Choice of law	13.2	Subject to state law, Florida law governs.

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchises.

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.

Defined Terms

For purposes of this FPR, the following terms have the meanings given to them below.

"***Company-Owned Outlet***" means any Fast-Fix Service Center owned by: (a) us; (b) our affiliate; or (c) any person listed in Item 2 of this Disclosure Document if that person also manages the Service Center.

"***Converted Outlet***" means any Fast-Fix Service Center that was a Company-Owned Outlet sold to a franchisee, or a Franchised Outlet reacquired by us or our affiliate, at any time during the Measuring Year.

"***FPR***" means the financial performance representation set forth in Item 19 of this Disclosure Document.

"***Franchised Outlet***" means any any Fast-Fix Service Center owned by a franchisee.

"***Gross Sales***" means the entire amount of the sales price of all goods, wares, merchandise or services sold or rendered from the Service Center (including all precious metal sales to refiners), whether for cash, charge, credit card or time-sale basis, without reserve or deduction for inability or failure to collect, including all orders for goods or services, whether by mail, telephone, internet or otherwise, and whether the orders will be filled from the Service Center or elsewhere, so long as the franchisee would, in the normal course of business, attribute the orders or sales to the Service Center. The following are not included in Gross Sales: (a) the amount of refunds, allowances or discounts to customers, provided the same had been previously included in Gross Sales; and (b) the amount of any excise or sales tax levied on retail sales and paid to the appropriate governmental authority.

"***Measuring Year***" means the period of time that begins January 1, 2024 and ends December 31, 2024.

"***Qualifying Outlet***" means any Franchised Outlet open the entire Measuring Year except a Store-In-Store.

System Statistics

For purposes of this FPR, each Fast-Fix Service Center may be referred to as an "outlet." This FPR is limited to data from Franchised Outlets. We excluded data from all: (a) Company-Owned Outlets; and (b) Store-In-Stores. The following table summarizes the outlet statistics and number of Qualifying Outlets for each Measuring Year:

SYSTEM STATISTICS FOR FPR FOR 2024 MEASURING YEARS							
Measuring Year	**Transactions and Statistics**				**Converted Outlets**	**Store-In-Stores**	**Qualifying Outlets**
	Open January 1st	***Openings***	***Closures***	***Open December 31st***			
2024	117	1*	6	112	1*	2	110

* This is a Converted Outlet (a Company-Owned Outlet sold to a franchisee in 2024).

The following table breaks down the total number of Qualifying Outlets between Kiosks and Inline Stores:

Subset by Model	Number of Outlets
Kiosks	9
Inline Stores	101
Total	110

In preparing this FPR we excluded data from: (a) 6 Franchised Outlets that closed in 2024; and (b) 2 Store-In-Stores (which we no longer offer). There are no material differences between the Qualifying Outlets whose data is presented in this FPR and the franchised business offered under this Disclosure Document.

Financial Performance Representation

The following table presents historical Gross Sales figures for the Qualifying Outlets for the 2024 Measuring Year. The data includes the lowest, highest, median and average annual Gross Sales figures, as well as the number and percentage of Qualifying Outlets that attached or surpassed the stated average Gross Sales figure.

FINANCIAL PERFORMANCE REPRESENTATION – 2024 GROSS SALES					
Outlet Type	**Highest**	**Lowest**	**Median**	**Average**	**Number & Percent that Achieved/Surpassed Average**
Inline Store	$1,648,553	$123,454	$500,712	$553,663	34 of 101 (33.7%)
Kiosk	$830,726	$137,861	$281,469	$337,139	2 of 9 (22.2%)

1. Source of Data: We obtained the Gross Sales figures from the POS system used by the outlets. The data has not been audited.
2. No Expenses: The financial performance representation does not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Fast-Fix Service Center. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

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

Other than the preceding financial performance representations, 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 our Executive Vice President of Operations , Benjamin Russell at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 or by phone (800) 359-0407, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2022 TO 2024				
Outlet Type	**Year**	**Outlets at Start of Year**	**Outlets at End of Year**	**Net Change**
Franchised	2022	126	123	-3
	2023	123	117	-6
	2024	117	112	-5
Company-Owned	2022	9	7	-2
	2023	7	5	-2
	2024	5	4	-1
Total Outlets	2022	135	130	-5
	2023	130	122	-8
	2024	122	116	-6

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2022 TO 2024		
State	**Year**	**Number of Transfers**
Alaska	2022	1
	2023	1
	2024	0
California	2022	0
	2023	1
	2024	0
Florida	2022	0
	2023	1
	2024	0
Georgia	2022	0
	2023	2
	2024	0
Maryland	2022	1
	2023	0
	2024	0
New Mexico	2022	0
	2023	1
	2024	0

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2022 TO 2024		
State	**Year**	**Number of Transfers**
Pennsylvania	2022	1
	2023	0
	2024	0
Texas	2022	2
	2023	0
	2024	0
Washington	2022	1
	2023	0
	2024	0
Total	2022	6
	2023	6
	2024	0

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2022 TO 2024								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operation Other Reasons**	**Outlets At End Of Year**
Alaska	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Arizona	2022	6	0	0	0	0	2	4
	2023	4	2	0	0	0	0	6
	2024	6	0	0	0	0	0	6
California	2022	44	0	0	0	0	1	43
	2023	43	0	1	0	2	0	40
	2024	40	1	0	0	0	2	39
Colorado	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Delaware	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Florida	2022	23	0	0	0	0	0	23
	2023	23	0	2	0	0	0	21
	2024	21	0	0	0	0	1	20
Georgia	2022	7	1	0	0	0	1	7
	2023	7	0	1	0	0	0	6
	2024	6	0	0	0	0	1	5
Illinois	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2022 TO 2024								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operation Other Reasons**	**Outlets At End Of Year**
Indiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
Kentucky	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Maryland	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Missouri	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
North Carolina	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Oregon	2022	2	0	0	0	0	0	2
	2023	2	0	2	0	0	0	0
	2024	0	0	0	0	0	0	0
Pennsylvania	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
South Carolina	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Tennessee	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Texas	2022	11	0	0	0	0	0	11
	2023	11	0	0	0	0	0	11
	2024	11	0	0	0	0	0	11

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2022 TO 2024								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operation Other Reasons**	**Outlets At End Of Year**
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022	4	0	0	0	0	0	4
	2023	4	0	1	0	0	0	3
	2024	3	0	0	0	0	0	3
Washington	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Totals	2022	126	1	0	0	0	4	123
	2023	123	3	7	0	2	0	117
	2024	117	1	1	0	0	5	112

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2022 TO 2024							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired from Franchisees**	**Outlets Closed**	**Outlets Sold to Franchisees**	**Outlets At End of the Year**
Arizona	2022	2	0	0	0	0	2
	2023	2	0	0	0	2	0
	2024	0	0	0	0	0	0
California	2022	0	0	0	0	0	0
	2023	0	0	2	0	0	2
	2024	2	0	0	0	1	1
Florida	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Georgia	2022	1	0	0	0	1	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Illinois	2022	1	0	0	1	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
New York	2022	2	0	0	0	0	2
	2023	2	0	0	1	0	1
	2024	1	0	0	0	0	1
South Carolina	2022	1	0	0	0	0	1
	2023	1	0	0	0	1	0
	2024	0	0	0	0	0	0
Texas	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2022 TO 2024							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired from Franchisees**	**Outlets Closed**	**Outlets Sold to Franchisees**	**Outlets At End of the Year**
Totals	2022	9	0	0	1	1	7
	2023	7	0	2	1	3	5
	2024	5	0	0	0	1	4

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2024			
State	**Franchise Agreements Signed But Outlet Not Opened**	**Projected New Franchised Outlets in the Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
Florida	0	1	0
Totals	0	1	0

A list of all current franchisees is attached to this Disclosure Document as Exhibit D, including their names and the addresses and telephone numbers of their outlets as of December 31, 2024. Exhibit E lists the name, city and state, and the 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 our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

No franchisees have signed confidentiality clauses during the last 3 fiscal years that restrict their ability to speak openly about their experience with our franchise system.

The following independent franchisee organization has asked to be included in this disclosure document: The Independent Association of Fast-Fix Franchisees (IAFF), a Chapter of the American Association of Franchisees and Dealers, 276 Hazard Avenue, Suite 11, Enfield, CT 06082, telephone: 619-209-3775, iaff@aafdchapters.org.

ITEM 21 FINANCIAL STATEMENTS

Exhibit F-1 includes the following: (i) audited financial statements for JRE Holdings, Inc., our parent, for the fiscal year ended December 31, 2024; and (ii) our audited financial statements for the fiscal years ended December 31, 2023 and December 31, 2022. Our parent, JRE Holdings, Inc., has guaranteed our performance with you. A copy of the guaranty of performance is attached as Exhibit F-2. In addition, our unaudited financial statements as of May 31, 2025 are attached to this Disclosure Document as Exhibit F-3.

ITEM 22 CONTRACTS

The following agreements are Exhibits to this disclosure document:

Exhibit B Franchise Agreement and Attachments

- Attachment 1 Schedule of Initial Fees
- Attachment 2 Territory and Site of Service Center
- Attachment 3 Conditional Assignment of Telephone Numbers and Listings
- Attachment 4 Nondisclosure and Noncompetition Agreement
- Attachment 5 Required Provisions for Lease Rider
- Attachment 6 State Specific Riders
- Attachment 7 Personal Guaranty Agreement
- Attachment 8 Principal Owners Statement
- Attachment 9 Conditional Assignment and Assumption of Lease
- Attachment 10 SBA Addendum
- Attachment 11 ACH/Pre-Authorized Debit Authorization Form

Exhibit G Sample General Release

ITEM 23 RECEIPTS

Exhibit J includes detachable documents acknowledging your receipt of this disclosure document.

EXHIBIT A

AGENCIES/AGENTS FOR SERVICE OF PROCESS

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

State	State Agency	Agent for Service of Process
CALIFORNIA	California Commissioner of the Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	California Commissioner of the Department of Financial Protection and Innovation
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 593-1500	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	Attn: Secretary of State 99 Washington Avenue Albany, NY 12231

State	State Agency	Agent for Service of Process
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Department of Labor and Regulation/ Division of Insurance/Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, SD 57501-3185 (605) 773-3563	Director of South Dakota Division of Insurance
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Washington Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200	Director of Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT B

FRANCHISE AGREEMENT AND ATTACHMENTS

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is dated as of _____20__ (the "Effective Date"), for a term commencing _____20__ (the "Effective Date") and is between **JEWELRY REPAIR ENTERPRISES, INC.**, a Pennsylvania corporation ("Franchisor"), and _____, a(n) _____{corporation, limited liability company} ("Franchisee").

A. Franchisor is engaged in the franchising of jewelry and watch repair businesses ("Fast-Fix Service Centers") which offer products and services from a kiosk ("Kiosk") or from an in-line store ("Inline Store"), and in connection therewith, permitting the use of the Marks (defined below).

B. As a result of the expenditure of time, skill, effort, and money, Franchisor has established a well-known reputation with the public as to the quality of products and services available at the Franchised Business, which said reputation and goodwill has been and continues to be a distinct benefit to Franchisor and its franchisees.

C. Franchisee recognizes the benefits to be derived from being identified with Franchisor, utilizing the Marks, and being able to utilize the business methods and business knowledge which Franchisor makes available to its franchisees.

D. Franchisee desires to be authorized to operate the Franchised Business pursuant to the provisions hereof and at the location specified herein.

E. Franchisee acknowledges that Franchisee has had a full and adequate opportunity to be fully advised of the terms and conditions of this Agreement, and has consulted advisors and legal counsel of Franchisee's own choosing prior to its execution, and is entering into this Agreement having made an independent investigation of Franchisor's operations.

The parties therefore agree as follows:

ARTICLE 1.
DEFINITIONS

For the purposes of this Agreement, the following terms have the following meanings:

1.1. "Affiliate" means, with respect to a corporation or other business entity, any person controlling, controlled by, or under common control with that business entity. With respect to an individual, Affiliate means that individual's Family members, as well as such Family members' spouses, and the corporations or other business entities such individual and his or her family members, directly or indirectly, control. "Control" means the (a) the ownership of more than 25% of the outstanding ownership or voting interests in an entity or (b) the possession, directly or indirectly, of the power to cause the direction of management and policies of such person, whether through equity ownership, by agreement, or otherwise. "Family" means, with respect to an individual, such individual's spouse and such individual's siblings; lineal ancestors of such individual or its spouse or siblings; lineal descendants of any grandparent of such individual or its spouse or siblings; and trusts for the exclusive benefit of such individual or any of the other foregoing individuals. Family relations include those by birth, adoption, and step-relations by marriage. Half-siblings are considered siblings;

1.2. "Annual Statement of Gross Sales and Operating Costs" means Franchisee's verified statement of Gross Sales and operating costs for the last calendar year, in such form as Franchisor specifies;

1.3. "Brand Standards Manual" means all manuals produced by, or for the benefit of, Franchisor and loaned to Franchisee, now existing or later produced, and any revisions prepared for the internal use of the Franchised Business, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials;

1.4. "Competitive Business" means (i) any retail business offering any of the following goods or services: jewelry or watch repairs, jewelry or watch sales, ring sizing, chain repair and replacement, remounting, engraving, eyeglass frame repair, watch and electronic device repair, and battery replacement as well as

custom jewelry design and select gift, jewelry and watch retail product opportunities or any other goods or services of Franchisees that are then authorized for our System, or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph (i) (other than a Fast-Fix Jewelry & Watch Repairs business operated under a Franchise Agreement with us);

1.5. "Confidential Information" means any and all information, knowledge, know how, technologies, processes, techniques, trade secrets, business methods, procedures, pricing methodology, all draft and final site selection criteria and layouts, designs and other plans and specifications for the construction, buildout, design, renovation, décor, equipment, signage, fixtures and trade dress elements of the Service Center and any other information that Franchisor designates as confidential, proprietary or trade secrets, and information Franchisor declares to Franchisee or which Franchisee learns about Franchisor, its business or its franchise system, that is not readily available to the general public. Confidential Information includes, but is not limited to, the following of Franchisor: the Brand Standards Manual; the Customer List; any other information pertaining to Franchisee's customers and potential customers that Franchisee may collect or maintain; lists or identities of customer accounts or relationships, or particular suppliers of products with whom Franchisor has developed working relationships; and any other franchise or instructional materials;

1.6. "Fast-Fix" means Franchisor's trade names, including "Fast-Fix Jewelry Repairs" and "Fast-Fix Jewelry and Watch Repairs;"

1.7. "Franchised Business" means the FAST-FIX business that Franchisee is authorized to establish and operate under the Marks at the Service Center in accordance with this Agreement;

1.8. "Lease" means any lease or sublease Franchisee enters into for the Service Center;

1.9. "Marks" means the trademarks, trade names, service marks, slogans, and advertising or other commercial symbols owned or licensed by Franchisor that Franchisor authorizes as part of the System, including but not limited to: "Fast-Fix Jewelry Repairs"; "Fast-Fix Jewelry and Watch Repairs"; and "America's Jewelry Repair Professionals";

1.10. "POS System" means the combination of any or all of the following, computers, cash drawers, point-of-sale terminals, touch screens, bar-code scanners, receipt printers, credit-card-swipe readers, and other computer hardware, software, and peripherals and related services (including high-speed internet service), that Franchisee must purchase and use in accordance with Franchisor's specifications contained in the Brand Standards Manual or otherwise specified by Franchisor;

1.11. "Service Center" means the property from which the Franchised Business is operated, as more fully described within the Lease and determined in accordance with Section 3.1;

1.12. "System" means Franchisor's system for operating a Fast-Fix business. The system includes specific standards and procedures and the Marks—all of which may be improved, further developed, or otherwise modified as well as those features described in this Agreement; and

1.13. "Territory" means the enclosed mall, shopping center or other retail location where the Franchised Business is located, as described on Attachment 2 hereto;

1.14. Other Definitions. The following terms are defined in the following Sections of this Agreement:

Term	Section
ADA	7.2(a)
Anti-Terrorism Law	15.31(a)(i)
Arbitrable Disputes	13.5
Arbitration Rules	13.8(c)
Brand Fund	4.3(f)
Brand Fund Fee	4.3(f)
Co-op	4.3(e)
Customer Information	7.13
Customer List	7.13
Dispute Notice	13.8(b)

Effective Date	Introductory Paragraph
FAP Fee	4.3(b)
Fast-Fix Service Centers	Recitals
Final Dispute Notice	13.8(c)
First Notice	13.8(a)
Franchise Advertising Program	4.3(b)
Franchise Agreement	Introductory Paragraph
Franchise Operator	7.8(a)
Franchisee	Introductory Paragraph
Franchisee Parties	15.31(a)(i)
Franchisor	Introductory Paragraph
Gross Sales	4.4
Indemnified Parties	11.5
Initial Franchise Fee	4.1(a)
Inline Store	Recitals
Kiosk	Recitals
Lease Assignment	7.1(b)
Local Advertising	4.3(a)
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Owner	15.33
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Royalty Fee	4.2(a)
Term	2.4
Transfer	10.1(a)

ARTICLE 2.
FRANCHISE GRANT; LOCATION; TERRITORY; TERM

2.1. Grant of Franchise. Subject to the terms and conditions of this Agreement, Franchisor hereby grants to Franchisee for the Term the right, and Franchisee hereby undertakes the obligation, to operate the Franchised Business in accordance with the System.

2.2. Location of the Franchised Business. Franchisee shall operate the Franchised Business only at the Service Center and not from or at any other location, whether on a permanent or temporary basis, even if such location is within the Territory.

2.3. Territory. From the date of this Agreement through the expiration of the Term or the earlier termination of this Agreement, for so long as Franchisee is not in default, Franchisor shall not itself operate—or grant a third party the right to operate— within the Territory a Fast-Fix business using the Marks or the System. Notwithstanding the foregoing, Franchisor reserves for itself the rights set forth in Section 6.7. Such rights are superior to the rights of Franchisee under this Agreement.

2.4. Term. The initial term (the "Term") of this Agreement shall commence on the Effective Date and shall expire on the tenth (10^{th}) anniversary of the Effective Date, unless extended or sooner terminated in accordance with the terms and conditions hereof. In the case of a franchise acquired from an existing Franchisee, the Term shall equal the remaining balance of the transferor's term, unless sooner terminated in accordance with the terms and conditions of the Franchise Agreement with the transferee. If (a) this Agreement is a renewal Franchise Agreement and (b) Franchisee is unable to negotiate a 10-year extension of the lease term, then the Term of this Agreement shall be reduced to coincide with the term of the lease.

2.5. Renewal. Subject to Franchisor's refusal rights pursuant to Section 2.6, Franchisee may request Franchisor to renew the franchise for three (3) additional terms of ten (10) years each (or for one or more renewal terms of less than ten (10) years to coincide with the renewal or extension term of the lease) by giving Franchisor notice of such request not later than twelve (12) months before the expiration of the

then-current Term. If consented to by Franchisor, such renewal will only become effective if all of the following conditions are satisfied.

(a) That Franchisee has given Franchisor written notice, not more than 1 year and not less than 210 days before the date of renewal, of Franchisee's intention to renew;

(b) That, as of the date of Franchisee's request for renewal, and as of the date of renewal, no default under Section 12.1 has occurred (even if such default was cured), and no event has occurred which, with the passage of time, the giving of notice or both, would result in a default under Section 12.1;

(c) That, as of the date of renewal, Franchisee has signed and delivered to Franchisor the then-current FAST-FIX franchise agreement, and any related agreements required by Franchisor for new franchisees. Such franchise agreement and related agreements may differ substantially from those of any previous franchise or other agreements; provided, that, in lieu of the then-current initial franchise fee, on execution of such franchise agreement, Franchisee shall pay to Franchisor only 50% of such initial franchise fee; *provided, however*, that if Franchisee is unable to negotiate a 10-year renewal or extension term of the lease, then Franchisee shall pay to Franchisor a renewal fee calculated as the then-current initial franchise fee, divided by 240, and multiplied by the total number of months comprising the renewal or extension term of the lease;

(d) That Franchisee is current with all of its vendors and creditors;

(e) That Franchisee's Gross Sales during the 12 months immediately preceding the date of renewal is not less than 75% of the average Gross Sales over the same 12-month period for all similarly-situated Fast-Fix Service Centers in the System within the United States (including company-owned outlets) that have been open for business for more than 24 months;

(f) That any alterations, modifications or renovations to the Service Center required pursuant to Section 7.1 have been completed;

(g) That Franchisee and all Owners sign a general release in a form prescribed by Franchisor; and

(h) That Franchisee has complied with any other conditions imposed by Franchisor.

2.6. Franchisor's Right to Refuse Renewal. If Franchisor elects not to renew or offer Franchisee the right to renew, Franchisor will use reasonable efforts send Franchisee a notice of non-renewal at least 180 days before the expiration date that sets forth the basis for Franchisor's decision. If Franchisee objects to Franchisor's non-renewal notice or disputes the basis for the decision, Franchisee must send Franchisor a notice of objection that sets forth the basis for Franchisee's objection. Failure to send Franchisor an objection notice within 30 days after Franchisee receives the non-renewal notice constitutes Franchisee's consent to the non-renewal of this Franchised Agreement. Franchisor's failure to send Franchisee a non-renewal notice at least 180 days before the expiration date constitutes Franchisor's offer to renew Franchisee's franchise subject to Franchisee's compliance with the renewal conditions set forth above.

2.7. Franchisor's Right to Extend Term. Franchisor shall have the right, on notice to Franchisee, to extend the Term. Such extension, if any, may only be to coincide with the then-existing term of the Lease. However, such right does not permit Franchisor to extend the Term for more than five years without the consent of Franchisee.

2.8. Interim Term. If Franchisee does not sign a renewal franchise agreement but continues to operate the Service Center after the Term expires, Franchisor may either treat this Agreement as: (a) expired as of the Term expiration date with Franchisee operating in violation of Franchisor's rights; or (b) continued on a month-to-month basis (the "Interim Term") until either party provides the other party with 30 days' prior notice of termination of the Interim Term or the parties sign a renewal franchise agreement. All of Franchisee's obligations remain in full force and effect during the Interim Term, if applicable, as if this Agreement had not expired, and all obligations imposed on Franchisee upon expiration of the Term will take effect upon termination of the Interim Term. If Franchisor provides Franchisee with an execution copy of the proposed form of renewal franchise agreement and Franchisee fails to sign such agreement by the later to occur of (a) the Term expiration date or (b) 12 pm midnight on the 10th day after Franchisor

delivers the execution copy of the proposed renewal franchise agreement to Franchisee, then Franchisor may impose a renewal non-compliance fee of $250 per day during the period of time beginning the first (1st) day after the Term expiration date and ending (i) the date Franchisee delivers an executed copy of the renewal franchise agreement to Franchisor (if the parties sign a renewal franchise agreement) or (ii) the effective date of the termination of the Interim Term (if the parties do not sign a renewal franchise agreement). By continuing to operate the Franchised Business after (a) the Term expires and (b) Franchisor delivers the execution copy of the proposed form of renewal agreement to Franchisee, Franchisee is deemed to have accepted all of the terms and conditions set forth in the proposed form of renewal agreement delivered to Franchisee; *provided, however*, that Franchisee's implied acceptance of such terms and conditions shall not preclude either party from exercising the rights set forth above during the Interim Term, including, without limitation, Franchisor's right to impose non-compliance fees and either party's right to terminate the Interim Term (and by doing so, terminate the franchise relationship).

ARTICLE 3.
FRANCHISOR'S DUTIES

So long as such assistance and services are necessary to operate the Franchised Business and Franchisee is not in default under this Agreement, Franchisor shall assist and provide the following services to Franchisee:

3.1. Site Selection and Acceptance. If Franchisee has not suggested a site for the Service Center which Franchisor has approved before the execution of this Agreement, then Franchisor will furnish Franchisor's site selection criteria to Franchisee following the execution of this Agreement. Franchisee shall be responsible for locating the site of the Service Center, subject to Franchisor's prior written approval. If Franchisee has suggested a site which Franchisor has approved before the execution of this Agreement, then the address of that site will be set forth on Attachment 2 hereto.

3.2. Dislocation of Franchisee. If Franchisee becomes dislocated from the Service Center prior to the expiration of the Term or earlier termination of this Agreement due to (a) the refusal of Franchisee's landlord to renew or extend the Lease through no fault of Franchisee, or (b) fire, flood or other disaster or accident affecting the Service Center, and at such time no default of this Agreement has occurred and is continuing (and no event has occurred which, with the passage of time, the giving of notice or both, would result in a default of this Agreement), Franchisor, on Franchisee's request, shall assist Franchisee, at Franchisee's expense, in locating a new site for the Franchised Business. Notwithstanding the foregoing, if there are less than two years remaining in the Term, Franchisor shall have the option, but not the obligation, to assist Franchisee in locating a new site for the Franchised Business. On relocation, and to the extent that the exclusivity provisions of Section 2.3 are in full force and effect and have not become void as provided for therein, such provisions shall, to the greatest extent possible, apply with respect to the relocated Service Center, having due regard for the rights of others which arose prior to relocation. All costs and expenses associated either directly or indirectly with dislocation or relocation (including any costs incurred by Franchisor relating to the dislocation or relocation) shall be borne solely by Franchisee. Franchisee must reopen the Franchised Business at the new location within the time period required by Franchisee's new or amended Lease. Further, Franchisee shall be required to reimburse Franchisor its direct costs associated with the approval of a new location, such as site location or lease negotiation assistance, legal and accounting fees, travel expenses, and other out-of-pocket expenses.

3.3. No Representations Regarding Service Center. Franchisor's approval of a site for the Service Center does not constitute a representation or warranty that the Franchised Business will be profitable or that Franchisee's sales will attain any predetermined levels. Such approval is intended only to indicate that the proposed site for the Service Center meets Franchisor's minimum criteria for identifying sites. Franchisee agrees that Franchisor's approval or disapproval of a proposed site for the Service Center shall not impose any liability or obligation on Franchisor of any kind. Franchisor makes no representations about the site of the Service Center whatsoever.

3.4. Specifications; Construction; Equipment; Fixtures; Initial Inventory. As set more fully in Section 7.2, Franchisor shall make available to Franchisee its standard specifications and plans for the construction, trade fixtures, equipment, inventory, POS System, furnishings, décor, layout, and signs necessary for the Franchised Business.

3.5. Basic Training. Franchisor shall provide initial Service Center training for Franchisee and its pre-approved trainees at another franchisee's Fast-Fix Service Center (or such other location designated by Franchisor) as well as pre- and post-opening training at Franchisee's Fast-Fix Service Center. Franchisee is solely responsible for all costs and expenses relating to having Franchisee and its personnel attend such training, including travel, hotel and incidental expenses. If Franchisor, in its judgment, determines that any trainee has failed to satisfactorily complete such training it may, at Franchisee's expense, retrain the failing trainee or allow Franchisee to hire a substitute trainee who must attend and satisfactorily complete such training. In the event Franchisee fails to complete training to Franchisor's satisfaction, such failure shall act as a default under this Agreement. Franchisee's manager or pre-approved trainees must sign a Nondisclosure and Noncompetition Agreement, in the form attached as Attachment 4 hereto.

3.6. Grand Opening Assistance. Franchisor will assist in the coordination of an opening promotion program.

3.7. Brand Standards Manual. Franchisor shall provide Franchisee with on-line access to the Brand Standards Manual, or other standard business policies and operations instruction materials.

3.8. Continued Assistance and Support. Franchisor may provide the following continued assistance and support, but has no obligation to do so:

(a) Development. Such special sales and repair techniques, merchandising, marketing and advertising research data and advice, and other operational items as may be developed from time to time by Franchisor and deemed by it to be helpful in the operation of the Franchised Business;

(b) Routine Assistance. Consultation and advice by Franchisor's staff regarding routine operating matters, either by personal visit, telephone, mail as may from time to time be reasonably requested by Franchisee; and

(c) Special Assistance. Special assistance with advertising, and consultation and advice regarding extraordinary and unusual operating matters or emergencies. Notwithstanding any such assistance, Franchisee shall be solely responsible for the hiring, disciplining, supervising, promoting and firing of its employees and the establishment of their salaries. Franchisee shall pay all travel, hotel and incidental expenses incurred by Franchisor with respect to personal visits, plus Franchisor's then standard fees for such visits (which are currently $1,000 per person per day). All such visits are limited by the availability of Franchisor's staff. Franchisor shall not be held liable for any damages or losses incurred by Franchisee due to Franchisor's special assistance.

3.9. Additional Training. In the event that Franchisee is granted the right to open a second or additional franchised location, Franchisee is required to attend and satisfactorily complete a multi-store training curriculum at Franchisor's corporate training facility (or such other location designated by Franchisor) no later than 30 days prior to the scheduled opening of the second or additional franchised location. Franchisee is solely responsible for all costs and expenses relating to having its personnel attend such training, including travel, hotel and incidental expenses.

3.10. Conventions, Conferences & Meetings. Franchisor retains the right, in its sole discretion, to hold periodic conventions, conferences or regional meetings for any purpose Franchisor deems appropriate, including, without limitation: providing additional training; improving comradery within the franchisee community; developing and reinforcing our brand culture; sharing best practices; and communicating updates and developments on any topics Franchisor deems relevant or useful to the operation of a Fast-Fix Service Center (e.g., sales techniques, software and technology, personnel training, bookkeeping, accounting, inventory control, performance standards, advertising programs and merchandising procedures). Franchisor shall designate the venue for each event. Franchisee's designated personnel must attend any convention, conference or meeting that Franchisor designates as mandatory and stay at the hotel or venue where the event is held. Franchisor may waive the obligation for any of Franchisee's designated personnel to attend a mandatory event based on showing of good cause. Franchisee shall pay any registration fees imposed by Franchisor pursuant to Section 4. Franchisee is also responsible for the wages and all travel, lodging, meals and other living expenses incurred by Franchisee's personnel to attend conventions, conferences or meetings.

3.11. Purchasing Plans. Franchisee shall have the right to participate in system-wide purchasing plans that may be established by Franchisor from time to time.

ARTICLE 4.
FEES AND PAYMENTS

4.1. Initial Fees.

(a) Initial Franchise Fee. In consideration of the execution of this Agreement by Franchisor, Franchisee agrees to pay Franchisor an initial franchise fee (the "Initial Franchise Fee") of Twenty Thousand Dollars ($20,000). The Initial Franchise Fee is due, fully earned by Franchisor and payable to Franchisor immediately on Franchisee's execution of this Agreement. If Franchisee is a veteran participating in the International Franchise Association's VetFran Program, the Initial Franchise Fee will be reduced by 50%. Under no circumstances is the Initial Franchise Fee refundable.

(b) Multiple Franchises. To encourage multiple Service Center development, for each additional Fast-Fix franchise that Franchisee opens, and as long as at the time of such opening Franchisee is not in default under this Agreement or any other agreement to which Franchisor and Franchisee are parties, Franchisee shall receive a discount of $5,000 from the then-current Initial Franchise Fee, as applicable. Notwithstanding the foregoing, if any of Franchisee's Fast-Fix Service Center franchises are sold within six months of Franchisee's opening of an additional Fast-Fix Service Center for which Franchisee receives a discount, Franchisee shall immediately reimburse Franchisor for the discount by remitting to Franchisor the amount of $5,000 by wire transfer or cashier's check. The veteran discount and multi-franchise discount cannot be combined. If Franchisee qualifies for both discounts, Franchisee shall receive the discount resulting in the lowest Initial Franchise Fee.

4.2. Royalty Fees.

(a) Royalty Fees. In consideration of Franchisor executing this Agreement, Franchisee shall pay to Franchisor a continuing monthly royalty fee (the "Royalty Fee") equal to 6% of monthly Gross Sales. No later than the 10th day of each month during the Term, Franchisee shall pay Franchisor the Royalty Fee for the prior month.

(b) Minimum Royalty Fees. Franchisee shall pay to Franchisor minimum Royalty Fees of $14,400 for each 12-month period, with the first 12-month period commencing on the first (1st) day of the 13th full month after Franchised Business opens. If the total Royalty Fees paid by Franchisee during a given 12-month measuring period are less than $14,400, Franchisee shall pay Franchisor an amount equal to the difference between $14,400 and the total Royalty Fees actually paid by Franchisee during the 12-month measuring period. Franchisee shall pay such amount within 30 days of invoicing.

(c) Overpayments/Underpayments. In the event that the total Royalty Fees received by Franchisor in a calendar year are less than the total Royalty Fees actually due for such year as set forth on the related Annual Statement of Gross Sales and Operating Costs, Franchisee shall pay the difference along with accrued interest to Franchisor simultaneously with the delivery of the Annual Statement of Gross Sales and Operating Costs for such year. In the event that the total Royalty Fees received by Franchisor in a calendar year are greater than the total Royalty Fees actually due for such year, as set forth on the related Annual Statement of Gross Sales and Operating Costs, the amount of such overpayment shall be credited against the next Royalty Fee paid to Franchisor.

4.3. Advertising.

(a) Local Advertising. Each month during the Term, commencing with the opening date, Franchisee shall spend an amount equal to or greater than the Local Advertising Commitment ("LAC") on advertising and promotion undertaken in media directed primarily at Franchisee's local market area ("Local Advertising"). The LAC amount is: (i) 2% of monthly Gross Sales at any time Franchisee is not required to pay Brand Fund Fees; or (ii) 1% of monthly Gross Sales at any time

Franchisee is required to pay Brand Fund Fees. Local Advertising does not include Brand Fund Fees (or contributions to any other promotions or media fund), FAP Fees or other mall-specific advertising obligations imposed pursuant to the Lease, and such amounts shall be in addition to the costs of Local Advertising.

(b) Franchise Advertising Program. In addition to the Local Advertising obligations under Section 4.3(a), Franchisee shall participate in Franchisor's franchise advertising program (the "FAP") by paying to Franchisor a continuing monthly fee (the "FAP Fee"). No later than the 10th day of each month during the Term, Franchisee shall pay Franchisor the FAP Fee for the prior month. The FAP Fee shall be equal to the latest amount specified by Franchisor and may increase from time to time as a result of an increase in Franchisor's advertising costs. The FAP Fee currently is $150 per month for a Kiosk or $175 per month for an Inline Store. We may increase the FAP Fee on an annual basis, but the total increase will not exceed 15% per year. The FAP is a program created by Franchisor for the benefit of all franchisees and company-owned units. Franchisor has the exclusive right to maintain and operate the FAP. The FAP provides Franchisee with marketing and promotional materials (via electronic means or otherwise) at cost. Any website maintained by Franchisee must conform to Franchisor's policies, and must be ADA-compliant.

(c) Advertising Materials. Franchisee shall advertise and promote the Franchised Business only under the Marks without any accompanying words or symbols except as otherwise required by law and approved by Franchisor. All advertising materials (print, media or web-based) must be approved in advance by Franchisor. Franchisee shall send a proposed copy of all advertising materials to Franchisor at least 15 days in advance of the proposed use date for Franchisor's approval. Franchisor shall approve or disapprove within a 10 day period from receipt of complete advertising materials. In the event Franchisor does not respond within such time frame, it shall be deemed as an approval. Franchisor may withdraw approval of advertising materials at any time and Franchisee must cease using them on notification.

(d) Advertising Statements. Within 90 days after the end of each calendar year during the Term, Franchisee shall submit to Franchisor a signed, itemized statement specifying both the actual amount of Local Advertising expenditures made during such calendar year and the required amount of Local Advertising expenditures pursuant to Section 4.3(a). If the required amount of Local Advertising expenditures is greater than the actual amount of Local Advertising expenditures, Franchisee shall pay to Franchisor the difference along with such signed statement. Such payments shall be in addition to the other amounts required to be paid by Franchisee pursuant to this Agreement and may be applied by Franchisor for brand support.

(e) Advertising Cooperative. Franchisor reserves the right to establish and administer an advertising cooperative to promote the system in a specified advertising coverage area on a local or regional basis (a "Co-op"). Franchisor may require all Fast-Fix Service Center franchisees and Franchisor-owned Fast-Fix Service Centers in the advertising coverage area to participate in the Co-op. If Franchisee participates in a Co-op, Franchisee must contribute to the Co-op in such amounts as determined by Franchisor or by the Co-op. Each Fast-Fix Service Center operating in the advertising coverage area will have one vote. If Franchisee participates in a Co-op, Franchisee's Local Advertising requirement will be reduced by the amount contributed to the Co-op, up to the amount of the Local Advertising requirement.

(f) Brand Fund. Franchisor currently administers a brand and system development fund (the "Brand Fund") to promote public awareness of the brand and improve the System. On each Royalty Fee due date, Franchisee must pay Franchisor a fee (the "Brand Fund Fee") equal to 2% of Gross Sales for the prior month. Franchisor may use the fund to pay for any of the following:

(i) developing, administering or distributing advertising or marketing materials and programs;

(ii) conducting and administering promotions, contests or giveaways;

(iii) public and consumer relations and publicity;

(iv) brand development;

(v) sponsorships and charitable and non-profit donations and events;

(vi) research and development of technology, products and services;

(vii) website development and search engine optimization;

(viii) development, maintenance and promotion of an ecommerce platform;

(ix) implementation of quality control programs and customer satisfaction surveys;

(x) conducting market research;

(xi) changes and improvements to the System;

(xii) reimbursing Franchisor for costs it incurs to host conferences, conventions or meetings;

(xiii) fees charged by advertising agencies Franchisor engages to provide marketing services;

(xiv) collecting and accounting for Brand Fund Fees and preparing financial accountings of the fund;

(xv) any other programs or activities Franchisor deems appropriate to promote or improve the System; and

(xvi) direct or indirect labor, administrative, overhead and other expenses incurred by Franchisor or its Affiliates relating to any of these activities, including salary, benefits and other compensation of Franchisor's (or its Affiliate's) officers, employees or independent contractors based on time spent working on any brand fund matters described above.

Franchisor has sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location and all other matters pertaining to marketing or advertising activities. Any surplus in the fund may be invested and Franchisor may lend money to the fund if there is a deficit. The Brand Fund is not a trust and Franchisor has no fiduciary obligations to Franchisee with respect to Franchisor's administration of the fund. In terms of marketing activities paid for by the fund, Franchisor does not ensure that: (a) expenditures in (or affecting) a given geographic area are proportionate or equivalent to the Brand Fund Fees paid by franchisees in that geographic area; or (b) franchisees benefit directly or in proportion to their Brand Fund Fees. Company-owned Fast-Fix Service Centers may, but need not, pay Brand Fund Fees. Franchisor will prepare, and make available to Franchisee upon request, an annual statement of fund operations, including deposits and disbursements. Franchisor may suspend or discontinue the fund at any time upon 60 days' prior notice.

4.4. Gross Sales Defined. The term "Gross Sales" means the entire amount of the sales price of all goods, wares, merchandise or services sold or rendered whether for cash, charge, credit card or time-sale basis (including all precious metal sales to refiners), without reserve or deduction for inability or failure to collect, including all orders for goods or services, whether by mail, telephone, internet or otherwise, and whether or not such order be filled from the Service Center or elsewhere, so long as Franchisee in the normal course of business would attribute such orders or sales to the Franchised Business. The following shall not be included in Gross Sales:

(a) the amount of refunds, allowances or discounts to customers, provided the same had been previously included in Gross Sales and provided further that if such refunds, allowances or discounts are in the form of credits to customers, such credits shall be included in Gross Sales when used by such customers in the future; and

(b) the amount of any excise or sales tax levied on retail sales and payable over to the appropriate governmental authority (but only to the extent actually paid when due to the appropriate

governmental authority), provided that specific record is made at the time of each sale which clearly indicates that such amount is expressly charged to the customer.

4.5. Statements.

(a) Statements of Gross Sales and Operating Costs. Franchisee shall deliver to Franchisor the following reports and statements along with any and all reports as may be required by Franchisor pursuant to the Brand Standards Manual or otherwise, in forms and at the times therein or otherwise:

(i) no later than the Wednesday of each week during the first twelve months after the Franchised Business opens (or such longer period that Franchisor may require) a report of the Gross Sales made in the preceding week, in the format specified by Franchisor in the Brand Standards Manual or otherwise;

(ii) at least two business days before each monthly royalty fee due date, an email will be sent to each Franchisee disclosing the Gross Sales from the POS System. The Franchisee will have two business days to dispute the amount of Gross Sales being reported to Franchisee. In the event the Franchisor cannot attain the Gross Sales information from the POS System, a report signed and attested to by Franchisee or by an authorized officer or agent of Franchisee, stating the Gross Sales made in the proceeding calendar month, in a format specified by the Franchisor in the Brand Standards Manual or otherwise; and

(iii) within 45 days after the end of each calendar year during the Term and after the end of the Term, an Annual Statement of Gross Sales and Operating Costs, with verification that:

(A) Franchisee has examined such statement,

(B) Franchisee's examination included such tests of Franchisee's books and records as considered necessary or appropriate under the circumstances to reasonably ensure that such statement is free of material misstatement,

(C) such statement presents fairly in all material respects the Gross Sales and operating costs in the preceding calendar year, and

(D) the Gross Sales reflected on such statement are computed in compliance with the definition of Gross Sales contained in Section 4.4 and generally accepted accounting principles consistently applied.

If Franchisee fails to timely deliver the Annual Statement of Gross Sales and Operating Costs, Franchisor shall have the right thereafter to employ an independent certified public accountant or other accounting specialist to examine such books and records of Franchisee as may be necessary to audit the Gross Sales for such calendar year, and within five days after demand by Franchisor, Franchisee shall pay all reasonable costs relating to such audit.

(b) Tax Returns; Financial Statements. Franchisee shall submit to Franchisor copies of its Federal and state income tax returns at the time such returns are filed with the appropriate tax authorities. Within 60 days after the close of each calendar year during the Term, Franchisee shall deliver to Franchisor its annual financial statements, including its balance sheet and profit and loss statement, as well as such other statements, reports and records, along with sales receipts, concerning the financial or operating aspects of the Franchised Business as Franchisor from time to time directs. All of the financial statements or other periodic reports required under this Agreement must be prepared to segregate the income and related expenses of the Franchised Business from those of any other business which may be conducted by Franchisee.

4.6. No Waiver. The acceptance by Franchisor of any required payments hereunder after the date due shall be without prejudice, and shall in no event constitute a waiver of Franchisor's rights to claim a deficiency of such payments or to audit Franchisee's books and records.

4.7. Late Charges; Payment Obligation. Each failure to pay monies when due is a material breach of this Agreement. To encourage prompt payment and to cover the costs involved in processing late payments, if any payment under this Agreement or any other agreement between Franchisor and Franchisee is overdue for any reason, Franchisee shall pay Franchisor, on demand, in addition to the overdue amount, interest on such overdue amount from the date it was due until paid at a rate equal to the lesser of 18% per annum and the maximum rate permitted by law. In California, the highest lawful rate of interest is 10% per annum. In addition to interest on overdue amounts, Franchisee shall pay late fees on demand of $50 for each payment that is more than 10 days overdue and for each monthly report that is more than 10 days overdue to cover Franchisor's administrative costs in dealing with the late payment and late reporting. All payments due to Franchisor by Franchisee are absolute and unconditional and shall not be subject to any abatement, reduction, setoff, defense or counterclaim whatsoever. Unless expressly set forth herein, no payments made by Franchisee to Franchisor are refundable. Franchisee's obligations under this ARTICLE 4 shall survive the expiration of the Term or earlier termination of this Agreement.

4.8. Payment System. Franchisor reserves the right to require the payment of Royalty Fees and other payments owed via certified bank draft or any automated or electronic payment methods prescribed by Franchisor from time to time, including electronic funds transfer, automatic debit, check fax or other system. A duplicate dated sales slip shall be issued with each sale or transaction, whether for cash, credit or exchange, and Franchisee shall utilize, or cause to be utilized, a computerized POS System equipped with non-resettable sealed continuous totals or such other devices for controlling sales as Franchisor shall approve to record all cash sales. Franchisor reserves the right from time to time to require Franchisee to upgrade or purchase a new POS System or terminals which will enable Franchisor to access Franchisee's records on demand via web or other electronic process. Franchisee shall install all required updates to the POS System as they become available. Franchisee shall cooperate with Franchisor to allow it an unrestricted right to retrieve such data and information from Franchisee's POS System as Franchisor directs.

4.9. Books and Records. Furthermore, Franchisee shall keep at the Service Center at all times from the date of this Agreement, full, complete and accurate books of account and records in accordance with generally accepted accounting principles consistently applied with respect to all operations of the Franchised Business, including the recording of Gross Sales and the receipt of all merchandise into and the delivery of all merchandise from the Service Center, and shall retain such books and records, copies of tax reports submitted to the appropriate taxing authorities, as well as copies of contracts, vouchers, checks, receipts of Gross Sales, dated cash register tapes and other documents and papers in any way relating to the operation of such business (all of which may collectively be referred to as "books and records"), for at least three calendar years from the end of the calendar year to which they are applicable, or, if any audit is required or a controversy should arise between the parties regarding the payments due hereunder, until such audit or controversy is terminated even though such retention period may be after the expiration or earlier termination of this Agreement. Such books and records shall at all reasonable times during such retention period be open to the inspection of Franchisor or its duly authorized representatives, who shall have full and free access to such books and records and the right to require of Franchisee, its agents and employees, such information or explanation with respect to such books and records as may be necessary for a proper examination and audit thereof.

4.10. Audit. Franchisee covenants and agrees that Franchisee may be audited as required from time to time by Franchisor, at Franchisor's option, which audit may be performed by an independent certified public accountant or other accounting specialist as selected by Franchisor. If any examination or audit of Franchisee's books and records shall disclose a liability for Royalty Fees or Local Advertising to the extent of 2% percent or more in excess of the payments theretofore computed and paid by Franchisee for the period being examined, Franchisee shall promptly pay to Franchisor the cost of such audit in addition to the unpaid Royalty Fees and Brand Fund Fees (with interest from the date such unpaid amounts were due as required pursuant to Section 4.7) as well the cost of any follow-up audit. If any examination or audit of Franchisee's books and records shall disclose such internal control deficiencies or inadequate disclosures as to not allow an opinion to be rendered, Franchisee shall promptly correct such deficiencies or inadequacies and shall pay for the cost of such audit as well as any follow-up audit.

4.11. CPI Adjustments. Franchisor may periodically adjust all fees (including minimum Royalty Fees) expressed as a fixed dollar amount based on changes to the U.S. Consumer Price Index (CPI). Franchisor may periodically review and increase these fees based on CPI changes, but only if the then-current CPI ("Current CPI") is more than 5% higher than the corresponding CPI in effect on: (a) the Effective Date of this Agreement (for the initial fee adjustment); or (b) the date Franchisor implemented the last fee adjustment (for subsequent fee adjustments) ("Baseline CPI"). The adjusted fee is calculated by multiplying the current fee by the sum of one (1) plus a fraction: (a) the numerator of which is Current CPI minus Baseline CPI; and (b) the denominator of which is Baseline CPI. Franchisor may utilize any CPI index series published by the U.S. Department of Labor or any comparable governmental authority Franchisor deems appropriate. Franchisor currently uses the following index: All Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-84 = 100), "All Items". Franchisor will notify Franchisee of any CPI adjustment at least 60 days before it becomes effective. Franchisor may implement no more than one (1) fee adjustment during any five (5) year period. If Franchisor declines to exercise its right to increase fees in a given five (5) year period despite a 5% or greater CPI increase, that potential fee increase will accumulate and may be carried forward and applied in connection with a subsequent fee adjustment.

4.12. Event Registration Fees. Franchisor reserves the right to require that Franchisee pay a registration fee in connection with any convention, conference or meeting that Franchisor organizes and hosts in accordance with Section 3.10. The registration fee may vary by event, but will not exceed $1,000 per attendee per day for each day of the event. Registration fees are used to help offset the costs and expenses Franchisor incurs to host the event. As of the Effective Date, Franchisor only charges registration fees for the National Franchisee Convention, which is typically held every other year. If any of Franchisee's designated personnel fail to attend a mandatory event without a waiver from Franchisor, Franchisee must still pay the registration fee for such personnel notwithstanding their failure to attend. Franchisee shall pay the registration fee within 10 days of invoicing, and prior to the beginning of the event.

4.13. Default Fees & Expense Reimbursements. Franchisee acknowledges the importance of every one of Franchisor's standards and operating procedures to the reputation and integrity of the System and goodwill associated with the Marks. If Franchisor notifies Franchisee of a breach of Franchisor's required standards, operating procedures or other obligation imposed by this Agreement or the Manual, and Franchisee fails to cure within the time period Franchisor prescribes, Franchisor may (in addition to Franchisor's other remedies under this Agreement) impose a Noncompliance Fee of $500 per occurrence. Franchisor may impose a separate $500 Noncompliance Fee every 48 hours the same noncompliance issue remains uncured. Noncompliance Fees are paid in consideration of Franchisor refraining from exercising its contractual right to terminate this Agreement. If Franchisee fails to cure a breach before the expiration of the cure period (if any) and Franchisor takes steps to cure the breach (for example, obtaining required insurance coverage on Franchisee's behalf or paying amounts Franchisee owes to system suppliers), then Franchisee must reimburse all costs and expenses Franchisor directly or indirectly incurs in connection with its efforts to cure the default. Franchisee's payment of Noncompliance Fees and default expense reimbursements does not preclude Franchisor from terminating this Agreement in accordance with Section 12 if the default continues after Franchisor collects these amounts.

ARTICLE 5.
LEGAL RELATIONSHIP OF THE PARTIES

5.1. Independent Entities. Franchisor and Franchisee are each distinct businesses and independent legal entities, and nothing in this Agreement is intended to imply any master/servant, principal/agent, employer/employee or joint employer relationship. Franchisee agrees that the Franchised Business is independently owned and operated.

5.2. No Partnership, Etc.. Franchisor and Franchisee shall refrain from making any representation or creating any impression on any third party or the public that they are partners, associates, joint employers, joint venturers, subsidiaries, principal and agent, or are in any way the agents, fiduciaries or instrumentalities of each other in any sense. Franchisor and Franchisee shall not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances. Franchisor has no employment or supervisory

relationship with Franchisee's employees, and Franchisee has no employment or supervisory relationship with Franchisor's employees.

5.3. No Authority To Bind. Neither party hereto has the authority to bind or obligate the other with respect to any third party, except as expressly set forth herein.

5.4. No Authority To Hire. Neither party hereto has the authority to hire, fire or supervise the conduct of any employee or agent of the other. Further, Franchisee shall have sole responsibility and authority, as to Franchisee's employees, concerning matters such as selection, promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions.

5.5. No Tax Withholding. Neither party hereto has the authority or the responsibility for collecting or withholding of any federal, state or municipal tax imposed on the other or which becomes due or assessable as a result of the business operations of the other.

ARTICLE 6.
MARKS

6.1. Grant of Use. Franchisee may use the Marks, including such trademarks, logos, slogans or other service marks as Franchisor designates in writing from time to time, only in the conduct of the Franchised Business at the Service Center and in accordance with standards and specifications Franchisor determines from time to time, and for no other purpose. Nothing in this Agreement shall be construed as an assignment or grant to Franchisee of any ownership interest in the Fast-Fix name or the Marks. Except for the grant of use specified herein, Franchisor retains all rights, title and interest in and to the Fast-Fix name and the Marks. Franchisee acknowledges that the Fast-Fix name, the Marks and the goodwill associated with them, are and shall remain, the sole and exclusive property of Franchisor.

6.2. Fictitious Name. Franchisee may use the Fast-Fix name only as an assumed or fictitious name, duly registered in accordance with the laws applicable in the state where the Service Center is located. Franchisee may not use the Fast-Fix name or any of the Marks as any part of the legal name of any entity name (for a corporation, limited liability company, limited partnership, etc.) registered in any state of the United States or in any foreign country.

6.3. Sole Property of Franchisor. Franchisee acknowledges and accepts that the authorization to use the Marks is temporary. At no time shall Franchisee acquire any legal right or title to the Fast-Fix name or the Marks, whether by implied consent, prescriptive right or any other legal or equitable theory or principle of law. Franchisee shall not attempt to acquire, register, use or establish any right or interest in the Fast-Fix name or the Marks (or any mark with phonetic or graphic similarity to those of Franchisor) by virtue of any "consent to use" registration or otherwise, and understands and agrees that any and all goodwill, recognition or reputation generated in connection with the Fast-Fix name or the Marks by Franchisee and all other franchisees of Franchisor in the conduct of their respective Franchised Businesses shall inure to the benefit of Franchisor and shall remain the sole property of Franchisor. If, in any jurisdiction, Franchisee secures any rights whatsoever to any of the Marks not expressly granted under this Agreement, Franchisee shall immediately notify Franchisor and assign to Franchisor all of Franchisee's right, title and interest to the Marks not expressly granted under this Agreement. Any and all goodwill associated with the Fast-Fix name or the Marks shall inure directly and exclusively to the benefit of Franchisor.

6.4. Claims Against the Marks. In the event of any claim of infringement, unfair competition or other challenge to Franchisee's right to use any of the Marks, or in the event Franchisee becomes aware of any use of or claims to, any of the Marks by persons other than Franchisor or its franchisees, Franchisee shall promptly (but in no event more than 7 days later) notify Franchisor in writing. Franchisee shall not communicate with anyone except Franchisor and its counsel in connection with any such infringement, challenge or claim except pursuant to judicial process. Franchisor will have discretion as to whether it takes any action in connection with any such infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim relating to any of the Marks. Franchisee must sign all instruments and documents, render any assistance, and do any acts that Franchisor's attorneys deem necessary or advisable in order to protect and maintain Franchisor's interest in any litigation or proceeding related to the Marks or otherwise to protect and maintain

Franchisor's interests in the Marks. Franchisee shall have no right to contest Franchisor's rights to the Marks and further indemnifies Franchisor for any misuse of the Marks by Franchisee.

6.5. Franchisor's Right to Modify the Marks. If it becomes advisable at any time in the discretion of Franchisor to modify or discontinue the use of any of the Marks or use one or more additional or substitute names or Marks—including due to the rejection of any pending registration, revocation of any existing registration of any of the Marks, or the rights of senior users—Franchisee is obligated to do so promptly at his or her sole cost and expense on Franchisor's request.

6.6. Franchisee's Permitted Use of the Marks. Except as otherwise provided below, Franchisee may not use the Marks on the internet, in any electronic advertising or social media, including but not limited to on Facebook®, Yelp®, Twitter®, Instagram®, YouTube®, or other similar electronic advertising or social media, without Franchisor's prior written consent. Notwithstanding the foregoing, Franchisee may promote the Franchised Business using social media provided that: (a) Franchisee only uses social media platforms Franchisor approves; (b) Franchisee strictly complies with Franchisor's social media policy; (c) Franchisee immediately removes any post Franchisor disapproves; (d) upon Franchisor's request, Franchisee contracts with any social media company Franchisor designates; and (e) Franchisor owns all social media accounts relating to Franchisee's Franchised Business and retains full administrator rights. Franchisee may not use any other trade name, trademarks or service marks at the Franchised Business, or in connection with the Fast-Fix Service Center, without the express written consent and direction of Franchisor. Franchisee shall refrain from engaging in any action (or failing to take any action) that causes or could cause damage to the Marks, the System, or the goodwill associated with the Marks.

6.7. Franchisor's Reservation of Rights. Except as expressly limited by Section 2.3, Franchisor and Franchisor's Affiliates retain all rights with respect to Fast-Fix Service Centers, the Marks, the sale of similar or dissimilar products and services, and any other activities Franchisor deems appropriate whenever and wherever Franchisor desires. Specifically, but without limitation, Franchisor reserves the following rights:

(a) the right to establish and operate similar businesses or other businesses offering similar or dissimilar products and services through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions Franchisor deems appropriate;

(b) the right to provide, offer and sell and to grant others the right to provide, offer and sell products and services that are identical or similar to and/or competitive with those products and services provided at Fast-Fix Service Centers, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels (including, without limitation, the internet or similar electronic media, or any other form of electronic commerce) both inside and outside the Territory and on any terms and conditions Franchisor deems appropriate;

(c) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions Franchisor deems appropriate;

(d) the right to operate, and to grant others the right to operate Fast-Fix Service Centers located anywhere outside the Territory under any terms and conditions Franchisor deems appropriate and regardless of proximity to the Service Center;

(e) the right to operate and grant others the right to operate Fast-Fix Service Centers at "Non-Traditional Sites" within and outside the Territory on any terms and conditions Franchisor deems appropriate. "Non-Traditional Sites" are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including, without limitation, military bases, airports, stadiums, arenas, major industrial or office complexes, hotels, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, and sports or entertainment venues, but excluding malls and shopping centers;

(f) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Fast-Fix Service Centers, and franchising, licensing or

creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(g) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at Fast-Fix Service Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

Franchisee may not use other channels of distribution, such as the internet or any other form of electronic commerce, catalog sales, telemarketing, or other direct marketing to make sales inside or outside the Territory. Franchisor does not prohibit Franchisee from accepting orders outside of its Territory.

ARTICLE 7.
FRANCHISEE'S OBLIGATIONS

Franchisee agrees that Franchisor's special standardized design and decor, and uniformity of every component of Franchisor's system, and Franchisee's adherence to the Brand Standards Manual and other requirements of Franchisor are essential to the System. Accordingly, Franchisee agrees to undertake the obligations set forth in this ARTICLE 7.

7.1. Site Selection and Acceptance; Lease.

(a) Site Selection. Pursuant to Section 3.1, Franchisee agrees to use best efforts to find an acceptable site for the Service Center. Franchisee must comply with all of Franchisor's specifications, requirements and restrictions for Fast-Fix Service Centers. If Franchisee has not suggested a site which Franchisor has approved before the execution of this Agreement, then the provisions set forth below shall apply. Franchisor may require Franchisee to submit maps, completed checklists, photographs, diagrams of the premises with measurements and other information and materials which Franchisor may reasonably require to evaluate Franchisee's proposed site. Franchisor may (but need not) conduct one (1) visit to the Territory, at no additional cost to Franchisee, for purposes of evaluating a site (or sites) proposed by Franchisee. If Franchisee requests additional site visits for purposes of evaluating proposed sites, Franchisee will pay all expenses associated with those additional visits. It is of the essence of this Agreement that Franchisee select a site for the Service Center and obtain Franchisor's prior written approval for the site within 60 days following the Effective Date. If Franchisee does not secure a site within the time limits and following the procedures specified in this Section 7.1, then this failure will be a material and incurable breach of this Agreement which, unless Franchisor waives the breach, will entitle Franchisor to terminate this Agreement immediately on notice to Franchisee, with no opportunity to cure. The site of the Service Center will be subject to Franchisor's prior written approval, and Franchisor's determination will be final.

(b) Lease. Franchisee must sign a Lease approved by Franchisor (or provide proof of ownership or an executed contract of sale) for the Service Center within 120 days following the Effective Date. Franchisee must submit a copy of the proposed Lease for the Service Center and any related documents to Franchisor before Franchisee executes the Lease. On Franchisee's written request, Franchisor will assist with reviewing the Lease and negotiating with Franchisee's landlord. The Lease will be subject to Franchisor's prior written approval, which Franchisor will not unreasonably withhold or delay, provided that Franchisor reserves the right to disapprove any lease not accompanied by a rider including all of the provisions in Attachment 5 hereto. If Franchisor does not communicate its approval of the proposed within 20 business days following receipt by Franchisor, then the lease will be considered not approved. In any Lease, Franchisee may not create any obligations or grant any rights against Franchisor or Franchisor's Affiliates or agree to any term, condition or covenant which is inconsistent with this Agreement or any related agreement. Franchisee agrees to timely perform all terms, conditions, covenants and obligations under the Lease. Franchisee may not assign, transfer or encumber the Lease or sublet all or any part of the Service Center without Franchisor's prior written approval. The Lease, and any renewal of the Lease, must contain a provision which provides that the lease term is at least equal

to the initial term or any renewal term of this Agreement, either through an initial term of that length or the right, at Franchisee's option, to renew the lease for the full term of this Agreement. When entering into the Lease, Franchisee and the landlord must sign our form of Conditional Assignment and Assumption of Lease (the "Lease Assignment") attached as Attachment 9 hereto. Franchisee shall give the landlord Franchisor's form of the Lease Assignment when Franchisee begins discussions with the prospective landlord. Franchisee agrees not to sign any Lease or renewal of a Lease unless Franchisee has also obtained the Lease Assignment signed by the landlord. ***Franchisee is prohibited from signing the Lease prior to receiving Franchisor's written approval of the Lease.***

7.2. Construction of Service Center. Prior to opening, the Franchised Business and the Service Center will be constructed or improved by Franchisee in the manner determined by Franchisor in its discretion.

(a) Specifications. Pursuant to Section 3.4, Franchisor will provide Franchisee with a sample layout for a prototype Kiosk or Inline Store, as applicable, and a set of typical preliminary plans and specifications for, and approved sources of supply of, the Service Center's fixtures, equipment, signs and/or other trade dress elements. Franchisor reserves the right to be (and earn a profit as) an approved source or the only approved source of certain of the Service Center's fixtures, equipment and/or other trade dress elements. If Franchisor has not specified a source of supply for any such item, then Franchisee may purchase that item from any source, so long as the item purchased is in strict accordance with any specifications concerning the item which Franchisor has issued in the Brand Standards Manual or otherwise. Franchisee must obtain Franchisor's advance written consent before deviating in any fashion from Franchisor's specifications.

(i) All signs at the Service Center must conform to Franchisor's sign criteria, unless Franchisor otherwise consents in writing, for good cause Franchisee demonstrates.

(ii) The sample layout and preliminary plans Franchisee furnishes Franchisor will not address the requirements of any federal, state or local law, code or regulation, including those of the Americans with Disabilities Act (the "ADA") or similar laws or rules. Franchisee alone, working with Franchisee's architect or engineer (if applicable), is responsible for ensuring that the Service Center, as constructed, complies with all applicable laws, rules, regulations, ordinances, building codes, fire codes, permit requirements and the ADA. Further, the sample layout and preliminary plans Franchisor furnishes Franchisee will not contain the requirements of, and may not be used for, construction drawings or other documentation necessary to obtain permits or authorizations to build and/or operate a specific Fast-Fix Service Center. Franchisee agrees, at Franchisee's expense, to employ architects, designers, engineers or others necessary to complete, adapt, modify or substitute the layout, plans and specifications for the Service Center.

(iii) Franchisee must submit a complete set of Franchisee's proposed final plans and specifications to Franchisor and obtain Franchisor's written approval of them before Franchisee seeks to register them with any governmental or quasi-governmental agency or begin construction of the Service Center. Franchisor's approval will be based on Franchisor's assessment of compliance with Franchisor's standards for new Fast-Fix Service Centers. Franchisor will not assess compliance with federal, state or local laws, rules or regulations, including the ADA. Franchisee's architect must certify to Franchisee in writing that the plans and specifications for the Service Center comply with the ADA; the architectural guidelines under the ADA; all applicable federal, state and/or local laws, rules and regulations for accessible facilities; and, all other applicable federal, state or local laws, rules and regulations (including building codes, fire codes and permit requirements). Franchisee must furnish Franchisor with a copy of this certification if Franchisor ever requests it.

(iv) Franchisee agrees that any plans and specifications Franchisee prepares and submits to Franchisor will be Franchisor's property. Franchisor, Franchisor's Affiliates and any

other franchisees to whom Franchisor gives these plans and specifications may use them without owing Franchisee any compensation or being liable to Franchisee in any way.

(b) Construction. After acquiring the site of the Service Center by Lease or purchase contract, Franchisee shall, at Franchisee's expense, and as applicable, either construct the Service Center at the site, or convert the existing premises at the site to become the Service Center, in conformity with the final plans and specifications which Franchisor has approved (as provided in Section 7.2(a)(iii)). Franchisee must provide Franchisor with comprehensive information regarding all phases of the development process of the Service Center as Franchisor may require, such as weekly progress reports during construction or conversion, in the format Franchisor designates. This information will include (without limitation and as applicable): the names, addresses and telephone numbers of Franchisee's architect, civil engineer, surveyor, general contractor, subcontractors, principal vendors and environmental consultant, and the primary contact for each; copies of all permits, licenses, contractor's liability insurance certificates and other similar items required for the construction or conversion of the Service Center; and copies of all construction or remodeling contracts and documents, along with originals of all lien waivers. These requirements will also apply to any construction, remodeling, renovation or refurnishing of the Service Center at any time after it opens.

(i) Franchisor will not be responsible for delays in construction, conversion, remodeling, equipping or decoration or for any loss resulting from the Service Center's design or construction. Franchisee must obtain Franchisor's written approval for all changes to the Service Center's plans that Franchisee furnished to Franchisor pursuant to Section 7.2(a) before implementing the changes. Franchisee hereby grants Franchisor access to the Service Center while work is in progress. Franchisor may (but need not) conduct one (1) visit to the Service Center during the construction process at no additional cost to Franchisee. If Franchisee requests additional visits to the Service Center during the construction process, Franchisee will pay all expenses associated with those additional visits. Franchisor may require any reasonable modifications of the construction of the Service Center that Franchisor considers necessary or desirable in Franchisor's reasonable business judgment. If Franchisee fails to promptly begin the design, construction, equipping and opening of the Service Center with due diligence, Franchisor may elect to terminate this Agreement immediately on notice to Franchisee.

(ii) When construction is complete and before Franchisee opens the Service Center, Franchisee's architect and general contractor must provide Franchisor with a certificate stating that the as-built plans for the Service Center fully comply with the ADA; the architectural guidelines under the ADA; and, all other laws, rules, regulations, codes and ordinances applicable to the Service Center.

(iii) Franchisor will have the right, but not the obligation, to conduct a final inspection of the completed Service Center before it opens. Franchisor may require any corrections and modifications Franchisor considers reasonable and necessary to bring the Service Center into compliance with the plans and specifications Franchisor approved. The Service Center will not be allowed to open if the Service Center does not conform to the approved plans and specifications, including changes thereto that Franchisor may approve.

(c) Modifications. Following the opening of the Franchised Business, except as specifically authorized by Franchisor, Franchisee shall not alter the appearance of the improvements or the Service Center. Franchisee will maintain the Franchised Business, its property and the Service Center as may be required by Franchisor at any time and from time to time. To such end, the Franchised Business will be repaired, renovated, remodeled, replaced and altered (collectively, the "Modifications") as required by Franchisor using an approved contractor, and Franchisee will cooperate fully with all parties in connection with the Modifications. Franchisee shall be solely responsible for the actual costs incurred for the Modifications. All Modifications performed pursuant to this Agreement shall at all times be in accordance with the terms of the Lease or as otherwise required by Franchisor or Franchisee's landlord, as applicable.

7.3. Opening. Franchisee must fulfill all of the pre-opening obligations and open the Service Center no later than 180 days following the Effective Date. Franchisee will not be allowed to open the Service Center without Franchisor's written approval, which Franchisor will not unreasonably withhold. In order to obtain Franchisor's approval to open, Franchisee must: obtain all required state, local and other required government certifications, permits and licenses and furnish copies of same to Franchisor; furnish to Franchisor copies of all insurance policies required under this Agreement; attend and successfully complete the initial training to Franchisor's satisfaction (as provided in this Agreement); pay Franchisor or Franchisor's Affiliates any amounts due through the date that Franchisee requests Franchisor's approval to open; execute all agreements required for opening; not be in default under any agreement with Franchisor or any Affiliate of Franchisor; not be in default under, but instead be current with, all contracts or agreements with Franchisee's principal vendors, suppliers and other business creditors (including Franchisee's landlord, Franchisor and Franchisor's Affiliates); and, otherwise comply in all respects with the pre-opening obligations set forth in this Agreement.

7.4. Signs. Franchisee agrees to maintain a display sign at its Service Center bearing the words "THIS LOCATION IS AN INDEPENDENTLY OWNED FRANCHISE OF JEWELRY REPAIR ENTERPRISES." Franchisee agrees to display Franchisor's names and the Marks at the Service Center as set forth in the Brand Standards Manual. Franchisee agrees to maintain and display signs reflecting the current image of Franchisor in the color, size, design and location (subject to the necessary approval by the landlord) as set forth in the Brand Standards Manual. Franchisee shall not place additional signs or posters on the Service Center without the prior consent of Franchisor.

7.5. Equipment. Franchisee must acquire through approved suppliers by purchase or lease, Franchisor's current standard initial order of, specified machinery, equipment, furnishings, signs and other personal property (the "equipment") which shall be used by Franchisee in the operation of the Franchised Business as set forth in the Brand Standards Manual or as otherwise directed by Franchisor. No exceptions will be made from Franchisor's then standard initial order of products. Franchisee agrees to maintain the equipment in excellent working condition. As items of equipment become obsolete or mechanically impaired to the extent that they require replacement, Franchisee will replace such items with either the same or substantially the same types and kinds of equipment as are being utilized in other franchisees' franchised businesses at the time replacement becomes necessary. If Franchisor reasonably determines that additional or replacement equipment is needed because of a change in technology or customer demand, Franchisee will install the additional equipment or replacement equipment within the reasonable time specified by Franchisor. All equipment used in the Franchised Business shall meet Franchisor's specifications.

7.6. Stationery and Business Cards. Franchisee's stationery and business cards shall be in the formats specified by Franchisor in the Brand Standards Manual or otherwise, and must bear Franchisor's logo, Franchisee's name, address and telephone number, the line "Franchisee of Jewelry Repair Enterprises" and either of the lines "Each Fast-Fix location is Independently Owned and Operated," or "Independently Owned and Operated by (name of Franchisee)." Franchisor will furnish to Franchisee samples or mats of Franchisor's logo for this purpose, as well as for use in Franchisee's local advertising. Franchisee shall furnish to Franchisor, not later than 14 days after the procurement by Franchisee of the stationery and business cards referred to in this Section 7.6, a copy or sample of each such item.

7.7. Attire. The individual Franchisee and all of Franchisee's employees, when at the Service Center, shall wear the distinctive "Fast-Fix" uniforms or other approved attire as specified by Franchisor. Franchisee shall ensure that there is on hand at all times sufficient uniforms to outfit all employees, and shall take all necessary action to ensure that the uniforms are worn as Franchisor directs. Franchisor reserves the right to change the style, appearance or name on the uniforms, and Franchisee shall be required to promptly implement any such changes.

7.8. Franchisee's Performance.

(a) Unless otherwise agreed to by Franchisor, a Franchise Operator must complete all training Franchisor requires and personally participate in the operation of the Franchised Business. A Franchise Operator or Franchisee's approved designee shall devote, on a full-time basis, his or

her best efforts for the productive operation of the Franchised Business and for advancing the interests of the franchise. For the purposes of this Agreement, "Franchise Operator" means: (i) if Franchisee is an individual, such individual; (ii) if Franchisee is an entity, an individual with a direct or indirect equity interest of at least 25% in such entity. Franchise Operator agrees to sign a Personal Guaranty Agreement for the Franchised Business in the form of Attachment 7 hereto.

(b) Franchisee agrees to (i) sell or service only jewelry, watches, giftware, electronic handheld devices and other items as approved by Franchisor and in conformity with the use clause of the Lease, (ii) follow all specifications of Franchisor as to sale or service, and (iii) sell or service no items or any other merchandise of any kind which would tend to bring Franchisor, Franchisee or the Marks into disrepute or public scorn.

(c) Franchisee shall not sell or service any prohibited items under any Lease. Franchisee acknowledges that there is no restriction, and Franchisor makes no recommendation, with respect to the number, character, or type of individuals to be serviced by Franchisee, and Franchisee is free to deal with consumers from all segments of the general population.

7.9. Suppliers.

(a) Initial Source of Supply. Franchisee must purchase from approved suppliers Franchisor's standard initial order of equipment, inventory and trade fixtures, as set forth in the Franchisor's documents delivered to Franchisee. No exceptions will be made from Franchisor's then standard initial order of equipment, inventory and trade fixtures.

(b) Approved Specifications and Sources of Supply. Franchisee shall purchase or lease goods, services, equipment, supplies, fixtures, computer hardware and software, inventory, stationary, business cards, uniforms, advertising materials, and any other products and services used to establish and operate the Franchised Business solely from manufacturers and suppliers Franchisor authorizes in writing, as well as in accordance with any specifications that Franchisor authorizes in writing. Franchisor may revoke such authorization at any time in writing. Franchisor may designate itself, or an Affiliate, as a supplier, or the exclusive supplier, of any of the products or services used to establish and operate the Franchised Business.

(c) Alternate Suppliers. If Franchisee proposes to purchase equipment, supplies, inventory or other products or services from an unapproved supplier, Franchisee shall submit to Franchisor a request for such approval. As conditions of its approval, which it may grant or withhold in its discretion, Franchisor may require that: (i) a Dun & Bradstreet financial and business report (or similar report) concerning a proposed supplier be furnished to Franchisor; (ii) Franchisor be permitted to perform specification verification and testing; or (iii) samples from alternate suppliers be delivered to Franchisor or a designated independent testing laboratory for testing. Franchisee will pay a charge not to exceed the actual cost of the testing. Notwithstanding the foregoing, Franchisor will not unreasonably withhold the approval of such suppliers as long as the products or services conform to the appearance, quality, and uniformity standards and other specifications of Franchisor. If Franchisee does not receive written approval or disapproval within 30 days after Franchisor receives the request for such approval, such request shall be deemed disapproved.

(d) Franchisor's Revocation of Approval of a Supplier. If it at any time Franchisor determines that the products or services of a supplier no longer conform to the appearance, quality and uniformity standards or other product specifications of Franchisor, Franchisor may, at its option, either immediately revoke such supplier's approval or, in the alternative, advise the supplier in writing of product deficiencies and give the supplier a reasonable time to cure such deficiencies before approval is revoked.

7.10. Right of Entry and Inspection.

(a) Inspections. Franchisee shall permit Franchisor or its representatives to enter the Service Center or the office of Franchisee at any time during normal business hours to conduct inspections. Franchisee shall cooperate fully with Franchisor or its representatives in such inspections by rendering such assistance as they may reasonably request and by permitting them, at their option,

to observe the manner in which Franchisee is selling products and rendering services, to monitor sales volume, to conduct a physical inventory, to confer with Franchisee's employees and customers, and to remove samples of any products, supplies and materials in amounts reasonably necessary to return to the office of Franchisor for inspection and record-keeping. The inspections may be conducted without prior notice at any time when Franchisee or one of its employees is at the Franchised Business. The inspections will be performed in a manner which minimizes interference with the operation of the Franchised Business. Franchisee shall pay all travel, hotel and incidental expenses incurred by Franchisor, plus Franchisor's then standard fee for such inspections (which is currently $1,000 per person per day), in connection with any visit or inspection made by Franchisor (i) to confirm whether a default under this Agreement has been satisfactorily cured or has not reoccurred, (ii) to confirm the occurrence of any default under this Agreement that it reasonably believes to have occurred, (iii) that results in Franchisor's discovery of a default under this Agreement, or (iv) to assist or supervise the curing of any default under this Agreement.

(b) Correcting Deficiencies. On notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee shall take such steps as may be necessary to correct immediately any deficiencies detected during such inspections, including immediately desisting from the further use of any equipment, advertising, materials, products, supplies or other items that do not conform to Franchisor's then-current requirements. In the event Franchisee fails or refuses to correct such deficiencies, Franchisor shall have the right, without any claim to the contrary by Franchisee, to enter the Service Center or the office of Franchisee without being guilty of trespass or any other tort, for the purposes of making or causing to be made such corrections as may be required. All such corrections are at the expense of Franchisee, and Franchisee shall pay them on demand.

7.11. Operational Requirements. Franchisee agrees that it will operate its business in accordance with the standards, specifications and procedures set forth by Franchisor in the Brand Standards Manual or otherwise, which standards, specifications and procedures may be updated or modified from time to time as determined by Franchisor is its discretion. Without limiting the foregoing, Franchisee agrees to:

(a) Record all Gross Sales on the approved POS System;

(b) Comply with the procedures and systems instituted by Franchisor both now and in the future, including those relating to sales, good business practices, advertising and other obligations and restrictions;

(c) Maintain in sufficient supply (as Franchisor may prescribe in the Brand Standards Manual or otherwise in writing), and use at all times, only such inventory, equipment, materials, advertising methods and formats, and supplies in conformity with Franchisor's standards and specifications, if any, at all times sufficient to meet the anticipated volume of business, and refrain from deviating therefrom without Franchisor's prior consent;

(d) Adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct in all dealings with customers, suppliers, employees, independent contractors, Franchisor and the public;

(e) Purchase and install, at Franchisee's expense, all fixtures, furnishings, signs and equipment as Franchisor may reasonably specify from time to time. Franchisee agrees to refrain from installing or permitting to be installed on or about the Service Center (unless submitted in writing to Franchisor prior to purchase and installation and approved in writing by Franchisor) any products, fixtures, furnishings, signs, cards, vending machines, pinball machines, electronic or video games, lottery ticket terminals, promotional literature, equipment or other items and service concepts not previously specifically approved;

(f) Operate the Service Center on all days and hours permitted under your Lease unless we have otherwise approved in advance in writing; and

(g) Attend periodic national conventions, conferences and regional meetings organized by Franchisor.

7.12. POS System. Before commencing to operate the Franchised Business, Franchisee shall procure, and install at the Service Center, the POS System. Franchisor shall designate the supplier or suppliers from whom Franchisee must purchase the various items constituting the POS System. At Franchisor's request, Franchisee shall provide any assistance Franchisor requires to bring the POS System "on-line" with Franchisor's computer at Franchisor's headquarters. Franchisor thereafter has the free and unfettered right to retrieve such data and information from Franchisee's POS System as Franchisor, in its discretion, deems necessary, desirable or appropriate. Franchisee is exclusively responsible for the cost of such retrieval. The POS System will be used to maintain and collect all customer and sales information for the Franchised Business, including the Customer Information. All of the foregoing items specified to be installed or purchased, or acts specified to be undertaken by Franchisee, and the delivery of all hardware and software, are at Franchisee's sole expense. Franchisor may, from time to time, require that Franchisee add memory, ports and other accessories or peripheral equipment, as well as new computer hardware (including point-of-sale terminals, cash drawers, receipt printers, and touch screens), or additional, new, or substitute software to the original POS System purchased by Franchisee. Franchisor may furthermore, from time to time, require Franchisee to replace or upgrade the entire POS System with a larger or more advanced system capable of assuming and discharging all the computer-and point-of-sale-related tasks and functions Franchisor specifies. To ensure full operational efficiency and communication capability between Franchisor's computers and those of all franchised businesses, Franchisee shall, at its expense, keep the POS System in good maintenance and repair. Additionally, Franchisee shall not have the right to add or adopt any software or hardware to the POS System or any operating browser without the expresses written permission from the Franchisor. Unless Franchisor specifies otherwise , no later than the 10th day of each month during the Term, Franchisee shall pay to Franchisor a monthly POS System Support Fee specified by the POS System supplier, which Franchisor will remit to the POS System supplier on Franchisee's behalf. Payments related to the cost of support for the SOS System may be adjusted periodically based on price increases and additional services provided. On the expiration or sooner termination of this Agreement, Franchisee shall (a) return in good condition (reasonable wear and tear excepted) all software, disks, tapes and other magnetic storage media Franchisor provides to Franchisee (if any) and (b) delete all software and applications relating to the foregoing from all memory and storage. Credit Cards and Other Methods of Payment

. Franchisee shall, at all times, maintain credit card relationships with VISA, MasterCard, American Express, Diners Club, Discover and such other credit and debit card issuers or sponsors, check verification services, financial center services, and electronic fund transfer systems as Franchisor may designate in order that Franchisee may accept customers' credit and debit cards, checks, and other methods of payment. Franchisor reserves the right to require the addition or deletion of credit card relationships and other methods of payment. Franchisee shall comply with all credit card policies of Franchisor including minimum purchase requirements for a customer's use of a credit card. Franchisor may select the third party service vendor for on-line processing. Franchisee must adhere to the Payment Card Industry (PCI) Data Security Standards for credit card processing. It is solely the responsibility of Franchisee to research and understand all the rules and regulations to remain compliant with these standards.

7.13. Customer Surveys; Customer List. On the reasonable request of Franchisor, Franchisee shall present to customers such evaluation forms as are periodically prescribed by Franchisor and shall participate or request his or her customers to participate in any marketing surveys performed by or on behalf of Franchisor. Franchisee shall also maintain a current customer list (the "Customer List") containing as to each and every customer such customer's name, address, telephone number, zip code (9 digits) and email address (the "Customer Information"), and supply a copy of the Customer List to Franchisor on a quarterly basis. The Customer List shall and will always be the sole property of Franchisor. Franchisee agrees that the Customer List shall remain confidential, and agrees to abide by all state and federal privacy laws related to the Customer List. On termination or expiration of this Agreement, Franchisee agrees to provide a final Customer List to Franchisor within 5 business days.

7.14. Employment Policies. Franchisee is solely responsible for all labor and employment related-matters and decisions related to the Franchised Business, including hiring, firing, promoting, demoting and compensation (including through wages, bonuses, or benefits) its employees. Franchisee must ensure that its employees are qualified to perform their duties in accordance with the Brand Standards Manual. Franchisor does not require Franchisee to implement any employment-related policies or procedures, or security-related policies or procedures, that Franchisor, at its option, may make available to Franchisee in the Brand Standards Manual or otherwise for Franchisee's optional use. Franchisee shall determine to what extent, if any, these policies and procedures may be applicable to its operations.

ARTICLE 8.
COVENANTS NOT TO COMPETE; CONFIDENTIAL INFORMATION; BRAND STANDARDS MANUAL

8.1. Confidential Information. Franchisee shall at all times treat and maintain the Confidential Information as confidential. Franchisee will not make unauthorized copies of any portion of the Confidential Information regardless of whether it is disclosed in electronic medium, written or other tangible or intangible form. Any paper copies of the Brand Standards Manual, at all times, shall be kept in a secure area within the Service Center. Franchisee shall strictly limit access to the Confidential Information to the employees of Franchisee, to the extent they have a "need to know" in order to perform their jobs. Franchisee shall not disclose to anyone, nor use or exploit for its own purposes or benefit, any Confidential Information. This covenant shall survive the expiration of the Term or earlier termination of this Agreement. Franchisee shall immediately report to Franchisor the theft, loss or destruction of any paper copies of the Brand Standards Manual or other confidential materials or any portion thereof. Franchisee shall not at any time without Franchisor's prior consent, copy, record or otherwise reproduce any of the Confidential Information, in whole or in part. All persons whom Franchisee permits to have access to the Brand Standards Manual or any other Confidential Information, unless they have already signed and delivered such agreement, shall first be required by Franchisee to sign and deliver to Franchisor Franchisor's standard form of Nondisclosure and Noncompetition Agreement, a copy of which is attached as Attachment 4 hereto. Franchisee must obtain signed Nondisclosure and Noncompetition Agreements, in the form of Attachment 4 hereto, from all persons with an ownership or voting interest in Franchisee and certain key persons employed by Franchisee whom receive or will receive any training by Franchisee or Franchisor which is directly or indirectly related to the System, and send Franchisor a copy of each such Nondisclosure and Noncompetition Agreement on demand.

8.2. Periodic Revisions. From time to time Franchisor may revise and change the contents of the Brand Standards Manual and other instructional material. Franchisee agrees to comply with each new or changed provision beginning immediately (or such longer time as specified by Franchisor) after notice from Franchisor. Providing Franchisee with an e-mail notification or posting the revision or change of the Brand Standards Manual on Franchisor's intranet site is considered delivery of notice for purposes of this Section 8.2. Revisions to the Brand Standards Manual shall be based on what Franchisor, in its discretion, deems is in the best interests of the System, including to promote quality, enhance goodwill, increase efficiency, decrease administrative burdens, or improve profitability of Franchisor or its franchisees. Franchisee acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchisee based on the peculiarities of the particular site or circumstances, landlord requirements, business potential, population of trade area, existing business practices or any condition which Franchisor deems to be of importance to the successful operation of such franchisee's franchised business. Franchisee shall not be entitled to require Franchisor to grant to Franchisee a like or similar variation under this Agreement. Franchisee shall at all times ensure that any paper copies of the Brand Standards Manual in its possession contain all updates received by Franchisee from Franchisor. In the event of any dispute as to the contents of the Brand Standards Manual, the terms contained in the master copy of each of the Brand Standards Manual and other instructional material maintained by Franchisor at Franchisor's home office shall be controlling.

8.3. Prior Information. Franchisee further acknowledges that all Confidential Information, if any, received prior to the date of this Agreement was unknown to it, him or her except through disclosure by Franchisor in connection with the grant of a Franchise, and that the marketing practices and operating procedures developed by Franchisor and franchised to Franchisee for the operation of the Franchised Business are important for the success of the system. To the extent Franchisee receives any Confidential Information, and Franchisee does not object in writing to Franchisor within 30 days thereafter that any or all of the information comprising the Confidential Information should not be considered Confidential Information, then Franchisee shall be deemed to have irrevocably waived his or her right to make any such objection.

8.4. Restriction on Additional Business. During the Term, neither Franchisee nor its Affiliates or Owners, may be engaged in a Competitive Business whether located inside or outside the Territory. This restriction is imposed to protect the integrity of and the goodwill attached to the Marks and the System, to associate Franchisee closely with the franchise, to avoid possible conflicts of interest, and to prevent the dilution or diminution of Franchisee's operation which would result if it, his or her efforts were to be divided between advancing the interests of this franchise and of any other franchise or of any products or other services, and which would also tend to reduce the Royalty Fees to be paid by Franchisee.

8.5. Non-Compete. Franchisor shall acquaint Franchisee with Franchisor's products, sales methods and other business methods, as well as the use of equipment and supplies generally, and wishes to be protected from having this information used by competitors. If franchisees were permitted to hold interests in any Competitive Business, Franchisor would be unable to protect the Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among franchisees within the System. Accordingly, Franchisee covenants that from the date of this Agreement through the 24-month period following the expiration of the Term or earlier termination of this Agreement, except as otherwise approved in writing by Franchisor, neither Franchisee nor any of Franchisee's Owners or Affiliates, shall directly or indirectly:

(a) solicit or otherwise attempt to induce, by combining or conspiring with, or attempting to do so, or in any other manner influence any business affiliate of Franchisor to terminate or modify his, her or its business relationship with Franchisor, or to compete against Franchisor;

(b) as owner, officer, director, employee, agent, lender, broker, consultant, franchisee or in any other similar capacity whatsoever be connected in any manner with the ownership, management, operation or control, or conduct of a Competitive Business located within a radius of 25 miles of any other Fast-Fix franchise (including company-owned outlets) (provided that this restriction shall not apply to a 5% or less beneficial interest in a publicly held corporation);

(c) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of Franchisor or any of its other franchisees;

(d) direct any prospective or existing business or economic opportunities away from Franchisor, its Affiliates, or any other Fast-Fix Service Center franchisee or its Affiliates, to a Competitive Business, wherever located or operating; or

(e) perform any act prejudicial or injurious to the goodwill associated with the Marks.

If Franchisee violates the non-compete covenant in this Section 8.5 at any time during the 24-month period following the expiration of the Term or earlier termination of this Agreement, Franchisee agrees to comply with such covenant during the subsequent 24-month period, and further agrees that an arbitrator or judge may order Franchisee to comply with such covenant during the subsequent 24-month period.

8.6. Reasonableness of Provisions. Franchisee acknowledges and confirms that the scope of the activities prohibited in this ARTICLE 8, as well as length of the term and geographical restrictions contained in this ARTICLE 8, are necessary to protect Franchisor's legitimate business interests and are fair and reasonable and not the result of overreaching, duress or coercion of any kind. If Franchisee is an individual, Franchisee further acknowledges and confirms that his or her full, uninhibited and faithful observance of each of the covenants contained in this ARTICLE 8 will not cause any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this ARTICLE 8 will not impair his or her ability to obtain employment commensurate with his or her abilities and on terms

fully acceptable to him or her or otherwise to obtain income required for the comfortable support of himself or herself and his or her family, and the satisfaction of the needs of his or her creditors. Franchisee acknowledges and confirms that its special knowledge of the Franchised Business (and anyone acquiring such knowledge through Franchisee) is such as would cause Franchisor and its franchisees serious injury and loss if it, he or she (or anyone acquiring such knowledge through Franchisee) were to use such knowledge to the benefit of a competitor or were to compete with Franchisor or any of its franchisees.

8.7. Severability. In the event that any court shall finally hold that the time or territory or any other provision stated in this ARTICLE 8 constitutes an unreasonable restriction on Franchisee, Franchisee agrees that the provisions of this Agreement shall not be rendered void, but shall apply as to time and territory or to such other extent as such court may judicially determine or indicate constitutes a reasonable restriction under the circumstances involved.

8.8. Franchisor's Right to Reduce Scope. Without Franchisee's consent, Franchisor, in its discretion, may reduce the scope of any covenants set forth in this ARTICLE 8. Any such reduction is effective immediately on Franchisor's delivery of notice. Franchisee shall comply immediately with any covenant as so modified. Such modified covenant is fully enforceable to the extent permitted by applicable law.

8.9. Florida Statute. Pursuant to Subsection (1)(f) of Florida Statute 542.335 ("Valid Restraints of Trade or Commerce"), Franchisor's assignees and successors are expressly authorized by Franchisee and Franchisor to enforce the restrictive covenants in this ARTICLE 8.

ARTICLE 9.
LICENSES

9.1. Licenses and Permits. It shall be Franchisee's sole responsibility to obtain any and all licenses, permits, authorizations or certifications required to operate the Franchised Business at the Service Center.

9.2. Assistance From Franchisor. Franchisor shall use reasonable efforts to provide whatever data or information it has which Franchisee may need to obtain any license, permit, authorization or certification required to operate the Franchised Business at the Service Center, but shall not be listed as the owner or operator of the Franchised Business on any license, permit, authorization or certificate or any application therefor.

ARTICLE 10.
ASSIGNMENTS

10.1. Personal Rights.

(a) The rights and duties set forth in this Agreement are personal to Franchisee. Franchisor is entering this Agreement in reliance on Franchisee's and its owners' business and personal skill, reputation, aptitude, and financial capacity. Accordingly, unless otherwise expressly permitted by this Agreement, without Franchisor's prior consent, Franchisee shall not sell, assign, convey, or otherwise dispose of—voluntarily, involuntarily, directly or indirectly, by operation of law or otherwise—this Agreement or any direct interest in this Agreement. For the purposes of this ARTICLE 10, and other related provisions of this Agreement, the terms "transfer" or "assign" refer to any of the preceding actions. Franchisor may grant or withhold its consent to any transfer or assignment in its discretion.

(b) Further, if Franchisee is a corporation, limited liability company, limited partnership, or other entity, Franchisee shall provide Franchisor with prior notice of any proposed transfer or assignment of voting or ownership interests therein. A transfer or assignment of any such voting or ownership interests—individually or in the aggregate, directly or indirectly—is considered a transfer of an interest in this Agreement by Franchisee, as is a transfer or assignment of all or substantially all of Franchisee's assets. Any purported or attempted transfer or assignment by Franchisee or an Owner—by operation of law or otherwise—in violation of this Agreement is null and void, and a material breach of this Agreement.

(c) Except as expressly permitted under Section 15.17, neither Franchisee nor its Owners (or their respective owners) may create, permit, or suffer a lien against, nor pledge, mortgage, hypothecate,

grant a security interest in, or in any manner encumber this Agreement (or any interest herein) or any of Franchisee's other assets used in connection with the Franchised Business or any of the voting or ownership interests in Franchisee (or in any owner of Franchisee). Any act described in the foregoing sentence is considered a transfer or assignment of an interest in this Agreement by Franchisee.

10.2. Permitted Transfers. In addition to any other conditions Franchisor may impose, unless all the following conditions are satisfied to Franchisor's satisfaction —any of which Franchisor, in its discretion, may waive—Franchisor need not consent to a transfer or assignment of any interest in this Agreement:

(a) The proposed assignee meets Franchisor's then-current standards for evaluating prospective purchasers of new franchises, including the proposed assignee's demonstration, that it, or its owners, as applicable (i) possess the business and personal skills, reputation, and financial capacity Franchisor requires; (ii) has properly assumed, and has the financial and professional ability to comply with, all of Franchisor's obligations relating to the Franchised Business; and (iii) possess good character and will enhance the System and the public goodwill relating thereto;

(b) The terms relating to the assignment or transfer have been provided to Franchisor at least 30 days prior to the scheduled closing date and the closing statement or other related closing documentation have been provided to Franchisor at least 3 days prior to the scheduled closing date, in each case for its review to ensure that Franchisor is satisfied that such terms meet its minimum requirements with respect to the financial ability of the assignee to operate, and such terms and documents have not materially changed without the consent of Franchisor after such terms and documents were provided to Franchisor;

(c) Franchisee provides at least 30 days prior notice of such transfer or assignment to all of its suppliers and vendors;

(d) Payment of all outstanding debts by Franchisee including all payments owing to Franchisor, the landlord, suppliers, vendors, leasing companies, and governmental taxing and licensing authorities;

(e) Cure by Franchisee of any and all defaults and non-compliance under this Agreement or the Brand Standards Manual or other instructional material;

(f) Execution of the then-current form of franchise agreement by the proposed assignee, which may contain materially different terms than those being entered simultaneously with this Agreement, including higher Royalty Fees; the term of the transferred franchise agreement will include the remaining unexpired term of the assignor;

(g) Payment by the proposed assignee of the then-current transfer fee (currently $5,000);

(h) Satisfactory completion of the basic training described in Section 3.5 by the proposed assignee and other required personnel and payment of the then-current Franchisor's fee for training (currently $7,500);

(i) Execution of an acknowledgment or receipt by proposed assignee as to a receipt by assignee of the applicable franchise disclosure documents at least 14 days prior to any such proposed assignment or the payment of any consideration therefore (unless the transaction is exempt from franchise disclosure laws);

(j) Receipt of all information requested by Franchisor to evaluate the proposed assignee, including its financial statements, the management, business and educational experience, and financial status;

(k) Execution of a general release of any and all claims by Franchisee and its owners in favor of Franchisor, its Affiliates, and their respective shareholders, officers and directors;

(l) Compliance by Franchisee with Section 10.11 and Franchisor not exercising its right of first refusal;

(m) If required, the proposed assignee must agree to renovate the Service Center to conform to Franchisor's then-current standard for franchises within the time period prescribed by Franchisor;

(n) Franchisee's landlord must consent in writing to the transfer of the Lease (if applicable);

(o) Execution by all required parties, and delivery to Franchisor, of documentation acceptable to Franchisor evidencing such parties' continuing liability under Section 10.6; and

(p) Timely satisfaction by Franchisee and the proposed assignee of any other conditions Franchisor reasonably imposes.

10.3. Transfers to Related Parties. Franchisee, if one or more individuals, will have the right to transfer or assign this Agreement to a corporation, limited liability company or a partnership, wholly owned by that individual or individuals, without any additional payment to Franchisor; subject, however, to satisfaction of all of the following conditions—any of which Franchisor, in its discretion, may waive:

(a) That the individual or individuals constituting Franchisee collectively own all of the issued and outstanding equity of such entity, that a list of owners be delivered to Franchisor and that each such owner delivers a certificate to Franchisor, in form and substance satisfactory to Franchisor, that he or she has no interest in any Competitive Business and that he or she agrees that no additional equity will be issued at any time without Franchisor's consent;

(b) That the corporation unconditionally assumes all of the obligations of Franchisee under this Agreement and any other agreement executed in connection with this Agreement;

(c) That Franchisee pays to Franchisor all amounts then payable by it to Franchisor pursuant to this Agreement;

(d) That all corporate documentation requirements provided for within Section 15.9 of this Agreement be delivered to Franchisor; and

(e) That a document or documents reflecting the foregoing provisions and acceptable to Franchisor be signed and delivered to Franchisor by the assigning Franchisee, the new corporate Franchisee and Franchisor.

Franchisee's existing Owners also have the right to transfer ownership interests in Franchisee amongst themselves, without any additional payment to Franchisor, provided that: (a) Franchisee sends Franchisor a written notice describing the change in ownership at least 10 days prior to the ownership transfer; and (b) the ownership transfer does not result in the Franchise Operator owning less than 25% of the franchised business.

10.4. Approval of Transfer. In any event, Franchisor's approval of a proposed transfer is not an expression of its opinion concerning the appropriateness or fairness of the terms of the transfer or the likelihood of the transferee's success. If Franchisor disapproves of the transfer because all the transfer conditions contained in this ARTICLE 10 or elsewhere in this Agreement have not been satisfied or for any other reason, it has no liability of any nature to Franchisee or the transferee in connection therewith.

10.5. No Waiver. Franchisor's consent to a transfer does not constitute a waiver of (a) any claims it may have against Franchisee (or the transferor if different) or (b) Franchisor's right to demand the transferee's exact compliance with all the terms of this Agreement.

10.6. Continuing Liability. In no event will any transfer or assignment (including a transfer pursuant to Section 10.3) by Franchisee or any other person or their respective owners release any such parties from liability for their respective conduct before the transfer or assignment, or from their respective obligations under this Agreement, including conduct in breach of this Agreement. Additionally, on transfer or assignment, Franchisee, any other transferor or assignor and their respective owners shall become jointly and severally liable with each other and the transferee or assignee for the performance of the transferee's or assignee's obligations and undertakings under the transferee's or assignee's franchise agreement, as it may be renewed, extended or amended.

10.7. No Increased Risk. Franchisor reserves the right to withhold consent to any proposed assignment or transfer that would result in Franchisor having any increased risk, burden or chance of not obtaining performance.

10.8. No Bankruptcy Assignments. Notwithstanding anything in this Agreement to the contrary, Franchisee shall not make, permit, or suffer any transfer of this Agreement, or any interest therein, or the sublease for the Service Center if it, or any of its owners, is the subject of either a voluntary or involuntary bankruptcy proceeding. For the purposes of the foregoing sentence, a debtor's or trustee-in-bankruptcy's assumption of this Agreement or the sublease under Section 365 of the Bankruptcy Act (11 U.S.C. §365), or any other Section thereof, is considered a transfer of this Agreement by Franchisee.

10.9. Death or Incapacity.

(a) The provisions of this Section 10.9 apply to (a) any individual that holds a 10% or greater voting or ownership interest in Franchisee (or in any of Franchisee's owners) and (b) any individual that is Franchisee. In the event of the death or incapacity (incapacity defined herein as the inability according to competent medical authority to perform the duties and obligations under this Agreement for a period of three months or more as the result of illness or injury) of any such individual, Franchisor shall have the option to require such individual's executor, administrator, conservator, guardian, or other personal representative to transfer, within six months of the date of death or incapacity, his or her interests in Franchisee (or in any of Franchisee's owners) or in this Agreement in accordance with the terms of this ARTICLE 10. In addition, such individual's legal representative shall promptly deliver to Franchisor on request any information as to what actions are being taken to prevent or minimize the interruption of the Franchised Business, and Franchisor, in its discretion, may render whatever assistance is requested by such individual's legal representative to minimize such interruption. Franchisor shall be entitled to reimbursement, within 30 days of invoice, from Franchisee or such individual for any reasonable expenses incurred in connection with any such assistance that Franchisor does not deem assistance provided pursuant to other provisions in this Agreement.

(b) If the Franchise Operator dies or becomes incapacitated, Franchisor shall have the right, but not the obligation, to designate a Person (an "Interim Manager") to manage the Franchised Business until such time that a new Franchise Operator is appointed who has successfully completed initial training and been approved by Franchisor. If Franchisor appoints an Interim Manager, Franchisee shall: (a) pay Franchisor a management fee equal to $500 per day during the period of time the Interim Manager manages the Franchised Business; and (b) reimburse all travel, living, transportation and other costs and expenses the Interim Manager incurs. The Interim Manager has no liability to Franchisee except for gross negligence or willful misconduct. Franchisor has no liability to Franchisee for an Interim Manager's actions unless Franchisor is grossly negligent in appointing the Interim Manager

10.10. Assignment by Franchisor. Without Franchisee's consent and without prior notice, Franchisor has the absolute right to sell, assign, transfer or delegate all or any part of its rights, privileges or duties under this Agreement to an Affiliate or third party without restriction.

10.11. Franchisor's Right of First Refusal.

(a) If at any time from the date of this Agreement through the expiration of the Term or the earlier termination of this Agreement: (i) any person who owns at least a 10% ownership or voting interest in Franchisee (or in any entity with an ownership interest in Franchisee) receives an arm's length written bona fide offer from an independent third party to purchase any portion or all of such person's interest (the portion or all of such person's interest hereinafter referred to as the "Interest," and such type of offer later referred to as the "Interest Offer"); or (ii) Franchisee shall receive an arm's length written bona fide offer from an independent third party to purchase any portion or all of Franchisee's interests under this Agreement or, outside the ordinary course of business, a material part or all of the assets used in the Franchised Business and the Service Center if owned by Franchisee or an Affiliate (such assets subject to the offer later referred to as the "Assets", and such type of offer later referred to as the "Asset Offer"), then Franchisee shall

ensure that such person receiving the Interest Offer, or Franchisee receiving the Asset Offer (as the case may be, and in either case the person receiving such third party's bona fide offer is hereinafter referred to as the "Offeror") shall, if it, he or she desires to accept such offer, first offer to sell to Franchisor the Interest or the Assets for the consideration and on the terms and conditions set forth in such third party's written offer. The Offeror's offer (the "Offer") shall be made by notice to Franchisor setting forth the name and address of the prospective purchaser, the price and terms of the Offer together with a franchise application completed by the prospective purchaser, and any other information that Franchisor may reasonably request in order to evaluate the Offer including any purchase and sale and related agreements proposed to be executed or executed by Franchisee or the third party. Franchisor shall have the first option to purchase the Interest or the Assets by accepting the Offer, within 30 days after its receipt of the Offer and required information. A "bona fide" offer shall be specific as to parties, purchase price, timing, financing, conditions, deposit and title.

(b) If Franchisor gives notice of acceptance of the Offer, then the Offeror shall sell the Interest or the Assets to Franchisor and Franchisor shall purchase the Interest or the Assets from the Offeror, for the consideration and on the terms and conditions set forth in the Offer, less any broker's commission not due if Franchisor exercises its right of first refusal but due and payable by the Offeror on the sale to the prospective purchaser. Franchisor's creditworthiness shall be deemed at least equal to the creditworthiness of any proposed purchaser. If Franchisor is a public company at such time having shares traded on a national securities exchange, the Offeror must accept the then-current value of Franchisor's registered shares in lieu of cash or other consideration.

(c) If an independent third party's written offer (and the Offeror's corresponding offer to Franchisor) provides for the purchaser's payment of a unique consideration which is of such a nature that it cannot reasonably be duplicated by Franchisor, then Franchisor may, in its notice of exercise, in lieu of such unique consideration, substitute a cash or stock (if a public company with registered shares) consideration in an amount determined by mutual agreement of the Offeror and Franchisor within 45 days after the Offer is made or, failing such agreement, by an independent appraiser selected by Franchisor.

(d) If the proposed sale includes assets of the Offeror not related to the operation of the Franchised Business, Franchisor may, at its option, elect to purchase only the assets related to the operation of Franchised Business and an equitable purchase price shall be determined in the reasonable discretion of Franchisor and allocated to each asset included in the proposed sale.

(e) Unless otherwise agreed by the Offeror and Franchisor, the closing of the purchase of the Interest or the Assets shall be held at Franchisor's then principal office or other location designated by Franchisor, on no later than the 60th day after the Offer is delivered to Franchisor, provided that the closing of any such purchase for which a cash or stock consideration is determined in accordance with Section 10.11(b) or 10.11(c) shall be held on the 15th day after such cash or stock consideration is finally determined. At any such closing, the Offeror shall deliver to Franchisor an assignment and other documents reasonably requested by Franchisor representing a transfer of ownership of the Interest or the Assets free and clear of all liens, claims, pledges, options, restrictions, charges and encumbrances, in proper form for transfer and with evidence of payment of all applicable transfer taxes by the Offeror. In such assignment documents, Franchisee and its owners agree to make all customary representations and warranties given by the seller of assets of a business or the ownership interests in a legal entity, as applicable. Franchisor shall simultaneously therewith make payment of any cash consideration for the Interest or Assets by a cashier's check drawn on a bank or thrift doing business in the county of Franchisor's principal place of business or payment by the issuance of Franchisor's registered shares, after set off against the amount due to the Offeror for all amounts Franchisee owes Franchisor, if any. The remaining terms and conditions of such purchase and sale shall be set forth in the Offer.

(f) If Franchisor does not accept the Offer as provided above, the Offeror shall be free, for a period of 60 days after Franchisor has elected not to exercise its option, to sell the Interest or the Assets

to the independent third party for the consideration and on the terms and conditions specified in such third party's written offer, subject to full compliance with all terms and conditions of transfer required under this Agreement. It shall be a condition precedent to any sale of the Assets or the Interest to an independent third party that there is delivered to such third party an acknowledgment that the Assets or the Interest purchased by such third party is and shall be subject to the terms and conditions of this Agreement and that such third party agrees to be bound to the terms of this Agreement with respect to transferring the Assets or the Interest, in the same manner as the Offeror. If the Offeror does not sell the Assets or the Interest or the Assets as provided above within the aforesaid 60-day period, then any transfer by it, him or her of the Interest or the Assets shall again be subject to the restrictions set forth in this Agreement.

(g) In the event a proposed transferee is the spouse, son, or daughter of the Offeror, Franchisor shall not have any right of first refusal; provided, however, that all such transferees shall be subject to all of the restrictions on transfer of ownership imposed on the Offeror under this Agreement. Franchisor's right of first refusal shall not apply to any transfer to a related party described in Section 10.3.

ARTICLE 11.
INDEMNIFICATION AND INSURANCE

11.1. Insurance. Throughout the Term, Franchisee shall purchase and maintain in effect such types of insurance in such amounts as Franchisor or Franchisee's landlord may require, including policies of at least the following types and coverage amounts:

(a) A Comprehensive General Liability Policy, including Products Liability, in the amount of $2,000,000/$3,000,000 bodily injury, death and property damage liability, or in such other amounts as Franchisor may reasonably request, for the operation of the Franchised Business;

(b) Motor vehicle coverage, in the amount of $50,000/$100,000 including coverage for the acts of any employee or agent of Franchisee while driving vehicles not owned by Franchisee within the scope of the employee or agent's employment or agency;

(c) Such worker's compensation coverage as may be required by any applicable state law;

(d) In connection with the construction, refurbishment, renovation or remodeling of the Service Center, builders' and/or contractor's insurance (as applicable) and performance and completion bonds in forms and amounts acceptable to Franchisor;

(e) Fire and extended coverage, vandalism, malicious mischief and special extended coverage insurance to the extent of 100% of the replacement value of the Service Center, including the structure, if applicable, and all leasehold and building improvements to the Service Center, as well as the cost of replacement of all fixtures, equipment, contents and personal property therein;

(f) Business interruption insurance, in an amount equal to one year's annual rent payments under the Lease plus (i) if the Franchised Business has been in operation for less than 12 months at the time such insurance is required to be in effect, $14,400 or (ii) if the Franchised Business has been in operation for 12 months or more at the time such insurance is required to be in effect, an amount equal to the greater of (A) the Royalty Fees for the preceding calendar year and (B) $14,400; and

(g) Bailee's or Jeweler's Block insurance sufficient to cover losses relating to any items delivered to the Service Center by a customer or other party.

These policies reflect Franchisor's minimum requirements and may not be adequate to fully protect Franchisee's interests. Franchisee may wish to procure additional coverage. Franchisee agrees that the amounts of coverage or extent of coverage stated in this Section 11.1 are minimum and that if the Franchisee's landlord or Franchisor determine in their discretion the Franchised Business dictates additional types of insurance (including, but not limited to, employment practices liability insurance) or broader or higher coverage amounts, the same shall be immediately procured by Franchisee pursuant to the terms hereof. To the extent legally permissible, all such insurance policies shall name Franchisor as an additional insured and loss payee.

11.2. Insurance Certificates. No later than the start of the Term and by January 15th of each year of the Term, Franchisee shall provide Franchisor with certificates of insurance and a copy of a cleared check or evidence required by Franchisor showing that such insurance is in full force and effect and is in compliance with the requirements of this ARTICLE 11, along with a paid receipt showing the certificate number. The certificate of insurance must include a statement by the insurer that the policy or policies must not be canceled, subject to nonrenewal, or materially altered without at least 30 days' prior notice to Franchisor. On Franchisor's request, Franchisee shall send to Franchisor current certificates of insurance, proof of payment and copies of all insurance policies.

11.3. Notice of Claims. Franchisee shall immediately notify Franchisor of any claims arising under any of the aforesaid policies of insurance, as well as any actual or contemplated cancellation or modification of any insurance coverage pertaining to the Franchised Business.

11.4. Waiver of Subrogation. To the extent this Section 11.4 may be effective without invalidating, or making it impossible to secure, insurance coverage from responsible insurance companies doing business in the state in which the Franchised Business is located (even though an extra premium may result), with respect to any loss covered by insurance Franchisor and Franchisee then carry, neither party's insurance companies have any right of subrogation against those of the other.

11.5. Indemnification By Franchisee. Franchisee agrees to indemnify Franchisor, Franchisor's Affiliates, and Franchisor's and Franchisor's Affiliates' respective shareholders, members, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") and defend and hold them harmless for, from and against any and all Losses and Expenses they incur that directly or indirectly arise out of or in connection with:

(a) the establishment, construction, opening or operation of the Franchised Business;

(b) the business Franchisee conducts under this Agreement;

(c) any transfer or sale by Franchisee of the Franchised Business;

(d) Franchisee's noncompliance or alleged noncompliance with any law, ordinance, rule or regulation;

(e) libel, slander or disparaging comments made by Franchisee or any of its Owners, officers or directors regarding the System or any Fast-Fix Service Center or Indemnified Party (this provision does not apply to disclosure of truthful information to governmental authorities);

(f) any allegation that Franchisor is a joint employer or otherwise responsible for Franchisee's acts or omissions relating to its employees;

(g) Franchisee's breach of this Agreement; or

(h) Franchisee's breach of any agreement with a third party.

Franchisee's indemnification obligation applies to all Losses and Expenses directly or indirectly arising out of any action, matter or occurrence set forth above, even if caused by the Indemnified Party's negligence; *provided, however*, that Franchisee's indemnification obligation does not apply to any Losses and Expenses that are determined to be caused solely by Franchisor's gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. The Indemnified Parties have the right, in their sole discretion, to: (a) retain counsel of their choosing to represent them; and (b) control the response thereto and the defense thereof, including the right to settle a Claim. Franchisee may participate in the defense at Franchisee's expense. Franchisee must fully cooperate and assist the Indemnified Parties with defense of the Claim and reimburse all Losses and Expenses they incur. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses and Expenses, in order to maintain and recover fully a claim against Franchisee under this Section. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this Section. Franchisee's indemnification obligations survive, and remain in full force and effect after, the transfer, termination or expiration of this Agreement. For purposes of this indemnification provision, the following

terms have the meanings given to them below:

"*Claim*" means and includes any action, allegation, assessment, claim, demand, litigation, proceeding or regulatory procedure, investigation or inquiry; and

"*Losses and Expenses*" means and includes any of the following: (a) actual, compensatory, consequential, exemplary and punitive damages (including damage to reputation or goodwill); (b) settlement amounts; (c) fines and penalties; (d) any and all costs associated with investigating and/or defending a Claim, including (i) travel and living expenses to travel to and attend proceedings or hearings related to the matter; (ii) fees and costs for attorneys (regardless of whether any litigation, arbitration or other dispute resolution proceeding is initiated), accountants, expert witnesses and other professionals or experts (including travel and living expenses they incur to attend proceedings or hearings related to the matter), (iii) fees for mediators or arbitrators, (iv) filings fees or other costs imposed by courts or alternative dispute resolution providers; and (v) costs of investigation and proof of facts; and (e) all other costs, damages, liabilities and expenses associated with any of the foregoing losses and expenses or otherwise incurred by an Indemnified Party as a result of any matter described above to which Franchisee's indemnification obligation applies.

11.6. Notices to Franchisor. Franchisee shall notify Franchisor in writing within five days of the occurrence of any of the following events in connection with the Franchised Business:

(a) The actual commencement of, any action, suit, countersuit or other proceeding against Franchisee;

(b) The receipt of any notice of noncompliance by Franchisee with any law, rule or regulation; or

(c) The issuance of any order, writ, injunction, award or decree by any court, agency or other governmental instrumentality against Franchisee.

Franchisee shall provide Franchisor, within five days of request, any information regarding each such event.

ARTICLE 12.
DEFAULT; TERMINATION

12.1. Default. The occurrence of any of the following events shall constitute a default and, after the expiration of any cure period specified below, shall be good and sufficient cause for Franchisor, at its option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement on notice to Franchisee:

(a) If Franchisee does not secure the site for the Service Center within the time limits and following the procedures specified in ARTICLE 7 of this Agreement;

(b) If Franchisee fails to open the Service Center for business within 180 days after the Effective Date;

(c) If (i) Franchisee shall be adjudicated a bankrupt, becomes insolvent, or if a receiver (permanent or temporary) of its property or any part thereof is appointed by a court of competent authority; (ii) Franchisee makes a general assignment for the benefit of creditors; (iii) a final judgment against Franchisee remains unsatisfied of record for 30 days or longer (unless a supersedeas bond is filed); or (iv) execution is levied against Franchisee's business or property, or suit to foreclose any lien or mortgage against the Service Center or equipment is instituted against Franchisee and not dismissed within 30 days;

(d) If Franchisee fails to pay Franchisor, its Affiliates or suppliers any amount (including but not limited to the Royalty Fees in Section 4.2 or Brand Fund Fees or other advertising fees or required expenditures in Section 4.3) due under this Agreement or any other agreement, and such default is not cured within 10 days after notice thereof by Franchisor or such other party;

(e) If Franchisee fails to submit the monthly and annual statements or other financial statements or data or reports on Gross Sales as and when required pursuant to this Agreement, and such default

is not cured within 10 days after notice thereof, or if Franchisee makes any intentionally false statement in connection therewith;

(f) If Franchisee breaches any obligation or requirement (not otherwise addressed in this Section 12.1) set forth in this Agreement, as may be supplemented by the Brand Standards Manual or any other instructional material, and such default is not cured within 10 days after notice thereof;

(g) If Franchisee receives three or more notices of default under this Agreement or any other agreement with Franchisor or any of its Affiliates (including any sublease or other franchise agreement), as may be supplemented by the Brand Standards Manual and any other instructional material (whether for the same or different defaults and regardless of whether such defaults were cured);

(h) If Franchisee suffers a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Franchised Business, and permits the same to go uncorrected for a period of 10 days after notice thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and Franchisee promptly resorts to courts or forums of appropriate jurisdiction to contest such violation or legality;

(i) If a serious or imminent threat or danger to public health or safety results from the construction, maintenance or operation of the Franchised Business and such threat or danger remains uncorrected for two days after delivery by Franchisee of written notice thereof from Franchisor, Franchisee's landlord, or a governmental authority, unless a cure cannot be reasonably completed in such time, in which event Franchisee will immediately begin to take all reasonable steps to cure, and such cure is not completed within 30 days (or such shorter time as specified by the Lease or Master Lease, if applicable) after delivery of such notice;

(j) If Franchisee, Franchise Operator, or any officer, director, owner or managerial employee of Franchisee, pleads guilty to, pleads no contest to or is convicted of a felony, a crime of moral turpitude or any other crime or offense or is alleged to have committed such offense that Franchisor believes is likely to have a material adverse effect on the System or the goodwill associated with the Marks;

(k) If Franchisee, after the expiration of all redemption periods, loses the right to possess the Service Center and Franchisee does not relocate in accordance with Section 3.2;

(l) Franchisee denies or otherwise interferes with Franchisor's right to inspect the Franchised Business or to audit the sales and accounting records of the Franchised Business, or fails to comply with sales audit recommendations to correct significant internal control deficiencies;

(m) If Franchisee engages in conduct which is harmful to or reflects unfavorably on Franchisee or the System in that such conduct exhibits a reckless disregard for the physical or mental well-being of employees, customers, Franchisor's representatives or the public at large, including, but not limited to battery, assault, sexual harassment or discrimination, racial harassment or discrimination, alcohol or drug abuse or other forms of threatening, outrageous or unacceptable behavior as determined in Franchisor's discretion;

(n) If, except as expressly permitted by this Agreement, any person attempts or purports to transfer or assign this Agreement, or any interest, rights or obligations under this Agreement, without Franchisor's prior consent or otherwise breaches any of the provisions of ARTICLE 10;

(o) If Franchisee knowingly maintains false books or records, or knowingly submits any false reports to Franchisor, or otherwise fails to maintain full, complete and accurate books of account and records pursuant to Section 4.9;

(p) If Franchisee makes any unauthorized use or disclosure of the Confidential Information or the Marks, or breaches any covenants of ARTICLE 7 or ARTICLE 8 (or any other provision relating to Franchisee's obligations relating to confidentiality or noncompetition);

(q) If Franchisee, except as expressly permitted under Section 15.17, creates, permits, or suffers a lien against, or pledges, mortgages, hypothecates, grants a security interest in, or in any manner encumbers this Agreement (or any interest herein) or any of Franchisee's other assets used in connection with the Franchised Business or any of the voting or ownership interests in Franchisee (or in any owner of Franchisee);

(r) If Franchisee fails to permanently correct a breach of this Agreement or to meet the standards set out in the Brand Standards Manual after receiving 3 requests in writing by us to correct the same or a similar breach in any 12 month period; or

(s) If Franchisee defaults under the Lease or any other agreement between Franchisee and Franchisee's landlord and Franchisee does not cure the default within the period specified in the Lease or other agreement.

12.2. Cross Default and Termination. If Franchisee or any of its Affiliates defaults under any other agreement with Franchisor or any of its Affiliates (including any other franchise agreement or sublease), and such default is not cured within any permitted period, if any, as provided in such other agreement, such default is deemed a default under this Agreement. If, as a result of such default or the exercise of any other termination right, Franchisor or its Affiliates terminate such other agreement, Franchisor may immediately terminate this Agreement on notice to Franchisee without providing Franchisee with any additional opportunity to cure. Likewise, if Franchisee or any of its Affiliates defaults under this Agreement, such default is considered a default under any other agreement with Franchisor or any of its Affiliates (including, without limitation, any sublease or franchise agreement); and Franchisor may terminate any of such other agreements on notice to Franchisee without providing Franchisee with any additional opportunity to cure.

12.3. Effect of Termination. On the expiration of the Term or sooner termination of this Agreement, all rights granted under this Agreement to Franchisee terminate immediately, and the provisions of this Section 12.3 shall apply to the rights and obligations of the parties.

(a) Franchisee's authorization to use in any manner the FAST-FIX name or the Marks shall immediately terminate. Franchisee shall immediately discontinue the use of the System and the Marks, and the use of any and all signs and printed goods bearing the Marks, or any reference to them. Franchisee shall not thereafter, directly or indirectly: (i) identify itself in any manner as a franchisee of Franchisor; (ii) publicly identify itself as a former franchisee; (iii) use any of Franchisor's Confidential Information, the Marks, or trade names, service marks or trademarks similar to or likely to be confused with any of the Marks; or (iv) use the FAST-FIX name, the Marks, or any other name or trademark that contains the words "Fast," "Fix," "Jewelry Repair," "Jewelry and Watch Repair," or any phonetic or confusingly similar words, in connection with any business, including a Competitive Business. Franchisee must take such action as may be required to cancel all fictitious or assumed name(s) or equivalent registrations relating to Franchisee's use of any of the Marks and, at Franchisor option, to assign to Franchisor (or its designee) or cancel any electronic address, domain name or website, or rights maintained in connection with any search engine, that associates Franchisee with Franchisor, the System, or the Marks. Further, not later than 10 days after the expiration or sooner termination of this Agreement, Franchisee shall remove, or cause to remove, as the case may be, all references existing on the internet—whether direct or indirect or human-readable or machine-readable only—to the Franchised Business, the System (including the Marks), or Franchisor or its owners, officers, or employees.

(b) Franchisor or its designee shall have the first priority option (but not the obligation) to purchase any or all Franchisee's equipment at its Designated Value, and if Franchisor exercises such option, Franchisee shall sell such items to Franchisor at such price, free and clear of all liens, claims and other encumbrances. "Designated Value" shall mean the lesser of (i) fair market value and (ii) Franchisee's cost less depreciation on a straight line basis of 10% percent per year.

(c) Franchisee will vacate the Service Center immediately, or, at the option of Franchisor, will immediately make such removals or changes in signs and colors of the Service Center as

Franchisor shall reasonably request so as to distinguish effectively the Service Center from their former appearance and from other FAST-FIX businesses. If Franchisee fails to make such changes, then Franchisor may enter on the Service Center and make such changes at Franchisee's expense, without being guilty of trespass or any other tort or criminal act. Additionally, if the Service Center is not subleased by Franchisor or its Affiliates to Franchisee, Franchisor shall have the option to require Franchisee to assign its leasehold interest in the Service Center to Franchisor.

(d) Franchisee shall return to Franchisor all paper copies of the Brand Standards Manual and other instructional documents, materials or manuals, display items, promotional aids and writings bearing the FAST-FIX name or containing Confidential Information. Franchisee shall immediately cease using any telephone numbers for the Franchised Business used at any time before such expiration or termination. To ensure that Franchisee has ceased using such telephone numbers on termination of this Agreement or its expiration, Franchisee has authorized Franchisor to take whatever actions are necessary to comply with the foregoing in accordance with the Conditional Assignment of Telephone Numbers and Listings attached as Attachment 3 hereto, which Franchisee is executing simultaneously with this Agreement.

(e) In the event of termination for any default of Franchisee, the extent of all damage which Franchisor has suffered by virtue of such default shall be and remain a lien in favor of Franchisor against any and all of the personal property, machinery, fixtures and equipment owned by Franchisee on the Service Center at the time of such default.

12.4. Liquidated Damages for Premature Termination. Franchisee must pay Franchisor liquidated damages if Franchisor terminates this Agreement due to Franchisee's default. Liquidated damages are calculated as the product of Average Monthly Fees multiplied by the lesser of (a) 36 or (b) the total number of full months remaining under the Term as of the termination effective date. "Average Monthly Fees" means the combined average monthly Royalty Fee and Brand Fund Fee (without regard to any fee waivers or other reductions, and regardless of collection) imposed by this Agreement during the 36-month period preceding the termination date (or during the period of time Franchisee operated the Service Center if less than 36 months). In determining Average Monthly Fees, the average monthly Royalty Fee shall in no event be less than $1,200 per month (i.e., the minimum annual Royalty Fee divided by 12). Liquidated damages is not a penalty. The parties agree the amount of liquidated damages set forth in this Section is in proportion to, and is necessary to protect, Franchisor's legitimate interests, including: (a) encouraging its franchisees to commit to the 10-year franchise relationship in which both parties have already invested time and expense to develop; (b) the time and expense Franchisor will incur to ensure Franchisee's timely and orderly departure from the franchise network and recruit a new franchisee to acquire franchise rights to the Territory; (c) protecting the reputation and goodwill associated with the Marks; and (d) partially compensating Franchisor for the financial damages it expects to incur as a result of Franchisee's breach. Liquidated damages are in addition to and not in lieu of: (a) any fees or other amounts incurred by Franchisee prior to the termination of this Agreement, all of which must be paid by Franchisee in accordance with the terms hereof; or (b) any damages Franchisor or its Affiliates incur as a result of Franchisee's breach; *provided, however*, that Franchisor may not pursue a claim against Franchisee for recovery of lost future profits if Franchisee pays Franchisor all liquidated damages owed when due. If this liquidated damages clause is unenforceable under applicable Law, then Franchisor is only entitled to recover actual damages that Franchisor incurs as a result of Franchisee's default and the resulting termination of this Agreement. As a purely liquidated damages provision, this Section 12.4 does not preclude, nor is inconsistent with, a court granting Franchisor specific performance or any other equitable remedies, such as an injunction, to prevent future breaches. Franchisor's rights to liquidated damages and specific performance or any other equitable relief are not mutually exclusive. **THIS LIQUIDATED DAMAGES FORMULA IS STIPULATED TO BE ACCEPTABLE TO ALL PARTIES AND TO BE USED BY ANY COURT OF COMPETENT JURISDICTION IN CALCULATING THE AWARD OF DAMAGES TO US FOR TERMINATION OF THIS AGREEMENT.**

ARTICLE 13.
GOVERNING LAW; DISPUTE RESOLUTION

13.1. Choice of Forum. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Broward County, Florida, and that, therefore, each of the parties irrevocably and unconditionally:

(a) Agrees that legal proceedings arising out of or relating to this Agreement: if in court, shall be brought only in the courts of record of either the State of Florida in Broward County or the United States District Court for the Southern District of Florida; and, if in arbitration, shall be conducted only in Broward County, Florida and shall be enforced by courts of record of either the State of Florida in Broward County or the United States District Court for the Southern District of Florida;

(b) Consents to the jurisdiction of each such court in any suit, action or other legal proceeding brought in accordance with the terms of this Agreement;

(c) Waives any objection which he, she or it may have to the location or venue of any suit, action, arbitration, or other legal proceeding brought in accordance with the terms of this Agreement; and

(d) Agrees that service of any court paper or arbitration notice may be effected on such party pursuant to Section 15.7 or in such other manner as may be provided under applicable laws in the State of Florida or relevant court or arbitration rules.

Notwithstanding the foregoing or anything else in this Agreement to the contrary, Franchisor may seek: (i) equitable or injunctive relief or (ii) a decree of specific performance in any jurisdiction.

13.2. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 *et seq.*) or other federal law, this Agreement and any other agreement relating thereto, and all transactions contemplated thereby, as well as Franchisor's offer, sale, or negotiation of a FAST-FIX franchise or the relationship of the parties arising therefrom or from entering this Agreement, are governed by, and must be construed and enforced in accordance with, the internal laws of Florida, without regard to its conflict-of-laws principles. NOTWITHSTANDING THE FOREGOING, ANY STATUTES IN THE FOREGOING JURISDICTION REGULATING THE OFFER OR SALE OF FRANCHISES, BUSINESS OPPORTUNITIES, OR SIMILAR INTERESTS OR GOVERNING THE RELATIONSHIP BETWEEN THE PARTIES TO THIS AGREEMENT, OR BETWEEN FRANCHISOR AND FRANCHISEE'S GUARANTORS AND OWNERS, IF ANY, DO NOT APPLY UNLESS THEIR RESPECTIVE JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION 13.2.

13.3. Enforcement Costs. If any legal action, arbitration, or other proceeding is instituted for the enforcement of this Agreement in connection with any dispute, the successful or prevailing party or parties is entitled to recover reasonable attorneys' fees (including pre-institution and post-institution fees), court costs and all expenses even if not taxable as court costs (including all such fees, costs and expenses incident to appellate, bankruptcy and post-judgment proceedings), incurred in connection with such action or proceeding, in addition to any other relief to which such party or parties may be entitled. If Franchisor is required to engage legal counsel or other professionals in connection with any failure by Franchisee to pay when due any monies owed under this Agreement or submit when due any reports, information or supporting records, or in connection with any failure otherwise to comply with this Agreement, Franchisee shall reimburse Franchisee on demand for all of the above-listed costs and expenses it incurs, whether or not a legal action, arbitration, or other proceeding is initiated.

13.4. Injunctive Relief/Specific Performance. Nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct (including, without limitation, conduct under Article 7, Article 8, or Section 12.1, or the unauthorized use of the Marks) in any court of competent jurisdiction that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions. Franchisee recognizes that the Franchised Business is, or is intended to be, one of a large number of businesses identified by the Marks in selling to the public the services associated with the Marks. Consequently, the failure by a single Franchisee to comply with the

terms of its franchise agreement is likely to cause irreparable damage to Franchisor or to some or all of the other franchisees within the system and damages at law would be an inadequate remedy. Therefore, in the event of a breach or threatened breach by Franchisee of this Agreement, Franchisor may seek an injunction restraining such breach or a decree of specific performance (together with recovery of reasonable attorneys' fees and costs incurred in obtaining such equitable relief at all trial and appellate levels). It may do so without demonstrating or proving any irreparable damage. Moreover, Franchisor may seek such relief without posting any bond or security (but if a court of competent jurisdiction requires a bond or security, Franchisee agrees and acknowledges that a bond or security of $1,000 will be adequate). The foregoing equitable remedies are in addition to all other rights or remedies to which Franchisor may otherwise be entitled to because of any breach of this Agreement by Franchisee.

13.5. Arbitration and Dispute Resolution. Except as otherwise provided in Section 13.4, in the event any dispute, claim, or controversy should arise between the parties hereto in connection with, arising from, or relating to: any provision of this Agreement; the relationship of the parties hereto; the existence, validity, performance, termination, or enforceability of this Agreement or any other agreement entered into by Franchisor or its subsidiaries or Affiliates and Franchisee; the offer, making, or interpretation of this Agreement or any other agreement entered into by Franchisor or its subsidiaries or Affiliates and Franchisee; a breach of this Agreement or any other agreement entered into by Franchisor or its subsidiaries or Affiliates and Franchisee; any claim against a past or present employee, officer, director, member, shareholder or agent of Franchisor; any claim by Franchisee or any Persons in Privity (as defined below) with Franchisee with or claiming through, on behalf of or in the right of Franchisee related to any of the above-described disputes, claims, or controversies; or the arbitrability of any of the above-described disputes, claims, or controversies, including the existence, scope or validity of this Agreement or this arbitration provision ("Arbitrable Disputes") shall be submitted to final and binding arbitration as the sole and exclusive remedy if and after the procedure for negotiation outlined herein has failed. It is explicitly agreed by each of the parties hereto that no such arbitration shall be commenced except in conformity with this Article 13.

13.6. Persons in Privity. "Persons in Privity" with or claiming through, on behalf of, or in the right of Franchisee include but are not limited to spouses, family members, domestic partners, heirs, executors, trustees, representatives, successors and assigns.

13.7. Claims Limitation. Except for claims brought by Franchisor with regard to Franchisee's obligations to make payments to Franchisor and to indemnify Franchisor pursuant to this Agreement, any and all claims and actions arising out of or relating to this Agreement (including, but not limited to, Arbitrable Disputes) shall be barred unless commenced within the earliest of either (1) two years from the date on which the act or event giving rise to the claim occurred; or (2) one year from the date on which Franchisee or Franchisor knew or should have known in the exercise of reasonable diligence of the facts giving rise to such claim or action, unless different rules are required to be applied in connection with statute of limitations set forth under applicable law.

13.8. Negotiation Process. The parties will first attempt to resolve any Arbitrable Disputes by negotiation in accordance with the following procedure:

(a) First Notice. Any party wishing to initiate consideration of an Arbitrable Dispute hereunder shall first give written notice (a "First Notice") to the other party setting forth in reasonable detail the nature of the Arbitrable Dispute. Both parties shall then use their best efforts to negotiate in good faith to diligently resolve the Arbitrable Dispute within fifteen (15) days of the giving and receipt of the First Notice.

(b) Dispute Notice. If the Arbitrable Dispute remains unresolved after the expiration of this fifteen (15) day period, then the party, which delivered the First Notice, shall give written notice to the other (a "Dispute Notice"), which notice shall set forth a full disclosure of all factual evidence and a statement of the applicable legal basis of the Arbitrable Dispute; provided, however, that (i) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right

which a party may then or thereafter possess; and (ii) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or other proceeding without the prior written consent of the party making such disclosure and/or statement.

(c) Final Dispute Notice. If the parties fail to resolve the Arbitrable Dispute(s) within thirty (30) days of receipt of the Dispute Notice, any party may notify the other party of such failure by delivery of a written notice (a "Final Dispute Notice"). On the giving or receipt of a Final Dispute Notice, any Arbitrable Dispute shall be finally settled by final and binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules in force as of the date the demand for arbitration is filed (the "Arbitration Rules") and in accordance with the terms of this Agreement.

(d) The parties acknowledge and agree that Franchisor may elect to alter this procedure for negotiation of Arbitrable Disputes by outlining a revised process in the Brand Standards Manual which, if provided, may be revised periodically at Franchisor's discretion.

13.9. Arbitration Process.

(a) Selection of Arbitrator(s). Arbitration shall be conducted by one arbitrator appointed by the American Arbitration Association in accordance with its rules and utilizing the striking method, unless Franchisor elects for the dispute to be decided before a panel of three arbitrators. If Franchisor makes such election, Franchisor and Franchisee shall each appoint one arbitrator, and the two arbitrators so appointed shall appoint a third arbitrator to act as Chairman of the tribunal. If a party fails to nominate an arbitrator within thirty (30) days from the later of (1) the date of the claimant's demand for arbitration or (2) the date of the notice from the American Arbitration Association seeking designation of such arbitrator, then such appointment shall be made by the American Arbitration Association. The two arbitrators thus appointed shall attempt to agree on the third arbitrator to act as Chairman. If said two arbitrators fail to nominate the Chairman within 30 days from the date of the appointment of the second arbitrator to be appointed, the Chairman shall be appointed by the American Arbitration Association in accordance with the Arbitration Rules. Any arbitrator selected or appointed hereunder shall be an attorney experienced generally in franchise law and commercial litigation.

(b) Location of the Arbitration. The arbitration shall be conducted in Broward County, Florida at such location as shall be mutually agreed on by the parties in writing (or decided by the arbitrator(s) if the parties are unable to agree). If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered by the arbitrator(s) against such party notwithstanding such failure to appear and judgment on the award rendered by the arbitrator(s) may be entered in a court having competent jurisdiction in Broward County, Florida pursuant to the Federal Arbitration Act.

(c) Costs of Arbitration. The expenses, wages, and other compensation of any witnesses called before the arbitrator(s) shall be borne by the party calling the witnesses. Other expenses incurred, including wages of participants, and preparation of briefs and data to be presented to the arbitrator(s), will be borne separately by the respective parties. Only the fee for the arbitration, the arbitrator's fees and expenses, the cost of any hearing room, and the cost of a shorthand or similar reporter and the original transcript will be borne equally by the parties to the arbitration.

(d) Power of the Arbitrators. The arbitrator(s) shall have the authority to determine timeliness and arbitrability of any dispute. The arbitrator(s) shall have no authority to modify or amend the terms of this Agreement or to award consequential, speculative, punitive or exemplary damages. The arbitrator(s) shall have the authority to award damages but may not award damages in excess of actual damages except to the extent the right or claim at issue is brought pursuant to the indemnification provision in Section 11.5 or as otherwise expressly set forth in this Agreement.

(e) Res Judicata/Preclusive or Collateral Estoppel. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder,

except to the extent such issue may have been determined in another proceeding between Franchisor and Franchisee or any Person in Privity with Franchisee.

(f) Form of the Decision. Each arbitration decision rendered hereunder: shall be in writing; shall individually address and dispose of each claim and the relief granted related thereto; shall set forth a recital of facts and a legal analysis regarding the disposition of each such claim and the resulting rendition of the award relating to each such claim (if any); and, in general, shall be specific regarding the reasons underlying any and all determinations, awards or conclusions, including all principles of law applied.

(g) Payment of Monetary Awards in Arbitration. The parties agree that the award of the arbitrators shall be made, and shall be promptly paid, in U.S. dollars free of any tax, deduction, or offset; and that any costs, fees, or taxes incident to enforcing the award shall, to the maximum extent permitted by law, be charged against the party resisting such enforcement. The parties agree that the arbitrators may award interest from the date of any damages incurred for breach or other violation of this Agreement, and from the date of the award, until paid in full, at a rate to be fixed by the arbitrators, but in no event less than two and one-half percent (2.5%) per annum above the Citibank Preference Rate quoted for the corresponding periods, as reported in the Wall Street Journal, or the maximum rate permitted by applicable law, whichever is less.

(h) Final and Binding Arbitration Decision. The parties agree that the decision and award by the arbitrator(s) shall be final and, binding regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator(s), and judgment on the award, including any partial, temporary or interim award, may be entered and enforced by judgment or order of a court having competent jurisdiction in Broward County, Florida subject to the Federal Arbitration Act. The parties consent to the exercise of personal jurisdiction over them by any such court for the purpose of carrying out this provision; and they waive any objections they would otherwise have concerning such matters. Franchisor and Franchisee each waives any right to contest, and hereby agrees not to contest, the validity or enforceability of such award. To the extent necessary, other courts may award full faith and credit to such judgment in order to enforce such award.

(i) Parties to Arbitration. Parties to arbitration under this Agreement shall not include, by consolidation, joinder or in any other manner, any person other than Franchisor, Franchisee, and any Person in Privity with Franchisee, unless both parties to this Agreement consent in writing. The parties agree that any arbitration arising out of an Arbitrable Dispute is only a matter between Franchisor and Franchisee and no other franchisees or other third parties. Franchisee agrees not to join or attempt to join other franchisees or other third parties in any arbitration proceeding. Franchisee hereby waives any right to assert a class action claim on behalf of other franchisees, or to bring claims in a purported representative capacity, and agrees to refrain from participating in any class action litigation or arbitration proposed or asserted by one or more other franchisees. Any arbitration shall be brought on an individual, and not a class-wide basis. The filing of any court proceeding by Franchisor pursuant to Section 13.4 does not waive Franchisor's right to enforce the terms of this Section 13.9(i) in any subsequent arbitration, litigation or other proceeding.

13.10. Confidentiality of Negotiation Process and Arbitration. Except to the extent required under applicable law, the negotiations, the arbitration proceeding, the information disclosed therein, and any judgment, award, or opinion rendered shall be subject to the confidentiality requirements of Section 8.1.

ARTICLE 14.
TAXES

Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement. In the event of any bona fide dispute as to the liability for the taxes assessed against Franchisee, Franchisee may contest the validity or the amount of the tax in accordance with procedures of the taxing authority. In no event, however, shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant to occur against the Service Center or equipment thereon. In the event a tax or levy is imposed by

any jurisdiction or government entity on Franchisor related to this Agreement, Franchisee shall reimburse Franchisor within 10 days of such imposition and payment by Franchisor.

ARTICLE 15.
MISCELLANEOUS PROVISIONS

15.1. Time of the Essence. Time is of the essence in this Agreement, and failure to comply with any of the deadlines provided for herein shall be considered a material breach of this Agreement.

15.2. No Oral Modification. Except as expressly provided by this Agreement, no attempted or purported change or modification of any of the terms or conditions set forth in this Agreement shall be of any effect unless the change or modification is reduced to writing and signed by both parties hereto.

15.3. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties hereto, their successors, heirs, legal representatives and permitted assigns.

15.4. Survival. Notwithstanding the expiration or sooner termination of this Agreement, all obligations of the parties which expressly or by their nature survive such expiration or termination shall continue in full force and effect until they are satisfied or by their nature expire.

15.5. Entire Agreement. This Agreement (including all exhibits hereto and any Nondisclosure and Noncompetition Agreement between Franchisor and Franchisee or its owners or employees), together with any agreements referred to herein, represent the entire agreement of the parties hereto with respect to the subject matter hereof, and completely supersedes any and all prior agreements, negotiations, understandings and representations, if any, made by and between the parties. No representation, inducement, promise, or agreement, oral or otherwise, if any, not embodied in this Agreement, or any agreement referred to herein, is of any force and effect. Nothing is intended to disclaim, or require Franchisee to waive reliance on: (a) any representation made in the Franchise Disclosure Document that Franchisor has provided; (b) any representations that we (or our personnel or agents) made to you prior to the Effective Date. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

15.6. Waiver. The failure, forbearance, neglect, or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, does not affect the right of such party to require performance of that provision or to exercise any right, power or remedy hereunder. A waiver by any party of any breach of any provision of this Agreement must not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to or demand on any party in any case, of itself, entitles such party to any other or further notice or demand in similar or other circumstances. Franchisor and Franchisee will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; Franchisor's or Franchisee's failure, refusal, or neglect to exercise any right under this Agreement or to insist on the other's compliance with this Agreement, including, without limitation, any of Franchisor's standards or specifications for operating a Fast-Fix Service Center; Franchisor's waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Fast-Fix Service Centers; the existence of franchise agreements for Fast-Fix Service Centers which contain provisions different from those contained in this Agreement; or Franchisor's acceptance of any payments due from Franchisee after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to Franchisor will be a waiver, compromise, settlement, or accord and satisfaction. Franchisor is authorized to remove any legend or endorsement, which then will have no effect.

15.7. Notices. All notices, requests, approvals, consents, demands and other communications required or permitted to be given under this Agreement shall be in writing, signed by the party making or giving the notice or demand, and hand delivered, delivered by reputable overnight courier (such as FedEx), sent by facsimile or email with confirmation receipt, or mailed by certified or registered mail, return receipt requested, to each of the parties hereto as follows:

(a) To Franchisor at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487, Attention: Patrick A. Kuiper, President.

(b) To Franchisee at: _____.

Each such notice is deemed delivered: (i) on the date delivered if by personal delivery; (ii) on the date of transmission (provided confirmation is sent as described above) if by facsimile or email; or (iii) on the date on which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities or courier service as not deliverable, as the case may be, if mailed or couriered. Notwithstanding anything in this Agreement to the contrary, if Franchisee comprises more than one individual, notice delivered by Franchisor to Franchisee at the foregoing address is considered notice to all individuals comprising Franchisee. Franchisee acknowledges and agrees that e-mail communication shall be an appropriate means of communication between Franchisor and Franchisee.

15.8. Change of Address Notice. The addresses where notices are to be delivered under this Agreement may be changed by either party hereto by designating a new address, in writing, and delivering such designation to the other party in the same manner as notices are to be delivered under Section 15.7.

15.9. Entity Franchisee. If Franchisee is a corporation, limited liability company, limited partnership, or other entity, it shall, at or prior to its execution of this Agreement, provide to Franchisor the following: (a) formation documents filed with the state of its formation certified to be true and correct by the appropriate official of such state and a "good standing" certificate as to Franchisee from such appropriate official, (b) a list of owners together with each owner's corresponding ownership interest, (c) a certificate from each owner stating that it (and its owners) has no interest in any Competitive Business, (d) a certificate of incumbency of managers, officers and directors, as applicable, and (e) minutes or written consent authorizing the execution of this Agreement, certified to be true and correct by the secretary of Franchisee. The owners of all the issued and outstanding voting equity of the entity as certified by an authorized officer shall be and remain, at all times, parties, individually, to this Agreement and jointly and severally liable for all of the obligations and undertakings of Franchisee hereunder. No additional voting equity shall be issued without Franchisor's consent.

15.10. Miscellaneous. As used in this Agreement and when required by context;

(a) each number (singular or plural) includes all numbers, each gender includes all genders and the word "it" includes the appropriate pronoun as the context requires;

(b) "Including (include)" means "including (include), without limitation";

(c) "Or," as in "A or B," means A or B or both; and

(d) "Herein, "hereunder," and "hereof" refer to this Agreement, and not to the specific Section in which that term occurs.

15.11. Headings. The headings and subheadings contained in this Agreement are for convenience of reference only, are not to be considered a part of this Agreement and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement.

15.12. Force Majeure. Except as set forth in the next sentence, neither Franchisor nor Franchisee shall be liable for loss or damage or deemed to be in breach of this Agreement, if its failure to perform its obligations results solely from any of the following causes: (a) transportation shortages or inadequate supply of equipment, merchandise, supplies, labor, material, or energy; (b) compliance with any applicable law; or (c) war, strikes, natural disaster or acts of God. Any delay resulting from any of such causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that in no event shall such causes excuse payments of amounts owed to Franchisor for any reason.

15.13. Severability.

(a) If any provision of this Agreement or any other agreement entered into pursuant to this Agreement is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder of this Agreement shall not be invalidated thereby and shall be given full force and effect so far as possible. If any provision of this Agreement may be construed in two or more ways, one of which would render the provision invalid or otherwise voidable or unenforceable and another of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable.

(b) If any applicable law of any jurisdiction requires a greater prior notice of the termination of or non-renewal of this Agreement (if permitted) than is required under this Agreement, or the taking of some other action not required under this Agreement, or if under any applicable law of any jurisdiction, any provision of this Agreement or any requirement prescribed by Franchisor is invalid or unenforceable, the prior notice or other action required by such law shall be substituted for the comparable provisions of this Agreement. Franchisor shall have the right, in its discretion, to modify such invalid or unenforceable requirement to the extent required to be valid and enforceable. Such modifications to this Agreement shall be effective only in such jurisdiction, unless Franchisor elects to give them greater applicability, and this Agreement shall be enforced as originally made and entered into in all other jurisdictions.

15.14. No Rights to Withhold Payments; Setoff. Franchisee agrees that he will not, on grounds of an alleged non-performance by Franchisor of any of its obligations or any other reason, withhold payment of any amounts due whatsoever. No endorsement or statement on any check or payment of any sum less than the full sum due to Franchisor shall be construed as an acknowledgment of a payment in full or an accord and a satisfaction, and Franchisor may accept and cash such check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law. Franchisor may apply any payments made by Franchisee against any past due indebtedness of Franchisee as it may see fit. Franchisor may set off against any sums payable to Franchisee hereunder any unpaid debts to Franchisor.

15.15. Right to Sign Franchise Agreement on Different Terms. Franchisee acknowledges and agrees that Franchisor may have in the past and may in the future enter into franchise agreements with other franchisees on terms and conditions materially different from the terms set forth herein.

15.16. Third Parties. Except as provided in this Agreement to the contrary with respect to any Affiliates of Franchisor, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons (including other franchisees) other than the parties and their respective personal representatives, other legal representatives, heirs, successors and permitted assigns. Further, nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action over or against any party to this Agreement. The parties agree that each of their respective owners, officers, directors, employees, agents, attorneys and other representatives are third-party beneficiaries of the provisions of ARTICLE 13, and of Sections 15.21, 15.26 and 15.27.

15.17. Security Interest. As security for all monetary and other obligations of Franchisee to Franchisor or its Affiliates, Franchisee grants to Franchisor a first priority security interest in all assets of Franchisee in the Franchised Business, including all furniture, fixtures, machinery, equipment, inventory and all other property (tangible or intangible), now owned or later acquired by Franchisee used in connection with the Franchised Business and wheresoever located as well as all contractual and related rights of Franchisee under this Agreement and all other agreements between the parties. Franchisee agrees to execute such financing statements, continuation statements, notices of lien, assignments or other documents as may be required in order to perfect and maintain Franchisor's security interest. Franchisor may, in its discretion, enter a subordination agreement, in form and substance satisfactory to it, whereby it will subordinate its security interest to: (a) the security interest of a reputable institutional lender relating to a loan to

Franchisee for reasonable working capital purposes; (b) the purchase money security interest of an approved equipment vendor for any equipment purchased or leased by Franchisee and used in the operation of the Franchised Business; or (c) the purchase money security interest of a supplier of approved products sold at the Franchised Business. Franchisee shall pay all filing fees and costs for perfecting Franchisor's security interest.

15.18. Intentionally Omitted.

15.19. Intentionally Omitted.

15.20. Acknowledgment of Risk. Franchisee acknowledges and agrees to the following:

(a) IN ALL OF FRANCHISOR'S DEALINGS WITH FRANCHISEE, FRANCHISOR'S OFFICERS, DIRECTORS, EMPLOYEES, BROKERS (IF ANY), AND OTHER REPRESENTATIVES ACT ONLY IN A REPRESENTATIVE CAPACITY AND NOT IN AN INDIVIDUAL CAPACITY. THIS AGREEMENT, AND ALL BUSINESS DEALINGS BETWEEN FRANCHISEE AND SUCH INDIVIDUALS AS A RESULT OF THIS AGREEMENT, ARE SOLELY BETWEEN FRANCHISEE AND FRANCHISOR;

(b) ANY INFORMATION FRANCHISEE ACQUIRES FROM OTHER FAST-FIX SERVICE CENTER FRANCHISEES RELATING TO THEIR SALES, PROFITS OR CASH FLOWS DOES NOT CONSTITUTE INFORMATION OBTAINED FROM FRANCHISOR, NOR DOES FRANCHISE MAKE ANY REPRESENTATION AS TO THE ACCURACY OF ANY SUCH INFORMATION; AND

(c) FRANCHISOR MAKES NO WARRANTY AS TO FRANCHISEE'S ABILITY TO OPERATE THE FRANCHISED BUSINESS IN THE JURISDICTION IN WHICH THE FRANCHISED BUSINESS IS TO BE OPERATED. IT IS INCUMBENT ON FRANCHISEE TO SEEK OR OBTAIN ADVICE OF COUNSEL SPECIFICALLY WITH RESPECT TO THIS ISSUE. IN THE EVENT THAT LEGISLATION ENACTED BY, OR REGULATION OF, ANY GOVERNMENTAL BODY PREVENTS FRANCHISEE FROM OPERATING THE FRANCHISED BUSINESS, FRANCHISOR SHALL NOT BE LIABLE FOR DAMAGES NOR BE REQUIRED TO INDEMNIFY FRANCHISEE IN ANY MANNER WHATSOEVER OR TO RETURN ANY MONIES RECEIVED FROM FRANCHISEE.

15.21. Intentionally Omitted.

15.22. Modification of the System. FROM TIME TO TIME AFTER THE DATE OF THIS AGREEMENT, FRANCHISOR MAY CHANGE OR MODIFY THE SYSTEM (INCLUDING THE TYPES OF GOODS AND SERVICES OFFERED BY THE FRANCHISED BUSINESS). FRANCHISEE SHALL ACCEPT, AND IS BOUND BY, ANY SUCH CHANGES IN THE SYSTEM AS IF THEY WERE PART OF THIS AGREEMENT AT THE TIME OF ITS EXECUTION. FRANCHISEE WILL MAKE SUCH EXPENDITURES AND SUCH CHANGES OR MODIFICATIONS TO COMPLY WITH THE CHANGES OR MODIFICATIONS OF THE SYSTEM AS FRANCHISOR MAY REASONABLY REQUIRE.

15.23. Remedies Cumulative. Except as otherwise expressly provided in this Agreement, no remedy in this Agreement conferred on any party is intended to be exclusive of any other remedy. Each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or later existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy under this Agreement shall preclude any other or further exercise of such right, power or remedy.

15.24. Interpretation. The parties acknowledge that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental to this Agreement and, therefore, none of the parties shall, while this Agreement is effective or after its termination, claim or assert that any provisions of this Agreement or any of the other documents should be construed against the drafter of this Agreement or any of the other documents.

15.25. Waiver of Punitive, Exemplary, and Speculative Damages Claims. EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY FRANCHISOR FOR THIRD PARTY CLAIMS UNDER SECTION 11.5 AND TO PAY FRANCHISOR LIQUIDATED DAMAGES UNDER SECTION 12.4, THE PARTIES MUTUALLY AND WILLINGLY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO, OR CLAIM FOR, ANY PUNITIVE, EXEMPLARY, OR SPECULATIVE DAMAGES AGAINST THE OTHER. IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT.

15.26. Waiver of Jury Trial. EXCEPT FOR THE FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR FOR THIRD PARTY CLAIMS UNDER SECTION 11.5, AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, THE PARTIES MUTUALLY AND WILLINGLY WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY AND ALL CLAIMS MADE BETWEEN THEM WHETHER NOW EXISTING OR ARISING IN THE FUTURE (INCLUDING ANY AND ALL CLAIMS, DEFENSES, COUNTERCLAIMS, CROSS CLAIMS, THIRD PARTY CLAIMS AND INTERVENOR'S CLAIMS), WHETHER ARISING FROM OR RELATED TO THE SALE, NEGOTIATION, EXECUTION, OR PERFORMANCE OF THE TRANSACTIONS TO WHICH THIS AGREEMENT RELATES.

15.27. Counterparts. This Agreement may be executed in two or more counterparts, each of which is an original, but all of which together constitute one and the same instrument. Confirmation of execution by facsimile, or scanned and emailed, signature page shall be binding on any party so confirming.

15.28. Consents, Approvals and Satisfaction. Whenever Franchisor's consent or approval is required under this Agreement, such consent or approval is not binding on Franchisor unless such consent or approval is in writing and signed by the Franchisor. No other officer, employee, or agent of Franchisor has authority to execute any consent or approval on behalf of Franchisor. Franchisor consent or approval, whenever required, may be withheld if any default by Franchisee exists under this Agreement. Unless this Agreement expressly states otherwise, anytime Franchisor satisfaction is required under this Agreement, such satisfaction is determined on the basis of Franchisor judgment. Further, any consent or approval provided by Franchisor under or arising out of this Agreement (including the approval of the Service Center or any minimum insurance requirements) is not, directly or indirectly, a representation or warranty (including whether the Franchised Business will be profitable, whether Franchisee's sales will attain any predetermined levels, or whether any approved assignee will be able to meet its financial obligations to assignor or any other party) relating to the subject of such consent or approval. Such consent or approval is an expression only that Franchisor's minimum requirements for Franchisor to grant it have been met, or waived, in Franchisor's discretion. Additionally, Franchisee shall not claim that the provision or withholding of any consent or approval by Franchisor imposes any liability on Franchisor. Any approval or consent of Franchisor under or arising out of this Agreement shall be granted or withheld in its discretion, unless this Agreement expressly requires otherwise.

15.29. Joint and Several Liability. If Franchisee consists of more than one person, or one or more of such persons sign this Agreement on or in behalf of Franchisee, all such persons are jointly and severally liable with each other and with Franchisee for Franchisee's liabilities and obligations under this Agreement.

15.30. Joinder. On a permitted transfer pursuant to Section 10.3 or on the marriage of an individual Franchisee, such transferee or spouse shall immediately execute Franchisor's then-current form of joinder (the "Joinder"). Under the Joinder, each such party shall agree, among other things, that he, she or it is personally bound by all the terms of this Agreement as if he, she or it were Franchisee or "sublessee" thereunder and agrees that he, she or it is jointly and severally liable with the other parties making up Franchisee or "sublessee" for all Franchisee's and each other's obligations under this Agreement. Further, the acts and omissions of each such party is deemed to be the act or omission of Franchisee. Consequently, any act or omission of one of such parties that would be a default under this Agreement if committed or omitted by Franchisee is considered to be a default by Franchisee. Likewise, if any of such party violates any of his, her or its obligations under the Joinder, such violation is considered a material default under this Agreement entitling Franchisor to immediately terminate this Agreement.

15.31. Anti-Terrorism Law.

(a) Franchisee represents and warrants to Franchisor as follows:

(i) Neither Franchisee, its individuals or Affiliates nor any of their respective agents (collectively, the "Franchisee Parties") is in violation of any law relating to terrorism or money laundering including, but not limited to, Executive Order No. 13224 on Terrorist Financing, the U.S. Bank Secrecy Act, as amended by the Patriot Act, the Trading with the Enemy Act, the International Emergency Economic Powers Act and all regulations promulgated thereunder, all as amended from time to time (collectively, "Anti-Terrorism Law").

(ii) No action, proceeding, investigation, charge, claim, report, or notice has been filed, commenced, or threatened against any of Franchisee Parties alleging any violation of any Anti-Terrorism Law.

(iii) None of the Franchisee Parties has, after due inquiry, knowledge of any fact, event, circumstance, situation or condition which could reasonably be expected to result in any action, proceeding, investigation, charge, claim, report, notice or penalty being filed, commenced threatened or imposed against any of them relating to any violation of or failure to comply with any Anti-Terrorism Law.

(iv) None of the Franchisee Parties is a "Prohibited Person." A Prohibited Person means any of the following:

(A) A person or entity that is "specially designated" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control or which is owned, controlled by or acting for or on behalf of any such person or entity.

(B) A person or entity with whom Franchisor is prohibited from dealing by any Anti-Terrorism Law.

(C) A person or entity that commits, threatens, or conspires to commit or supports "terrorism," as defined in any Anti-Terrorism Law.

(b) None of the Franchisee Parties:

(i) Conducts any business or transactions or makes or receives any contribution of funds, goods, or services in violation of any Anti-Terrorism Law;

(ii) Engage in or conspire to engage in any transaction that evades or avoids, has the purpose of evading or avoiding or attempts to violate any of the prohibitions of any Anti-Terrorism Law.

(c) Franchisee agrees promptly to deliver to Franchisor (but in any event within 10 days of Franchisor's written request) any certification or other evidence requested from time to time by Franchisor, in its reasonable discretion, confirming Franchisee's compliance with the foregoing.

15.32. Approval and Guaranty Provision. If Franchisee is a corporation, all Franchisee's shareholders, or, if Franchisee is a partnership, all Franchisee's general partners, or, if Franchisee is a limited liability company, all Franchisee's members, shall approve this Agreement, permit Franchisee to furnish the financial information required by Franchisee and agree to the restrictions placed on them, including restrictions on the transferability of their interests in the franchise and the Fast-Fix Service Center and limitations on their rights to compete, and sign separately a Personal Guaranty Agreement, guaranteeing Franchisee's payments and performance hereunder. Where required to satisfy Franchisor's standards of creditworthiness, or to secure the obligations made under this Agreement, Franchisee's spouse, or the spouses of Franchisee's Affiliates, may be asked to sign the Personal Guaranty Agreement. Our form of Personal Guaranty Agreement appears as Attachment 7 hereto.

15.33. Business Organization. If Franchisee is a business organization (like a corporation, limited liability or partnership) it will completely and accurately describe all of its Owners and their interests in Franchisee, by completing the Principal Owners Statement, a form of which is attached as Attachment 8 hereto. The

word “Owner” means any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in another person (or a transferee of this Agreement or an interest in Franchisee), including any person who has a direct or indirect interest in Franchisee or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in the revenue, profits, rights or assets.

The parties are executing this Agreement as of the date set forth in the first paragraph of this Agreement.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

Attachment 1

SCHEDULE OF INITIAL FEES

Franchisee Designation: (check one)

☐ Kiosk
☐ Inline Store

Initial Franchise Fee: $_____

Attachment 2

TERRITORY AND SITE OF SERVICE CENTER

The undersigned, pursuant to Section 3.1 of the Franchise Agreement (the "Franchise Agreement") simultaneously being entered into with Jewelry Repair Enterprises, Inc. ("Franchisor"), hereby accepts the following as the Territory:

_____
_____
_____
_____.

The undersigned hereby further accepts the following site as the Service Center for the Franchised Business:

_____.

This Attachment 2 shall be retained pursuant to the terms and conditions of the Franchise Agreement. Capitalized terms used herein but not otherwise defined shall have the meanings given to those terms in the Franchise Agreement.

Effective Date: _____, 20___

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

Attachment 3

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

This Conditional Assignment of Telephone Numbers and Listings (the "**Assignment**") is entered into this ___ day of _____, 20__ between Jewelry Repair Enterprises, Inc., a Pennsylvania corporation, with its principal place of business at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 ("**Franchisor**," "**we**," "**us**" or "**our**") and _____, a(n) _____{corporation, limited liability company}, whose current principal place of business is _____ ("**Franchisee**," "**you**" or "**your**"). You and we are sometimes referred to collectively as the "parties" or individually as a "party."

BACKGROUND INFORMATION:

We have simultaneously entered into the certain Franchise Agreement (the "**Franchise Agreement**") dated as of _____ with you, pursuant to which you plan to own and operate a franchised jewelry and watch repair business, which offers products and services from a kiosk or from an in-line store (the "**Service Center**"). The Fast-Fix Service Center uses certain proprietary knowledge, procedures, formats, systems, forms, printed materials, applications, methods, specifications, standards and techniques authorized or developed by us (collectively the "**System**"). We identify Service Centers and various components of the System by certain trademarks, trade names, service marks, trade dress and other commercial symbols (collectively the "**Marks**"). In order to protect our interest in the System and the Marks, we will have the right to control the telephone numbers and listings of the Service Center if the Franchise Agreement is terminated.

OPERATIVE TERMS:

You and we agree as follows:

1. **Background Information**: The background information is true and correct. This Assignment will be interpreted by reference to the background information. Terms not otherwise defined in this Assignment will have the meanings as defined in the Franchise Agreement.

2. **Conditional Assignment**: FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor: (a) those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the "**Telephone Numbers and Listings**"); and (b) those certain internet website addresses ("**URLs**") associated with the Marks and used from time to time in connection with the operation of the Service Center at the address provided above. This Assignment is for collateral purposes only and, except as specified herein. Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor shall notify the telephone company and/or the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as "**Telephone Company**") and/or Franchisee's internet service provider ("**ISP**") to effectuate the assignment pursuant to the terms hereof. On termination or expiration of the Franchise Agreement (without extension) for any reason. Franchisor shall have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings and the URLs, and, in such event. Franchisee shall have no further right, title or interest in the Telephone Numbers and Listings and the URLs, and shall remain liable to the Telephone Company and the ISP for all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment hereunder.

3. **Power of Attorney**: Franchisee agrees and acknowledges that as between Franchisor and Franchisee, on termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to and interest in the Telephone Numbers and Listings and the URLs, and Franchisee irrevocably appoints Franchisor as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, to direct the Telephone Company and the ISP to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. On such event, Franchisee shall immediately notify the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor. If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor, Franchisor shall direct the Telephone Company and the ISP to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Telephone Company and the ISP may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Telephone Numbers and Listings and the URLs on such termination or expiration and that such assignment shall be made automatically and effective immediately on Telephone

Company's and ISP' s receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Telephone Company or the ISP requires that the parties execute the Telephone Company's or the ISP's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein on termination or expiration of the Franchise Agreement.

4. **Indemnification**: You will indemnify and hold us and our affiliates, stockholders, directors, officers, employees, agents and representatives (collectively, the "**Indemnified Parties**") harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses that any of the Indemnified Parties incur as a result of any claim brought against any of the Indemnified Parties or any action which any of the Indemnified Parties are named as a party or which any of the Indemnified Parties may suffer, sustain or incur by reason of, or arising out of, your breach of any of the terms of any agreement or contract or the nonpayment of any debt you have with the Telephone Company and/or ISP.

5. **Binding Effect**: This Assignment is binding on and inures to the benefit of the parties and their respective successors-in-interest, heirs, and successors and assigns.

6. **Assignment to Control**: This Assignment will govern and control over any conflicting provision in any agreement or contract which you may have with the Telephone Company.

7. **Attorney's Fees, Etc.**: In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment or the enforcement thereof, the prevailing party will be entitled to reimbursement of its attorneys' fees, costs and expenses from the non-prevailing party. The term "attorneys' fees" means any and all charges levied by an attorney for his or her services including time charges and other reasonable fees including paralegal fees and legal assistant fees and includes fees earned in settlement, at trial, appeal or in bankruptcy proceedings and/or in arbitration proceedings.

8. **Severability**: If any provision or Section of this Assignment is held invalid for any reason, the remainder of this Assignment or of any such provision or Section will not be affected, and will remain in full force and effect in accordance with its terms.

9. **Governing Law and Forum**: This Assignment is governed by Florida law. The parties will not institute any action against any other parties to this Assignment except in the United States District Court for the Southern District of Florida or the courts of general jurisdiction in Broward County, Florida and irrevocably submit to the jurisdiction of such courts and waive any objection they may have to either jurisdiction or venue of such court. The parties hereby adopt the choice of law, waiver of punitive damages, exemplary damages and speculative damages and waiver of jury trial provisions in the Franchise Agreement.

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

ASSIGNOR:

{NAME, a(n) _____{corporation, limited liability company}}

By: _____
Print Name: _____
Title: _____
Date Signed: _____

ASSIGNEE:
JEWELRY REPAIR ENTERPRISES, INC., a Pennsylvania corporation

By: _____
Print Name: _____
Title: _____
Date Signed: _____

Attachment 4

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

THIS NONDISCLOSURE AND NONCOMPETITION AGREEMENT ("**Agreement**") made as of the _____, 20__, is between Jewelry Repair Enterprises, Inc., a Pennsylvania corporation ("**Franchisor**") and _____ ("**Individual**") in connection with that certain Franchise Agreement dated _____, 20__ ("**Franchise Agreement**") between Franchisor and _____, a(n) _____{corporation, limited liability company} ("**Franchisee**")**.**

W I T N E S E T H:

WHEREAS, Franchisor has granted Franchisee the right to operate a Fast-Fix Service Center (the "**Franchised Business**" or "**Fast-Fix Service Center**") at a Kiosk, an Inline Store, or a Store-in-Store Location in a larger retail store; and

WHEREAS, Individual is (a) one of Franchisee's legal or beneficial owners, (b) spouse of Franchisee's legal or beneficial owners, or (c) an individual who will receive training by Franchisee or Franchisor that is directly related to the Franchised Business, and which is, and will have access to some or all of Franchisor's Trade Secrets and other Confidential Information (as such terms are defined below); and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Franchisor, Franchisee or any other Fast-Fix Center in any Competitive Business (as defined below).

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

Individual understands Franchisee possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

(a) For the purposes of this Agreement, a "**Trade Secret**" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in developing or operating the Franchised Business or Fast-Fix Service Center that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(b) For the purposes of this Agreement "**Confidential Information**" means any and all information, knowledge, know how, technologies, processes, techniques, trade secrets, business methods, procedures, pricing methodology, all draft and final site selection criteria and layouts, designs and other plans and specifications for the construction, buildout, design, renovation, décor, equipment, signage, fixtures and trade dress elements of the Fast-Fix Service Center and any other information that Franchisor designates as confidential, proprietary or trade secrets, and information Franchisor declares to Franchisee or which Franchisee learns about Franchisor, its business or its franchise system, that is not readily available to the general public. Confidential Information includes, but is not limited to, the following of Franchisor: the Brand Standards Manual; the Customer List; any other information pertaining to Franchisee's customers or potential customers that Franchisee may collect or maintain; lists or identities of customer accounts or relationships, or particular suppliers of products with whom Franchisor has developed working relationships; and any other franchise or instructional materials.

(c) Any information expressly designated by Franchisor or Franchisee as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his/her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands that Franchisor's providing access

to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisor with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

(a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisor or Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisor or Franchisee establish from time to time with regard to the Confidential Information and Trade Secrets.

(b) Individual's obligations under paragraph 2(a) of this Agreement shall continue in effect after expiration or termination of the Franchise Agreement or the termination of Individual's relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisor and Franchisee are entitled to communicate Individual's obligations under this Agreement to any future customer, employer, or other party to the extent deemed necessary by Franchisor or Franchisee, as applicable, for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Fast-Fix Service Center.

3. Non-Competition

(a) For purposes of this Agreement, the term "**Competitive Business**" means (i) any retail business offering any of the following goods or services: jewelry or watch repairs, jewelry or watch sales, ring sizing, chain repair and replacement, remounting, engraving, eyeglass frame repair, watch and electronic device repair, and battery replacement as well as custom jewelry design and select gift, jewelry and watch retail product opportunities or any other goods or services of Franchisees that are then authorized for Franchisor's System, or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph. Nevertheless, involvement in a Competitive Business does not include ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than 5% of the number of shares of that class of securities issued and outstanding.

(b) During the term of your employment, association, service or ownership participation in Franchisee, and for a period of 24 months following the expiration or termination of Individual's employment, association, service or ownership participation in Franchisee, Individual shall not, directly or indirectly (through an immediate family member or otherwise), on his/her own behalf or on behalf of any other person or entity:

(i) solicit or otherwise attempt to induce, by combining or conspiring with, or attempting to do so, or in any other manner influence any business affiliate of Franchisor to terminate or modify his, her or its business relationship with Franchisor, or to compete against Franchisor;

(ii) as owner, officer, director, employee, agent, lender, broker, consultant, franchisee or in any other similar capacity whatsoever be connected in any manner with the ownership, management, operation or control, or conduct of a Competitive Business located within a radius of 25 miles from the premises of the Franchised Business or within a radius of 25 miles of any other franchised or company-owned Fast-Fix Service Center (provided that this restriction shall not apply to a 5% or less beneficial interest in a publicly held corporation);

(iii) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of Franchisor or any of its other franchisees;

(iv) direct any prospective or existing business or economic opportunities away from Franchisor, Franchisee, their respective affiliates, or any other Fast-Fix Service Center to a Competitive Business, wherever located or operating; or

(vi) perform any act prejudicial or injurious to the goodwill associated with the Marks.

(c) Individual acknowledges that he or she is prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant. Individual acknowledges and agrees that enforcement of these provisions will not deprive Individual of his/her personal goodwill or ability to earn a living and that Individual possesses the skills and abilities of a general nature and has other opportunities for exploiting such skills. The time period of the competitive restrictions in paragraph 3(c) above will be automatically extended by the time period of any breach thereof.

(d) On termination of franchise ownership or employment by Franchisee, Individual shall surrender to Franchisor all materials considered proprietary by Franchisor, technical or non-technical, whether or not copyrighted, which relate to Trade Secrets, Confidential Information or conduct of the operations of the Franchised Business. Individual expressly acknowledges that any such materials of any kind given to him or her are and will remain the sole property of Franchisor.

4. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of the legitimate business interests of Franchisor and Franchisee, including, without limitation, the Trade Secrets and other Confidential Information, the Franchisor's business system, the Franchisor's network of franchises, and the Marks. Individual hereby waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Relief for Breaches of Confidentiality and Non-Competition

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisor and Franchisee immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Franchisor and Franchisee shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisor and/or Franchisee may have at law or in equity.

6. Miscellaneous

(a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisor. This Agreement cannot be altered or amended except by an agreement in writing signed by Individual and Franchisor.

(b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

(c) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving Broward County, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Franchisor where Franchisee or Individual is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

(d) Individual agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

(e) This Agreement shall be binding on the successors and assigns of Individual and shall inure to the benefit of Franchisor, its subsidiaries, successors and assigns. Franchisee is an intended third-party beneficiary of this Agreement with the independent right to enforce the confidentiality and non-competition provisions contained herein.

(f) The failure of either party to insist on performance in any one (1) or more instances on performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

(g) Notices will be delivered in accordance with the terms of the Franchise Agreement. Any notices to Individual will be delivered to the address set forth below Individual's signature hereto.

(h) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

(i) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

(j) The existence of any claim or cause of action Individual might have against Franchisee or Franchisor will not constitute a defense to the enforcement by Franchisee or Franchisor of this Agreement.

(k) This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. Facsimile or electronic PDF (scanned) signatures will have the same force and effect as originals.

(l) Except as otherwise expressly provided in this Agreement, no remedy conferred on Franchisee or Franchisor pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT FRANCHISEE IS A THIRD PARTY BENEFICIARY TO THIS AGREEMENT AND THAT FRANCHISEE SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF FRANCHISOR.

(The remainder of this page has been intentionally left blank.)

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first set forth above.

FRANCHISOR:

JEWELRY REPAIR ENTERPRISES, INC.
a Pennsylvania corporation

By: _____

Printed Name: _____

Title: _____

Date Signed: _____

INDIVIDUAL:

Signature: _____

Printed Name: _____

Date Signed: _____

Address for Notices:

_____

_____

E-Mail: _____

FRANCHISEE:

{NAME}
{a(n) _____ corporation, limited liability company}

By: _____

Printed Name: _____

Title: _____

Date Signed: _____

{Signature page to Nondisclosure and Noncompetition Agreement}

Attachment 5

REQUIRED PROVISIONS FOR LEASE RIDER

REQUIRED PROVISIONS FOR LEASE RIDER

All leases, subleases and/or related documents Franchisee enters into for the Service Center from which Franchisee will operate the Franchised Business (collectively, the "Lease") must contain a Rider with provisions acceptable to Franchisor providing that:

1. Landlord agrees that on the occurrence of a default by Tenant under the Lease (an "Event of Default"), Landlord will not exercise any remedy under the Lease that involves the acceleration of obligations, or the termination, cancellation or rescission of the Lease, unless:

   a. if the Event of Default is the non-payment of Rent, such Event of Default is not cured within ten (10) days after notice of such default has been received by Franchisor from Landlord;

   b. if the Event of Default is anything other than the non-payment of Rent, such event is not cured by Franchisor within thirty (30) days after notice of such default has been received by Franchisor from Landlord, or, if the Event is of such a nature that it cannot reasonably be cured within such thirty (30)-day period, such longer period of time as long as Franchisor commences to cure such default within such thirty (30)-day and thereafter diligently pursues the cure of such default to completion.

2. Landlord agrees to accept from Franchisor any payment, performance, or cure required or allowed under the Lease. However, nothing in this Rider will be construed as requiring Franchisor to make any payments or perform any obligation under the Lease unless and until the Lease is assigned to and assumed by Franchisor.

3. On (i) the occurrence of an Event of Default and Tenant's failure to cure such Event of Default within any cure period provided under the Lease, or (ii) the expiration or Franchisor's termination of the Franchise Agreement with Tenant, or (iii) Tenant's termination of the Franchise Agreement without cause, or (iv) Tenant's failure to timely exercise any renewal or extension rights granted pursuant to the terms of the Lease, Landlord shall provide Franchisor with notice thereof and Franchisor shall have the right, on written notice to Landlord, to take possession of the premises as the tenant under the Lease and the Lease shall then be assigned to, and assumed by, the Franchisor with no further consent of Landlord required. Alternatively, Franchisor may designate a new franchisee, licensee, joint venture partner or other designee to take assignment of and assume the Lease without Landlord's prior consent.

4. Landlord agrees that following Franchisor's assumption of the Lease as provided in 3 above, Franchisor may sublet or assign the premises to a new franchisee, licensee, joint venture partner or other designee. After such an assignment (but not after a sublease), Franchisor will have no further liability or obligation under the Lease as assignee, tenant, or otherwise with respect to matters that arise after the effective date of the assignment.

5. The Landlord acknowledges that Tenant alone is responsible for all debts, payments and performances accruing under the Lease before Franchisor or another franchisee, licensee, joint venture partner or other designee takes possession of the premises and accepts assignment of the Lease.

6. The Lease may not be modified or amended without Franchisor's advance written consent, which Franchisor may not unreasonably withhold. The Landlord will promptly provide Franchisor with copies of all proposed modifications or amendments and true and correct copies of the executed modifications and amendments.

7. The Landlord agrees to furnish Franchisor with copies of all letters and notices sent to Tenant pertaining to the Lease and the premises, at the same time that these letters and notices are sent to Tenant.

Attachment 6

STATE SPECIFIC RIDERS

CALIFORNIA RIDER TO FRANCHISE AGREEMENT

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document or Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of California:

1. Based upon Franchisor's financial condition, the California Department of Financial Protection and Innovation, Securities Regulation Division requires that all fees be deferred until after the franchisor has completed all of its initial preopening obligations to franchisee and the franchisee is open for business.
2. The Franchise Agreement is amended to delete Section 13.2 in its entirety. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

HAWAII RIDER TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. **The Hawaii Department of Commerce and Consumer Affairs Business Registration Division requires us to defer payment of the initial franchise fee and other initial payments owed by the franchisee to the franchisor until the franchisor has completed its pre-opening obligations under the Franchise Agreement and the franchise location has opened for business.**

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

INDIANA RIDER TO FRANCHISE AGREEMENT

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1(9).

6. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.

7. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

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

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

ILLINOIS RIDER TO FRANCHISE AGREEMENT

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document or

Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of Illinois:

1. The provisions of the Franchise Agreement concerning governing law, jurisdiction, venue and choice of law will not constitute a waiver of any right conferred on Franchisee by the Illinois Franchise Disclosure Act. Illinois law will govern the Franchise Agreement with respect to Illinois franchisees.
2. Pursuant to the Illinois Franchise Disclosure Act (815 ILCS 705 § 4), any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, arbitration may take place outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act **or any other law of Illinois** is void."
4. Sections 705/19 and 705/20 of the Illinois Franchise Act provide rights to Franchisee concerning nonrenewal and termination of a franchise.
5. **Section 4.1(a) of the Franchise Agreement is modified by the addition of the following language:**

   "The payment of all initial franchise fees owed to Franchisor by Franchisee will be deferred until such time as all initial obligations of Franchisor to Franchisee have been fulfilled and Franchisee has started doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition."
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

MARYLAND RIDER TO FRANCHISE AGREEMENT

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document or Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of Maryland:

1. **Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement.**
2. Sections 2.6 and 10.2(k) of the Franchise Agreement, each of which require the execution of a general release, are each amended to add the following language:

   "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."
3. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the Franchise.
4. Section 13.1 of the Franchise Agreement requires venue to be limited to Broward County, Florida. Any litigation arising or claims under the Maryland Franchise Registration and Disclosure Law may be brought by Franchisee in Maryland.
5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

MINNESOTA RIDER TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. Section 4.1(a) is amended to add the following language:

   Based on its financial condition, Franchisor is required by the Minnesota Department of Commerce to defer initial fees until Franchisor has fulfilled its pre-opening obligations to Franchisee and Franchisee is open for business.

2. The following language will appear at the end of Section 13.1 of the Franchise Agreement ("Choice of Forum"):

   "Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit the Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or agreement(s) can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

3. No release language set forth in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.

4. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

5. The Franchisor shall indemnify the Franchisee against liability to third parties resulting from claims by third parties that the Franchisee's use of the Franchisor's trademarks infringes trademark rights of the third party. The Franchisor does not indemnify the Franchisee against the consequences of the Franchisee's use of the Franchisor's trademarks except in accordance with the requirements of the Franchise Agreement, and, as a condition to indemnification, the Franchisee must provide notice to the Franchisor of any such claim and tender the defense of the claim to the Franchisor within ten (10) days after the claim is asserted. If the Franchisor accepts the tender of defense, the Franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

NEW YORK RIDER TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document or Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold under the laws of the State of New York:

1. Sections 2.6 and 10.2(k) of the Franchise Agreement are each amended to include the following language immediately following the requirement that Franchisee execute a General Release:

   "Provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, Section 687.4 and 687.5 be satisfied."

2. Section 10.10 of the Franchise Agreement is amended to include the following language:

   "However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume its obligations under this Agreement."

3. Section 31 of the Franchise Agreement is amended to include the following language:

   "You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York."

4. Sections 13.1 ("Choice of Forum") and 13.2 ("Governing Law") of the Franchise Agreement are amended to include the following language:

   "However, to the extent required by Article 33 of the General Business Law of the State of New York, this Section shall not be considered a waiver of any right conferred on you by the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder."

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document or Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of North Dakota:

1. **Precedence and Defined Terms**. This Rider is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Franchise Agreement.

2. **Renewal**. The last sentence in Section 2.6 of the Franchise Agreement is modified to state: "If Franchisor allows Franchisee to renew, Franchisee shall be required to sign a general release, in a form prescribed by Franchisor, as a condition of such renewal, except as to any claims arising under the North Dakota Franchise Investment Law."

3. **Initial Franchise Fee**. Section 4.1(a) of the Franchise Agreement is modified by the addition of the following language:

   "The payment of the Initial Franchise Fee will be deferred until all initial obligations owed to Franchisee under this Agreement or other documents have been fulfilled by Franchisor and Franchisee has commenced doing business pursuant to this Agreement."

4. **Covenants Not to Compete**. Section 8.5 of the Franchise Agreement is amended to add the following sentence: "Covenants not to compete such as those referenced in this Section 8.5 are generally considered unenforceable in the State of North Dakota."

5. **Liquidated Damages for Premature Termination.** If the North Dakota Franchise Investment Law is applicable, Section 12.4 of the Franchise Agreement is deleted.

6. **Consent to Jurisdiction**. Section 13.1 of the Franchise Agreement is amended to add the following sentence: "The North Dakota Franchise Investment Law, if applicable, prohibits Franchisor from requiring Franchisee to consent to the jurisdiction of courts outside North Dakota, including courts in Florida."

7. **Governing Law**. Section 13.2 of the Franchise Agreement is amended to add the following sentence: "The North Dakota Franchise Investment Law, if applicable, requires all claims to be governed by North Dakota law and brought in courts of competent jurisdiction in North Dakota."

8. **Arbitration**. Section 13.5 of the Franchise Agreement is amended to add the following sentence: "Under the North Dakota Franchise Investment Law, if applicable, the site of arbitration must be agreeable to all parties and may not be remote from your place of business."

9. **Claims Limitation**. If the North Dakota Franchise Investment Law is applicable, Section 13.7 of the Franchise Agreement is deleted.

10. **Waiver of Trial By Jury**. Section 15.26 of the Franchise Agreement is amended to add the following sentence: "The North Dakota Franchise Investment Law, if applicable, prohibits Franchisor from requiring Franchisee to waive trial by jury for any claims arising under the North Dakota Franchise Investment Law."

11. **Waiver of Exemplary and Punitive Damages**. Section 15.25 of the Franchise Agreement is amended to add the following sentence: "The North Dakota Franchise Investment Law, if applicable, prohibits Franchisor from requiring Franchisee to waive exemplary and punitive damages for any claims arising under the North Dakota Franchise Investment Law."

12. **Agreements/Releases**. Franchisee will not be required to sign a General Release for any claim arising under the North Dakota Franchise Investment Law.

(Signature Page Follows)

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. Any provision in the Franchise Agreement which designates the governing law as that of any state other than the State of Rhode Island is deleted from the Franchise Agreement issued in the State of Rhode Island.
2. Section 19-28.1.-14 of the Rhode Island Franchise Investment Act, as amended by laws of 1993, provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

SOUTH DAKOTA RIDER TO FRANCHISE AGREEMENT

Based upon Franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under this Agreement and Franchisee commences doing business.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

VIRGINIA RIDER TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions will supersede and apply:

1. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by the franchisee to the franchisor until the franchisor has completed its pre-opening obligations under the Franchise Agreement.
2. 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 ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

WASHINGTON RIDER TO FRANCHISE AGREEMENT

In lieu of an impound of franchise fees, Franchisor will not require or accept the payment of any initial franchise fees until Franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the Franchise Agreement or offering circular, and (b) is open for business.

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
2. 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.
3. 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 franchise, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. 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.
5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
6. 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.
7. 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.
8. Pursuant to RCW 19.100.010(F), any person who receives financial incentives to refer franchise prospects to the franchisor may be required to register as a franchise broker under the laws of Washington.
9. Section E on Page 1 of the Franchise Agreement does not apply in Washington.
10. Section 3.3 of the Franchise Agreement is amended to delete the following sentence does not apply in Washington.

    > "Franchisor's approval of a site for the Service Center (or, if subleased from Franchisor, its selection of the site) does not constitute a representation or warranty that the Franchised Business will be profitable or that Franchisee's sales will attain any predetermined levels."

11. Section 15.24 of the Franchise Agreement does not apply in Washington.

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

FRANCHISEE:	**FRANCHISOR:**
{NAME}	**JEWELRY REPAIR ENTERPRISES, INC.**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

Attachment 7

PERSONAL GUARANTY

IF FRANCHISEE IS AN INDIVIDUAL, FRANCHISEE'S SPOUSE MUST SIGN THE FOLLOWING AGREEMENT. IF FRANCHISEE IS A CORPORATION, PARTNERSHIP, OR LIMITED LIABILITY COMPANY, SHAREHOLDER, GENERAL PARTNER, OR MEMBER (AS APPLICABLE), AND THEIR SPOUSES (AS APPLICABLE) MUST SIGN THE FOLLOWING AGREEMENT:

PERSONAL GUARANTY AGREEMENT

THIS PERSONAL GUARANTY AGREEMENT (this "Guaranty"), made as of _____, ____ , by _____, individually, having an address at _____ and _____, individually, having an address at _____ (individually and collectively, the "undersigned" or "Guarantor"), in favor **of Jewelry Repair Enterprises, Inc.**, a Pennsylvania corporation, having its office at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 ("Franchisor").

RECITALS:

A. **WHEREAS**, Franchisor and _____, a(n) _____ {corporation, limited liability company} ("Franchisee") entered into that certain Franchise Agreement dated as of even date herewith to operate a Fast-Fix Service Center franchise located at {_____} (the "Franchise Agreement");

B. **WHEREAS**, as a condition to the grant of the franchise under the Franchise Agreement, Guarantor is required to provide the personal guaranty as set forth below; and

C. **NOW THEREFORE,** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor agrees as follows with the intention of being legally bound:

1. Guarantor unconditionally, jointly and severally, personally and individually guarantees to Franchisor, its successors and assigns, the prompt full payment and performance of all obligations ("Obligations") of Franchisee that are or may become due and owing to Franchisor, including, but not limited to, all Obligations arising under, resulting from or in any way in connection with the Franchise Agreement, any other franchise document related to the Franchise Agreement, or any lease or sublease for the franchised business, in the same manner as if the Franchise Agreement was signed between Franchisor and the Guarantor directly.

2. This Guaranty will not be affected by the modification, extension, or renewal of any agreement between Franchisor and Franchisee, the taking of a note or other obligation from Franchisee or others, the taking of security for payment, the granting of an extension of time for payment, the filing by or against Franchisee of bankruptcy, insolvency, reorganization or other debtor relief afforded Franchisee under the Federal Bankruptcy Act or any other state or federal statue or by the decision of any court, or any other matter, whether similar or dissimilar to any of the foregoing; and this extensions, or renewals.

3. Each of the undersigned waives: (i) 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 undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, all presentments, demands, and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which it, he or she may be entitled.

4. Guarantor agrees that any indebtedness by Franchisee to Guarantor for any reason, currently existing or which might arise in the future, will always be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor. The Guarantor will promptly modify any financing statements on file with state agencies to specify that Franchisor's rights are senior to those of Guarantor.

5. The undersigned further agree that as long as Franchisee owes any money to Franchisor (other than royalty and national advertising fund payments that are not past due) Franchisee may not pay and the undersigned

may not accept payment of any part of any indebtedness owed by Franchisee to any of the undersigned, either directly or indirectly, without the consent of Franchisor.

6. Franchisor has no present or future duty to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation and to discover from Franchisor or require Franchisor to disclose to the undersigned any financial or other information concerning Franchisee, any other guarantor, or any collateral securing any of Franchisee's obligations to Franchisor.
7. This Guaranty will remain in full force and effect until all Obligations are fully paid and satisfied.
8. This Guaranty shall be deemed to be a contract made under, and for all purposes shall be construed in accordance with, the laws of the State of Florida without regard to its choice of law or conflict of law rules. Any litigation initiated under this Guaranty shall be instituted exclusively at Franchisor's discretion in the United States District Court for the Southern District of Florida or the state court in Broward County, Florida. Each of the undersigned expressly agrees that the undersigned is subject to the jurisdiction and venue of those courts for purposes of such litigation. Each of the undersigned hereby waive and covenant never to assert any claim that the undersigned is not subject to personal jurisdiction in those courts or that venue in those courts is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the doctrine of *forum non conveniens*).Each of the undersigned waives any right to a jury trial.
9. No delay or failure of Franchisor in the exercise of any right, power, or remedy shall operate as a waiver thereof, and no partial exercise by Franchisor shall preclude any further exercise thereof or the exercise of any other right, power or remedy.
10. If Franchisor is required to enforce this Guaranty in any proceeding or any appeals, the undersigned must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', and expert witness fees, costs of investigation and proof of facts, court costs, filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.
11. This Guaranty may be executed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Execution and delivery of this Guaranty may be made by facsimile transmission or other electronic transmission.

IN WITNESS WHEREOF, the undersigned have caused this Guaranty to be duly executed and delivered, all as of the ___ day of _____, 20__.

WITNESS(ES):	UNDERSIGNED / GUARANTOR:
_____	_____
Print Name: _____	Print Name: _____
Address: _____	Address: _____
_____	_____
Date Signed: _____	Date Signed: _____
WITNESS(ES):	UNDERSIGNED / GUARANTOR:
_____	_____
Print Name: _____	Print Name: _____
Address: _____	Address: _____
_____	_____
Date Signed: _____	Date Signed: _____

Attachment 8

PRINCIPAL OWNERS STATEMENT

PRINCIPAL OWNERS STATEMENT

This form must be completed by you if you have multiple owners or if you, or your franchised business, is owned by a business organization (like a corporation, limited liability company, or limited partnership). We are relying on the truth and accuracy of this form in awarding the Franchise Agreement to you.

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

(a)	General Partnership	☐
(b)	Corporation	☐
(c)	Limited Partnership	☐
(d)	Limited Liability Company	☐
(e)	Other Specify: _____	☐

Franchisee was formed under the laws of _____.

(state)

2. **Business Entity**. Franchisee was incorporated or formed on _____, 20__, under the laws of the State of _____. Franchisee has not conducted business under any name other than your corporate, limited liability company, limited partnership, or other entity name, and _____. The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions are listed below:

Name of Person	Position(s) Held

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

Owner's Name and Address	Description of Interest

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

This Statement of Principal Owners is current and complete as of _____, 20__.

OWNER

INDIVIDUALS:

_____
{Signature}

_____
{Print Name}
Date Signed: _____

_____
{Signature}

_____
{Print Name}
Date Signed: _____

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP:

_____
{Name}

By: _____

Name: _____

Title: _____

Date Signed: _____

Attachment 9

CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE

CONDITIONAL ASSIGNMENT AND ASSUMPTION OF LEASE

This Conditional Assignment and Assumption of Lease (the "**Assignment**") is made, entered into and effective as of the effective date of the Lease (as defined herein below), by Jewelry Repair Enterprises, Inc., a Pennsylvania corporation, with its principal place of business at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 ("**we**," "**us**" or "**our**") and _____, a(n) _____{corporation, limited liability company}, with its principal place of business at _____ ("**you**" or "**your**").

BACKGROUND INFORMATION

We entered into that certain Franchise Agreement (the "**Franchise Agreement**") dated as of _____, 20__ with you, pursuant to which you plan to own and operate a franchise to operate a jewelry and watch repair business, which offers products and services from a kiosk or Inline Store (the "**Service Center**") located at that certain site approved by us pursuant to Sections 3.1 and 7.1 of the Franchise Agreement ("**Site**"). In addition, pursuant to that certain Lease Agreement (the "Lease"), you have leased or will lease certain space containing the Service Center described therein from _____ (the "**Landlord**"). The Franchise Agreement requires you to deliver this Assignment to us as a condition to the grant of a franchise.

OPERATIVE TERMS

We and you agree as follows:

1. **Background Information**: The background information is true and correct. This Assignment will be interpreted by reference to, and construed in accordance with, the background information.
2. **Incorporation of Terms**: Terms not otherwise defined in this Assignment have the meanings as defined in the Lease.
3. **Indemnification of Us**: You agree to indemnify and hold us and our affiliates, stockholders, directors, officers and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them are named as a party or which any of them may suffer, sustain or incur by reason of, or arising out of, your breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease.
4. **Assignment**: You grant to us a security interest in and to the Lease, all of the furniture, fixtures, inventory and supplies located in the Site and the franchise relating to the Service Center, and all of your rights, title and interest in and to the Lease as collateral for the payment of any obligation, liability or other amount owed by you or your affiliates to the Landlord arising under the Lease and for any default or breach of any of the terms and provisions of the Lease, and for any default or breach of any of the terms and provisions of the Franchise Agreement. In the event of a breach or default by you under the terms of the Lease, or, in the event we make any payment to the Landlord as a result of your breach of the Lease, then such payment by us, or such breach or default by you, will at our option be deemed to be an immediate default under the Franchise Agreement, and we will be entitled to the possession of the Site and to all of your rights, title and interest in and to the Lease and to all other remedies described herein or in the Franchise Agreement or at law or in equity, without prejudice to any of our other rights or remedies under any other Agreements or under other applicable laws or equities. This Assignment will constitute a lien on your interest in and to the Lease until satisfaction in full of all amounts owed by you to us. In addition, our rights to assume all obligations under the Lease provided in this Assignment are totally optional on our part. You agree to execute any and all Uniform Commercial Code financing statements and all other documents and instruments deemed necessary by us to perfect or document the interests and assignments granted herein.
5. **No Subordination**: You will not permit the Lease to become subordinate to any lien without first obtaining our written consent, other than the lien created by this Assignment, the Franchise Agreement, the Landlord's lien under the Lease, liens securing bank financing for your operations on the Site and the agreements and other instruments referenced herein. You will not terminate, modify or amend any of the provisions or terms of the Lease without our prior written consent. Any attempt at termination, modification or amendment of any of the terms without such written consent is null and void.

6. **Exercise of Remedies**: In any case of default by you under the terms of the Lease or under the Franchise Agreement, we will be entitled, in our sole discretion, to exercise any one or more of the following remedies:

   6.1 to take possession of the Site, or any part thereof, personally, or by our agents or attorneys;

   6.2 to without notice and with or without process of law, enter on and take and maintain possession of all or any part of the Site, together with all your furniture, fixtures, inventory, books, records, papers and accounts;

   6.3 to exclude you, your agents or your employees from the Site;

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

   6.5 to cancel or terminate any unauthorized agreements or subleases entered into by you, for any cause or ground which would entitle us to cancel the same;

   6.6 to disaffirm any unauthorized agreement, sublease or subordinated lien, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Site or the Site that may seem judicious; and

   6.7 to insure and reinsure the same for all risks incidental to our possession, operation and management thereof; and/or

   6.8 notwithstanding any provision of the Franchise Agreement to the contrary, to declare all of your rights but not obligations under the Franchise Agreement to be immediately terminated as of the date of your default under the Lease.

7. **Power of Attorney**: You do hereby irrevocably appoint us as your true and lawful attorney-in-fact in your name and stead and hereby authorizes us, on any default under the Lease or under the Franchise Agreement, with or without taking possession of the Site, to rent, lease, manage and operate the Site to any person, firm or corporation on such terms and conditions as we may determine, and with the same rights and powers and immunities, exoneration of liability and rights of recourse and indemnity as we would have on taking possession of the Site pursuant to the provisions set forth in the Lease. The power of attorney conferred on us pursuant to this Assignment is a power coupled with an interest and cannot be revoked, modified or altered without our written consent.

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

9. **Binding Agreements**: This Assignment and all provisions are binding on the parties, their successors, assigns and legal representatives and all other persons or entities claiming under them or through them, or either of them, and the words "we," "us" or "our" or "you" and "your" includes all such persons and entities and any others liable for payment of amounts under the Lease or the Franchise Agreement. All individuals executing on behalf of corporate entities hereby represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder authorizations and approvals.

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

11. **Attorney's Fees, Etc.**: In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment, the prevailing party will be entitled to recover its attorneys' fees, costs and expenses

relating to any trial or appeal (including, without limitation, paralegal fees) or arbitration or bankruptcy proceeding from the non-prevailing Party.

12. **Severability**: If any provision or Section of this Assignment is be held invalid for any reason, the remainder of this Assignment or of any such provision or Section will not be affected thereby, and will remain in full force and effect in accordance with its terms.**IN WITNESS WHEREOF**, the Parties have caused this Assignment to be executed as of the day and year first above written.

"**YOU**":	"**US**":
{NAME}, a(n) _____{corporation, limited liability company)	**JEWELRY REPAIR ENTERPRISES, INC.**, a Pennsylvania corporation
By: _____	
Name: _____	By: _____
Title: _____	Name: _____
Date Signed: _____	Title: _____
	Date Signed: _____

Attachment 10

SBA ADDENDUM

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.

Attachment 11

ACH/PRE-AUTHORIZED DEBIT AUTHORIZATION FORM

ACH/PRE-AUTHORIZED DEBIT AUTHORIZATION FORM
Monthly Royalties, Lightspeed, Lease Negotiations, Franchise Advertising Program (FAP), Promissory Note and Renewal Fees

Store Name: _____ **Store #:** _____

_____

Franchisee Name: _____

I (We) authorize Jewelry Repair Enterprises, Inc. to initiate entries to debit my (our) account as described below:

Account Holder(s) Name: _____

Account Holder(s) Address: _____
City, State & Zip: _____

Financial Institution's Name: _____

Financial Institution's Address: _____

Financial Institution's Routing Number: _____

Checking/Savings Account Number: _____ **Checking:** ☐ **Savings:** ☐

Amount of Debit: Royalty, Lightspeed, Lease Negotiation, FAP, Promissory Note and Renewal Fees are debited as required.

Commencement Date of First Debit: _____

The authority is to remain in full force and effect until Jewelry Repair Enterprises, Inc. has received written notification from me (or either of us) of its termination. A two-week notice is required for the termination of this Authorization Agreement.

Authorized Signature: _____ **Authorized Signature:** _____

Full Name: _____ **Full Name:** _____

Date: _____ **Date:** _____

Telephone Number: _____ **Telephone Number:** _____

RETURN COMPLETED FORM:

ATTENTION: ACCOUNTING, WITH A VOIDED CHECK,
TO THE EMAIL OR ADDRESS BELOW:

Accounting@fastfixfranchise.com

Jewelry Repair Enterprises, Inc. ● 6413 Congress Ave., Ste. 240, Boca Raton, FL 33487 ● Office: (800) 359-0407

EXHIBIT C

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EXHIBIT D

FRANCHISEES LOCATIONS
(As of December 31, 2024)

Part A: Franchisees with outlets open as of December 31, 2024:

FRANCHISEE	ADDRESS	TELEPHONE
	ALASKA	
Northern Jewelers, LLC	5th Avenue Mall 320 W. 5th Avenue, #E50A Anchorage, Alaska 99501	907-278-3278
	ARIZONA	
Johnson, Donald and Kristin & JFMLY Investments, Inc.	Chandler Fashion Center 3111 West Chandler Blvd., #2174 Chandler, Arizona 85226	480-786-6132
Tyler Baldwin & Tora Timeworks LLC	San Tan Village 2200 E. Williams Field Road Bldg. 5, Suite #118 Gilbert, Arizona 85296	480-821-3201
Gosielewski , Fred and Arlene & A&F Jewelry Works, Inc.	Arrowhead Towne Center 7700 W. Arrowhead Towne Center, #2139 Glendale, Arizona 85308	602-878-9811
Johnson, Donald and Kristin & JFMLY Investments, Inc.	Scottsdale Fashion Square 7014 E. Camelback Road, #2096 Scottsdale, Arizona 85251	602-994-8909
Mohammed Al Karain	Park Place Mall 5870 E. Broadway Blvd., #503 Tucson, Arizona 85711	520-514-9292
Mohammed Al Karain	Tucson Mall 4500 Oracle Road, #419 Tucson, Arizona 85705	520-696-0403
	CALIFORNIA	
Yeo, Woonseong (Jeff) and Park, Soonja	Westfield Santa Anita 400 S. Baldwin Avenue, #T34 Arcadia, California 91007	626-446-1446
Ichlokmanian, Vartan and Siran & VVSD Jewelers, Inc.	Valley Plaza 2701 Ming Avenue, #0132 Bakersfield, California 93304	661-636-5844
Geysimonian, Hovhannes (John) and Underhill, Anais Anahit & HAU Jewelry Repairs, Inc.	Brea Mall 1044 E Brea Mall Brea, California 92821	818-522-9697
Le, Tin Duc and Tran, Ly Thi	Westfield Carlsbad 2525 El Camino Real, #235 Carlsbad, California 92008	760-729-1099
Pham, Ben & BBB Premier Jewelry, Inc.	Sun Valley Mall 439 Sun Valley Mall Concord, California 94520	925-680-2552
Ichlokmanian, Harout and Sylva	Westfield Culver City 6000 Sepulveda Blvd., #2800 Culver City, California 90230	310-397-4731
Nguyen, Trang Anh K. & Kim Tu Jewelers Corporation	Stonewood Center 205 Stonewood Street, #B3 Downey, California 90241	562-862-7100

FRANCHISEE	ADDRESS	TELEPHONE
Tran, Vinh and Lieu, Paula & Pro Jeweler & Watch LLC	Westfield Parkway Plaza 295 Parkway Plaza El Cajon, California 92020	619-444-1170
Tran, Vinh Nguyen and Lieu, Paula & Ngoc Pro Jeweler & Watch LLC	Westfield North County Shopping Center 200 E. Via Rancho Parkway, #250 Escondido, California 92025	760-796-4499
Pham, Ben & BBB Premier Jewelry, Inc	Westfield Solano Mall 1350 Travis Blvd., Ste. 1439B Fairfield, California 94533	707-399-0774
Shekarachi, Saeed and Ezdagni, Homeira	Culver Plaza 15333 Culver Drive, Ste. 9008 Irvine, California 92604	949-536-5595
Nguyen, Trang Anh K. & Kim Tu Jewelers Corporation	Lakewood Center 97 Lakewood Center Lakewood, California 90712	562-529-5951
Minassian, Garo (Gary) & I Fix Jewelry & Watches, Inc.	Beverly Center 8500 Beverly Blvd., Suite 703 Los Angeles, California 90048	310-659-9152
Zeeb, Mikhail and Al-Hanna, Razan	Westfield Century City 10250 Santa Monica Blvd., 9001 Los Angeles, California 90067	310-843-9122
Aubin, Despina & Eternal Diamonds, Inc.	Shops at Mission Viejo 210 The Shops at Mission Viejo Mission Viejo, California 92691	949-365-0100
Ouhan, Ohans and Ouhan Khachatryan, Diana & Montclair Jewelry & Watch Repair, Inc.	Montclair Plaza 2079 E. Montclair Plaza Lane Montclair, California 91763	909-625-6560
Goryan, Sam & Adriana Goriani Designs, GP	The Shops at Montebello 1728 Montebello Town Center Drive Montebello, California 90640	323-887-2345
Charaf, Mahmoud (Gio) and Hishmi, Rana	Westfield Plaza Bonita 3030 Plaza Bonita Road, #2437 National City, California 91950	619-267-6519
Shekarchi, Saeed and Ezdagni, Homeira & EZ Tala, Inc.	Fashion Island 401 Newport Center Drive, Suite A205 Newport Beach, California 92660	949-760-1100
Poghosyan, Ishkhan & Reliable Repairs and Retail, Inc.	Northridge Fashion Center 9301 Tampa Avenue, #25 Northridge, California 91324	818-700-1303
Zeeb, Mikhail & ZEEB Enterprises LLC	Westfield Palm Desert 72840 Highway 111, #V415 Palm Desert, California 92260	760-346-0313
Ichlokmanian, Vahan and Kakosimidi, Maria & VIM Services Inc.	Antelope Valley Mall 1233 West Rancho Vista Blvd., Space #902 Palmdale, California 93551	818-935-9830
Ly, Hoa Jim and Nguyen, Hong Tuyet	Stoneridge Shopping Center 2242 Stoneridge Mall Road, #217C Pleasanton, California 94588	925-251-0937
Hong, Ricky	Victoria Gardens 7872 Monet Avenue Rancho Cucamonga, California 91739	909-646-7200

FRANCHISEE	ADDRESS	TELEPHONE
Zeeb, Mikhail and Al-Hanna, Razan	Galleria at Tyler 2032 Galleria at Tyler, #F205 Riverside, California 92503	951-688-8600
Maliki & Co., LLC & Kalayli, Malek Jean	Westfield Galleria at Roseville 1151 Galleria Blvd., #238 Roseville, California 95678	916-780-6888
Ouhan, Ohans and Khachatryan, Diana & Montclair Jewelry & Watch Repair, Inc.	Inland Center Mall 500 S. Inland Center Drive, #356 San Bernardino, California 92408	909-888-6600
Villafuerte, Xavier	Westfield University Towne Center 4525 La Jolla Village Drive, Suite D40 San Diego, California 92122	858-457-1914
Ly, Hoa & Nguyen, Hong	Westfield Oakridge Mall 925 Blossom Hill Road, #1108 San Jose, California 95123	408-972-9710
Gomberg, David and Bonnie	MainPlace Mall 2800 N. Main Street, #701 Santa Ana, California 92705	714-835-7295
Nguyen, Hong and Ly, Hoa	Westfield Valley Fair 2855 Stevens Creek Blvd., #1083 Santa Clara, California 95050	408-296-6398
Poghosyan, Ishkhan (Sean) & J.M.E. Jewelry, Inc.	Westfield Fashion Square 14006 Riverside Drive, #27 Sherman Oaks, California 91423	818-208-9364
Espinoza, Jesus "Tony" A. and Yadira	The Promenade in Temecula 40820 Winchester Road, #2290 Temecula, California 92591	951-296-0727
Villafuerte, Xavier	The Oaks 298 West Hillcrest Drive Thousand Oaks, California 91360	805-557-4994
Ichlokmanian, Akob and Harout & Ichlok & Manian, Inc.	Del Amo Fashion Center 21880 Hawthorne Blvd., #337A Torrance, California 90503	310-370-0330
Arabian, Chant & Fast-Fix Valencia LLC	Westfield Valencia Town Center 24201 West Valencia Blvd., #2265 Valencia, California 91355	661-288-1459
Zeeb, Mikhail & ZEEB Enterprises, LLC	The Mall of Victor Valley 14400 Bear Valley Road, #409 Victorville, California 92392	760-951-8860
Ghassemi, Masood and Saberi, Homeira Torki	Westfield Plaza West Covina 585 Plaza Drive West West Covina, California 91790	626-814-2625
Nguyen, Tranganh K. & Tony Jewelers Corporation	Westminster Mall 1006A Westminster Mall Westminster, California 92683	714-896-6673
COLORADO		
Smith, Douglas & Colorado Jewelry & Watch Repair, Inc.	Cherry Creek Shopping Center 3000 E. First Avenue, #217 Denver, Colorado 80206	720-941-4110
Colorado Jewelry & Watch Repair, Inc. & Smith, Douglas	Park Meadows Mall 8405 Park Meadows Center Drive, #1019 Littleton, Colorado 80124	303-790-0112

FRANCHISEE	ADDRESS	TELEPHONE
DELAWARE		
MRT Enterprises, Inc. & Thompson, Mark E. and Rose M.	Christiana Mall 457 Christiana Mall, #1133 Newark, Delaware 19702	302-453-1151
FLORIDA		
Jara, Xavier Rodrigo and Lorena Carmen & Jara Trading, LLC	Altamonte Mall 415 E. Altamonte Drive, #1445 Altamonte Springs, Florida 32701	407-261-1595
Woskobojnik, Leon Mario & MBM Enterprises Corp. of South Florida	Boca Town Center 6000 Glades Road, #1108A Boca Raton, Florida 33431	561-347-6664
Narvaez, Luis A. and Dawn	Westfield Brandon 649 Brandon Town Center Brandon, Florida 33511	813-655-9498
S.J. Castings & Supplies, Inc. & Sau, Thong and Yen	Westfield Countryside 27001 US Highway 19 North, #9085 Clearwater, Florida 33761	727-724-6016
Estate of Gus Kiriazis & GBMM Enterprises, Inc.	Coral Square Mall 9251 West Atlantic Blvd. Coral Springs, Florida 33071	954-345-4656
Calderon, Franklin E. and Silvia L. & FJ Mas Corp. and K113, LLC	Miami International Mall 1455 NW 107th Avenue, #K113 Miami, Florida 33172	305-639-2450
Agudelo, Esau & Esau Agudelo, Inc.	Coconut Point Town Center 23190 Fashion Drive, #115 Estero, Florida 33928	239-949-4500
Abad, Robert & RA Enterprises of South Florida, Inc.	Edison Mall 4125 Cleveland Avenue, #2015 Ft. Meyers, Florida 33901	239-278-0709
Whitehurst, Christian and Courtney Pamela & CW Repairs, Inc.	St. Johns Town Center 4668 Town Crossing Drive, #109 Jacksonville, Florida 32246	904-641-7545
Whitehurst, Christian and Courtney Pamela & Whitehurst Jewelry, Inc.	The Avenues 10300 Southside Blvd., #130A Jacksonville, Florida 32256	904-519-9666
James, Steven and Maureen & James Enterprises of Brevard, Inc.	Melbourne Square Center 1700 W. Newhaven Avenue, #1030 Melbourne, Florida 32904	321-952-5400
Calderon, Franklin E. and Silvia L. & FJ Mas Corp. and K113, LLC	Dadeland Mall 7565 N. Kendall Dr., #K163 Miami, Florida 33156	305-667-5833
Esau Agudelo, Inc. & Agudelo, Esau	Coastland Center 1920 Tamiami Trail North, #J11 Naples, Florida 34102	239-649-8008
Slaybe, George J. & J.J.J.S. Enterprises, Inc.	The Mall at Millenia 4200 Conroy Road, #199 Orlando, Florida 32839	407-248-8989
Simonassi, Alvaro M.; Delgado, Mariela A., and Pagliano, Roberto G. & PASIM LLC	The Gardens Mall 3101 PGA Blvd., #C125 Palm Beach Gardens, Florida 33410	561-530-7722
Carenso, Inc. & Simonassi, Alvaro M. and Delgado, Mariela A.	Westfield Broward Mall 8000 W. Broward Blvd., #613 Plantation, Florida 33388	954-474-2267

FRANCHISEE	ADDRESS	TELEPHONE
Narvaez, Louis A. & Dawn	Citrus Park Mall 8133 Citrus Park Town Center Mall, #8090 Tampa, Florida 33625	813-792-8486
Slaybe, George & J.J.J.S. Enterprises, Inc.	International Plaza 2223 N. Westshore Blvd., #151B Tampa, Florida 33607	813-644-6879
Slaybe, George & J.J.J.S. Enterprises, Inc.	Shops at Wiregrass 28139 Paseo Drive, Bldg. 7, Space 175 Wesley Chapel, Florida 33543	813-907-3898
Woskobojnik, Leon M. & Orotech, Inc.	Wellington Mall 10300 W. Forest Hill Blvd., #196A Wellington, Florida 33414	561-784-0034
GEORGIA		
Zaim Parada Nunez & MP Victoria Designs LLC	Cumberland Mall 2860 Cumberland Mall, #1452 Atlanta, Georgia 30339	770-437-9600
Zaim Parada Nunez & MP Victoria Designs #2 LLC	Perimeter Mall 4400 Ashford Dunwoody Road, #2225 Atlanta, Georgia 30346	470-883-0007
Gadelov, Moshiykh (Michael) & Michael Jewelry and Watch Repairs LLC	Mall of Georgia 3333 Buford Drive, #2005A Buford, Georgia 30346	770-831-7857
Gadelov, Vladislav Rafael 'Yevich' & MVP Jewelers, LLC	Lenox Square 3393 Peachtree Road NE Atlanta, Georgia 30326	404-869-1877
Cao, Vincent Van	North Point Mall 1000 North Point Circle, #2196 Alpharetta, Georgia 30022	770-619-7069
ILLINOIS		
Bagia, Vijay and Nita & V P Jewelers, Inc.	Chicago Ridge Mall 231 Chicago Ridge Mall, #F3 Chicago ridge, Illinois 60415	708-499-2876
Feldman, Gene & Debra North Shores Jewelers, Inc.	Westfield Hawthorn 1135 Hawthorn Center Vernon Hills, Illinois 60061	847-281-9700
KENTUCKY		
Thurminators, LLC & Thurman, Donald R. and John	Mall of St. Matthews 6000 Shelbyville Road, #1050 Louisville, Kentucky 40207	502-899-2116
Thurminators, LLC & Thurman, Donald R. and John	Meijer #502 4500 S. Hurstbourne Parkway Louisville, Kentucky 40299	502-491-5912
Thurminators, LLC & Thurman, Donald R. and John	Meijer #503 9500 Preston Highway Louisville, Kentucky 40229	502-822-3596
MARYLAND		
Jara, Xavier Rodrigo and Lorena Carmen & Jara Trading, LLC	Westfield Annapolis 1010 Annapolis Mall, #189 Annapolis, Maryland 21401	410-266-6235
Kim, Myong J. & Inja & Daan Incorporated	White Marsh Mall 8200 Perry Hall Blvd., #1475 Baltimore, Maryland 21236	410-933-0427

FRANCHISEE	ADDRESS	TELEPHONE
MISSOURI		
Shalaby, Shadi M. & Fix Time 2 LLC	Saint Louis Galleria 1155 Saint Louis Galleria, #1101 Saint Louis, Missouri 63117	314-725-3278
NEW MEXICO		
Mead, John Thomas & Jewelers Fusion LLC	Coronado Center 6600 Menaul Blvd. NE, #H-002 Albuquerque, New Mexico 87110	505-855-9191
NEW YORK		
Rea, Sergio & Sefer Repair Co., Inc.	Queens Center 9015 Queens Blvd., #1028 Elmhurst, New York 11373	718-271-3103
Kofoff Repair Co., Inc. & Rea, Sergio	Roosevelt Field 630 Old Country Blvd, Space #2015A Garden City, New York 11530	516-248-6969
Lee, Hyun and Sammy	Staten Island Mall 2655 Richmond Avenue, #1418 Staten Island, New York 10314	718-477-9800
NORTH CAROLINA		
Elrefaey, Abdelmagid (Abdo) & Diamond Pyramids Inc.	Crabtree Valley Mall 4325 Glenwood Avenue, Space 2117 Raleigh, North Carolina 27612	919-594-1555
PENNSYLVANIA		
Murphy, John E. John Murphy's Jewelry Repair Center, Inc.	Millcreek Mall 547 Millcreek Mall Erie, Pennsylvania 16565	814-864-8805
Lurie, Gwen D. and Jacques A. & GLurie Enterprises, Inc.	The Plaza at King of Prussia 160 N. Gulph Road, #2025 King of Prussia, Pennsylvania 19406	610-337-3001
Shimenko, Michael Y.	Ross Park Mall 1000 Ross Park Mall Drive, #G02A Pittsburgh, Pennsylvania 15237	412-366-8008
SOUTH CAROLINA		
Conlon-Beaumont, Katrina Rose; Paulson, Jacquelyn Marie and Joel Gregory & Crown Jewels Inc.	Coastal Grand 2000 Coastal Grand Circle, #105 Myrtle Beach, South Carolina 29577	843-839-2933
Smith, Virginia (Jenny) & Jenny the Jeweler LLC	Northwoods Mall 2150 Northwoods Blvd., #F34 North Charleston, South Carolina 29406	843-824-8824
TENNESSEE		
Plotitsa, Lenny and Mila & Goldsmith Repair Company of Franklin, Inc.	Cool Springs Galleria 1800 Galleria Blvd., #2410 Franklin, Tennessee 37067	615-771-8588
Plotitsa, Mila and Lenny & Goldsmith Repair Company of Memphis, Inc.	Wolfchase Galleria 2760 N. Germantown Parkway, #1385 Memphis, Tennessee 38133	901-385-5445
Plotitsa, Lenny & Goldsmith Repair Company of TN, LLC	Mall at Green Hills 2126 Abbott Martin Road, #168 Nashville, Tennessee 37215	615-375-3743

FRANCHISEE	ADDRESS	TELEPHONE
Plotitsa, Lenny & Goldsmith Repair Company of Memphis, Inc.	Opry Mills Mall 150 Opry Mills Drive, Space 516 Nashville, Tennessee 37214	615-851-0424
TEXAS		
Pham, Phuong & Thao & P & H Jewelry, Inc.	The Parks at Arlington 3811 S. Cooper Street, #1012 Arlington, Texas 76015	817-417-9100
Bowtie Holdings, LLC & Mach, Marisa and Corey James	Barton Creek Square Shopping Center 2901 S. Capitol of Texas Highway, #J12 Austin, Texas 78746	512-328-0864
Mach, Marisa and Cori Faye & Lonestar Jewelry Services, LLC	Lakeline Mall 11200 Lakeline Mall Drive, #K5 Austin, Texas 78613	512-257-9419
Jewelry Marketing of the Southwest, Inc.	NorthPark Center 8687 North Central Expressway, @2320 Dallas, Texas 75225	214-361-2811
Heang, Kuoch & J & K Watch and Jewelry Repair, LLC	Galleria Dallas 13350 Dallas Parkway, #3250 Dallas, Texas 75240	972-233-0303
N-BAR-A, Inc. & Nielsen, Robert and Sara	Baybrook Mall 1378 Baybrook Mall Friendswood, Texas 77546	281-480-6657
Mach, Marisa and Cori & TMY Holdings LLC	Stonebriar Centre 2601 Preston Road, #1256 Frisco, Texas 75034	972-377-7727
Du, David & Rosalie La Southwest, Inc.	The Galleria 5015 Westheimer, #1485 Houston, Texas 77056	713-840-7007
Hai Nam 1 Jewelry and Watch Repair, Inc. & Pham, Lisa and Nguyen, Minh P.	North East Mall 1101 Melbourne Road, #5056 Hurst, Texas 76053	817-589-1777
De Nobrega, Aubrey, Shrimati K. i & De Nobrega, Andy De Nobrega, Inc.	Irving Mall 3700 Irving Mall, #E-1A Irving, Texas 75062	972-258-8801
Pham, Cuong and Whitteker, Kim & A & T Jeweler, Inc.	Town East Mall 1178 Town East Mall Mesquite, Texas 75052	972-279-5444
UTAH		
Luu, Tony & Jenny & Jaden Luu, Inc.	The Shops at South Town 10450 S. State Street, #1204 Sandy, Utah 84070	801-523-0500
VIRGINIA		
Mirpuri, Baiju (Benny) & Ujwalla B. & Mirpuri Enterprises, Inc.	Fashion Centre @ Pentagon City 1100 S. Hayes Street, #M140 Arlington, Virginia 22202	703-414-2626
Pao, Tim & Julie & Rockwell, Inc.	Short Pump Towne Center 1800 West Broad Street, #1244 Henrico, Virginia 23233	804-592-5424
Kim, Myong J. (Joshua) and Inja & Halal Services Incorporated	Tysons Corner Center 7951 Tyson's Corner Center McLean, Virginia 22102	571-633-0766

FRANCHISEE	ADDRESS	TELEPHONE
	WASHINGTON	
Huynh, Tu and Quach, Nhi & Tu Vi Watch and Jewelry Repair LLC	Westfield Southcenter 1129 Southcenter Mall, #1415 Tukwila, Washington 98188	206-439-3999

Part B: Franchisees with Franchise Agreements signed but outlets not open as of December 31, 2024:

None

EXHIBIT E

FRANCHISEES WHO LEFT THE SYSTEM
(In 2024)

TRANSFERRED

None

OTHERWISE CEASED TO DO BUSINESS (Left the System)

California

Hong, Andy Hoang
Los Cerritos Center, #9001
9001 Los Cerritos Center
Cerritos, California 90703
562-860-1305

Luong, Liem T. and Quan, Nhumai T.
Sunrise Mall
5967 Sunrise Mall
Citrus Heights, California 95610
916-961-5168

Georgia

Reiter, Richard & Patty Platinum Express, LLC
Arbor Place Mall
6700 Douglas Blvd., #2410
Douglasville, Georgia 30135
770-949-2248

Nevada

Nguyen, Hong Huyen
Downtown Summerlin
1980 Festival Plaza Drive, #120
Las Vegas, Nevada 89135
702-901-7076

NO COMMUNICATION WITHIN 10 WEEKS

None

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

EXHIBIT F

FINANCIAL STATEMENTS

Exhibit F-1
Audited Financial Statements

JRE Holdings, Inc. and Subsidiaries

Report on Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

JRE Holdings, Inc. and Subsidiaries

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elliott davis

Independent Auditor's Report

The Directors and Stockholders
JRE Holdings, Inc. and Subsidiaries
Boca Raton, Florida

Opinion

We have audited the consolidated financial statements of JRE Holdings, Inc. and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Elliott Davis, LLC

Greenville, South Carolina
April 29, 2025

JRE Holdings, Inc. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2024 and 2023

	2024	2023
Assets		
Current assets		
Cash	$ 1,115,302	$ 832,847
Accounts receivable, net	422,666	475,654
Franchise notes receivable - current portion	9,722	8,583
Advances receivable, net - current portion	226,976	170,596
Inventory	340,166	312,161
Income taxes receivable	-	17,235
Prepaid expenses and other current assets	22,050	55,330
Total current assets	2,136,882	1,872,406
Property and equipment, net	185,139	250,856
Other assets		
Franchise notes receivable, net of current portion	6,806	35,399
Advances receivable, net, net of current portion	470,277	597,051
Deferred income taxes, net	267,822	290,609
Goodwill, net	1,980,433	2,597,713
Tradename	35,000	35,000
Deposits	26,184	41,070
Operating lease right-of-use assets	2,470,932	5,046,157
Total other assets	5,257,454	8,642,999
Total assets	$ 7,579,475	$ 10,766,261
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 125,386	$ 252,982
Accrued expenses	724,151	656,723
Accrued interest	49,933	72,360
Income taxes payable	40,799	-
Deferred revenue - current portion	185,269	188,020
Long-term debt - current portion	3,425,930	840,411
Current portion of operating lease obligations	1,519,802	2,786,831
Total current liabilities	6,071,270	4,797,327
Long-term liabilities		
Long-term debt, net of current portion and debt issuance costs	-	3,348,269
Deferred revenue, net of current portion	404,685	551,245
Security deposits payable	-	28,191
Operating lease liabilities, net of current portion	1,091,113	2,386,178
Total long-term liabilities	1,495,798	6,313,883
Total liabilities	7,567,068	11,111,210
Stockholders' equity		
Common stock - par $0.0001; 1,000,000 shares authorized, 978,781 shares issued and outstanding	100	100
Additional paid-in capital	906,230	906,230
Accumulated deficit	(893,923)	(1,251,279)
Total stockholders' equity (deficit)	12,407	(344,949)
Total liabilities and stockholders' equity (deficit)	$ 7,579,475	$ 10,766,261

See Notes to Consolidated Financial Statements

JRE Holdings, Inc. and Subsidiaries

Consolidated Statements of Operations

For the years ended December 31, 2024 and 2023

	2024	2023
Revenues		
Royalty fees	$ 3,575,297	$ 3,502,976
Company-owned retail sales	1,904,009	2,347,102
Franchise fees	207,110	122,310
Other revenues	108,185	63,000
Total revenues	5,794,601	6,035,388
Operating expenses		
Salaries, wages and benefits	1,544,862	1,684,670
Depreciation and amortization	693,840	695,347
Rent and facilities	647,329	568,207
Merchandise costs	324,504	440,910
Office and administrative	309,764	399,380
Legal and professional fees	294,128	221,327
Advertising and promotion	119,396	111,559
Total operating expenses	3,933,823	4,121,400
Income from operations	1,860,778	1,913,988
Other expenses		
Interest expense	795,170	948,213
Management fees	264,600	252,000
Other expenses, net	112,865	152,060
Total other expenses, net	1,172,635	1,352,273
Income before income tax expense	688,143	561,715
Income tax expense	330,787	282,663
Net income	$ 357,356	$ 279,052

See Notes to Consolidated Financial Statements

JRE Holdings, Inc. and Subsidiaries

Consolidated Statements of Changes in Stockholders' Equity

For the years ended December 31, 2024 and 2023

	Common Stock		Additional	Accumulated	Stockholders'
	Shares	Amount	Paid-In Capital	Deficit	Equity
Balance, January 1, 2023	978,781	$ 100	$ 906,230	$ (1,530,331)	$ (624,001)
Net income	-	-	-	279,052	279,052
Balance, December 31, 2023	978,781	100	906,230	(1,251,279)	(344,949)
Net income	-	-	-	357,356	357,356
Balance, December 31, 2024	978,781	$ 100	$ 906,230	$ (893,923)	$ 12,407

See Notes to Consolidated Financial Statements

JRE Holdings, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

	2024	2023
Operating activities		
Net income	$ 357,356	$ 279,052
Adjustments to reconcile net income to		
net cash provided by operating activities:		
Depreciation and amortization	693,840	695,347
Amortization of debt issuance costs	77,040	77,040
Deferred income taxes	22,787	63,958
Provision for credit losses	-	46,557
Paid-in-Kind (PIK) interest	43,543	44,984
Changes in operating assets and liabilities:		
Accounts receivable	52,988	5,495
Franchise and advances receivable, net	103,004	-
Inventory	(28,005)	325,631
Prepaid expenses and other current assets	33,280	30,120
Deposits	14,886	3,063
Operating right-of-use assets and lease liabilities, net	13,131	38,772
Accounts payable	(127,596)	86,698
Accrued expenses and other liabilities	16,810	(221,455)
Income tax receivables and payables, net	58,034	(138,850)
Deferred revenue	(149,311)	(38,193)
Net cash provided by operating activities	1,181,787	1,298,219
Investing activities		
Issuance of franchise notes and advances receiveable	(230,507)	(620,157)
Payments received on franchise notes and advances receivable	225,351	71,111
Purchases of property and equipment	(10,843)	(135,609)
Net cash used for investing activities	(15,999)	(684,655)
Financing activities		
Principal payments on long-term debt	(883,333)	(883,333)
Net cash used for financing activities	(883,333)	(883,333)
Net change in cash	282,455	(269,769)
Cash, beginning of year	832,847	1,102,616
Cash, end of year	$ 1,115,302	$ 832,847
Supplemental cash flow information		
Cash paid for interest	$ 893,327	$ 831,044
Cash paid for income taxes	$ 250,783	$ 357,709

See Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies and Activities

Business activity:

DK-JRE, LLC, a Florida limited liability company, was formed in 2018 to acquire all of the issued and outstanding common stock of JRE Holdings, Inc., a Florida Corporation, and its wholly owned subsidiaries, Jewelry Repair Enterprises, Inc., JRE Franchising, Inc. and JRE Enterprises, Inc. The acquisition took place pursuant to a stock purchase agreement effective March 14, 2018.

JRE Holdings, Inc. and its wholly owned subsidiaries are collectively referred to as the "Company." DK-JRE, LLC serves as the parent company to JRE Holdings, Inc. and has no operational activity. As such, the accompanying consolidated financial statements (collectively, the "financial statements") are reported at the JRE Holdings, Inc. level.

The Company is engaged in the business of selling jewelry repair franchises in the United States and Canada and operating Company-owned jewelry repair retail stores.

Basis of presentation:

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) has established the Accounting Standards Codification (ASC) as the sole source of authoritative GAAP.

Principles of consolidation:

The financial statements include the accounts of JRE Holdings, Inc. and its wholly owned subsidiaries, Jewelry Repair Enterprises, Inc., JRE Franchising, Inc. and JRE Enterprises, Inc. All significant intra-entity balances and transactions have been eliminated.

Reclassifications:

Certain prior year amounts may have been reclassified, where necessary, to conform to the current year presentation. These reclassifications had no impact on previously reported net income or stockholders' equity.

Cash:

The Company places its cash with certain financial institutions. At times, cash may be in excess of the Federal Deposit Insurance Corporation insurance limits.

Revenue recognition:

The Company generates revenue from four sources: (i) royalty fees based on a percentage of sales reported by each franchise operation; (ii) franchise fees related to the sale of franchises, in accordance with its franchise agreement; (iii) franchise store sales at Company-owned retail stores; and (iv) other revenue associated services provided to franchisees.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition, continued:

In accordance with Accounting Standards Update No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers (Topic 606 or ASC 606)*, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration the Company expects to be entitled to receive in exchange for those goods or services. In determining the amount of revenue to be recognized, the Company performs the following steps: (i) identification of the contract with a customer; (ii) identification of the promised services in the contract and determination of whether the promised services are performance obligations, including whether they are distinct in the context of the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company's franchise agreements include (a) the right to use symbolic intellectual property over the term of each franchise agreement, (b) pre-opening services, such as training, and (c) ongoing services, such as management of the advertising fund contributions, and development and delivery of training materials. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day-to-day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities).

Royalty fee revenue represents amounts paid by the franchisees for use of the name "Fast-Fix Jewelry and Watch Repairs" and for other services to be provided by the Company in accordance with the franchise agreement. Royalties are paid by the franchisee based upon a set percentage (as defined in the franchise agreement) of the franchisee's annual revenues that are related entirely to the Company's performance obligation under the franchise agreement. These royalties are considered variable consideration but, because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized as franchised sales occur. The royalty fees are recognized at a point in time, typically monthly, based on reported store sales. Advertising contributions received from franchisees are recorded as a component of rebate revenue and are offset by an equal corresponding expense in the accompanying consolidated statements of operations.

Franchise fees primarily include initial fees to operate a franchise store for the 10-year term of the franchise agreement, renewal fees to extend the original franchise agreement and transfer fees in the event the franchisee wishes to sell or transfer the franchise to another party. Initial, renewal and transfer franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement. Franchise fees commence recognition into revenue and payment is due (a) for initial franchise fees at the earlier of (i) commencement of operations or (ii) the point at which the Company has substantially performed all of its obligations, including those services rendered voluntarily, associated with the fee or (b) upon the effective date of franchise renewals or transfers, as there is no continuing service obligation associated with the fee. Any franchise fees collected prior to the recognition of revenue are reflected as deferred revenue on the accompanying consolidated balance sheets.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition, continued:

Franchise store sales represent retail sales made at Company-owned stores and are recognized at a point in time based on reported store sales. The Company's principal terms of sale are payment upon completion of the service or sale of the goods. Other revenues are recognized at a point in time.

The Company believes its franchising agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Adoption of accounting standard – Current Expected Credit Losses (CECL):

In accordance with FASB Accounting Standards Update 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, the Company measures expected credit losses on certain financial instruments.

The Company adopted this guidance utilizing the modified retrospective transition method on January 1, 2023. The cumulative effect was not material, as such there was no adjustment to the allowance for credit losses as of January 1, 2023. The measurement of expected credit losses under the current expected credit loss ("CECL") methodology is applicable to financial assets measured at amortized cost, which include advances receivable, franchise notes receivable and accounts receivable (including royalties receivable). An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measure on a collective (pool) basis when similar risk characteristics exist. Where financial statements do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information, from internal and external sources, relating to past events, current conditions and reasonable and supportable forecasts. The impact of the current year provision for expected credit losses is incorporated in office and administrative operating expenses on the consolidated statements of operations.

Allowance for credit losses as of January 1, 2023	$ -
Current year provision for expected credit losses – royalties receivable	14,313
Current year provision for expected credit losses – advances receivable	32,244
Allowance for credit losses as of December 31, 2023	$ 46,557

There was no change in the allowance for credit losses during the year ended December 31, 2024.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Franchise notes and advances receivable:

Franchise notes consist of amounts due to the Company from the purchase or renewal of individual franchises (three and seven franchisees at December 31, 2024 and 2023, respectively). Late fees may be charged when the outstanding balance due is owed for more than 30 days. Advances receivable are loans to existing or former franchisees. Advances receivable bear interest at rates up to 8 percent and are generally paid over terms varying from one to six years.

Management regularly reviews amounts outstanding and past due to determine if additional collection actions are necessary, which may include legal collection proceedings. Once a receivable is turned over to legal counsel for collection, interest may be accrued on the outstanding balance at a rate not to exceed what is provided for under Florida law, and delinquent notes and advances receivable may accrue interest on the outstanding balance at a rate provided for in the underlying promissory note and franchise agreements. There were no delinquent franchise notes and advances receivable outstanding in excess of 90 days as of December 31, 2024 and 2023.

Deferred revenue:

Deferred revenue consists of amounts collected from franchisees for certain fees for which the related revenue has not been earned or for cash held on behalf of the franchisee for goods or services to be performed by third parties for which the Company acts as an intermediary. Deferred revenue will be recognized to franchise fees within the consolidated statements of operations over the term of the franchise agreement.

Inventory:

Inventory is stated at the lower of cost or net realizable value on a first-in, first-out (FIFO) basis, with cost determined by the specific identification method. Net realizable value represents the estimated selling price for inventories less all estimated costs to sell. Inventories primarily consist of merchandise held for resale at Company-owned retail stores.

Property and equipment:

Property and equipment are stated at cost, net of accumulated depreciation. Property and equipment are depreciated when placed into service using the straight-line method over the estimated useful lives of the assets, except for leasehold improvements, which are amortized over the shorter of the estimated useful lives or the period of the respective leases. Furniture and equipment have useful lives ranging from 3 to 7 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Impairment of long-lived assets:

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to undiscounted future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Management believes there are no impairment issues with long-lived assets as of December 31, 2024 and 2023.

Goodwill:

The FASB provides guidance that allows private companies to elect to only recognizes intangible assets in a business combination (including customer related intangible assets) if they are capable of being sold or licensed independently from the other assets of a business. Adoption of this alternative also requires adoption of the goodwill alternative issued by the FASB which provides private companies with an alternative for the subsequent measurement of goodwill. Under this alternative, goodwill is amortized and is only tested for impairment when a triggering even occurs that indicates the fair value may be below the carrying amount. Entities that adopt the alternative are required to make a policy decision to test goodwill for impairment either at the entity level or at the reporting level.

The Company follows the provisions of both of these private company accounting alternatives and has elected to test goodwill for impairment at the entity level. Goodwill arising from business combinations represents the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed and is amortized on a straight-line basis over a period of ten years.

The Company evaluates goodwill for impairment at the entity level when a triggering event occurs that indicates that the fair value of the business may be below its carry amount. When a triggering event occurs, management has the option to first assess qualitative factors to determine whether the quantitative impairment test is necessary or proceed directly to the quantitative impairment test. If management determines through the qualitative assessment that it is more likely than not that the fair value of the Company exceeds its carrying value, no further evaluation or testing is necessary. However, if management concludes otherwise, then it is required to perform the quantitative impairment test by calculating the Company's fair value and then comparing that fair value to the Company's carrying amount, including goodwill. If the Company's fair value exceeds its carrying value including goodwill, no impairment loss is recognized. However, if the Company's carrying value including goodwill exceeds its fair value, then an impairment loss must be recognized in the amount of that excess (but not to exceed the Company's carrying amount of goodwill). Management determined there was no goodwill impairment during the years ended December 31, 2024 and 2023.

Goodwill, net at January 1, 2023	$ 3,214,993
Amortization of goodwill	(617,280)
Goodwill, net at December 31, 2023	2,597,713
Amortization of goodwill	(617,280)
Goodwill, net at December 31, 2024	$ 1,980,433

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Goodwill, continued:

Goodwill totaled approximately $6,173,000 and accumulated amortization totaled approximately $4,193,000 and $3,575,000 at December 31, 2024 and December 31, 2023, respectively. Goodwill amortization expense is estimated to be approximately $617,300 during each of the years 2025 through 2027 and $128,500 in 2028.

Operating lease right-of-use assets and lease liabilities:

The Company recognizes a lease liability and right-of-use lease asset for all leases with a lease term greater than 12 months, including operating leases, within the consolidated balances sheets. Subsequent measurement, including presentation of expenses and cash flows, depends on the classification of the lease as either a financing or operating lease. The Company elected the package of practical expedients which allow the Company not to reassess:

- Whether expired or existing contracts contain leases under the new definition of a lease;
- Lease classification for expired or existing leases; and
- Whether previously capitalized initial direct costs would qualify for capitalization under ASC 842.

For all asset classes, the Company does not recognize a right-of-use asset and lease liability for leases with a term of twelve months or less. For all asset classes, the Company does not separate non-lease components from lease components to which they related and have accounted for the combined lease and non-lease components as a single lease component.

Income taxes:

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority.

The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits, if any, are classified as additional income taxes in the consolidated statements of operations. Management is not aware of any material uncertain tax positions as of December 31, 2024 and 2023.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable for the period and the change during the period in deferred tax assets and liabilities.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Debt issuance costs:

Debt issuance costs incurred in connection with the issuance of long-term debt are capitalized and amortized to interest expense using the straight-line method, which approximates the effective interest method, over the term of the related debt. Unamortized amounts incurred in connection with the issuance of long-term debt are recorded as a reduction to the carrying amount of the related debt.

Advertising:

Advertising costs are expensed as incurred. Advertising costs were approximately $119,000 and $112,000 for the years ended December 31, 2024 and 2023, respectively.

Other expenses:

The Company classifies expenses that are infrequent, unusual in nature, or unrelated to the operations of the Company as other expenses in the accompanying consolidated statements of operations. Other expenses are comprised primarily of interest and management fees.

Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

Fair value of assets and liabilities:

The carrying values of all the Company's financial instruments approximate their fair values. The Company applies the guidance related to fair value for certain non-financial assets and liabilities. The non-financial assets and liabilities include items such as long-lived assets and goodwill.

Subsequent events:

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through April 29, 2025, the date the financial statements were available for issuance.

Note 2. Revenues

Revenue is disaggregated by timing of satisfaction of performance obligations is summarized as follows for the years ended December 31:

	2024	2023
Performance obligations satisfied at a point in time	$ 5,587,491	$ 5,913,078
Performance obligations satisfied over time	207,110	122,310
	$ 5,794,601	$ 6,035,388

Revenue from performance obligations satisfied at a point in time consists of royalty fees, other revenue, and Company-owned retail sales. Revenue from performance obligations satisfied over time consists of franchise fees. All services are provided to franchisees and retail customers.

Upfront fees paid for site selection, basic training, franchisee specifications and construction plans, branding, and continued support from franchisor are not material in nature and expensed as incurred.

Revenue for franchise fees are recognized on a straight-line basis over the term of the respective agreement. The timing of revenue recognition, billings and cash collections results in billed accounts receivable and franchise notes receivables, and deferred revenue (contract liabilities) on the consolidated balance sheets are as follows as of December 31:

	2024	2023	2022
Royalty receivables	$ 381,190	$ 424,640	$ 426,561
Franchise notes receivables	16,528	43,982	25,221
	$ 397,718	$ 468,622	$ 451,782
Contract liabilities:			
Deferred revenue	$ 589,954	$ 739,265	$ 777,458
	$ 589,954	$ 739,265	$ 777,458

The Company records accounts receivable or franchise notes when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) also is recorded.

Note 3. Accounts Receivable

Accounts receivable consists of the following at December 31:

	2024	2023
Royalties receivable	$ 381,190	$ 424,640
Trade receivables	41,476	51,014
	$ 422,666	$ 475,654

Note 4. Franchising Notes and Advances Receivable

Franchise notes and advances receivable consists of the following at December 31:

	2024	2023
Franchise notes receivable	$ 16,528	$ 43,982
Advances receivable	697,253	767,647
	713,781	811,629
Less current portion	(236,698)	(179,179)
	$ 477,083	$ 632,450

Scheduled repayments of franchise notes and advances receivable as of December 31, 2024 are as follows for the years ending December 31:

2025	$ 236,698
2026	429,746
2027	34,129
2028	10,851
2029	2,357
	$ 713,781

Note 5. Property and Equipment

Property and equipment consists of the following as of December 31:

	2024	2023
Furniture and equipment	$ 360,375	$ 349,533
Leasehold improvements	174,281	174,281
	534,656	523,814
Less accumulated depreciation	(349,517)	(272,958)
	$ 185,139	$ 250,856

Depreciation expense was approximately $77,000 and $78,000 for the years ended December 31, 2024 and 2023, respectively.

Note 6. Long-Term Debt

Long-term debt consists of the following as of December 31:

	2024	2023
Senior term loan	$ 3,483,710	$ 4,323,500
Less unamortized debt issuance cost	(57,780)	(134,820)
Less current portion	(3,425,930)	(840,411)
	$ -	$ 3,348,269

Note 6. Long-Term Debt, Continued

In September 2022, the Company entered into a $5,300,000 senior term loan with a financial institution. The loan bears interest at Prime Rate plus 9 percent, plus 1 percent PIK interest that is compounded and added to the principal balance (17.5 percent at December 31, 2024 and 2023). Monthly principal payments of approximately $69,000 are due with a balloon payment of the balance due upon maturity. The loan matures October 1, 2025.

The Company has historically refinanced the senior term loans at the end of their term. Management expects to extend or refinance the current senior term loan, at or prior to maturity. The Company's operations are based upon its ability to maintain lender funding. These financial statements do not include any adjustments that may result should the Company be unable to achieve the expected extension or refinance.

The Company is subject to certain financial and non-financial covenants associated with the agreement and has obtained waivers for all instances of noncompliance.

At December 31, 2024 and 2023, debt issuance costs totaled approximately $230,000 less accumulated amortization of approximately $172,000 and $95,000, respectively. Future amortization is estimated to be approximately $58,000 in 2025.

Note 7. Income Taxes

The components of the income tax expense are as follows for the years ended December 31:

	2024	2023
Current expense	$ 308,001	$ 218,704
Deferred expense	22,786	63,959
	$ 330,787	$ 282,663

The types of temporary differences and their related tax effects that give rise to the deferred tax assets and deferred tax liabilities are as follows as of December 31:

	2024	2023
Deferred tax assets:		
Goodwill	$ 15,275	$ 23,925
Prepaid expenses	3,815	4,831
Accrued bonuses	17,226	515
Accrued management fees	66,861	50,099
Federal and state NOL Carry Forward	3,511	1,554
Leases	35,881	33,774
Provision for credit losses	11,934	8,297
Deferred revenue	151,225	190,237
	305,728	313,232
Deferred tax liabilities:		
Property and equipment	(37,906)	(22,623)
Net deferred tax asset	$ 267,822	$ 290,609

Note 7. Income Taxes, Continued

If, based on the weight of available evidence, it is more likely than not that all deferred tax assets will not be realized, a valuation allowance must be recorded. No valuation allowance was considered necessary as of December 31, 2024 and 2023.

The Company's actual income tax provision reflect differences from the expected amount primarily due to state income taxes, net operating loss carrybacks, and goodwill amortization that is deemed non-deductible for tax reporting purposes.

Note 8. Related-Party Transactions

The Company has a management services agreement with DK-JRE, LLC., a related party. The related party serves as an advisor and provides management services to the Company. Management fees were approximately $265,000 and $252,000 for the years ended December 31, 2024 and 2023, respectively. There were approximately $515,000 and $449,000 of unpaid management fees included in accrued expenses on the consolidated balance sheets as of December 31, 2024 and 2023, respectively.

Note 9. Leases

The Company leases retail space in shopping centers for many corporate stores, as well as on behalf of certain franchisees, under non-cancelable operating leases. The leases expire at various dates through 2030. Certain lease agreements contain renewal options. For those leases, the Company included these renewal periods in the lease term if the Company determined it was reasonably certain to exercise the option. Lease payments during such renewal periods were also considered in the calculation of right-of-use assets and lease obligations. Fixed lease payments consist of base rent and operating expenses but do not include contingent rentals which may be required under certain leases based on sales more than stipulated minimums. Fixed lease expense under these agreements totaled approximately $586,000 and $568,000 for the years ended December 31, 2024 and 2023, respectively.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease obligations represent the Company's obligation to make lease payments arising from the lease. Lease obligations are recognized at the commencement date based on the present value of lease payments over the lease term. Right-of-use assets are recognized at the commencement date as the initial measurement of the lease liability, plus payments made prior to lease commencement and any initial direct costs. As the Company's leases do not provide an implicit rate, the Company elected to use its incremental borrowing rate at the commencement date in determining the present value of lease payments.

Note 9. Leases, Continued

Future minimum lease payments under the operating leases as of December 31, 2024 are as follows for the years ending December 31:

2025	$ 1,871,943
2026	787,589
2027	115,467
2028	40,231
2029	41,438
Thereafter	106,388
Total undiscounted lease payments	2,963,056
Less: imputed interest	(352,141)
Total present value of lease liabilities	2,610,915
Less: current portion of operating lease obligations	(1,519,802)
Operating lease liabilities, net of current portion	$ 1,091,113

Supplemental information regarding operating leases includes:

	2024	2023
Weighted average remaining lease term	1.92 years	2.18 years
Weighted average discount rate	13.5%	13.5%

Note 10. Commitments and Contingencies

From time to time, the Company is party to certain legal matters, including those related to contracts and franchise agreements that arise in the ordinary course of business. The estimated cost that the Company expects to pay in relationship to these matters is accrued when the liability is considered probable, and the amounts can be reasonably estimated. In management's opinion, any such outstanding matters of which the Company has knowledge have been reflected in the financial statements or would not have a material adverse effect on the Company's financial position and results of operations.

Jewelry Repair Enterprises, Inc.

Report on Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Jewelry Repair Enterprises, Inc.
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elliott davis

Independent Auditor's Report

The Directors and Stockholders
Jewelry Repair Enterprises, Inc.
Boca Raton, Florida

Opinion

We have audited the consolidated financial statements of Jewelry Repair Enterprises, Inc. (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Elliott Davis, LLC

Greenville, South Carolina
April 29, 2024

Jewelry Repair Enterprises, Inc.
Consolidated Balance Sheets
As of December 31, 2023 and 2022

	2023	2022
Assets		
Current assets		
Cash and cash equivalents	$ 832,847	$ 1,102,616
Accounts receivable, net	475,654	481,149
Franchise notes receivable - current portion	8,583	22,443
Advances receivable, net - current portion	170,596	169,189
Inventory	312,161	637,792
Income taxes receivable	17,235	-
Prepaid expenses and other current assets	55,330	85,450
Total current assets	1,872,406	2,498,639
Property and equipment, net	250,856	193,314
Other assets		
Franchise notes receivable - long term portion	35,399	2,778
Advances receivable, net - long term portion	597,051	114,730
Deferred income taxes, net	290,609	354,567
Goodwill, net	2,597,713	3,214,993
Trade name	35,000	35,000
Deposits	41,070	44,133
Operating lease right-of-use assets	5,046,157	8,948,366
Total other assets	8,642,999	12,714,567
Total assets	$ 10,766,261	$ 15,406,520
Liabilities and Stockholders' Deficit		
Current liabilities		
Accounts payable	$ 252,982	$ 166,284
Accrued expenses	656,723	881,514
Accrued interest	72,360	77,215
Deferred revenue - current portion	188,020	194,992
Income taxes payable	-	121,615
Long-term debt - current portion	840,411	834,876
Current portion of operating lease obligations	2,786,831	3,884,583
Total current liabilities	4,797,327	6,161,079
Long-term liabilities		
Long-term debt, net of current portion and debt issuance costs	3,348,269	4,115,113
Deferred revenue, net of current portion	551,245	582,466
Security deposits payable	28,191	20,000
Operating lease liabilities, net of current portion	2,386,178	5,151,863
Total long-term liabilities	6,313,883	9,869,442
Total liabilities	11,111,210	16,030,521
Stockholders' deficit		
Common stock - par $0.0001; 1,000,000 shares authorized, 978,781 shares issued and outstanding	100	100
Additional paid-in capital	906,230	906,230
Accumulated deficit	(1,251,279)	(1,530,331)
Total stockholders' deficit	(344,949)	(624,001)
Total liabilities and stockholders' deficit	$ 10,766,261	$ 15,406,520

See Notes to Consolidated Financial Statements

Jewelry Repair Enterprises, Inc.

Consolidated Statements of Operations

For the years ended December 31, 2023 and 2022

	2023	2022
Revenues		
Royalty fees	$ 3,502,976	$ 3,552,578
Company-owned retail sales	2,347,102	3,113,768
Rebate and other revenues	152,587	93,422
Franchise fees	122,310	235,423
Total revenues	6,124,975	6,995,191
Operating expenses		
Salaries, wages and benefits	1,684,670	1,936,396
Depreciation and amortization	695,347	716,819
Rent and facilities	568,207	1,000,541
Merchandise costs	530,497	334,003
Office and administrative	399,380	633,088
Legal and professional fees	221,327	392,452
Advertising and promotion	111,559	274,489
Total operating expenses	4,210,987	5,287,788
Income from operations	1,913,988	1,707,403
Other (expenses) income		
Interest expense	(948,213)	(608,093)
Management fees	(252,000)	(176,687)
Other (expenses) income	(152,060)	127,240
Employee Retention Credit (ERC) income	-	200,021
Paycheck Protection Program (PPP) income	-	259,656
Total other expenses, net	(1,352,273)	(197,863)
Income before income tax expense	561,715	1,509,540
Income tax expense	(282,663)	(497,341)
Net income	$ 279,052	$ 1,012,199

See Notes to Consolidated Financial Statements

Jewelry Repair Enterprises, Inc.

Consolidated Statements of Changes in Stockholders' Deficit

For the years ended December 31, 2023 and 2022

	Common Stock		Additional	Accumulated	Stockholders'
	Shares	Amount	Paid-In Capital	Deficit	Deficit
Balance, January 1, 2022	978,781	$ 100	$ 906,230	$ (2,542,530)	$ (1,636,200)
Net income	-	-	-	1,012,199	1,012,199
Balance, December 31, 2022	978,781	100	906,230	(1,530,331)	(624,001)
Net income	-	-	-	279,052	279,052
Balance, December 31, 2023	978,781	$ 100	$ 906,230	$ (1,251,279)	$ (344,949)

See Notes to Consolidated Financial Statements

Jewelry Repair Enterprises, Inc.
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022

	2023	2022
Operating activities		
Net income	$ 279,052	$ 1,012,199
Adjustments to reconcile net income to		
net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	695,347	698,255
Amortization of deferred financing costs	77,040	18,564
Deferred income taxes	63,958	(20,991)
Provision for credit losses	46,557	-
Paid-in-Kind (PIK) interest	44,984	9,070
Paycheck Protection Program (PPP) income	-	(259,656)
Changes in operating assets and liabilities:		
Accounts receivable	5,495	(20,861)
Inventory	325,631	(290,522)
Prepaid expenses and other current assets	30,120	(45,294)
Deposits	3,063	(29,133)
Operating right-of-use assets and lease liabilities, net	38,772	88,080
Accounts payable	86,698	(42,787)
Accrued expenses and other liabilities	(221,455)	(213,896)
Income tax receivables or payables, net	(138,850)	189,928
Employee Retention Credit (ERC) receivable	-	176,041
Deferred revenue	(38,193)	(198,090)
Net cash provided by operating activities	1,298,219	1,070,907
Investing activities		
Issuance of franchise notes and advances receiveable	(620,157)	(91,909)
Payments received on franchise notes and advances receivable	71,111	113,552
Purchases of property and equipment	(135,609)	(56,158)
Net cash used for investing activities	(684,655)	(34,515)
Financing activities		
Principal payments on long-term debt	(883,333)	(6,262,327)
Proceeds from long-term debt	-	5,300,000
Payments for debt issuance costs	-	(230,424)
Net cash used for financing activities	(883,333)	(1,192,751)
Net change in cash and cash equivalents	(269,769)	(156,359)
Cash and cash equivalents, beginning of year	1,102,616	1,258,975
Cash and cash equivalents, end of year	$ 832,847	$ 1,102,616
Supplemental cash flow information		
Cash paid for interest	$ 831,044	$ 550,664
Cash paid (refunded) for income taxes	$ 357,709	$ (307,413)

See Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies and Activities

Business activity:

DK-JRE, LLC, a Florida limited liability company, was formed to acquire all of the issued and outstanding common stock of JRE Holdings, Inc., a Florida Corporation, and its wholly owned subsidiaries, Jewelry Repair Enterprises, Inc., JRE Franchising, Inc. and JRE Enterprises, Inc. The acquisition took place pursuant to a stock purchase agreement effective March 14, 2018.

Jewelry Repair Enterprises, Inc. and its wholly owned subsidiaries are collectively referred to as the "Company." JRE Holdings, Inc. serves as the parent company to Jewelry Repair Enterprises, Inc. and has no operational activity. As such, the accompanying consolidated financial statements (collectively, the "financial statements") are reported at the Jewelry Repair Enterprises, Inc. level.

The Company is engaged in the business of selling jewelry repair franchises in the United States and Canada and operating Company-owned retail stores.

Basis of presentation:

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) has established the Accounting Standards Codification as the sole source of authoritative GAAP.

Principles of consolidation:

The financial statements include the accounts of Jewelry Repair Enterprises, Inc. and its wholly owned subsidiaries, JRE Franchising, Inc. and JRE Enterprises, Inc. All significant intra-entity balances and transactions have been eliminated.

Reclassifications:

Certain prior year amounts have been reclassified, where necessary, to conform to the current year presentation.

Cash and cash equivalents:

The Company places its cash with high quality financial institutions. The Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. At times, cash may be in excess of the Federal Deposit Insurance Corporation insurance limits. The Company has not experienced losses in cash and cash equivalents and does not believe it is exposed to any significant risk of credit loss on its cash and cash equivalents.

Revenue recognition:

The Company generates revenue from four sources: (i) royalty fees based on a percentage of sales reported by each franchise operation; (ii) franchise fees related to the sale of franchises, in accordance with its franchise agreement; (iii) franchise store sales at Company-owned retail stores; and (iv) rebate and other income associated with franchise store merchandise purchases.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition, continued:

In accordance with Accounting Standards Update No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers (Topic 606 or ASC 606)*, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration the Company expects to be entitled to receive in exchange for those goods or services. In determining the amount of revenue to be recognized, the Company performs the following steps: (i) identification of the contract with a customer; (ii) identification of the promised services in the contract and determination of whether the promised services are performance obligations, including whether they are distinct in the context of the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

The Company's franchise agreements include (a) the right to use symbolic intellectual property over the term of each franchise agreement, (b) pre-opening services, such as training, and (c) ongoing services, such as management of the advertising fund contributions, and development and delivery of training materials. These promises are highly dependent upon and interrelated with the franchise right granted in the franchise agreement, so they are not considered to be individually distinct and therefore are accounted for as a single performance obligation. The performance obligation under the franchise agreement is the promise to provide daily access to the symbolic intellectual property over the term of each franchise agreement, which is a series of distinct services that represents a single performance obligation. Although the franchisor's underlying activities associated with the symbolic intellectual property will vary both within a day and day-to-day, the symbolic intellectual property is accessed over time and the customer (the franchisee) simultaneously receives and consumes the benefit from the franchisor's performance of providing access to the symbolic intellectual property (including other related activities).

Royalty fee revenue represents amounts paid by the franchisees for use of the name "Fast-Fix Jewelry and Watch Repairs" and for other services to be provided by the Company in accordance with the franchise agreement. Royalties are paid by the franchisee based upon a set percentage (as defined in the franchise agreement) of the franchisee's annual revenues that are related entirely to the Company's performance obligation under the franchise agreement. These royalties are considered variable consideration but, because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized as franchised sales occur. The royalty fees are recognized at a point in time, typically monthly, based on reported store sales. Advertising contributions received from franchisees are recorded as a component of rebate revenue and are offset by an equal corresponding expense in the accompanying consolidated statements of operations.

Franchise fees primarily include initial fees to operate a franchise store for the 10 year term of the franchise agreement, renewal fees to extend the original franchise agreement and transfer fees in the event the franchisee wishes to sell or transfer the franchise to another party. Initial, renewal and transfer franchise fees are recognized as revenue on a straight-line basis over the term of the respective agreement. Franchise fees commence recognition into revenue and payment is due (a) for initial franchise fees at the earlier of (i) commencement of operations or (ii) the point at which the Company has substantially performed all of its obligations, including those services rendered voluntarily, associated with the fee or (b) upon the effective date of franchise renewals or transfers, as there is no continuing service obligation associated with the fee. Any franchise fees collected prior to the recognition of revenue are reflected as deferred revenue on the accompanying consolidated balance sheets.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition, continued:

Franchise store sales represent retail sales made at Company-owned stores and are recognized at a point in time based on reported store sales. The Company's principal terms of sale are payment upon completion of the service or sale of the goods. Rebate and other revenues represent rebates earned from vendors based on volume-based purchase incentives and are recognized at a point in time.

The Company believes its franchising agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the company and (b) the sales-based royalty is variable and based on factors outside the Company or the franchisee's control.

Adoption of new accounting standard – Current Expected Credit Losses (CECL):

Effective January 1, 2023, the Company adopted FASB Accounting Standards Update 2016-13 *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments.

The Company adopted this new guidance utilizing the modified retrospective transition method. The cumulative effect was not material, as such there was no adjustment to the allowance for credit losses as of January 1, 2023. The measurement of expected credit losses under the current expected credit loss ("CECL") methodology is applicable to financial assets measured at amortized cost, which include advances receivable, franchise notes receivable and accounts receivable (including royalties receivable). An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measure on a collective (pool) basis when similar risk characteristics exist. Where financial statements do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information, from internal and external sources, relating to past events, current conditions and reasonable and supportable forecasts. The impact of the current year provision for expected credit losses is incorporated in office and administrative operating expenses on the consolidated statements of operations.

Allowance for credit losses as of January 1, 2023	$ -
Current year provision for expected credit losses – royalties receivable	14,313
Current year provision for expected credit losses – advances receivable	32,244
Allowance for credit losses as of December 31, 2023	$ 46,557

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Franchise notes and advances receivable:

Franchise notes consist of amounts due to the Company for the purchase or renewal of individual franchises (17 and 14 franchisees at December 31, 2023 and 2022, respectively). Late fees may be charged when the outstanding balance due is owed for more than 30 days. Advances receivable are loans to existing or former franchisees. Advances receivable bear interest at rates up to 8 percent and are generally paid over terms varying from one to six years.

Management regularly reviews amounts outstanding and past due to determine if additional collection actions are necessary, which may include legal collection proceedings. Once a receivable is turned over to legal counsel for collection, interest may be accrued on the outstanding balance at a rate not to exceed what is provided for under Florida law, and delinquent notes and advances receivable may accrue interest on the outstanding balance at a rate provided for in the underlying promissory note and franchise agreements.

Deferred revenue:

Deferred revenue consist of amounts collected from franchisees for certain fees for which the related revenue has not been earned or for cash held on behalf of the franchisee for goods or services to be performed by third-parties for which the Company acts as an intermediary. Deferred revenue will be recognized to franchise fees within the consolidated statements of operations over the term of the franchise agreement.

Inventory:

Inventory is stated at the lower of cost or net realizable value on a first-in, first-out (FIFO) basis, with cost determined by the specific identification method. Net realizable value represents the estimated selling price for inventories less all estimated costs to sell. Inventories primarily consist of merchandise held for resale at Company-owned retail stores.

Property and equipment:

Property and equipment are stated at cost, net of accumulated depreciation. Property and equipment are depreciated when placed into service using the straight-line method over the estimated useful lives of the assets, except for leasehold improvements, which are amortized over the shorter of the estimated useful lives or the period of the respective leases. Furniture and equipment have useful lives ranging from 3 to 7 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

Impairment of long-lived assets:

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to undiscounted future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Management believes there are no impairment issues with long-lived assets as of December 31, 2023 and 2022.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Goodwill:

The FASB provides guidance that allows private companies to elect not to separately identify and recognize certain intangible assets and noncompetition agreements acquired in a business combination. Under this alternative, a private company may elect not to recognize intangible assets in a business combination (including customer related intangible assets), unless they are capable of being sold or licensed independently from the other assets of a business. Adoption of this alternative also requires adoption of the goodwill alternative issued by the FASB which provides private companies with an alternative for the subsequent measurement of goodwill. Under this alternative, goodwill is amortized and is only tested for impairment when a triggering event occurs that indicates the fair value may be below the carrying amount. Entities that adopt the alternative are required to make a policy decision to test goodwill for impairment either at the entity level or at the reporting level. The Company follows the provisions of both of these private company accounting alternatives and has elected to test goodwill for impairment at the entity level.

Goodwill arising from business combinations represents the excess of the purchase price over the fair value of the net assets acquired and is amortized on a straight-line basis over a period of ten years.

The carrying value of goodwill is reviewed when circumstances and events indicate that the asset might be impaired and the undiscounted cash flows estimated to be generated by the Company is less than the carrying value of these assets. If the estimated fair value is less than the carrying value, then impairment is deemed to have occurred. Management recorded no impairment to goodwill during the years ended December 31, 2023 and December 31, 2022.

Goodwill, net at January 1, 2022	$ 3,832,273
Amortization of goodwill	(617,280)
Goodwill, net at December 31, 2022	3,214,993
Amortization of goodwill	(617,280)
Goodwill, net at December 31, 2023	$ 2,597,713

Goodwill totaled approximately $6,173,000 and accumulated amortization totaled approximately $2,958,000 and $3,575,000 at December 31, 2023 and December 31, 2022, respectively. Goodwill amortization expense is estimated to be approximately $617,300 during each of the years 2024 through 2027 and $128,500 in 2028.

Operating lease right-of-use assets and lease liabilities:

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842), which changed the criteria for recognizing leasing transactions. Under the ASU, a lessee will be required to recognize a lease liability and right-of-use lease asset for all leases with a lease term greater than 12 months, including operating leases, in the consolidated balances sheets. Subsequent measurement, including presentation of expenses and cash flows, will depend on the classification of the lease as either a financing or operating lease. In addition, expanded disclosures will be required. Topic 842 was effective for private companies for balance sheet for years beginning after December 15, 2021. Accordingly, the Company adopted the ASU effective January 1, 2022 and recognized approximately $13,401,000 of operating right-of-use assets and lease liabilities on the consolidated balance sheet.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Operating lease right-of-use assets and lease liabilities, continued:

The Company elected the package of practical expedients which allow the Company not to reassess:

- Whether expired or existing contracts contain leases under the new definition of a lease;
- Lease classification for expired or existing leases; and
- Whether previously capitalized initial direct costs would qualify for capitalization under ASC 842.

The Company did not elect to use hindsight for transition when considering judgements and estimates such as assessments of lessee options to extend or terminate a lease or purchase the underlying asset. The Company did not elect to reassess whether land easements meet the definition of a lease if they were not accounted for as leases under the former rules. For all asset classes, the Company elected to not recognize a right-of-use asset and lease liability for leases with a term of twelve months or less. For all asset classes, the Company elected to not separate non-lease components from lease components to which they related and have accounted for the combined lease and non-lease components as a single lease component.

Income taxes:

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority.

The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits, if any, are classified as additional income taxes in the consolidated statements of operations. Management is not aware of any material uncertain tax positions as of December 31, 2023 and 2022.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable for the period and the change during the period in deferred tax assets and liabilities.

Debt issuance costs:

Debt issuance costs incurred in connection with the issuance of long-term debt are capitalized and amortized to interest expense using the straight-line method, which approximates the effective interest method, over the term of the related debt. Unamortized amounts incurred in connection with the issuance of long-term debt are recorded as a reduction to the carrying amount of the related debt.

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Advertising:

Advertising costs are expensed as incurred. Advertising costs were approximately $112,000 and $274,000 and for the years ended December 31, 2023 and 2022, respectively.

Other (expenses) income:

The Company classifies expenses that are infrequent, unusual in nature, or unrelated to the operations of the Company as other expenses in the accompanying consolidated statements of operations. Other expenses are comprised primarily of interest, management fees, and income from Employee Retention Credit (ERC) and Paycheck Protection Program (PPP).

Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

Fair value of assets and liabilities:

The carrying values of all the Company's financial instruments approximate their fair values. The Company applies the guidance related to fair value for certain non-financial assets and liabilities. The non-financial assets and liabilities include items such as long-lived assets and goodwill.

Subsequent events:

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through April 29, 2024, the date the financial statements were available for issuance.

Note 2. Revenues

Revenue is disaggregated by timing of satisfaction of performance obligations is summarized as follows for the years ended December 31:

	2023	2022
Performance obligations satisfied at a point in time	$ 6,002,665	$ 6,759,768
Performance obligations satisfied over time	122,310	235,423
	$ 6,124,975	$ 6,995,191

Revenue from performance obligations satisfied at a point in time consists of royalty fees, rebate income, and Company-owned retail sales. Revenue from performance obligations satisfied over time consists of franchise fees. All services are provided to franchisees and retail customers.

Note 2. Revenues, Continued

Upfront fees paid for site selection, basic training, franchisee specifications and construction plans, branding, and continued support from franchisor are not material in nature and expensed as incurred.

Revenue for franchise fees are recognized on a straight-line basis over the term of the respective agreement. The timing of revenue recognition, billings and cash collections results in billed accounts receivable and franchise notes, and deferred revenue (contract liabilities) on the consolidated balance sheets are as follows as of December 31:

	2023	2022	2021
Royalty receivables	$ 424,640	$ 426,561	$ 404,850
Franchise notes receivables	43,982	25,221	92,773
	$ 468,622	$ 451,782	$ 497,623
Contract liabilities:			
Deferred revenue	$ 739,265	$ 777,458	$ 975,548
	$ 739,265	$ 777,458	$ 975,548

The Company records accounts receivable or franchise notes when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) also is recorded.

Note 3. Accounts Receivable

Accounts receivable consists of the following at December 31:

	2023	2022
Royalties receivable	$ 424,640	$ 426,561
Trade receivables	51,014	54,588
	$ 475,654	$ 481,149

Note 4. Franchising Notes and Advances Receivable

Franchise notes and advances receivable consists of the following at December 31:

	2023	2022
Franchise notes receivable	$ 43,982	$ 25,221
Advances receivable	767,647	283,919
	811,629	309,140
Less current portion	(179,179)	(191,632)
	$ 632,450	$ 117,508

Note 4. Franchising Notes and Advances Receivable, Continued

Scheduled repayments of franchise notes and advances as of December 31, 2023 are as follows for the years ending December 31:

2024	$ 179,179
2025	125,982
2026	488,768
2027	8,850
2028	8,850
	$ 811,629

During the year ended December 31, 2023, the Company filed breach of contract lawsuits against multiple former franchisees of the Company. Advances receivable with active litigation total approximately $469,000 (net of an allowance of approximately $32,000) and are classified as long term on the consolidated balance sheets as of December 31, 2023 (See Note 12).

Note 5. Property and Equipment

Property and equipment consists of the following as of December 31:

	2023	2022
Furniture and equipment	$ 349,533	$ 349,231
Leasehold improvements	174,281	52,626
	523,814	401,857
Less accumulated depreciation	(272,958)	(208,543)
	$ 250,856	$ 193,314

Depreciation expense was approximately $78,000 and $62,800 for the years ended December 31, 2023 and 2022, respectively.

Note 6. Long-Term Debt

Long-term debt consists of the following as of December 31:

	2023	2022
Senior term loan	$ 4,323,500	$ 5,161,849
Less unamortized debt issuance cost	(134,820)	(211,860)
Less current portion	(840,411)	(834,876)
	$ 3,348,269	$ 4,115,113

In November 2016, the Company entered into a $7,550,000 senior term loan ("previous term loan") with a financial institution. When satisfied in full during 2022, the previous term loan had interest fixed rate of 9 percent with no Paid-In-Kind (PIK) interest.

Note 6. Long-Term Debt, Continued

In September 2022, the Company paid the previous term loan in full and entered into a $5,300,000 senior term loan with a new financial institution. The loan bears interest at Prime Rate plus 9 percent, plus 1 percent PIK interest that is compounded and added to the principal balance (17.5 and 16 percent at December 31, 2023 and 2022, respectively). Monthly principal payments of approximately $69,000 are due with a balloon payment of the balance due upon maturity. The loan matures October 1, 2025. The Company is subject to certain financial and non-financial covenants associated with the agreement.

Scheduled principal payments on long-term debt as of December 31, 2023 are as follows for the years ending December 31:

2024	$ 840,411
2025	3,483,089
	$ 4,323,500

At December 31, 2023 and 2022, debt issuance costs totaled approximately $230,000 less accumulated amortization of approximately $95,000 and $18,000, respectively. Future amortization is estimated to be approximately $77,000 in 2024 and $58,000 in 2025.

Note 7. Coronavirus Aid, Relief, and Economic Security ("CARES") Act

Paycheck Protection Program (PPP):

In March 2021, the Company entered into a loan with a financial institution in a principal amount of $259,656 pursuant to the Paycheck Protection Program ("PPP Second Draw Loan") under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The PPP Second Draw Loan is unsecured and guaranteed by the United States Small Business Administration. The Company may apply to the financial institution for forgiveness of the PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent, and mortgage obligations, covered utility payments, worker protection costs related to COVID-19, and certain supplier costs and expenses for operations incurred by the Company during the covered period, calculated in accordance with the terms of the CARES Act. In October, 2022, the Company received notification from the Small Business Administration (SBA) that the Company's PPP loan had been fully forgiven. Accordingly, the Company recognized $259,656 of PPP income within other income (expenses) for the year ended December 31, 2022. The Company recognized no PPP income within other income (expenses) for the year ended December 31, 2023.

Employee Retention Credit (ERC):

The Employee Retention Credit (ERC) program was created under the CARES Act and was significantly modified, expanded and extended into the first three quarters of calendar year 2021 by the Consolidated Appropriation Act, 2021 (the "Act"). The goal of the ERC program is to encourage employers to retain and continue paying employees during periods of pandemic-related reduction in business volume even if those employees are not actually working, and therefore, are not providing a service to the employer. Under the Act, eligible employers could take credits up to 70% of qualified wages with a limit of $7,000 per employee per quarter for the first three quarters of calendar year 2021. In order to qualify for the ERC, organizations generally have to experience at least a 20% decrease in gross receipts in the quarter compared to the same quarter in calendar year 2019.

Note 7. Coronavirus Aid, Relief, and Economic Security ("CARES") Act, Continued

Employee Retention Credit (ERC), continued:

The Company applied for the ERC totaling approximately $482,000 which included approximately $121,000 for quarters two, three and four of calendar year 2020 and approximately $163,000 for quarter one of 2021 and $198,000 for quarter two of 2021. During 2022, the Company received $375,000 in ERC income for quarters two, three and four of 2020 as well as quarter one and two of 2021. Approximately $175,000 reduced the receivable previously recognized on the consolidated balance sheet. Approximately $200,000 of ERC income was recognized in other income (expenses) for the year ended December 31, 2022. There was no ERC income recognized in other income (expenses) for the year ended December 31, 2023.

The Company has accounted for the ERC income as a government grant which analogizes with International Accounting Standards (IAS) 20, Accounting for Government Grants and Disclosure of Government Assistance. IAS 20 indicates that income is recognized when it is considered that there is reasonable assurance the grant will be received and all necessary qualifying conditions, as stated in the CARES act, are met. Under IAS 20, income is recognized on a systematic basis over the period in which the entity recognizes as expenses the related costs for which the grant is intended to compensate. The Company elected to account for the use of the ERC on a gross basis and the income is included in other income (expenses) within the consolidated statements of operations. The activity related to ERC income is included in the operating activities of the consolidated statements of cash flow.

Note 8. Income Taxes

The components of the income tax benefit (expense) are as follows for the years ended December 31:

	2023	2022
Current expense	$ (218,704)	$ (518,332)
Deferred benefit (expense)	(63,959)	20,991
	$ (282,663)	$ (497,341)

Note 8. Income Taxes, Continued

The types of temporary differences and their related tax effects that give rise to the deferred tax assets and deferred tax liabilities are as follows as of December 31:

	2023	2022
Deferred tax assets:		
Goodwill	$ 23,925	$ 32,382
Prepaid expenses	4,831	-
Accrued bonuses	515	21,527
Accrued management fees	50,099	-
Federal and state NOL Carry Forward	1,554	1,461
Leases	33,774	22,573
Provision for credit losses	8,297	-
Deferred revenue	190,237	199,246
	313,232	393,229
Deferred tax liabilities:		
Property and equipment	(22,623)	(38,660)
Net deferred tax asset	$ 290,609	$ 354,567

If, based on the weight of available evidence, it is more likely than not that all deferred tax assets will not be realized, a valuation allowance must be recorded. No valuation allowance was considered necessary as of December 31, 2023 and 2022.

The Company's actual income tax provision reflect differences from the expected amount primarily due to state income taxes, net operating loss carrybacks, and goodwill amortization that is deemed non-deductible for tax reporting purposes.

Note 9. Related-Party Transactions

The Company has a management services agreement with the majority member of the Company. The member serves as an advisor and provides management services to the Company. Management fees were approximately $252,000 and $177,000 for the years ended December 31, 2023 and 2022, respectively. There were approximately $449,000 and $386,000 of unpaid management fees, included in accrued expenses on the consolidated balance sheets as of December 31, 2023 and 2022, respectively.

Note 10. Leases

The Company leases retail space in shopping centers for many corporate stores, as well as on behalf of certain franchisees, under non-cancelable operating leases. The leases expire at various dates through 2030. Certain lease agreements contain renewal options. For those leases, the Company included these renewal periods in the lease term if the Company determined it was reasonably certain to exercise the option. Lease payments during such renewal periods were also considered in the calculation of right-of-use assets and lease obligations. Fixed lease payments consist of base rent and operating expenses but do not include contingent rentals which may be required under certain leases based on sales more than stipulated minimums. Fixed lease expense under these agreements totaled approximately $568,000 and $1,001,000 for the years ended December 31, 2023 and 2022, respectively.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease obligations represent the Company's obligation to make lease payments arising from the lease. Lease obligations are recognized at the commencement date based on the present value of lease payments over the lease term. Right-of-use assets are recognized at the commencement date as the initial measurement of the lease liability, plus payments made prior to lease commencement and any initial direct costs. As the Company's leases do not provide an implicit rate, the Company elected to use its incremental borrowing rate at the commencement date in determining the present value of lease payments.

Future minimum lease payments under the operating leases as of December 31, 2023 are as follows for the years ending December 31:

2024	$ 3,259,971
2025	1,686,606
2026	731,075
2027	115,467
2028	40,231
Thereafter	147,827
Total undiscounted lease payments	5,981,177
Less: imputed interest	(808,167)
Total present value of lease liabilities	5,173,010
Less: current portion of operating lease obligations	(2,786,831)
Operating lease liabilities, net of current portion	$ 2,386,178

Supplemental information regarding operating leases includes:

	2023	2022
Weighted average remaining lease term	2.18 years	2.60 years
Weighted average discount rate	13.5%	13.5%

Note 11. Commitments and Contingencies

From time to time, the Company is party to certain legal matters, including those related to contracts and franchise agreements that arise in the ordinary course of business. The estimated cost that the Company expects to pay in relationship to these matters is accrued when the liability is considered probable and the amounts can be reasonably estimated. In management's opinion, any such outstanding matters of which the Company has knowledge have been reflected in the financial statements or would not have a material adverse effect on the Company's financial position and results of operations.

Note 12. Subsequent Event

As discussed in Note 4, the Company filed breach of contract lawsuits against multiple former franchisees of the Company. On January 17, 2024, the court entered judgement in favor of the Company in the amount of approximately $521,000.

Exhibit F-2
Guaranty of Performance

Docusign Envelope ID: 2FF1D116-086B-419F-AE2F-056E9C7BE350

Form E – Guarantee of Performance

GUARANTEE OF PERFORMANCE

For value received, JRE Holdings, Inc., a Florida corporation (the "Guarantor"), located at 1515 Sunset Drive, Suite 32, Miami, Florida 33143;, absolutely and unconditionally guarantees to assume the duties and obligations of Jewelry Repair Enterprises, Inc., a Pennsylvania corporation, located at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Boca Raton, Florida on the 29th day of July 2025.

Guarantor:

JRE Holdings, Inc.

Signed by:

By: Benjamin L. Russell

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Name: Benjamin L. Russell

Title: Executive Vice President of Operations

Exhibit F-3
Unaudited Financial Statements

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Income Statement

	May-25 Month			Variance		May-25 Year-to-Date			Variance		TTM
	2025	Budget	2024	vs. Budget	vs. 2024	2025	Budget	2024	vs. Budget	vs. 2024	May-25
Revenue											
Service Income	$321,992	$311,287	$307,037	3.4%	4.9%	$1,465,237	$1,426,669	$1,446,468	2.7%	1.3%	$3,549,118
Vendor Rebates	4,341	7,000	5,016	(38.0%)	(13.4%)	23,755	35,000	26,431	(32.1%)	(10.1%)	171,578
Corp Store Revenues	219,421	154,462	171,018	42.1%	28.3%	954,783	748,369	808,895	27.6%	18.0%	2,049,898
Franchise/Renewal/Transfer	-	2,250	17,333	NM	NM	-	11,250	39,050	NM	NM	168,061
Ireland Royalty	5,250	-	5,250	NM	0.0%	26,250	-	26,250	NM	0.0%	63,000
Other Income	12,500	12,500	-	0.0%	NM	62,500	62,500	-	0.0%	NM	97,696
Total Revenue	$563,504	$487,499	$505,653	15.6%	11.4%	$2,532,524	$2,283,788	$2,347,093	10.9%	7.9%	$6,099,351
COS											
COGS	$42,547	$30,892	$27,584	37.7%	54.2%	$193,363	$149,673	$129,514	29.2%	49.3%	$454,422
Other	0	0	0	NM	NM	0	$0	0	NM	NM	63,000
COS	$42,547	$30,892	$27,584	37.7%	54.2%	$193,363	$149,673	$129,514	29.2%	49.3%	$517,422
Margin	*7.6%*	*6.3%*	*5.5%*			*7.6%*	*6.6%*	*5.5%*			*8.5%*
Gross Profit	$520,957	$456,607	$478,069	14.1%	9.0%	$2,339,161	$2,134,115	$2,217,579	9.6%	5.5%	$5,581,930
Margin	*92.4%*	*93.7%*	*94.5%*			*92.4%*	*93.4%*	*94.5%*			*91.5%*
SG&A											
Personnel	$142,567	$119,601	$162,212	19.2%	(12.1%)	$643,104	$664,694	$590,327	(3.2%)	8.9%	$1,595,021
Facilities	46,853	33,265	60,678	40.8%	(22.8%)	254,976	$186,323	256,943	36.8%	(0.8%)	692,753
General & Administrative	23,980	27,152	28,622	(11.7%)	(16.2%)	119,835	$135,760	168,187	(11.7%)	(28.7%)	119,479
Sales, Marketing & Promoti	16,966	17,500	1,222	(3.1%)	1,287.8%	91,349	$87,500	14,639	4.4%	524.0%	174,080
Professional Fees (Legal/Ac	27,055	16,007	23,916	69.0%	13.1%	114,928	$83,035	111,713	38.4%	2.9%	297,344
Insurance	3,443	5,987	6,323	(42.5%)	(45.5%)	11,294	$29,935	26,386	(62.3%)	(57.2%)	59,150
Depreciation	5,685	5,852	9,856	(2.8%)	(42.3%)	28,424	$29,258	36,766	(2.8%)	(22.7%)	68,218
Amortization	57,860	57,860	57,860	0.0%	0.0%	289,300	$289,300	289,300	0.0%	0.0%	617,280
SG&A	$324,408	$283,224	$350,689	14.5%	(7.5%)	$1,553,209	$1,505,807	$1,494,261	3.1%	3.9%	$3,623,326
Margin	*57.6%*	*58.1%*	*69.4%*			*61.3%*	*65.9%*	*63.7%*			*59.4%*
EBIT	**$196,548**	**$173,384**	**$127,380**	**13.4%**	**54.3%**	**$785,951**	**$628,309**	**$723,318**	**25.1%**	**8.7%**	**$1,958,604**
Margin	*34.9%*	*35.6%*	*25.2%*			*31.0%*	*27.5%*	*30.8%*			*32.1%*
Other Expense / (Income)											
Interest Expense	$46,676	$47,343	$59,016	(1.4%)	(20.9%)	$246,744	$248,906	$308,387	(0.9%)	(20.0%)	$733,527
DK-JRE Mgmt Fee	17,364	17,364	22,050	0.0%	(21.2%)	86,822	$86,820	110,250	0.0%	(21.2%)	241,172
Other Non-Recurring	31,324	16,667	14,663	87.9%	113.6%	80,061	$83,333	74,582	(3.9%)	7.3%	153,540
Other Income	(416)	0	0	NM	NM	(416)	$0	0	NM	NM	(416)
Other Expense	0	0	0	NM	NM	0	$0	0	NM	NM	0
Other Expense / (Income)	$94,948	$81,374	$95,729	16.7%	(0.8%)	$413,211	$419,059	$493,219	(1.4%)	(16.2%)	$1,127,824
Pre-Tax Income	$101,600	$92,010	$31,651	10.4%	221.0%	$372,740	$209,249	$230,100	78.1%	62.0%	$830,780
Margin	*18.0%*	*18.9%*	*6.3%*			*14.7%*	*9.2%*	*9.8%*			*13.6%*
Income Tax	$114,601	$0	$9,487	NM	1,108.0%	$114,601	$72,500	$11,625	58.1%	885.8%	$433,763
Rate	*112.8%*	*NM*	*30.0%*			*30.7%*	*34.6%*	*5.1%*			*52.2%*
Net Income	($13,001)	$92,010	$22,165	NM	NM	$258,139	$136,749	$218,475	88.8%	18.2%	$397,017
Margin	*NM*	*18.9%*	*4.4%*			*10.2%*	*6.0%*	*9.3%*			*6.5%*
EBITDA	**$260,093**	**$237,095**	**$195,096**	**9.7%**	**33.3%**	**$1,103,676**	**$946,866**	**$1,049,384**	**16.6%**	**5.2%**	**$2,614,102**

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Margin	*46.2%*	*48.6%*	*38.6%*		*43.6%*	*41.5%*	*44.7%*	*43.4%*
ASC 606 Adjustment	$0		$0		$0		$0	$0
EBITDA LESS ASC606 Adjus	$260,093		$195,096		$1,103,676		$1,049,384	$2,644,102

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May-25

	Month			Variance	
	2025	Budget	2024	vs. Budget	vs. 2024
Assets					
Current Assets					
Cash	$1,305,395	$1,201,002	$894,548	8.7%	45.9%
Accounts Receivable	402,541	362,624	355,642	11.0%	13.2%
FZ Fee/Renewal/Note Rece	633,983	610,952	813,698	3.8%	(22.1%)
Inventory	314,549	325,000	321,891	(3.2%)	(2.3%)
Prepaid Expense	62,928	76,994	86,107	(18.3%)	(26.9%)
Other	0	0	0	NM	NM
Current Assets	$2,719,397	$2,576,572	$2,471,885	5.5%	10.0%
PP&E	$169,215	$175,102	$224,676	(3.4%)	(24.7%)
Taxes - Prepaid and Deferred	267,822	268,252	279,488	(0.2%)	(4.2%)
Goodwill	1,553,489	1,727,069	2,247,809	(10.1%)	(30.9%)
Intercompany	0	0	0	NM	NM
Other	3,102,956	5,291,690	5,317,651	(41.4%)	(41.6%)
Total Assets	**$7,812,879**	**$10,038,685**	**$10,541,510**	**(22.2%)**	**(25.9%)**
Liabilities & Shareholders' Equity					
Current Liabilities					
Accounts Payable	$134,812	$110,000	$174,905	22.6%	(22.9%)
Accrued Expenses	2,216,724	813,169	3,464,914	172.6%	(36.0%)
Deferred Revenue	544,600	714,265	739,265	(23.8%)	(26.3%)
Other	(49,429)	2,771,081	(15,749)	NM	NM
Current Liabilities	$2,846,707	$4,408,515	$4,363,336	(35.4%)	(34.8%)
Senior Debt					
SG Credit Debt	$3,129,677	$3,342,427	$3,955,445	(6.4%)	(20.9%)
PPP2	0	0	0	NM	NM
Capital Leases	0	0	0	NM	NM
Debt	$3,129,677	$3,342,427	$3,955,445	(6.4%)	(20.9%)
Intercompany	$0	$0	$0	NM	NM
Tax Liabilities	40,800	0	(66,356)	NM	NM
Other Liabilities	1,091,113	2,303,813	2,414,369	(52.6%)	(54.8%)
Total Liabilities	$7,108,297	$10,054,755	$10,666,793	(29.3%)	(33.4%)
Shareholders' Equity					
Common Equity	$906,330	$906,000	$906,330	0.0%	0.0%
Retained Earnings	(201,749)	(922,070)	(1,031,613)	NM	NM
Shareholders' Equity	$704,581	($16,070)	($125,283)	NM	NM
Total Liabilities & Shareh	**$7,812,879**	**$10,038,685**	**$10,541,510**	**(22.2%)**	**(25.9%)**

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Cash Flow Statement

	May-25 Month			Variance		May-25 Year-to-Date			Variance	
	2025	Budget	2024	vs. Budget	vs. 2024	2025	Budget	2024	vs. Budget	vs. 2024
Cash Flow from Operating Activities										
Net Income	($13,001)		$22,165	NM	NM	$258,139		$218,475	NM	18.2%
Depreciation	5,685		5,685	NM	0.0%	28,424		28,424	NM	0.0%
Amortization	57,860		57,860	NM	0.0%	289,300		289,300	NM	0.0%
(Gain) / Loss on Sale of Ass	0		0	NM	NM	0		0	NM	NM
(Increase) / Decrease Accou	(74,618)		(28,471)	NM	NM	20,125		120,013	NM	(83.2%)
(Increase) / Decrease FZ No	16,552		12,652	NM	30.8%	79,797		(1,289)	NM	NM
(Increase) / Decrease Invent	673		(17,572)	NM	NM	25,616		2,182	NM	1,074.1%
(Increase) / Decrease Prepai	72,816		25,360	NM	187.1%	(40,878)		(30,777)	NM	NM
(Increase) / Decrease Tax A	113,501		0	NM	NM	(0)		(38,001)	NM	NM
(Increase) / Decrease Other	9,192		0	NM	NM	9,192		0	NM	NM
(Decrease) / Increase Accou	45,309		(101,090)	NM	NM	9,836		($3,689)	NM	NM
(Decrease) / Increase Accru	(149,774)		2,951	NM	NM	(77,571)		(56,891)	NM	NM
(Decrease) / Increase Other	0		0	NM	NM	0		0	NM	NM
(Decrease) / Increase Interc	0		0	NM	NM	0		(15,750)	NM	NM
(Decrease) / Increase Other	0		0	NM	NM	0		0	NM	NM
(Decrease) / Increase Deferr	(5,500)		0	NM	NM	(45,354)		0	NM	NM
Other / Rounding	0		0	NM	NM	0		0	NM	NM
Cash Flow from Operati	**$78,694**		**($20,461)**	NM	NM	**$556,626**		**$431,997**	NM	28.8%
Cash Flow from Investing Activities										
Acquisition of Assets	0		0	NM	NM	0		0	NM	NM
Capital Expenditures	0		4,171	NM	(100.0%)	(12,501)		(2,243)	NM	NM
Goodwill/Other	0		0	NM	NM	0		0	NM	NM
Cash Flow from Investing	**$0**		**$4,171**	NM	(100.0%)	**($12,501)**		**($2,243)**	NM	NM
Cash Flow from Financing Activities										
Proceeds / (Repayment) on	(70,944)		(73,611)	NM	NM	(354,033)		(368,056)	NM	NM
Other	0		0	NM	NM	0		0	NM	NM
Cash Flow from Financin	**($70,944)**		**($73,611)**	NM	NM	**($354,033)**		**($368,056)**	NM	NM
Increase / (Decrease) in Cash	$7,751		($89,901)	NM	NM	$190,092		$61,698	NM	208.1%
Excess Cash Flow Repayment	$0		0	NM	NM	0		0	NM	NM
Net Increase / (Decrease) in C	**$7,751**		**($89,901)**	NM	NM	**$190,092**		**$61,698**	NM	208.1%
Cash - Beginning	$1,297,645		$984,449	NM	31.8%	$1,115,303		$832,849	NM	33.9%
Net Increase / (Decrease) in C	7,751		(89,901)	NM	NM	190,092		61,698	NM	208.1%
Cash - Ending	$1,305,395		$894,548	NM	45.9%	$1,305,395		$894,548	NM	45.9%
	$0		$0			0		0		

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EXHIBIT G

SAMPLE GENERAL RELEASE

GENERAL RELEASE

THIS GENERAL RELEASE (the "Release") is entered into on this ___ day of _____, 20__, by and between Jewelry Repair Enterprises, Inc., a Pennsylvania corporation, with its principal place of business at 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487 ("Franchisor") and {_____, an individual} {_____, a(n) _____{corporation, limited liability company}, located at {_____} {("Franchisee")} {("Transferor")}.

BACKGROUND

A. Franchisor and {Franchisee}{Transferor} are parties to a Franchise Agreement dated _____ (the "Franchise Agreement"); and

B. Franchisor and Franchisee have agreed, pursuant to the Franchise Agreement, {to renew or extend Franchisee's rights under Section 2.5 the Franchise Agreement (the "Renewal Transaction")} {to permit a transfer pursuant to Section 10 of the Franchise Agreement (the "Transfer Transaction")} {to permit a relocation pursuant to Section 3.2 of the Franchise Agreement (the "Relocation Transaction")}, and in connection with the {Renewal Transaction} {Transfer Transaction} {Relocation Transaction}, Franchisor and {Franchisee} {Transferor} have agreed to execute this Release, along with such other documents related to the approved {Renewal Transaction} {Transfer Transaction} {Relocation Transaction}; and

C. Capitalized terms not otherwise defined in this Release shall have the meanings as defined in the Franchise Agreement.

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

1. **Release.** {Franchisee} {Transferor} and its legal or beneficial owners (the "Principals"), and their respective agents, representatives, heirs, administrators, successors and assigns (the "Franchisee Group"), hereby forever release and discharge, and forever hold harmless Franchisor, its current and former affiliates and predecessors, and their respective shareholders, partners, members, managers, directors, officers, agents, employees, representatives, administrators, successors and assigns (the "Franchisor Group") from any and all claims, demands, debts, liabilities, actions or causes of action, costs, agreements, promises and expenses of every kind and nature whatsoever, at law or in equity, whether based on statutory or common law, whether known or unknown, foreseen and unforeseen, liquidated or unliquidated, matured or unmatured, determined or undetermined, contingent or fixed, and whether or not yet accrued or asserted which {Franchisee} {Transferor} and/or its Principals had, have or may have against any member of the Franchisor Group, including, without limitation, any claims or causes of action arising from, in connection with or in any way related or pertaining, directly or indirectly, to the Franchise Agreement, the relationship created by the Franchise Agreement, or the development, ownership or operation of the Fast-Fix Service Center franchise. The Franchisee Group further indemnifies, defends and holds the Franchisor Group harmless against, and agrees to reimburse them for any loss, liability, expense or damages (actual or consequential) including, without limitation, reasonable attorneys', accountants' and expert witness fees, costs of investigation and proof of facts, court costs and other litigation expenses, which any member of the Franchisor Group may suffer with respect to any claims or causes of action which any customer, creditor or other third party now has, ever had, or hereafter would or could have, as a result of, arising from or in any way relating to the Franchise Agreement or the Fast-Fix Service Center franchise. The Franchisee Group and its Principals represent and warrant that they have not made an assignment or any other transfer of any interest in the claims, causes of action, suits, debts, agreements or promises described herein.

   In providing this Release, {Franchisee} {Transferor} and its owners, partners, members and/or shareholders expressly acknowledge that, to the extent the laws of the State of California govern the relationship of the parties hereto, {Franchisee} {Transferor} and its owners, partners, members and/or shareholders are fully familiar with the provisions of Section 1542 of the Civil Code of the State of California and each expressly waives any and all rights under Section 1542 of the Civil Code of the State of California which provides as follows:

"A General Release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known to him or her must have materially affected his or her settlement with the debtor."

{Franchisee} {Transferor} and its owners, partners, members and/or shareholders hereby expressly waive any and all rights under any similar federal or state statute, regulation or rule.

2. **Washington Franchise Law.** The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

[Section 2 only applies for Washington franchisees; otherwise it is omitted]

3. **General Terms.**

3.1 This Release shall be binding on, and inure to the benefit of, each party's respective heirs, representatives, successors, and assigns.

3.2 This Release shall take effect on its acceptance and execution by each of the parties hereto.

3.3 This Release may be executed by the parties hereto in several counterparts, all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all parties shall not have signed the same counterpart. Furthermore, delivery of a copy of a counterpart signature by facsimile or electronic transmission shall constitute a valid and binding execution and delivery of this Release, and such copy shall constitute an enforceable original document.

3.4 The captions in this Release are for the sake of convenience only, and shall neither amend nor modify the terms hereof.

3.5 This Release and the transactions contemplated hereby, and all claims and defenses arising out of or relating to any such transaction or this Release or the formation, breach or validity of any part of this Release, shall in all respect be governed by, and construed in accordance with, the laws of the State of Florida without giving effect to any conflicts of laws principles of such state that would apply the laws of another jurisdiction.

3.6 This Release constitutes the entire, full, and complete agreement between the parties concerning the subject matter hereof, and supersedes all prior agreements and communications concerning the subject matter hereof. No other representations have induced the parties to execute this Release. The parties agree that they have not relied on anything other than the words of this Release in deciding whether to enter into this Release.

3.7 No amendment, change, or variance from this Release shall be binding on either party unless in writing and agreed to by all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Release in duplicate on the day and year first above written.

FRANCHISOR: JEWELRY REPAIR ENTERPRISES, INC.	**{FRANCHISEE} {TRANSFEROR}**: {NAME}
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title: _____
Date Signed: _____	Date Signed: _____

EXHIBIT H

STATE SPECIFIC ADDENDA

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

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

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

2. The following language is added to the end of the first paragraph in Item 5:

   The California Department of Financial Protection and Innovation, Securities Regulation Division requires that all fees be deferred until after the franchisor has completed all of its initial preopening obligations to franchisee and the franchisee is open for business.

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

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

5. Delete and replace the "Interest on Late Payments" row in Item 6 with the following:

Interest on Late Payments	18% per annum; or maximum rate permitted by law (which is 10% in California)	On demand	Imposed if any payment you owe us is overdue

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

   California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer or nonrenewal of the franchise. If the Franchise Agreement contains any provision that is inconsistent with the law, and the law applies, then the law will control.

   Termination On Bankruptcy. The Franchise Agreement provides for termination on bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.)

   Covenant not to Compete. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

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

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

   Arbitration. the Franchise Agreement requires binding arbitration. The arbitration will occur in Broward County, Florida with the costs being borne by the non-prevailing party.

   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.

Material Modification. 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.

Releases. The Franchise Agreement requires you to sign a general release of claims on 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 any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

7. The following paragraph is added to the end of Item 19 of the Disclosure Document:

   The financial performance representation figures do not reflect all of operating expenses or other costs or expenses that must be deducted from the Gross Sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees listed in this Disclosure Document may be one source of this information.

8. **Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.**

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

1. The following language is added to the end of the first paragraph in Item 5:

   The Hawaii Department of Commerce and Consumer Affairs Business Registration Division requires us to defer payment of the initial franchise fee and other initial payments owed by the franchisee to the franchisor until the franchisor has completed its pre-opening obligations under the Franchise Agreement and the franchise location has opened for business.

HAWAII DISCLAIMER

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 FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE 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, Department of Commerce and Consumer Affairs, Business Registration Division, 335 Merchant Street, Honolulu, Hawaii 96813.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

1. Delete and replace the "Summary" section of Item 17(v) of the Franchise Agreement chart in the Disclosure Document with the following:

   Litigation must be in Illinois.

2. Illinois law governs the Franchise Agreement(s).

3. 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 take place outside of Illinois.

4. Your rights on termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1(9).

6. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.

7. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

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

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 5 is amended to state:

   Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement.

2. The "Summary" sections of Items 17(c), entitled **Requirements for franchisee to renew or extend**, and 17(m), entitled **Conditions for franchisor approval of transfer**, of the Disclosure Document are amended by adding the following:

   Any general releases you sign as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The "Summary" section of Item 17(h), entitled **"Cause" defined – non-curable defaults**, of the Disclosure Document is amended by adding the following:

   The agreement provides for termination on bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce it to the extent the law allows.

4. The "Summary" section of Item 17(v), entitled **Choice of Forum**, of the Disclosure Document is amended by adding the following:

   Although you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The "Summary" section of Item 17(w), entitled **Choice of law**, of the Disclosure Document is amended by adding the following:

   Except for federal law, and as otherwise required by applicable law for claims arising under the Maryland Franchise Registration and Disclosure Law, the law of the State the Franchised Business is located governs.

6. The following language is added to the end of Item 17 of the Disclosure Document:

   Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 5 of this disclosure document is modified to include the following language:

   Based on our financial condition, we are required by the Minnesota Department of Commerce to defer initial fees until we have fulfilled our pre-opening obligations to you and you are open for business.

2. The following is added at the end of the chart in Item 17:

   With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

   Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

   Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by the Minnesota Franchises Law.

   Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

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

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR 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 to be 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 injunction or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

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

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

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 5 to the Franchise Disclosure Document is amended to state:

   The North Dakota Division of Securities requires us to defer payment of the initial franchise fee until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

2. The Summary column of Item 17(c) of this disclosure document is by revising the last language to read:

   You must sign a general release of claims (except for any claims arising under the North Dakota Franchise Investment Law (the "**North Dakota Law**").

3. The Summary column of Item 17(i) of this disclosure document is modified by deleting the following language:

   "(including liquidated damages for premature termination)"

4. The Summary column of Item 17(r) of this disclosure document is modified by adding the following sentence:

   Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

5. The Summary column of Item 17(u) of this disclosure document is amended by adding the following sentences:

   Under the North Dakota Law, if applicable, the site of arbitration must be agreeable to all parties and may not be remote from your place of business.

6. The Summary column of Item 17(v) of this disclosure document is amended to read as follows:

   The North Dakota Law, if applicable, prohibits us from requiring you to consent to the jurisdiction of courts outside North Dakota, including courts in Florida.

7. The Summary column of Item 17(w) of this disclosure document is modified to read as follows:

   If the North Dakota Law applies, the law of North Dakota.

8. If the North Dakota Law applies, we are prohibited from requiring you to waive trial by jury for any claims arising under the North Dakota Law.

SOUTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 5 is amended to state:

   Based on the franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees and payments owed by any franchisee must be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement and the franchisee commences doing business.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

1. Item 5 to the Franchise Disclosure Document is amended to state:

   The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

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

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

Item 5 of the Franchise Disclosure Document is amended to state:

> In lieu of an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the Franchise Agreement or offering circular, and (b) is open for business.

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 franchise, 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.

Pursuant to RCW 19.100.010(F), any person who receives financial incentives to refer franchise prospects to the franchisor may be required to register as a franchise broker under the laws of Washington.

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

EXHIBIT I

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	August 4, 2025 (amended _____, 2025)
Hawaii	
Illinois	
Indiana	July 18, 2025 (amended _____, 2025)
Michigan	June 23, 2025 (amended August 7, 2025)
Minnesota	
New York	
North Dakota	
Rhode Island	July 22, 2025 (amended _____, 2025)
South Dakota	July 18, 2025 (amended August 7, 2025)
Virginia	
Washington	Pending
Wisconsin	July 18, 2025 (amended _____, 2025)

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If we (Jewelry Repair Enterprises, Inc.) offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this disclosure document at the 1st personal meeting. **Michigan** requires that we give you this disclosure document 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. **New York** requires that we give you this disclosure document at the earlier of the 1st personal meeting, or 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the authorized state agency listed in Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: Benjamin Russell, Linda Mossessian Keshishian, Anna Heebner, and Anita Briggs, 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487, (800) 359-0407 or (561) 330-6060;

and _____.

Issuance Date: June 26, 2025 (amended August 7, 2025)

See Exhibit A for our registered agents authorized to receive service of process.

I have received a disclosure document that includes the following Exhibits:

A. Agencies/Agents for Service of Process
B. Franchise Agreement and Attachments
C. Table of Contents of Brand Standards Manual
D. Franchisees and Company-Owned Locations
E. Franchisees Who Left the System
F. Financial Statements
G. Sample General Release
H. State Specific Addenda
I. State Effective Dates
J. Receipts

Date:_____ Your Name (Please print): _____

Your signature: _____

You should return one copy of the signed receipt either: by signing, dating, and mailing it to Benjamin Russell, 6413 Congress Avenue, Suite 240, Boca Raton, Florida 33487; or by faxing or emailing it to Benjamin Russell at 561-431-3231 or brussell@fastfixfranchise.com. You may keep the second 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 we (Jewelry Repair Enterprises, Inc.) offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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