FRANCHISE DISCLOSURE DOCUMENT
FAST UNDERCAR FRANCHISE, LLC
A California Limited Liability Company

3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(805) 676-3410 ext 110
http://www.fastundercar.com

Franchise Business: FAST UNDERCAR® franchisees will operate a distribution outlet under the Licensed Marks specializing in selling undercar and other automotive aftermarket parts, supplies and accessories primarily to professional repair facilities and other commercial customers.

Total Initial Investment: We estimate that, as of the Effective Date of this disclosure document, the total initial investment to open and begin operating a single FAST UNDERCAR® outlet will range from $550,000- $1,139,500 for start-up franchisees and from $54,800 to $805,000 for conversion operators. This includes $12,500 that must be paid to the franchisor or its affiliates. If you purchase area development rights and your development obligations span several years, your total initial investment per FAST UNDERCAR® outlet may increase with time due to inflation and changes in market conditions, which we cannot estimate.

In select cases, we grant area development rights to qualified candidates who commit to open at least 5 outlets within a prescribed time frame in a territory that we define. We charge a Territorial Rights Fee for the exclusive development rights, which we compute as a multiple of the number of outlets that you commit to open times the Initial Franchise Fee per outlet, which at this time is $12,500. Therefore, if you commit to open 5 outlets, the total Territorial Rights Fee is $62,500. You pay the entire Territorial Rights Fee when you sign the Area Development Agreement, and we credit $12,500 of the Territorial Rights Fee to the Initial Franchise Fee each time you sign a new Franchise Agreement.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Victor Davis, General Manager, Fast Undercar Franchise LLC, 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042 (telephone (805) 676-3410 ext ~~110~~15058 e-mail - info@fastundercar.com, victor@fastundercar.com).

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, N.W., 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: March 30, ~~2020~~2021

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or **Exhibit L**.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or **Exhibit M** 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 Undercar franchise 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 Undercar franchisee?	Item 20 or **Exhibit L** lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Personal Guarantee**. Your spouse must also sign a personal guarantee making your spouse individually liable for your financial obligations under the Franchise Agreement. The guarantee will place your spouse's marital and personal assets at risk if your franchise fails.

3. **Renewal**. Many Franchise Agreements do not allow you to renew unconditionally after the initial term expires. You may have to sign a new agreement with different terms and conditions in order to continue to operate your business. Before you buy, consider what rights you have to renew your franchise, if any, and what terms you might have to accept in order to renew.

4. **Minimum Sales Quota.** We may condition the award of a franchise on your agreement to meet a minimum sales quota. Before you sign any binding agreement with us, we will notify you of the amount of the minimum sales quota. We may terminate the franchise agreement if you fail to meet the minimum sales quota.

5. **Initial Investment**. You will be required to make an estimated initial investment amount that exceeds the franchisor's stockholder equity as of December 31, ~~2019~~2020.

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.

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EXHIBITS

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

A. Terminology.

To simplify the language in this franchise disclosure document, the terms "Franchisor," "Company," "we," "us" and "our" refer to Fast Undercar Franchise, LLC. The term "you" means the person to whom we grant a franchise. If you are a corporation, partnership, or other entity, the term "you" includes your owners.

B. The Company, Our Parents, Predecessors and Affiliates.

The Company and its Predecessor

The Franchisor is Fast Undercar Franchise, LLC. We were organized as a California Limited Liability Company on April 17, 2018, originally under the name of FUFC Acquisition, LLC and filed a name change request on June 4, 2018, to Fast Undercar Franchise, LLC. Our principal business address is 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042. We do business under the name FAST UNDERCAR®.

We are a direct subsidiary of PAI Holdco, Inc., a Delaware corporation ("PAI Holdco") with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042. We describe our parent companies in this Item 1.

On May 15, 2018, FUFC Acquisition, LLC and its affiliate, Parts Authority Metro, LLC, a California limited liability company ("PAM"), together as "Purchasers," entered into an Asset Purchase Agreement to acquire the assets of Fast Undercar, Inc., a California corporation ("FUI") and Fast Undercar Franchise Corporation, a California corporation ("FUFC"). On this date, FUI ~~at the time~~ owned and operated 5 FAST UNDERCAR® Outlets in California and FUFC operated as a franchisor and provided franchise services under 28 franchise agreements with third party franchisees. On the transaction's closing date, June 1, 2018, PAM acquired FUI's assets and FUFC Acquisition, LLC acquired all of FUFC's right, title and interest in the Franchise Agreements then in effect. Consequently, we consider FUFC as our predecessor.

Our predecessor, FUFC, was organized as a California corporation on July 6, 1998, to administer the FAST UNDERCAR® franchise program. FUFC was affiliated through common ownership with FUI, which incorporated on May 29, 1996. Both FUI and FUFC's principal place of business are the same as our principal business address.

We do not now and have not in the past offered or sold franchises in any other line of business. We are not presently affiliated with any other company that presently offers franchises in any line of business. ~~Our affiliate~~One of our affiliates identified in Item 1, ~~PAM~~PA LLC, operates FAST UNDERCAR® Outlets in California as we disclose in this Disclosure Document. We may directly or through an affiliate company engage in Internet sales of undercar and other automotive aftermarket parts, supplies and accessories to the public.

We and our affiliates have common principals. We derive our operating experience from our affiliates' experience in developing and operating FAST UNDERCAR® outlets and in automotive aftermarket distribution in various market channels.

We list our agents for service of process in **Exhibit B**.

Our Parents

- ~~The Resolute Fund III~~KPAE Holdings, L.P.

~~The Resolute Fund III~~

KPAE Holdings, L.P., a Delaware limited partnership formed on September 24, 2020, is the majority stockholder of ~~PA&E~~KPAE Holdco, Inc., which is the indirect parent entity of PAI Holdco, our direct parent company. ~~The Resolute Fund III, L.P. is a Delaware limited partnership formed on January 15, 2013, and is a private equity fund with the primary business purpose of investing in and selling companies. The Resolute Fund III, L.P.'s~~KPAE Holdings, L.P. Its principal business address is ~~399 Park Avenue, 30th Floor~~111 Radio Circle, Mount Kisco, New York~~, NY 10022. The Resolute Fund III~~ 10549. KPAE Holdings, L.P. has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with ~~The Resolute Fund III~~KPAE Holdings, L.P.

- KPAE Holdco, Inc.

Our indirect parent company, KPAE Holdco, Inc., is a Delaware corporation, formed on October 7, 2020, with a principal business address of 111 Radio Circle, Mount Kisco, New York 10549. KPAE Holdco, Inc.'s primary business is the distribution of automotive aftermarket parts. KPAE Holdco, Inc. has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with KPAE Holdco, Inc.

- PA&E Holdco, Inc.

Our indirect parent company, PA&E Holdco, Inc., is a Delaware corporation, formed on June 9, 2016, with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York, 11042. PA&E Holdco, Inc.'s primary business is the distribution of automotive aftermarket parts. PA&E Holdco, Inc. has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with PA&E Holdco, Inc.

- PAI Parent, Inc.

Our indirect parent company, PAI Parent, Inc., is a Delaware corporation, formed on June 9, 2016, with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York, 11042. PAI Parent, Inc.'s primary business is the distribution of automotive aftermarket parts. PAI Parent, Inc. has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with PAI Parent, Inc.

- PAI Intermediate Holdco, Inc.

Our indirect parent, PAI Intermediate Holdco, Inc., is a Delaware corporation formed on June 9, 2016, with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York, 11042. PAI Intermediate Holdco, Inc.'s primary business is the distribution of automotive parts to the aftermarket. PAI Intermediate Holdco, Inc. has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with PAI Intermediate Holdco, Inc.

- PAI Holdco, Inc.

Our direct parent, PAI Holdco, Inc. is a Delaware corporation formed on June 9, 2016, with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York, 11042. PAI Holdco's primary business is the distribution of automotive parts to the aftermarket. PAI Holdco has not in the past and does not now offer franchises in any lines of business. You will not conduct business directly with PAI Holdco, Inc.

Our Affiliates

- Parts Authority~~ Metro~~, LLC ("~~PAM~~PA LLC")

Our affiliate, ~~PAM~~PA LLC, is a ~~California~~Delaware Limited Liability company originally organized on ~~February 19~~May 31, 2016, with a principal business address of ~~535 Tennis Court Lane, San Bernardino, California 92408. PAM~~3 Dakota Drive, Suite 110, New Hyde Park, New York 11042. PA LLC is also a direct subsidiary of our direct parent. On January 1, 2021, Parts Authority Metro, LLC ("PAM") and another former affiliate of ours, Interamerican Motor, LLC, were merged into PA, LLC as part of an internal reorganization.

As part of the 2018 transaction described in this Item 1, PAM acquired all of the Licensed Marks previously owned by ~~its predecessor,~~ FUI~~,~~ and~~ PAM has~~ granted us a license to use and sublicense the use of the Licensed Marks in connection with administering the franchise program. ~~PAM~~Due to the internal merger effective January 1, 2021, all of PAM's business and assets, including the Licensed Marks and our license to use and sublicense the use of the Licensed Marks in connection with administering the franchise program, automatically transferred to PA LLC. PA LLC has not in the past and does not now offer franchises in any lines of business. At this time, ~~PAM~~PA LLC is an optional supplier of purchase of automotive related products and services and hosts the EPICOR/POS system, which you must use and for which you will pay ~~PAM~~PA LLC a monthly POS Maintenance Fee. (See disclosures in Items 6, 8 and 11). Consequently, you will conduct business directly with ~~PAM~~PA LLC.

As of the issuance date of this Franchise Disclosure Document, ~~PAM~~PA LLC owns and operates ~~7~~8 FAST UNDERCAR® distribution outlets in Ventura, Santa Barbara, Thousand Oaks, Stockton, Anaheim, Laguna Hills and San Marcos, California as well as Kent, Washington. PAM's Santa Barbara location, which opened in July, 1996, was the first FAST UNDERCAR® outlet to open for business. We disclose the addresses of our affiliate-owned outlets in **Exhibit L**.

- ~~Interamerican Motor, LLC ("IMC")~~

~~Our affiliate, IMC, is a Delaware limited liability company organized on February 1, 2018, with a principal business address of 3 Dakota Drive, Suite 110, New Hyde Park, New York, 11042. IMC is also a direct subsidiary of our direct parent. IMC has not in the past and does not now offer franchises in any lines of business. At this time, IMC is an optional supplier of purchase of automotive related products and services. Consequently, you will conduct business directly with IMC if you choose to do business with IMC. See additional disclosures about PAM in Item 8.~~

C. The FAST UNDERCAR® Business.

The FAST UNDERCAR® franchise grants you the right to own a distribution outlet specializing in the sale of undercar and other automotive aftermarket parts, supplies and accessories. FAST UNDERCAR® outlets sell primarily to professional installers ranging from independent garages with a single service bay to well-known national repair chains servicing high volumes of business. Your inventory will include popular-brand brake parts, steering, chassis and suspension components, power transmission parts and other automotive parts and supplies that we specify. These parts and supplies are for installation or use in automobiles and other light vehicles in accordance with manufacturers' specifications. Most undercar products are subject to constant wear and tear and most professional installers can install these products without special training.

Our affiliate, ~~PAM~~PA LLC, maintains relationships with a variety of wholesale suppliers of high quality, national brand undercar and other automotive aftermarket parts who are capable of supplying our chains' inventory needs and promptly fill restocking inventory orders as needed. ~~PAM~~PA LLC endeavors to negotiate favorable group buying programs with certain recommended suppliers to obtain volume discounts and other favorable terms for our franchisees. Neither we nor ~~PAM~~PA LLC make any representation regarding our ability to obtain particular prices, payment or credit terms. You must purchase all of your undercar and other automotive aftermarket parts, supplies and accessories from our recommended suppliers unless you obtain our prior written consent to purchase inventory items from a supplier who you propose to us and we approve after considering the quality of the supplier's inventory and the supplier's overall reputation and ability in our opinion to make timely deliveries. We forbid our franchisees to negotiate different prices or other terms of sale directly with suppliers on our recommended supplier list.

FAST UNDERCAR® outlets' primary customer base is the professional installation market rather than retailers who sell undercar and other automotive aftermarket parts to the general public. Professional repair facilities of all types are under increasing pressure to shorten repair and service times and increase returns from their service bays. By specializing in undercar parts and marketing to the professional installation market, FAST UNDERCAR® outlets occupy a distinctive segment of the automotive aftermarket. As component parts proliferate, professional installers are specializing in the kind of repair work they handle. FAST UNDERCAR® outlets serve this increasingly specialized market niche.

We distinguish the FAST UNDERCAR® system by featuring a two-step supply delivery process. Our approach involves FAST UNDERCAR® outlets (i) purchasing inventory directly from manufacturers and wholesalers of undercar and other automotive aftermarket parts, and (ii) using delivery vehicles to "hot shot" inventory directly to the customer's repair shop. Our delivery systems represent a significant departure from traditional wholesale distribution methods which historically involve at least three-steps: a hard parts manufacturer selling to a jobber or full-line warehouse who, in turn, resells inventory to a local distributor or retailer where customers travel to pick up the products they need. Our approach eliminates the functions that, historically, local auto parts jobbers (who typically combine retail and wholesale operations in retail locations where customers must come and shop) and full-line warehouse distributors (who sell primarily to jobbers, but historically are weak on service functions), perform. Our two-step distribution approach emphasizes parts delivery and customer convenience. We speed up the process of getting parts to the ultimate end user (the installer) and minimize expenses attributable to carrying an extensive inventory line.

D. The FAST UNDERCAR® Franchise.

We primarily offer single unit franchises for one outlet only. The franchise grants you an exclusive territory within which we agree not to operate, or sell another franchise or, a FAST UNDERCAR® business.

In isolated cases, we may grant area development rights to qualified candidates. Area development rights grant you a protected area within which you must open a minimum number of FAST UNDERCAR® outlets by deadlines that we mutually establish. You and we will sign a separate Franchise Agreement for each outlet that you open.

We offer franchises to conversion operators, i.e., to persons meeting our experience and financial qualifications who own an independent automotive aftermarket parts supply business in a market area we desire to expand into. Conversion operators must have a minimum of 2 years of operating history in their current market area.

We disclose the number of operating FAST UNDERCAR® outlets in Item 20 and provide a list of addresses and owners in **Exhibit L**.

E. Specialized Industry Laws.

Beginning in December 2019 and continuing through 2020, the COVID-19 virus began spreading throughout the world including the first outbreak in the United States in January, 2020. The United States declared the COVID-19 pandemic a national emergency on March 13, 2020 allowing federal, state and local governments to take preventive and proactive measures to slow the spread of the virus. In the weeks that followed the national emergency declaration, state and local governments forced closures and imposed operating restrictions on non-essential businesses. FAST UNDERCAR® outlets were classified as an essential business that were allowed to remain open to the public. Nevertheless, in the immediate weeks after the declaration of the national emergency, business levels dropped as state and local governments imposed shelter-in-place or stay-at-home orders on the general public limiting travel to permitted work and essential needs, like grocery shopping. You will need to comply with COVID-19 orders, rules and laws for your city, county, state and with federal laws until all government restrictions are lifted.

Besides COVID-19 specific restrictions, FAST UNDERCAR® outlets are not subject to any specialized laws pertaining to the distribution of automotive parts, other than laws of general application. However, because undercar and other automotive aftermarket parts installers handle hazardous substances, like petroleum products, in performing services, specialized laws may apply to your customers, although these laws currently do not extend to persons who sell automotive parts. Laws of general application include tax regulations, labor laws, business licensing requirements, the American With Disabilities Act, environmental laws and the like. You should investigate all general laws in evaluating the franchise.

F. General Market for Your Products and Services and General Description of Your Competition.

The automotive aftermarket supply industry is highly competitive throughout the United States, but relatively fragmented. Your potential competitors include traditional auto parts jobbers, full-line warehouse distributors, and companies focusing specifically on undercar parts distribution. You will also compete to some extent with national chains, mass merchandisers and independent retailers selling undercar and other automotive aftermarket parts to the general public. Your competitors may have greater financial and other resources than you.

Our business model relies on immediate delivery of parts, supplies and accessories to customers and highly personalized service. We do not regard Internet sales of parts, supplies or accessories, whether by us or one of our affiliates or by an unaffiliated third party, to directly compete with your sales since Internet sales do not involve personal contact or instantaneous order fulfillment, but would involve mail delivery or delivery by common carrier and some delay between when the customer places its order and fulfillment. Nevertheless, not all of your customers may equally value personal contact and instantaneous order fulfillment and may regard Internet sales to be more convenient.

G. Your Owner's Obligations.

If you are a business entity, each person who owns or later acquires 10% or more of the outstanding equity or voting interests of the entity must sign our Personal Guaranty (**Exhibit H**) agreeing to jointly and severally personally guaranty the entity's obligations to us under all contracts that the entity signs with us.

ITEM 2
BUSINESS EXPERIENCE

RANDY A. BULLER, Chief Executive Officer

Since June 1, 2018, Mr. Buller has served as Chief Executive Officer of Fast Undercar Franchise, LLC. Mr. Buller also serves as the President and Chief Executive Officer of PAI Holdco and its subsidiaries identified in Item 1. Mr. Buller brings over ~~39~~40 years of experience in automotive aftermarket distribution to the Company. In 1980, Mr. Buller, then a partner of Clearway Auto Parts with his other partners created Parts Authority as a partnership, and in 1997, reorganized as Parts Authority, Inc. with headquarters in Queens Village, New York. In June 2016, The Resolute Fund III, L.P. invested in Parts Authority, Inc. and reorganized the company, forming our parent, PAI Holdco. In October 2020, KPAE Holdings, L.P., invested in Parts Authority, creating KPA&E Holdco, Inc., the ultimate indirect parent company of PAI Holdco, our parent company. Since 1980, these entities together doing business as "Parts Authority" have specialized in selling automotive aftermarket parts to professional installers and have also serviced the retail market, jobbers, fleets, chains and e-tailers along with other market channels. Parts Authority operates in Arizona, California, District of Columbia, Florida, Georgia, Maryland, Massachusetts, New York, New Jersey, Ohio, Oregon, Utah, Texas, Virginia, Washington and has headquarters in New Hyde Park, New York.

YARON ROSENTHAL, Managing Member

Since June 1, 2018, Mr. Rosenthal has served as the managing member of Fast Undercar Franchise, LLC. Since June 2016, Mr. Rosenthal has served as a member of the board of directors of our parent, PAI Holdco. Mr. Rosenthal brings over forty years of experience in automotive aftermarket distribution. In 1980, Mr. Rosenthal, then a partner of Clearway Auto Parts with his other partners created Parts Authority as a partnership, and in 1997, reorganized as Parts Authority, Inc. with headquarters in Queens Village, New York. In June 2016, The

Resolute Fund III, L.P. invested in Parts Authority, Inc. and reorganized the company, forming our parent, PAI Holdco. In October 2020, KPAE Holdings, L.P., invested in Parts Authority, creating KPA&E Holdco, Inc., the ultimate indirect parent company of PAI Holdco, our parent company. Since 1980, these entities together doing business as "Parts Authority" have specialized in selling automotive aftermarket parts to professional installers and have also serviced the retail market the retail market, jobbers, fleets, chains and e-tailers along with other market channels. Parts Authority operates in Arizona, California, District of Columbia, Florida, Georgia, Maryland, Massachusetts, New York, New Jersey, Ohio, Oregon, Utah, Texas, Virginia, Washington and has headquarters in New Hyde Park, New York.

VICTOR DAVIS, Vice-President, General Manager

Since June 1, 2018, Mr. Davis has served as our Vice President and General Manager of Fast Undercar Franchise, LLC with responsibility for the sale and operation of our franchise program. Mr. Davis brings over ~~34~~35 years of experience in automotive aftermarket distribution to the Company. In May 1996, Mr. Davis co-founded FUI and served as a member of its Board of Directors until its sale to our affiliates in 2018, described in Item 1. From May 1996 until August 27, 2012, Mr. Davis was Vice-President and Secretary of FUI. From 1985 until May 1993, Mr. Davis worked at Reddi Brake Supply Company, Inc. located in Ventura, California as Vice-President of Purchasing/Inventory Control. In May, 1993, Reddi Brake completed a reverse merger with an operating public company, Wesco Auto Parts Corp., a Nevada corporation, and Mr. Davis served as Vice-President of Wesco's Reddi Brake division through January 31, 1996.

ITEM 3
LITIGATION

Pending or concluded litigation about us or our affiliates required to be disclosed: None

Pending or concluded litigation about our predecessor, FUFC, required to be disclosed:

On August 7, 2015, *Hammer Enterprises, LLC, d/b/a Fast Undercar Riverside v. CWD, LLC d/b/a Centric Parts, Fast Undercar, Inc. and Fast Undercar Franchise Corporation*, Case No. RIC 1505795, was filed as a crossclaim in the Superior Court of the State of California for the County of Riverside. The crossclaim was brought after CWD, LLC d/b/a Centric Parts ("Centric"), a supplier, filed a collection action against Hammer Enterprises LLC (erroneously named in the complaint as Hammer Enterprises, Inc.) ("Hammer"), a FAST UNDERCAR® franchisee, on May 14, 2015, for unpaid inventory sold to Hammer. In the crossclaim, Hammer alleged that our predecessor, FUFC, and FUI held themselves out as an agent of Centric (supplier) and, because of the agency, Hammer entered into an oral agreement with Centric to purchase inventory parts. Hammer claimed that our predecessor, FUFC, and FUI each exceeded their authority as Centric's agent or acted without Centric's authority. Hammer also alleged that FUFC and FUI unlawfully removed Centric inventory from Hammer's FAST UNDERCAR® outlet without Hammer's permission and that the reduction in Hammer's inventory caused Hammer to default in the performance of its agreement with Centric. FUFC and FUI denied Hammer's claims. FUI purchased the Riverside territory from Hammer pursuant to a bulk sale transaction and, as a result of that transaction, the dispute was resolved, and the action was dismissed with prejudice on or about March 14, 2017.

Except for this action, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Fees are all fees and payments, or commitments to pay, for services or goods that you receive from us or any of our affiliates before your FAST UNDERCAR® outlet opens for business to the public. We determine Initial Fees in a uniform matter. Except as we describe in this Item 5, Initial Fees are not refundable.

A. Initial Franchise Fee.

The Initial Franchise Fee ("Initial Franchise Fee") for the right to own and operate one FAST UNDERCAR® outlet is $12,500 for both start-up and conversion franchisees.

We charge the same Initial Franchise Fee regardless of the size of your Territory. We establish the boundaries of the Territory before you sign the Franchise Agreement.

B. Territorial Rights Fee.

While most franchise sales will grant the right to open and operate one FAST UNDERCAR® outlet, we do grant area development rights to qualified applicants who can demonstrate sufficient net worth, automotive aftermarket parts and related industry experience, management skills, and business acumen to operate multiple outlets. When we grant area development rights, you receive the exclusive right to open a mutually-agreed number of FAST UNDERCAR® outlets within an agreed-upon geographic area. Your area development rights are subject to your meeting agreed-upon development obligations. The Area Development Agreement (see **Exhibit F**) identifies these development obligations (i.e., the specific number of outlets you must open and the dates when you must open them by) as well as the development territory within which you must open your outlets. We establish the boundaries of the development territory and the development commitment with you before you execute the Area Development Agreement. The Area Development Agreement does not confer any right to sell FAST UNDERCAR® franchises to third parties. The minimum development commitment is 5 outlets.

You must pay a territorial rights fee ("Territorial Rights Fee") when you sign the Area Development Agreement. The Territorial Rights Fee compensates us for agreeing to forego other opportunities to develop the territory during the Area Development Agreement's term. We fully earn the Territorial Rights Fee when you pay it. We will not refund any portion of the Territorial Rights Fee under any circumstance, irrespective of whether you satisfy the opening commitments or not.

We compute the Territorial Rights Fee as a multiple of the number of outlets that you commit to open times the Initial Franchise Fee per outlet. Therefore, if you commit to open 5 outlets, the total Territorial Rights Fee is $62,500. You pay the entire Territorial Rights Fee when you sign the Area Development Agreement, and we credit $12,500 of the Territorial Rights Fee to the Initial Franchise Fee each time you sign a new Franchise Agreement. You sign the Franchise Agreement for the first FAST UNDERCAR® outlet in your development commitment when you sign the Area Development Agreement, and sign each additional Franchise Agreement for the other FAST UNDERCAR® outlets in your development commitment when you obtain site approval.

For purposes of computing a developer's Territorial Rights Fee and Initial Franchise Fee, we treat all area developers as start-up franchisees, even if the area developer has previously bought a franchise through our conversion program. We calculate the Territorial Rights Fee uniformly for all persons purchasing an area development franchise, but the specific amount that you will pay depends upon the number of outlets you commit to open.

If you buy an area development franchise, you will sign the same form of Franchise Agreement for each FAST UNDERCAR® outlet that you open within your development territory, which is the form of Franchise Agreement that we use to sell unit franchises at the time when we enter into the Area Development Agreement. Therefore, you will enter into a separate Franchise Agreement for each FAST UNDERCAR® outlet that you open in your development territory, although the terms of each of these Franchise Agreements are identical.

C. Franchise Application.

To apply for a franchise or to acquire area development rights, you must submit preliminary financial and biographical information to us. We will evaluate this information and decide if more discussion about the FAST UNDERCAR® franchise opportunity would be productive. If there is mutual interest in continuing discussions, you will at that time execute the Application and Franchise Deposit Agreement (see **Exhibit C**), pay us a deposit of $2,000, and complete a comprehensive application, including providing bank and personal references and the additional information that we request. We charge the same deposit to start-up and conversion applicants.

If we accept your application, we fully credit your deposit to the Initial Franchise Fee for the first (or only) franchise that you apply to buy (depending on whether you apply to buy a single unit franchise or area development rights). Neither our expression of interest in continuing discussions, nor your payment of the deposit, obligates us to sell you a franchise or area development rights. We have 30 days after receiving your complete application in which to accept or reject it, and reserve complete discretion in selecting FAST UNDERCAR® franchisees. If we reject your application, we refund your entire deposit, less a $500 application fee.

If we accept your application, a single unit franchisee will execute a Franchise Agreement (**Exhibit D**) and pay the balance of the Initial Franchise Fee within 14 days after notice of acceptance, and an area developer will execute the Area Development Agreement (see **Exhibit F**) and pay the entire Territorial Rights Fee within 14 days after notice of acceptance. If you fail to do so, we are under no obligation to sell you a FAST UNDERCAR® franchise or area rights. We may withdraw our approval at any time after the 14 days expire and refund your $2,000 deposit, less the $500 application fee.

D. Conditions Regarding Refund.

Territorial Rights Fee. We do not refund the Territorial Rights Fee under any circumstance regardless of whether you open all of the outlets in your development commitment or not.

Initial Franchise Fee. If you are a start-up franchisee who purchases a single franchise, we will refund the Initial Franchise Fee in two situations only, as we describe below. These refund conditions do not apply if you sign a Franchise Agreement after purchasing area development rights:

1. We may terminate the Franchise Agreement if you and the Company cannot agree upon a site for your FAST UNDERCAR® outlet within 30 days after we receive your site proposal. If either one of us terminates the Franchise Agreement before we approve your proposed location, we retain $1,000 of the Initial Franchise Fee and refund the balance to you. To obtain a refund, you must execute our current form of general release (see **Exhibit J**) and agree to waive any claims that you might have against us or our officers and directors.

2. It is your responsibility, not ours, to negotiate the lease for the site we approve. You will have 30 days after we approve the outlet to deliver to us a copy of the lease and an Addendum to Lease (see **Exhibit G**) that you and the landlord sign, together with an executed UCC-1 (see **Exhibit G**) covering the personal property assets of the franchise. If you fail to satisfy this condition, we may terminate the Franchise Agreement. If we do, we retain $1,500 of the Initial Franchise Fee paid, and refund the balance to you. To obtain a refund, you must execute our current form of general release (see **Exhibit J**) and agree to waive any claims that you might have against us or our officers and directors.

E. Sale of Operating Fast UNDERCAR® Outlet by Us or Our Affiliates.

In individual cases, we (to the extent we operate FAST UNDERCAR® outlets) or one of our affiliates which may own a FAST UNDERCAR® outlet may agree to sell all of the assets of its operating outlet to a buyer who will continue to operate the FAST UNDERCAR® outlet as a franchise under the FAST UNDERCAR® system. The buyer must meet our current qualifications for new FAST UNDERCAR® franchisees and must purchase franchise rights from us. In other words, our sale of franchise rights and the sale of the assets are 2 separate events that must occur simultaneously, so that on the same date the buyer acquires title both to the assets of the operating outlet and to the franchise rights for the outlet.

We (if we own the operating outlet), or our affiliate which owns the operating outlet for sale, and the prospective franchisee/buyer will negotiate the price and terms of purchase for the assets and the other conditions for the purchase and sale agreement before the franchisee/buyer executes the Franchise Agreement. The terms of purchase will vary in individual cases according to the performance history and market potential of the FAST UNDERCAR® outlet being sold. Depending upon the payment terms we negotiate, you may pay all or part of the purchase price for the physical assets before your business opens. You will sign the current Franchise Agreement and pay us the Initial Franchise Fee simultaneously upon the closing of the asset acquisition.

ITEM 6
OTHER FEES

OTHER FEES			
Fee	**Amount**	**Due Date**	**Remarks**
Royalty Fee	The greater of (i) 4% of the Cost of Goods Sold, or (ii) $2,000/month for the first 12 months after the outlet opens for business and $2,500/month for the balance of the franchise term. Same rate applies to start-up and conversion franchisees.	Payable monthly, by the 10th day of the next calendar month based on the Cost of Goods Sold during the prior calendar month.	We define the term "Cost of Goods Sold" in the Franchise Agreement as the aggregate cost price, determined by valuing inventory at current acquisition cost (including freight, but excluding rebates from suppliers) of all products sold at or from, or attributable to, the franchised outlet during the prior calendar month, less (i) documented customer refunds and credit transactions, and (ii) sales of personal property not in the ordinary course of business.
Advertising Fee (if created)	None at this time. However, we reserve the right to establish a Promotional Fund and to charge up to 1% of the Cost of Goods Sold as an Advertising Fee. See Note 1.	Same as Royalty Fee	Applies only if we establish a Promotional Fund.
Cooperative Advertising Fee (if created)	None at this time. However, we reserve the right to establish a regional cooperative. Cooperative Advertising Fee will not exceed 1% of the Cost of Goods Sold. See additional remarks column.	Same as Royalty Fee. Outlets which we, or our affiliates, own in the region have identical voting Franchisees within region may increase or impose supplemental contribution by 65% vote, which is binding on all members of the cooperative. Payable monthly rights as franchisee outlets.	If we establish a regional cooperative for your region, any contribution you must make is in addition to your obligation for Advertising Fees.
Training of Additional Personnel (More than 4 at one time) or for Replacement Managers re: initial training	Presently $50 per hour per person plus actual expenses that your personnel incur to attend training. We base the hourly rate on our current rate at the time of training.	Before start of initial training. See Note 3.	At this time, we conduct the initial training program at ~~PAM~~PA LLC's Ventura, California operating outlet. See Note 3 and Item 11.
Additional Training	Presently $50 per hour plus our actual expenses. We base the hourly rate on our current rate at the time of training.	10 days after billing	Payable only if you request additional assistance beyond normal field support.

OTHER FEES			
Fee	**Amount**	**Due Date**	**Remarks**
Licensing Fees for Access to Web-Based Training Solutions	In the future, we may launch Web-based training solutions. If we launch Web-based training solutions, it will most likely not happen until ~~2020~~2021 or later. We will give you at least 30 days before Web-based training solutions become available and before licensing fees to access Web-based training solutions become due. You must pay an initial and monthly license fees. At this time, we do not expect the initial license fee will exceed $1,500. There will also be continuing license fees for maintenance and upgrades and we do not expect that these fees will exceed $300/month. Our plan is to charge a two-tier fee for franchisees with more than 20 employees and for franchisees with 20 employees or less. We may increase continuing license fees once every 12 months upon 30 days' notice by an amount not to exceed 10% of then-current continuing fees.	The initial license fee will be payable within 30 days after we notify you of the launch of the Web-based interactive training software system. The initial license fee will depend on the number of employees that you have at that time. Monthly fees thereafter will be payable at the same time, and for the same period, as the Royalty Fee and will depend on the number of the employees that you have on the first day of the month for which payment is made.	Once we launch the Web-based training solutions, you must pay the licensing fees regardless of your actual use of electronic training materials. We will publish initial and continuing license fees in the Operations Manual. The initial license fee is non-transferable. See Note 3.
Renewal Fee	25% of the then-current Initial Franchise Fee that we charge when you renew.	When you give notice of your exercise of the renewal option, at least 12 months before expiration of the current term.	
Transfer Fee (Area Development)	The transfer fee for the transfer of unexpired area development rights is $2,500.	Before transfer	The Area Development Agreement defines what events constitute a "transfer" requiring payment of a fee. If we refuse to consent to your transfer request, we may keep $1,500 for our expenses in reviewing the proposed transfer.
Transfer Fee (Single Unit)	$2,500 Additionally, the transferee must pay our then-current	Before transfer	The Franchise Agreement defines what events constitute a "transfer"

OTHER FEES			
Fee	**Amount**	**Due Date**	**Remarks**
	license fee for access to our Web-Based Training Solutions if in place at the time of transfer.		requiring payment of a fee. If we refuse to consent to your transfer request, we may keep $1,500 for our expenses in reviewing the proposed transfer.
Securities Review Fee	Reimbursement of our actual cost to review the securities registration or offering documents, not to exceed $25,000 (subject to cost-of-living adjustment).	Before transfer	Applies only if you are a corporation and the issuance, offer or sale of your stock is subject to registration with the federal Securities & Exchange Commission or you offer to sell stock as part of a private offering.
On-Site Review Fee	$250 per day	See Note 4	No charge for making one site visit to approve your location. See Note 4.
Alternate Supplier Testing Fee	$500	When you request approval of an alternate supplier	
Inventory Items	Then current replacement cost as defined in "Approved Vendor" program sheet plus a maximum of 10%. See Operations Manual Chapter 5 "Approved Vendors".	10 days after billing	Available in emergency and defined replenishment situations. Whether we or one of our affiliates sells inventory depends on which party has available supply and is located closest to your FAST UNDERCAR® outlet. See general notes to Item 6 ("To Whom Payment is Made").
POS Maintenance Fee	The monthly POS Maintenance Fee will range between $900 - $3,500. See Note 5.	10 days after billing	Payable to ~~PAM~~PA LLC, not us. See general notes to Item 6 ("To Whom Payment is Made").
Administrative Support Services (Optional services)	$40/hour See Note 6	10 days after billing	Payable only if you request administrative services. Payable to ~~PAM~~PA LLC, not us. See general notes to Item 6 ("To Whom Payment is Made").
Maintenance or Repair Work	15% service charge (based on cost of remedial work) payable to us if we elect to perform needed maintenance or repair work at your outlet after you fail to do so following our written request. Additionally, you must	10 days after billing	This charge is only payable if you fail to complete necessary maintenance or repair work to your operating outlet. We have no obligation to perform the work for you, however,

OTHER FEES			
Fee	**Amount**	**Due Date**	**Remarks**
	reimburse us for all of our actual direct costs in performing the work.		and may terminate the Franchise Agreement because of your breach.
Insurance	15% service charge (based on cost of obtaining required insurance) payable to us if you fail to maintain required insurance.	10 days after billing	This charge is only payable to us if you fail to carry the insurance we require and if we decide to purchase the required insurance coverage for you. We have no obligation to obtain coverage for you, however, and may terminate the Franchise Agreement because of your breach.
Replacement of Operations Manual	$1,000 per volume, plus shipment	10 days after billing	Cost of replacement copy
Audit	Cost of inspection or audit, including our reasonable accounting and attorney fees	10 days after billing	Payable only if audit discloses underpayment of royalty fee due to underreporting of Cost of Goods Sold by 3% or more.
Late Payment	Late charge equal to 10% of the payment, together with interest at 1-1/2% per month (not to exceed highest rate of interest allowed by law)	10 days after billing	Interest is payable on the entire overdue amount beginning with the date payment is due until you pay the arrearage, late charges and interest in full.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us for losses which we suffer resulting from the operation of your business.
Costs and Attorney's Fees	Will vary under circumstances	As incurred	Awarded to prevailing party
Liquidated Damages	See Note 7	Upon termination of the Franchise Agreement	See Note 7

The Following Notes Accompany the Item 6 Disclosures

To Whom Payments Are Made: All payments are made to us, except for (i) payments that you might make in the future to a regional advertising cooperative (if we establish one); (ii) the POS Maintenance Fee, which is payable to ~~PAM~~PA LLC; (iii) payments to ~~PAM~~PA LLC for optional support; (iv) payments for inventory that you choose to purchase from our ~~affiliates, PAM or IMC~~affiliate, PA LLC, in non-emergency situations; and (v) payments for inventory under emergency and defined replenishment situations.

See additional disclosures about payments relating to the EPICOR/POS network model and for inventory. At this time, we impose fees uniformly. However, we retain discretion to reduce fees in individual cases in our discretion.

In emergency situations, and subject to our own needs and supply, we or our affiliates may offer to sell certain inventory items to you to fill gaps on short notice at 10% above our actual cost of the goods before rebates. You should not rely upon us to handle your emergency situations.

Refundability: All payments that we disclose in Item 6 are non-refundable.

"Cost of Goods Sold": See Chart and Franchise Agreement for the definition of "Cost of Goods Sold." You must accompany Royalty and Advertising Fees with complete monthly operating reports which, among other things, include documentation substantiating the Cost of Goods Sold during the prior calendar month.

NOTE 1: We have not established a Promotional Fund at this time, but reserve the right to do so, in which case we will collect Advertising Fees from all outlets (including outlets that we or our affiliates own). If we establish an advertising fund, your Advertising Fee will be 1% of the Cost of Goods Sold. Your first payment will be due no less than 30 days after written notice from us.

NOTE 2: We reserve the right to establish regional advertising cooperatives and to determine each region's boundaries. If we assign you to a regional co-op, you must participate in it. We approve all advertising that the co-op produces. Item 11 explains additional information regarding cooperatives, including voting power for the FAST UNDERCAR® locations that we or our affiliates own in the regional marketing territory to which we assign you.

NOTE 3: You must designate at least 1 full-time manager (which we refer to in the franchise agreement as an "Approved Manager") for each outlet that you own. You may designate yourself as an Approved Manager. The Approved Manager must successfully complete our initial training program. At least 2 people must successfully complete our initial training program before your Outlet opens for business. At this time, our initial training program is a 104 hour live instructor-led traditional-format course generally taught in 3 consecutive weeks (5 days/week and roughly 8 hours/day), covering product information, delivery systems, sales training, computer operation, and other general administrative and operational instruction. We offer the course at ~~PAM~~PA LLC's Ventura, California outlet, or at another Fast Undercar location, but may, at our discretion, deliver all or part of the course electronically through an internet-based delivery method. We may change the location for classroom training, but anticipate remaining at a California location for classroom training as long as we offer traditional classroom instruction and maintain our headquarters in California.

Conversion operators and their experienced management-level employees attend a 40-hour, one week initial training course focusing on the franchise system's special features and requirements given their prior operational experience in the automotive parts distribution business.

In lieu of delivering initial and continuing training curriculum in a traditional classroom format, we may, at our option, deliver all or part of this instruction electronically through an Internet-based delivery method that you can access either at the times we schedule for live web-casts or on your own schedule on demand for pre-recorded instruction. Once we launch our electronic training solution, we may choose to deliver some training exclusively in an electronic format. Access to our Web-based training solutions will be password-protected, and you must take adequate precautions to protect against unauthorized users. Your employees may have access to electronic training materials as appropriate to their job duties. In exchange for the initial and continuing licensing fees, we will periodically provide new electronic curriculum and maintenance and upgrades without additional charge. As we explain in the chart, we may increase continuing license fees once each year upon 30 days' notice by an amount not to exceed 10% of then-current continuing fees, and may charge a two-tier rate structure depending on the number of people you employ or retain regardless of whether they choose to access the electronic training software or not.

While we intend to charge initial and continuing license fees to access our Web-based training solutions after their launch, we do not impose a separate training fee to provide the initial training program in a traditional classroom format to up to 4 persons per outlet. We will charge a training fee for the initial training program (presently set at $50 per hour per person) for each additional person (over 4) whom you desire to train at the same initial training session that you attend. We also charge a separate training fee (that we compute according to our then currently hourly rate) to qualify additional personnel as Approved Managers during the term. If you want us to provide live on-site or classroom training to your later hire at a time other than at one of our regularly scheduled training programs, then our training fee is $50 per hour per person, but if you enroll a later-hire in one of our regularly scheduled live instructor-led traditional-format training courses, we charge 50% of our normal hourly rate or $25/hour per person. Because of space limitations, we limit enrollment at each training course to 4 persons on a first come/first serve basis. Therefore, under the present curriculum, for each later hire that you desire to send to our initial training program, you must pay a per person training fee of $4,160 or $2,080 depending on whether we provide training at one of our regularly scheduled classes. As we note, we base our training fee on our current hourly rate, which we are free to increase at any time. We require most individuals to enroll in the 3-week program unless they can demonstrate extensive experience and knowledge in auto parts distribution, in which case they may qualify for the 40-hour, one-week initial training that we offer to conversion operators.

As we note above, we presently plan to launch Web-based training solutions in the future, but most likely not before ~~2020~~2021 or later. Web-based training solutions will enable us to deliver training classes electronically and this may eliminate or reduce your need to send late-hires to our live instructor-led traditional-format training classes. At this time, we do not know if we will continue to offer you the option to enroll in our traditional-format class once we provide a Web-based training alternative or if we will offer certain training segments exclusively through our Web-based training solutions. We will keep you informed of all developments through periodic bulletins and supplements to the Operations Manual. We will give you at least 30 days' written notice before the launch date and before you must begin paying us the licensing fees that we describe in Item 6.

You must pay for the travel, lodging, personal expenses, and salary expenses of your employees who attend our live traditional-format training programs that we conduct at a specific location that we designate. We may also require that you and certain personnel that we designate complete refresher and advanced training courses. If we launch a Web-based training solution, your personnel may have the option to complete Web-based training, which will eliminate their travel expenses. We will not impose a fee to provide refresher or advanced live instructor-led training in our traditional format to up to 4 persons per class. If you want more than 4 persons to attend refresher or advanced traditional-format training classes, we charge a training fee that we compute according to our then-current hourly rate (presently set at $50 per hour per person).

See additional disclosures regarding initial and additional training requirements. Approved Managers must enroll in, and successfully complete, our initial training program to qualify for Approved Manager status. You may enroll additional staff members in our live instructor-led traditional-format initial training programs by arrangement, subject to space availability. Otherwise, you are responsible for training your own staff.

NOTE 4: As long as you submit a complete site proposal, we do not impose a fee or other charge if we decide that we need to visit your proposed site in order to pass upon your approval request. However, if we make a trip and determine that your site proposal is incomplete, we can ask you to reimburse us for the actual, reasonable travel expenses (transportation, hotel, meals) of one person in making the visit. If we feel that more than one on-site visit is necessary for us to approve the site, you must pay us a site review fee of $250 per day and reimburse us for the actual, reasonable travel expenses (transportation, hotel, meals) of one person in making the visit.

NOTE 5: ~~PAM~~PA LLC supports the EPICOR/POS network format on its server. You pay the POS maintenance fee directly to ~~PAM~~PA LLC. We expect that the monthly POS maintenance fee will range between $900 to $3,500, but we cannot guaranty that it will not be higher. Using the EPICOR/POS network format, you must lease certain hardware and software from Epicor Software Corporation ("Epicor"), to connect your workstations to the network. Lease payments are approximately $300/month.

NOTE 6: ~~PAM~~PA LLC offers administrative support services that involve invoicing, collection and related bookkeeping services and bills on an hourly basis. Our current hourly charge is $40/hour, but we may raise the hourly rate periodically upon no less than 30 days written notice. These services are optional. If you request ~~PAM~~PA LLC's assistance, you and ~~PAM~~PA LLC will review the scope of work and estimate the monthly fees before ~~PAM~~PA LLC performs any services on your behalf. If you engage ~~PAM~~PA LLC to provide support services, you will pay ~~PAM~~PA LLC directly for the services it performs within 10 days of billing.

NOTE 7: If we terminate the Franchise Agreement due to your material default, we are entitled to recover liquidated damages based on the parties' good faith estimate of the amount of time it would take us to find a replacement for your trade area and for the replacement to generate Royalty Fees and Advertising Fees equivalent to the amounts that you paid us during the Franchise Agreement term. The Franchise Agreement provides for a formula for calculating liquidated damages: (i) if termination occurs more than 36 complete calendar months after you open your outlet, we calculate liquidated damages as the product of 36 times the average Royalty Fees and Advertising Fees paid, or that should have been paid, by you for the 36 calendar months immediately before termination; and (ii) if termination occurs before you have operated your outlet for at least 36 complete calendar months, we calculate liquidated damages as the product of 36 times the average Royalty Fees and Advertising Fees paid, or that should have been paid, by you during the period since the opening date.

ITEM 7
ESTIMATED INITIAL INVESTMENT

Item 7 explains your likely initial investment to open and begin operating a single FAST UNDERCAR® outlet as of the effective date of this Franchise Disclosure Document. The initial investment is the period beginning when you sign the Franchise Agreement and continuing through the end of the first 3 months after your FAST UNDERCAR® outlet opens for business to the public. The Item 7 charts are accompanied by detailed notes that explain each expense category and the variables that influence the low and high initial investment estimates. The notes are an integral part of Item 7.

As an area developer, your estimated initial expense consists of the Territorial Rights Fee, which we calculate according to your development commitment. Other than the Territorial Rights Fee, we do not expect an area developer will have any other type of expense during the initial phase that is unique to the grant of area development rights. Area developers will incur expenses in fulfilling their development commitment, e.g., for site selection and development. However, these expenses are equivalent to those that a single unit franchisee will have to open a FAST UNDERCAR® outlet.

As area developers develop new FAST UNDERCAR® outlets in their development commitment over time, some of the cost categories in this Item 7 will undoubtedly increase with time due to inflation and changes in market conditions, which we cannot estimate. Therefore, if your development deadlines span several years, you should assume that the cost of opening up FAST UNDERCAR® outlets in later years may be higher than the figures in this Item 7.

INITIAL INVESTMENT
(FOR A START-UP OPERATOR - SINGLE UNIT FRANCHISE)

Item	Low Estimate	High Estimate	To Whom Payment Made	When Paid	How Determined	Refundable
Initial Franchise Fee (Note 1)	$12,500	$12,500	To us	In full when you sign the Franchise Agreement	Franchise Agreement	Under limited conditions - see Item 5.
Outlet Development (Note 2)	$0	$5,000	Architect, contractor, government agencies, and miscellaneous third parties	Before opening	Depends on site needs	No
Lease Deposit (Note 3) and Rent for First 3 Months	$10,000	$20,000	Third party landlord	Typically upon signing the lease	Lease	Security deposit is typically refundable; advanced rent is not refundable.
Construction and Leasehold Improvements (Note 4)	$0	$10,000	Third Parties	Before opening	Depends on location, local codes	No
Equipment, Furniture, Furnishings, Office Equipment and Initial Supplies Including POS System (Note 5)	$50,000	$100,000	Third Parties and ~~PAM~~PA LLC	Before opening	Franchise Agreement and Operations Manual	No

INITIAL INVESTMENT (FOR A START-UP OPERATOR - SINGLE UNIT FRANCHISE)						
Item	**Low Estimate**	**High Estimate**	**To Whom Payment Made**	**When Paid**	**How Determined**	**Refundable**
Initial Inventory (Note 6)	$403,000	$850,000	Third Parties	Per terms	Initial Order	No
Professional Fees (Note 7)	$2,000	$7,500	Accountants, attorneys	Before opening	Estimated range	No
Utility Deposits (Note 8)	$500	$1,500	Utility companies, telephone company	Before opening	Local utility and telephone companies	Typically, yes
Insurance (Note 9)	$5,000	$15,000	Insurance Companies	Typically, 20% down and balance of annual premium in installments	Estimated range	No
Delivery Vehicles (Note 10)	$15,000 (based on 5 vehicles)	$30,000 (based on 10 vehicles)	Third party (dealer, bank or finance company)	Assumes $1,500 on signing lease or bank financing and 3 months payment; payments are monthly over lease or financing terms.	Depends on number of vehicles.	No
Employee Expenses During Training (Salary, Transportation, hotel, meals and related expenses) (Note 11)	$5,000	$8,000	Third Parties	Before and at the time of opening	Estimated range	No
Promotional Expenses (Note 12)	$2,000	$5,000	Third Parties	Before opening and first 3 months afterwards	Franchise Agreement	No
Additional Funds (Note 13)	$45,000	$75,000	Third Parties; employees	Before and for the first 3 months after opening	Estimate	No
Total Initial Investment for single unit franchise (Note 15)	$550,000	$1,139,500				

INITIAL INVESTMENT (FOR A CONVERSION OPERATOR - SINGLE UNIT FRANCHISE)						
Item	**Low Estimate**	**High Estimate**	**To Whom Payment Made**	**When Paid**	**How Determined**	**Refundable**
Initial Franchise Fee (Note 1)	$12,500	$12,500	To us	In full when you sign the Franchise Agreement	Franchise Agreement	Under limited conditions - see Item 5.
Outlet Development (Note 2)	$0	$5,000	Architect, contractor, government agencies, and miscellaneous third parties	Before opening	Depends on site needs	No
Lease Deposit (Note 3) and Rent for First 3 Months	$10,000	$20,000	Third party landlord	Typically upon signing the lease	Lease	Security deposit is typically refundable; advanced rent is not refundable.
Construction and leasehold improvements (Note 4)	$0	$10,000	Third Parties	Before opening	Depends on location, local codes	No
Equipment, Furniture, Furnishings and Supplies, including POS System (Note 5)	$5,800	$70,000	Third Parties and ~~PAM~~PA LLC	Before opening	Franchise Agreement and Operations Manual	No
Initial Inventory (Note 6)	$0	$600,000	Third Parties	Per terms	Initial Order	No
Professional Fees (Note 7)	$2,000	$2,000	Accountants, attorneys	Before opening	Estimated range	No
Utility Deposits (Note 8)	$500	$1,500	Utility companies, telephone company	Before opening	Local utility and telephone companies	Typically, yes
Insurance (Note 9)	$5,000	$15,000	Insurance Companies	Before opening	Estimated range	No
Delivery Vehicles (Note 10)	$0 (based on 5 vehicles)	$30,000 (based on 10 vehicles)	Third party (dealer, bank or finance company)	Assumes $1,500 on signing lease or bank financing and 3 months payment; payments are monthly over	Depends on number of vehicles	No

INITIAL INVESTMENT (FOR A CONVERSION OPERATOR - SINGLE UNIT FRANCHISE)						
Item	Low Estimate	High Estimate	To Whom Payment Made	When Paid	How Determined	Refundable
				lease or financing term		
Employee Expenses During Training (Salary, Transportation, hotel, meals and related expenses) (Note 11)	$2,000	$4,000	Third Parties	Before and at the time of opening	Estimated range	No
Promotional Expenses (Note 12)	$2,000	$5,000	Third Parties	Before and at the time of opening	Franchise Agreement	No
Additional Funds (Note 13)	$15,000	$30,000	Third Parties; employees	Before and for the first 3 months after opening	Estimate	No
Total Initial Investment for single unit franchise (Note 15)	$54,800	$805,000				

THE FOLLOWING NOTES ACCOMPANY THE ITEM 7 CHARTS

NOTE 1: See Item 5.

NOTE 2: The "Outlet Development" category covers expenses for adapting the location to our general facilities requirements and fees payable to governmental agencies for any building or zoning licenses and permits. Outlet development costs exclude leasehold improvements and other expenses that we describe in NOTE 4. Our estimates assume no financial assistance from the landlord. We impose only nominal site development requirements; we expect your outlet development costs to be nominal. We project no outlet development costs for conversion franchisees since one of our criteria for approving a conversion applicant is the suitability of the existing business premises.

NOTE 3: For start-up franchisees, this category covers the lease security deposit (equal to one month's rent) plus the first 3 months of rent. We base these figures on our prototype of ~~4,000~~5,000 rentable feet, of which 90% or more will be warehouse space and the rest office space. The security deposit is typically refundable; rent payments are not. We estimate rent to range from $2,500 to $5,000/month.

We anticipate that most conversion operators will remain in their existing premises. Therefore, we do not estimate any expense for real estate security deposit since this expense would have been paid before you buy the franchise. This category covers the first 3 months of rent after joining the FAST UNDERCAR® system. You will know if your actual monthly rent is less or more than the amounts we estimate for the low/high range. If you are a conversion operator and chose to relocate to new space within your existing market area, you should expect your initial real estate costs to be the same as the amounts shown for start-up franchisees.

NOTE 4: This category includes leasehold improvements. Actual costs for leasehold improvements depend on the size and pre-existing condition of the location. We impose minimal specifications for design and appearance requirements. We project only nominal leasehold improvement costs for conversion operators since one of the criteria for approving a conversion applicant is the suitability of the existing business premises.

NOTE 5: We exclude delivery vehicles from this category - see NOTE 10. This category covers metal shelving, signs, our designated POS system, business forms, office supplies and mandatory office equipment. Mandatory office equipment includes computer hardware meeting our specifications; designated software; facsimile machine; document scanner; networking hardware; computer printer; dedicated data line; and telephone system.

You must use the EPICOR/POS network format which is proprietary to Epicor. Using the EPICOR network format, you must lease certain equipment from Epicor to connect your workstations to the network, and pay ~~PAM~~PA LLC monthly POS Maintenance Fees. These figures assume you pay the first 3 months of (i) lease payments at $300/month, and (ii) POS Maintenance Fees of between $900/month to $3,500/month. The actual fee depends on your configuration, the distance of your FAST UNDERCAR® outlet from ~~PAM~~PA LLC's server, which supports the EPICOR network, and other factors. We compute the POS Maintenance Fee in the same manner for all franchisees.

For start-up franchisees, these estimates assume that you own no equipment, furnishings, fixtures or office equipment before purchasing the franchise. For conversion franchisees, these estimates assume you already own all of the equipment, furniture and fixtures we require, other than signs and business forms (which we estimate at $250 to $750) and the POS system (for which you will have the same expenses as a start-up franchisee).

NOTE 6: This category covers your initial inventory of undercar and other automotive aftermarket parts, supplies and accessories. With the exception of parts, the initial inventory that you purchase should last 3 months. However, your parts inventory will require constant replenishment beginning with the very first week of business. Your specific inventory parts requirements will depend on your sales results, which we cannot forecast. You should assume that you will be restocking undercar and other automotive aftermarket parts as frequently as daily. Each franchisee's experience will likely differ.

The estimates that we show for this category do not include the costs that you will incur in restocking undercar parts inventory, which will comprise the vast majority of your parts inventory. This is a material expense which we cannot estimate. However, based upon the experience of our affiliates, the amounts we estimate for Additional Funds, together with your cash flow from operations, should cover the costs you will incur to replenish inventory parts. Some conversion operators may have adequate existing inventory of the same brands we require to satisfy our initial inventory requirements. Before selling a conversion franchise, we evaluate the conversion operator's existing inventory to identify the specific items and additional quantities the conversion franchisee must purchase to meet our initial inventory requirements.

NOTE 7: Start-up franchisees may require the services of an attorney, accountant or other professionals to set up a corporation to own the franchise and for initial accounting assistance. We assume conversion franchisees have previously incurred these expenses before buying the franchise. This category does not include any professional fees that you may incur before you sign the Franchise Agreement in investigating the franchise opportunity.

NOTE 8: Includes initial deposits that utility companies may require (telephone, water, gas, electricity, trash removal, and related utility and service expenses) to establish service. No amount is shown in the conversion operators' chart because we assume they have incurred these expenses before buying the franchise. We base these estimates on our affiliates' experiences in establishing their FAST UNDERCAR® outlets.

NOTE 9: In our experience, insurance companies require payment of 20% of the annual premium cost when you buy the policy and permit payment of the annual premium in anywhere from 8 to 10 installments spread out during the course of the policy year. Our charts estimate expenses for the first 3 months of operations when we assume that for each policy we require you will pay an amount equal to 20% of the annual premium plus 2 installment payments.

We show this expense for start-up franchisees only. We assume conversion operators have adequate insurance in place before they buy the franchise. Conversion operators should compare the start-up estimates with their existing coverages and actual annual insurance costs.

Minimum required insurance includes the following: (1) comprehensive general liability insurance with minimum coverage of $1 Million combined single limit (including broad form contractual liability) or the higher amount required by the lease; (2) workers compensation insurance as required by applicable law; (3) general casualty insurance based on the cost of replacing damaged or destroyed property with property meeting current specifications; and (4) automobile liability and casualty loss. As we state in the Franchise Agreement, we reserve the right to require additional insurance and to modify the minimum insurance requirements.

NOTE 10: Although we do not stipulate a minimum fleet size, our low estimates assumes that you need 5 delivery vehicles and our high estimate assumes that you need 10 delivery vehicles. We recommend using a compact, high mileage vehicle and do not require you to add any special fabrication or signs to your delivery vehicles. For purposes of this chart, we assume you purchase, rather than lease, the delivery vehicles because we anticipate that your use of the vehicle will exceed normal lease mileage limits. However, our chart assumes that you finance the vehicle's purchase at prevailing conventional lending rates over 48 months at a monthly cost of $400/month per vehicle, plus an initial payment of $1,500 per vehicle. Our chart includes the first 3 monthly installments. More favorable financing terms may be available from fleet dealers. Actual financing terms depend upon your credit.

NOTE 11: You and at least one other person must attend our initial training program. Initial training is tuition-free for up to 4 persons if all persons attend the same initial training program. The figures in the above charts reflect travel, lodging, food and salary expenses for 1 person and do not reflect any allowance for salary to the franchisee or owners who attend training. For both start-up and conversion franchisees, the low estimates assume that you locate your outlet within 2 hours driving distance to ~~PAM~~PA LLC's Fast Undercar operating location in Ventura, California where we intend to conduct training; the high estimates assume that you and your employee must fly to Ventura, California for training and will therefore incur additional expenses for lodging and meals during training. We base both low and high salary estimates on gross pay of $35,000/year.

NOTE 12: While we do not impose a mandatory minimum grand opening advertising expense, we recommend that you budget and plan to conduct opening promotional activities to familiarize local customers with your FAST UNDERCAR® business. We recommend that conversion franchisees also conduct some opening promotional activities to publicize their new identification.

NOTE 13: The "Additional Funds" category is not the only source of cash, but is in addition to cash flow from operations. We cannot estimate your cash flow from operations and encourage you to visit operating FAST UNDERCAR® outlets to evaluate this on your own. We recommend that start-up operators have available, at opening, the amounts shown above to defray miscellaneous operating costs through the end of the first 3 months of operations, including: incidental expenses that you may incur to train your opening employees on-site; local business licenses; payroll expenses; bank charges; miscellaneous out-of-pocket; postage; office supplies (e.g., stationery, business cards, presentation folders); and other initial and general operating expenses. These estimates also include opening cash in the register of $500. We expect that conversion operators will require significantly less in the way of Additional Funds since they have existing cash flow from pre-franchise operations. However, conversion operators may experience some disruption in normal operations during the conversion period. In our experience, the period of disruption should be less than 90 days, but we make no guaranty that it may not last longer in individual cases. Therefore, we recommend the sums shown in the chart as a cushion.

The estimates we provide cover only the first 3 months of operations. We do not estimate the additional funds that you may need after the first 3 months. However, you should not assume that cash flow from operations after the first 3 months will necessarily be sufficient to pay all operating expenses. We do not project your break-even point or when you might reach it; you must investigate and make your own calculations.

These figures exclude payments of Royalty Fees and Advertising Fees since these amounts depend upon your actual Cost of Goods Sold. We do not project what your actual Cost of Goods Sold will be; however, you should allow for Royalty and Advertising expenses in your own calculations.

The Additional Funds category for start-up franchisees includes an allowance for payroll expenses for all opening employees, but does not include any allowance for a draw or salary to you or other owners of the franchisee. We make no allowance for these items in the Additional Funds shown for conversion operators.

NOTE 14: As we note, in some cases we may grant area development rights. We charge different initial franchise fees depending upon whether you buy area development rights or a single franchise. Except for the Territorial Rights Fee, there are no special expenses attributable to purchasing area development rights. We expect all of your development expenses to be chargeable to outlet development, with the exception of the territorial rights fee that you pay us for the exclusive right to open an agreed-upon number of FAST UNDERCAR® outlets in a required geographic area. A conversion operator purchasing area development rights should look at the start-up investment chart in projecting the per unit cost of opening new outlets in the development territory, recognizing that this chart speaks as of the date of this Franchise Disclosure Document and costs may increase over time.

The total estimated initial investment does not include any allowance for payments made to a bank or financing company on any loan that you may obtain to finance the cost of purchasing the franchise or other development-related costs. The total estimated initial investment does not reflect the purchase price and goodwill that you might pay if you buy an operating FAST UNDERCAR® outlet from a franchisee or an affiliate of ours. The price would be a matter of negotiation between you and the seller.

NOTE 15: We rely on our affiliates' experiences in operating FAST UNDERCAR® outlets in California and Washington in compiling these estimates.

These charts are estimates only. Whether you are a start-up or a conversion operator, we cannot guarantee that you will not have additional expenses in opening and initially operating your FAST UNDERCAR® outlet. Your costs will depend on a variety of factors, such as the actual size of your outlet and the number of employees you require per shift; delays affecting the delivery of inventory whether attributable to you or to events of force majeure; whether you hire additional personnel to assist you with administrative and accounting functions or perform these functions yourself; your management skill, prior experience and business acumen; local economic conditions; the prevailing wage rate; competition; and the sales level that you reach during the initial period.

The initial investment estimates in this Item 7 reflect the cost to establish a new FAST UNDERCAR® outlet or convert an existing jobber or distribution warehouse to a FAST UNDERCAR® outlet and do not include a specific payment for goodwill.

You should review the figures in the above charts carefully with a business advisor before making any decision to purchase the franchise.

We do not offer direct or indirect financing to franchisees for any items.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

A. General.

Specifications exist for all products, services, supplies, equipment, inventory, computer hardware and software, business forms and real estate relating to establishing and operating the franchised business. Most of these items, except real estate, you must purchase from either the supplier we recommend or from an alternate supplier of your choosing who we approve of in advance. In this Disclosure Document, we use "supplier" and "vendor" interchangeably.

You can expect to purchase roughly 95% of the inventory that you sell,[1] and roughly 90% of the other products, services, supplies, equipment, inventory, computer hardware and software and business forms that you need to operate your business from suppliers we designate, recommend or otherwise approve. If you wish to make purchases from an alternative supplier you must obtain our prior written approval following the procedures that we describe in this Item 8. We may add/delete from our list of designated and recommended suppliers as frequently as

[1] We gauge this estimate at 95% because we recognize that there may be situations when, to satisfy a particular customer's emergency, you must buy undercar or other automotive aftermarket parts from a local source not yet approved by us. The undercar and other automotive aftermarket parts still must meet our brand specifications. We make allowances only for emergency situations that, in the course of a year, involve no more than 5% of your annual inventory sales.

we believe is necessary and will inform you of these changes through updates to the Operations Manual.

We design our specifications for products, services, supplies, equipment and other aspects of your business in order to promote uniformity among FAST UNDERCAR® outlets and to ensure consistency in the quality of products we associate with our trade name. Uniformity strengthens customer confidence in the FAST UNDERCAR® name and customer expectations about the products that customers will find at any FAST UNDERCAR® outlet. We specify products by size, function, appearance and other distinguishing features, and, in many cases, by brand names. We also specify minimum inventory requirements. We state all specifications in the Operations Manual. We may revise the specifications, in our discretion, as frequently as we believe is necessary through written supplements to the Operations Manual.

After you sign the Franchise Agreement, we will furnish you with a regularly updated list of the suppliers whom we recommend. We will identify at least one recommended supplier for each required product or service that you must sell, install or use in your business. We identify two types of suppliers: suppliers of Inventory (undercar and other automotive aftermarket parts) and suppliers of Non-Inventory Supplies and Services.

As we disclose in Item 1, we forbid our franchisees to negotiate different prices or other terms of sale directly with the suppliers on our recommended supplier list.

At this time, we do not require you to buy or make payments for any non-inventory products, services, equipment, supplies, fixtures, furnishings or other items from a particular designated source (including from us or from our affiliates), except for our POS system, which is proprietary to Epicor, a third party vendor, and not available from any other source.

The EPICOR/POS system is an application service provider model that is run on ~~PAM~~PA LLC's server. Using the EPICOR/POS network model, you will lease certain equipment from Epicor in order to connect your workstations to the network, and will pay ~~PAM~~PA LLC a monthly POS Maintenance Fee. We disclose the POS Maintenance Fee in Item 6. Although the POS hardware that Epicor sells is available from other suppliers, in most cases Epicor modifies the POS hardware to enhance performance of its software systems. Epicor does not pay us any revenue on account of sales of POS hardware to our franchisees.

We specify the inventory you must carry by brand name. In our experience, while these items are available from sources other than the manufacturer, manufacturers generally offer better pricing.

At this time, our ~~affiliates PAM and IMC are each~~affiliate PA LLC is an approved optional vendor of automotive aftermarket parts. ~~PAM~~PA LLC is a member of The National PRONTO Association ("Pronto"), with headquarters in Dallas, Texas, an independent buying group promoting the interests of independent automotive distributors by negotiating favorable purchasing terms with automotive aftermarket parts manufacturers and vendors by consolidating orders received from Pronto members in order to qualify members for volume discounts and other price promotions paid by these manufacturers and vendors. We recognize many, but not all, of the vendors selected by the Pronto as recommended suppliers. Because ~~PAM~~PA LLC is a member of the buying group, all of our franchisees receive the benefits of membership status and may place orders directly with these recommended vendors on the favorable purchasing terms negotiated by Pronto. When vendors extend buying group benefits in the form of lower prices, franchisees enjoy these benefits directly and immediately when they place their order. In some cases, instead of reducing prices based on consolidated volume of all buying group members, vendors pay rebates proportionate to purchases. Pronto pays rebates to ~~PAM~~PA LLC, as the buying group member, on account of purchases made by all FAST UNDERCAR® franchisees, and ~~PAM~~PA LLC, in turn, remits part of the rebate to franchisees in proportion to each franchisee's purchases.

Franchisees may not belong to any other industry buying groups or associations outside of the ones that our affiliates or we belong to or that we approve. We impose this restriction in order to maximize the volume of purchases made from the buying groups to which our affiliates or we belong and to protect purchasing history from public disclosure, as this information is included within the scope of our Confidential Information.

In our most recent fiscal year ending ~~12/31/19~~12/31/20, our affiliates collectively received the following sums from Pronto and other approved vendors (combined) on account of transactions by our franchisees:

- Total: $~~6,226,111.28~~6,238,900.33

- Of this amount, PAM (the entity merged into PA LLC effective on January 1, 2021) paid $~~4,416,314.09~~4,020,779.82 (aggregate) to franchisees as their share of rebates earned on account of their transactions with these vendors and allocated $~~1,021,045.93~~955,075.70 to Fast Undercar corporate locations as their share of rebates earned on account of their transactions with these vendors. PAM retained $~~788,751.26~~1,263,044.81 of the total vendor rebates received during ~~2019~~2020 on account of all purchasing transactions by franchisees and Fast Undercar corporate locations combined. As noted, all of PAM's business assets are now owned by PA LLC due to the internal merger on January 1, 2021.

- As a percentage of the total vendor rebates received during ~~2019~~2020:

  - ~~70.93~~ 64.45% was paid to franchisees;

  - ~~16.40~~ 15.31% was allocated to Fast Undercar corporate locations; and

  - ~~12.67~~ 20.24% was retained by PAM.

As we note in Item 6, in extreme emergencies, and subject to our own needs and supply, we or our affiliates may offer to sell designated inventory items to you to fill gaps on short notice at a price equal to 10% or more above our then current replacement cost of the goods before rebates. You should not rely upon us to handle your emergencies. For the most part, these arrangements, which are voluntary, are with select franchisees that are located near one of our affiliates' outlets. In our most recent fiscal year ending ~~12/31/19~~12/31/2020, our affiliates collectively received $~~3,983,570.29~~6,748,775.35 on account of inventory sales to franchisees.

In our most recent fiscal year ending ~~12/31/19~~12/31/2020, our affiliate, PAM, ~~received $445,190.76~~invoiced $781,936.30 for ~~optional~~ administrative support services that it provided to franchisees at their request, such as for invoicing, collection and related bookkeeping services ~~and for~~, billing IT services and rebilling for the EPICOR/POS system and related IT development and for the rebilling of PRONTO Group National Account programs and related sales initiatives.

In the future, we may designate certain non-proprietary products that you must buy from us, our affiliates or designated sources and we or our affiliates will derive revenue on account of your purchases. Also, in the future, we may also develop private label parts, supplies and accessory items or other proprietary products in the future, including specialized software, which may be available only from us, our affiliate or another source that we designate and derive revenue on account of your purchases. We will inform you of all of these changes through written supplements to the Operations Manual.

B. Disclosure re: Supplier Payments.

At this time, we are not affiliated through common ownership with any recommended supplier other than ~~PAM and IMC~~PA LLC.

At this time, neither we nor our affiliates besides ~~PAM and IMC~~PA LLC receive any payments or other material benefits from designated, recommended or approved third party vendors on account of transactions that these vendors have with FAST UNDERCAR® franchisees. As noted in Item 8, ~~PAM and IMC~~PA LLC will~~ each~~ derive revenue from sales of automotive aftermarket parts to our franchisees that choose to buy from them. ~~PAM~~PA LLC will also receive payments and rebates from Pronto and potentially other approved vendors of automotive aftermarket parts on account of our franchisees' decision to buy from vendors with purchasing arrangement with Pronto. Pronto coordinates and allocates rebates paid by third party vendors based on the combined total purchase volume of ~~PAM~~PA LLC and franchisees from Pronto's vendors. Pronto distributes vendor rebates to ~~PAM~~PA LLC, which in turn allocates them to franchisees proportionate to their share of the total purchase volume.

If you obtain our approval to buy from other vendors or buying groups, these vendors may pay rebates or provide promotional or other material benefits to customers who buy their products or services. You may keep or use the benefit for yourself. In our affiliates' experience, often vendors will establish an annual promotional allowance for each of their customers and allow the customer (i.e., you) to draw against the allowance in the form of a debit to the vendor until the customer depletes the allowance. The size of the allowance that each customer receives depends on current purchase levels. The vendor typically requires evidence documenting your application of the allowance for promotional purposes. To this extent, you should not regard the allowance as being completely discretionary funds. If we, or any of our affiliates, receive a rebate or other benefit directly from a vendor on account of products we or our affiliates buy for a FAST UNDERCAR® outlet that we or our affiliates owns, we or our affiliates likewise may keep these benefits subject to these same limitations.

In the future, besides revenue that we received from Pronto, we may receive a promotional allowance, cash rebate or material non-cash benefits from designated, recommended or approved vendors on account of their transactions with FAST UNDERCAR® franchisees. If the vendor specifically designates the consideration as a promotional allowance or provides us with an annual promotional account as it may do with individual customers, we will treat the allowance or account the same as we would treat franchisee contributions paid into our Promotional Fund. We will do the same with any rebates and other cash consideration that vendors specifically denominate as a promotional allowance and pay to us on account of our, or our affiliates', purchases for FAST UNDERCAR® outlets that we, or our affiliates, own. If and when we establish a Promotional Fund, we will assign any allowances, cash rebates or material non-cash benefits to the Promotional Fund.

If a designated, recommended or approved vendor pays us or our affiliates a rebate on account of purchases the franchisee makes from the vendor, but the vendor does not specifically earmark the rebate for promotion, we will distribute some or all of the rebate among the participating franchisees in proportion to their purchases from the vendor during the period the vendor uses to calculate the rebate. For example, if we receive a $1,000 rebate from a vendor based upon $100,000 of goods that 10 FAST UNDERCAR® outlets bought from the vendor during a month, and if your portion of the cumulative purchases was $20,000, we would pay you 20% of the distributable rebate.

C. Procedure for Approving Alternate Suppliers.

If you would like to purchase a required item from an alternate supplier and not from the supplier(s) we recommend or designate, you must request approval in writing and submit samples of the item for examination and/or testing, together with information supporting the quality of the proposed supplier's products and the proposed supplier's financial capability, business and computer systems, business reputation, delivery performance and credit rating. We charge a $500 fee to cover our cost to test the item, including our expenses to visit the supplier's manufacturing facility and other direct costs, which you must pay before testing starts. Our approval of a supplier that you propose will depend on not only the quality and conformity of the product, but the supplier's distribution capabilities and reputation.

We will notify you in writing within 90 days after we receive all requested information and complete our testing if we approve of your proposed supplier. Our failure to notify you by the end of 90 days signifies our disapproval of the proposed supplier. We reserve the right to re-inspect the facilities of an approved supplier and to revoke a supplier's approval for good cause, effective upon written notice to you.

We communicate updates regarding the status of designated, recommended and approved suppliers through emails and other written communications and also by updating the Manual.

D. Purchasing Assistance.

We negotiate special purchasing arrangements with suppliers of approved products and services. These arrangements may include price discounts based upon the collective volume of purchases by all FAST UNDERCAR® outlets (including those our affiliates make). We also pass on to our franchisees the full benefits of membership in the Pronto buying group of which ~~PAM~~PA LLC is a member. While franchisees may enjoy the benefits of our affiliation with Pronto, franchisees, as noted, may not join any other industry related buying groups or associations without our prior written consent and may not apply for membership in Pronto independently of ~~PAM~~PA LLC.

We make no representation about our ability to secure certain prices, payment or credit terms, or delivery conditions. To our knowledge, companies that sell products and services to our affiliates offer the same pricing benefits to our franchisees, subject to differences in volumes and in shipping costs.

E. Addendum to Lease.

We require all start-up franchisees to sign, and have the landlord of the franchise premises sign, our Addendum to Lease (see **Exhibit G**). This document gives us the option to assume your lease if the Franchise Agreement expires or terminates for any reason.

F. Additional Disclosure re: Suppliers

As of the effective date of this Disclosure Document, certain of our officers own an interest in our remote parent, which owns ~~PAM and IMC~~PA LLC, ~~each~~ an optional supplier of automotive aftermarket parts. ~~PAM~~PA LLC also offers support services to franchisees in connection with the EPICOR software system. One or more of our officers may also own nominal interests in certain suppliers that are public companies.

ITEM 9
FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

Obligation	Section in Franchise Agreement	Section In Development Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	5	5.1	5; 11
b. Pre-opening purchases/leases	5.4, 7.2	N/A	5; 7; 8; 11A.
c. Site development and other pre-opening requirements	6	N/A	5; 7; 11A.
d. Initial and ongoing training	7.3; 7.4	N/A	6; 11F.
e. Opening	6.2	4.1	11G.
f. Fees	9	2.3	5
g. Compliance with standards and policies/Operating Manual	10	N/A	8; 11A.; 11B.
h. Trademarks and proprietary information	3	6	13
i. Restrictions on products/ services offered	8.2	N/A	16
j. Warranty and customer service requirements	8.2.1	N/A	M/A
k. Territorial development and sales quotas	N/A	4	12
l. Ongoing product/service purchases	7.2	N/A	8; 11B.
m. Maintenance, appearance and remodeling requirements	8.4	N/A	11A.
n. Insurance	8.10	N/A	N/A

Obligation	Section in Franchise Agreement	Section In Development Agreement	Item in Franchise Disclosure Document
o. Advertising	8.5	N/A	6; 11C.
p. Indemnification	14.2	10.2	17
q. Owner's participation/ management/staffing	8.1	7	15
r. Records/reports	10.1, 10.2, 10.3	N/A	N/A
s. Site Inspections/audits	10.4	N/A	6
t. Transfer	13	9	17
u. Renewal	4.2	N/A	17
v. Post-termination obligations	12	8.2	17
w. Non-competition covenants	8.12	N/A	17
x. Dispute Resolution	16	12	17

ITEM 10
FINANCING

We do not offer direct or indirect financing, nor do we guaranty any note you make or your obligations to third parties.

If you are obtaining financing from a third party lender that is guaranteed by the Small Business Administration, you must execute the Amendment to Franchise Agreement that is attached to the Franchise Agreement as **Schedule F**.

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

Except as we disclose in this Item 11, we need not provide you with any assistance:

A. Before you open your business, we provide you with the following assistance:

We have written site selection criteria for FAST UNDERCAR® outlets which we give to start-up franchisees after you sign the Franchise Agreement. The criteria considers demographic and physical characteristics of the proposed location, including population age, income and proportion of residential to commercial and industrial uses; number of professional installers within a 30-minute delivery time from the proposed site; available statistics on local professional installers, including number of service bays and proportion of national or regional chains versus independent installers; warehouse, docking facilities and feasible access to proposed site by delivery vehicles; and presence of competing distributors of undercar parts and other automotive aftermarket automotive parts serving the same market area.

We do not select a location for start-up franchisees. Start-up franchisees are responsible for identifying one or more proposed locations and presenting us with a complete site proposal for each location. We will not approve any site that does not meet our site selection criteria. You and the Company must agree upon the location within 30 days after you sign the Franchise

Agreement. In some cases, we may propose specific locations for your consideration, although the Franchise Agreement does not require us to do so. (See generally, Franchise Agreement, Paragraph 5.2).

We approve the suitability of a conversion operator's existing location as part of the process of reviewing their franchise application. We only accept those conversion applicants whose existing location meets our site criteria.

For start-up operators only, after we receive your written site proposal, we will, if we believe it is necessary, make a site visit to evaluate the proposed location. We do not impose a fee or other charge to make one on-site visit to approve the franchise location except under limited conditions (if your site proposal is erroneous or substantially incomplete). If more than one on-site visit is necessary to select the location, you must pay us a site review fee and reimburse us for our travel expenses (transportation, hotel, food). (Franchise Agreement, Paragraph 5.2.1.2).

We impose only minimal design specifications, which we state in the Operating Manual. You are responsible for making all improvements to the location we approve and for ensuring that your use of the location complies with all lease requirements, local ordinances and building codes, and for obtaining all required permits (i.e., health, sanitation, building, utility and sign permits). You are responsible for hiring and supervising any construction personnel needed to adapt the franchise location for warehouse and receiving functions and for office use, paying all construction costs, and generally readying the premises for opening as a FAST UNDERCAR® outlet. (See generally, Franchise Agreement, Paragraph 6.1). We will specify any remodeling we will require a conversion applicant to do to their existing space when we approve their franchise application although, overall, our facilities requirements are minimal.

We will grant you rights to use a copy of our Operations Manual, which contains mandatory and suggested specifications, standards and operating procedures. (Franchise Agreement - Paragraph 7.1). We attach the Table of Contents of our current Operations Manual as **Exhibit P** to this Disclosure Document. You will receive your copy of the Operations Manual after you sign the Franchise Agreement. The Operations Manual covers the following subjects: (i) specifications for all of the products, equipment, supplies and other materials that we require you to have to operate a FAST UNDERCAR® outlet, including inventory specifications by brand name and mandatory features, and a list of suppliers we recommend; (ii) opening inventory requirements, restocking requirements, and inventory control procedures; (iii) delivery procedures; (iv) customer lead generation and approaches for local promotion; (v) use of prescribed invoice forms and other business forms; (vi) supply relationships; (vii) procedures for obtaining approval of alternate suppliers; (viii) standards for uniform recordkeeping and financial management; and (ix) specifications for the design and mandatory features of the franchise location. Specifications may include minimum standards for performance, warranties, design, appearance and other restrictions.

The Operations Manual is confidential and remains our property. We only grant you rights to use the Operation Manuals for the duration of the franchise term. We may modify the Operations Manual in our discretion through written supplements of which you will receive copies. (Franchise Agreement - Paragraph 7.1.4). You must pay the fee that we disclose in Item 6 if you lose your copy of the Operations Manual.

We will recommend at least one supplier for all products and services that you sell to customers. (Franchise Agreement, Paragraph 7.2.5). You are responsible for purchasing all inventory from suppliers we approve and for installing and maintaining in good condition and repair all equipment, fixtures and other tangible personal property that you use to operate your FAST UNDERCAR® business.

We provide the purchasing assistance that we describe in Item 8 and in section B below.

We provide a pre-opening initial training program, as we describe more fully in Item 6 and in Item 11. F. below, to up to 4 individuals without charging a training fee if all persons attend the same pre-opening session. (Franchise Agreement - Paragraph 7.3). At a minimum, 2 individuals, including yourself, must successfully complete the entire initial training program, one of whom must be the designated full-time manager. Conversion operators attend a 40 hour, one-week training course given their prior experience in the auto parts distribution business.

B. Typical Time To Opening:

Start-up franchisees: We expect you to open your FAST UNDERCAR® outlet for business within 180 days after you execute a lease for the outlet or obtain possession of the outlet, whichever occurs first. The factors that might affect this time are the ability to obtain financing, delays in obtaining and installing equipment and completing leasehold improvements not due to your neglect or failure to act diligently. We will extend you additional time to open.

(reserving the sole right to determine the length of the extension, in our reasonable judgment, based on the events causing the delay) as long as you demonstrate diligence in completing development and establish that the delay is attributable to reasons beyond your control.

Conversion franchisees: We expect you to begin sales under the Licensed Marks as soon as you complete the initial training program and required leasehold improvements and, in any event, within 60 days after you sign the Franchise Agreement.

C. During your operation of the franchised business, we provide you with the following assistance:

In addition to our initial training program, which we repeat on an as-needed basis, we periodically offer advanced and refresher training for franchisees and certain management-level employees.

As the need develops, we will offer specialized training if we launch any new products or programs or to address particular aspects of the FAST UNDERCAR® franchise system, such as inventory management, supplier relationships, delivery systems, and financial recordkeeping. We give these programs at our headquarters or at ~~PAM~~PA LLC's operating FAST UNDERCAR® outlet in Ventura, California or at an alternate location that we specify in California, Oregon, Idaho or Washington, depending on the location of your franchise. (Franchise Agreement, Paragraph 7.4). We may make attendance at certain training programs mandatory for Approved Managers. (Franchise Agreement, Paragraph 7.4.1). However, we will not require attendance at more than 5 days of additional training per year.

There must be at least one fully-trained full-time manager (i.e., "Approved Manager") on your staff at all times. You may designate yourself as the Approved Manager. Other than Approved Managers, who must successfully complete our initial training program in order for us to accord the individual Approved Manager status, you may train your replacement managers and other employees whom you hire or may enroll them in our initial training program.

We may conduct an annual meeting to address subjects relevant to the franchise system. If held, we may use the annual meeting to offer continuing or advanced-level training or to discuss topics of common interest to our franchisees, such as lead generation and customer relations, personnel administration, new products, advertising programs and local outlet promotions. If we conduct an annual meeting, we will determine its length (which may vary from year to year, but in no event will the annual meeting exceed 2 days in length), and decide whether to include all FAST UNDERCAR® franchisees or to limit the meeting to regional or local groups. We will also determine if your full-time manager or other personnel who we designate (in addition to you) must attend the annual meeting, but in no event will we require attendance by more than 4 persons. At this time, if we conduct an annual meeting, we will select a location in the United States, which may vary from year to year. We charge no fee to attend the annual meeting, but you must pay the travel expenses (transportation, hotel, meals, etc.) and salary for yourself and your staff who attend it with you. (Franchise Agreement, Paragraph 7.5).

We investigate, research and monitor developments in new undercar products as well as enhanced undercar distribution and delivery systems. We monitor the activities of our competitors. We test and evaluate new products upon request and review and update our inventory mix. (Franchise Agreement - Paragraph 7.10).

We provide regular and continuing advice regarding purchasing methods, delivery systems, inventory controls, and administrative matters affecting your FAST UNDERCAR® outlet, including use of prescribed software, mandatory accounting methods and local marketing and lead generation. (Franchise Agreement - Paragraph 7.9).

We may, in the future, establish a franchisee advisory board that consists of franchisee representatives who will consult with us on a broad variety of operating issues and other subjects affecting the quality and reputation of FAST UNDERCAR® outlets, but whose decisions will not be binding on us. At this time, we do not have any plans for whether or how we will elect or appoint franchisee representatives to an advisory board if we establish an advisory board in the future.

We will regularly inspect your operations, at times we determine, and provide you with periodic written and/or verbal evaluations and feedback. (Franchise Agreement – Paragraph 7.11).

We will consult with you to assist you in developing a grand opening advertising program for your FAST UNDERCAR® outlet. We must approve all local advertising before implementation. (Franchise Agreement - Paragraph 8.5). Additionally, in the future, we may administer a Promotional Fund and offer more extensive advertising assistance that we describe in section C below. (Franchise Agreement - Paragraph 7.7).

We review requests for approval of alternate suppliers. (Franchise Agreement, Paragraph 7.2.6).

We periodically revise the Operations Manual, as needed, to incorporate new developments and changes in the FAST UNDERCAR® system, and will provide you with a copy of all updates. (Franchise Agreement, Paragraph 7.14). You must comply with all mandatory changes in operating procedures. The mandatory changes will not alter your rights under the Franchise Agreement. However, the Franchise Agreement allows us to revise the Operations Manual in our discretion as frequently as we believe is necessary and requires you to comply with all changes.

D. Advertising Services:

If your lease requires that you conduct grand opening advertising and promotion, we will consult with you in designing a grand opening promotional program for your FAST UNDERCAR® outlet. (Franchise Agreement, Paragraph 7.8). Other than this assistance and our review and approval of your local advertising, we presently do not provide any advertising assistance.

We encourage you to develop, at your own cost, special promotional materials and advertising for local use. However, before distributing or publishing any advertising or promotional materials which you create in any media channel (whether print, broadcast, electronic or digital, including, but not limited to, third party websites and social media websites), you must obtain our written approval of the copy and proposed media or method of distribution. As a condition of approval, you must assign your copyright and any trademark or service mark rights in any materials you create to us, without compensation. You must permit us and our affiliates, as well as the Promotional Fund and FAST UNDERCAR® franchisees who we authorize, to use these materials without compensation.

To apply for our approval, you must submit a copy or transcript of the materials you propose in the exact form you intend to use them. We have 15 business days to review your request. If you do not receive our written disapproval within 15 business days, we deem the materials approved unless we request a reasonable extension of time. If you use materials we approve, you must use them in the exact form that you submit them to us. (Franchise Agreement - Paragraph 8.5.1.2).

In the future, we may institute a Promotional Fund and develop advertising materials and conduct advertising to promote the FAST UNDERCAR® chain and name. As we disclose in Item 6, we reserve the right to collect a monthly Advertising Fee to fund the Promotional Fund. (Franchise Agreement - Paragraph 7.7). FAST UNDERCAR® franchisees who purchase their franchise after you do may not pay Advertising Fees at the same percentage contribution rate as you will. If we establish a Promotional Fund, our affiliates that own a FAST UNDERCAR® outlet in the United States will contribute at a rate that is equal to the lowest percentage contribution rate that any FAST UNDERCAR® franchisee then pays to the Promotional Fund.

We will also remit to the Promotional Fund any promotional allowances or other consideration which we receive from suppliers on account of franchisee purchases when the supplier specifically designates the funds as a marketing contribution.

We will use the Promotional Fund to meet all costs of maintaining, administering, directing and preparing marketing programs which advertise and promote the FAST UNDERCAR® name and FAST UNDERCAR® outlets. We may use the Promotional Fund to develop "generic" type advertising which you can readily adapt for your local use, like point of sales materials, direct mail advertising materials, flyers and proposed copy for local print advertising. We may also use the Promotional Fund for public relations and market research. Within the scope of these general purposes, no restrictions will apply as to what, where and how we use the Promotional Fund if we establish one. We will retain complete discretion over the form, content, time, outlet, market and choice of media for all advertising and promotion that we may pay for from the Promotional Fund proceeds. We make no representation as to the amount of the Promotional Fund that we will spend in any given geographic region, that we will spend money on advertising which is national in scope, or that we will spend money in your market area in proportion to your contribution.

At this time, if we establish a Promotional Fund, we do not intend to use outside services to create or place advertising. We expect that franchisees will handle placing most advertising (and paying media costs) on a local basis either using their own staff or a local advertising agency. Periodically, our staff may conduct market research and involve all, or designated, FAST UNDERCAR® outlets in the collection of sales data and customer feedback.

We may, in the future, establish an advertising advisory board consisting of franchisee representatives who will consult with us about the application of the Promotional Fund, but whose decisions will not be binding on us. We do not have any plans for how to elect or appoint franchisee representatives to an advisory board if we establish one.

We will not use any portion of the Promotional Fund for advertising to promote the sale of FAST UNDERCAR® franchises.

We expect our accounting and marketing personnel will administer the Promotional Fund if we establish a Promotional Fund. We may reimburse ourselves for our actual administrative costs to manage the Promotional Fund in an amount per annum which will not exceed 15% of the aggregate contributions to the Promotional Fund for that year. We have no present plan to sell goods or services to the Promotional Fund.

We will prepare an annual accounting of the Promotional Fund (if we establish a Promotional Fund), and will give you a copy of the accounting upon request. Our policy will be that, while we will attempt to expend Promotional Fund collections on a current basis, we may recover over-expenditures from later financial periods and may carry forward under-expenditures. The Promotional Fund may borrow money from us or from any one of our affiliates, if needed. The Promotional Fund will repay any money that it borrows upon demand if funds are available. Loans to the Promotional Fund will bear interest at no more than 2 points over the prime lending rate of Bank of America. Neither we, nor our affiliates, have any duty to loan money to the Promotional Fund, however.

We reserve the right to establish advertising cooperatives consisting of FAST UNDERCAR® outlets within a geographic region or area which we designate. We reserve the right to modify a cooperative's geographic region in our discretion effective upon written notice. You must participate in any advertising cooperative which encompasses the market area covering your outlet. Outlets that our affiliates own that are within a cooperative's geographic region will also participate in the cooperative and have the same voting rights as franchisee-owned outlets.

The members of each cooperative will adopt their own governing rules and voting procedures and determine the procedures for assessing its members; however, we reserve the right to approve these rules and procedures and any amendments. Should our affiliates own a FAST UNDERCAR® outlet within the boundaries of a cooperative, it will contribute to the cooperative at the lowest percentage contribution rate that any FAST UNDERCAR® franchisee in the same cooperative then pays and have the same voting rights as franchisee members.

While ~~PAM~~PA LLC may have voting control of a cooperative if it owns a majority of the outlets located within the cooperative's geographic region, at this time it cannot increase the cooperative advertising fee above 1% of a franchisee's outlet's Total Cost of Goods Sold. At this time, only franchisees may increase or impose a supplemental contribution by a 65% vote.

Each cooperative's members and elected officers are responsible for the cooperative's administration. The cooperative must obtain our written approval of the copy and proposed media or method of distribution for advertising and promotion which it creates, following the same procedures you must follow for materials you create, as we describe above. Likewise, the cooperative must assign to us any copyright, trademark or service mark rights in any materials it creates, without compensation, and permit us, our affiliates and other FAST UNDERCAR® franchisees who we authorize the right to use these materials without compensation.

We reserve the right unilaterally to require a cooperative to merge with another cooperative that services an adjacent or proximate area, or to subdivide a cooperative into smaller groupings. We also reserve the right unilaterally to dissolve a cooperative if and when we simultaneously dissolve all advertising cooperatives -- for example, we may determine it is preferable to centralize all group advertising activities under the Promotional Fund. Advertising cooperatives must prepare quarterly and annual financial statements, which they need not audit, and make them available to all cooperative members and to us. At this time no advertising cooperatives exist.

We have no present plan to sell goods or services to any advertising cooperative.

E. Advertising Council; Advertising Cooperatives:

At this time, there is no advertising council composed of franchisees that advises us regarding advertising and promotional programs or policies for FAST UNDERCAR® outlets generally. At this time, we do not require our franchisees to participate in any local or regional advertising cooperative. No local or regional advertising cooperatives exist in our franchise system at this time.

F. Software And Hardware Systems (Franchise Agreement - Paragraph 10.3.2):

The EPICOR/POS system that you must use, which is proprietary to Epicor Software Corporation ("Epicor") with headquarters in Austin, Texas, performs a variety of accounting and distribution management functions, including inventory control and point-of-sale operations. You must purchase or lease computer hardware capable of running the software. You will also need a CD-ROM drive, network interface card, computer monitor and laser printer.

The EPICOR network format is an application service provider model that runs on ~~PAM~~PA LLC's server. You must purchase or lease and install certain hardware and software from Epicor and pay ~~PAM~~PA LLC the monthly POS Maintenance Fee that we disclose in Item 6.

By designating EPICOR/POS system, all FAST UNDERCAR® franchisees observe uniform reporting and accounting methods. We reserve the right to specify, by written notice or supplements to the Operations Manual, different or additional proprietary and non-proprietary software programs, hardware and business equipment which you must use.

In all cases, you must purchase, install and maintain all computer hardware and software applications that we designate at your sole expense. While we do not require that you purchase a maintenance contract, we recommend it. The annual cost of a maintenance contract varies by user, but in our experience ranges between $250 and $1,500.

We may, in the future, develop our own proprietary software to perform functions that certain non-proprietary business software that you may use now performs. If we do, we will lease you the proprietary software for an annual license fee. Upon written notice to you, you must use the proprietary software and cease using the non-proprietary software for these purposes. We cannot estimate the annual software licensing fee at this time. We may require you to enter into a license agreement with us which will state additional terms regarding your use of our proprietary software, including the duty to upgrade and maintain proprietary software. Depending upon changes in software specifications, you may have to upgrade your computer hardware.

Your dedicated data line must permit on-line communication between your computer system and our computer systems, and our independent access to, and retrieval of, data from your computer system including from the EPICOR/POS system. Nothing limits our right to access or use the data we retrieve.

G. Criteria for Outlet Selection:

As we explain in section A., we have criteria for selecting potential FAST UNDERCAR® locations. Our criteria considers the outlet's and surrounding area's demographic and physical characteristics. We identify sources of information which you may use to research a particular area's demographic make-up. Start-up franchisees (and conversion operators who buy development rights and are looking to open additional locations beyond the ones that they own when they buy the franchise) are responsible for investigating and evaluating potential sites in terms of their overall suitability and compatibility with our site selection criteria. (Franchise Agreement - Paragraph 5.2).

H. Training:

Our initial training program for start-up franchisees is a 104 hour course generally taught in 3 consecutive weeks, Monday through Friday, during regular business hours. The program covers product knowledge, purchasing and inventory control systems; delivery systems; sales training and customer lead generation; computer operation; and general administrative and operational instruction, including hands-on training in use of prescribed forms and recordkeeping.

Depending on your background, knowledge and abilities, we may reduce the classroom time and increase the on-site time. Furthermore, we may, at our discretion, deliver all or part of the course through an Internet-based delivery method that does not involve classroom instruction at a designated location, which will eliminate travel expenses to receive that portion of training that we deliver electronically.

Conversion operators and their experienced management-level employees attend a 40 hour initial training program taught in 1 week, Monday through Friday, during regular business hours. The course focuses on the franchise system's special features and requirements in light of their operational experience in the automotive aftermarket parts distribution business. In lieu of classroom instruction, we may deliver all or part of this instruction electronically through an Internet-based delivery method.

If you purchase an additional franchise, you may elect to attend a condensed initial training program instead of the more extensive program that we offer to franchisees for their first FAST UNDERCAR® outlet. The condensed program omits training in certain subjects involving operating procedures or other matters which have not been materially modified since your original training, for example, in the topics of accounting practices and general advertising policies. The length of a condensed initial training program will vary depending on which subjects we agree may be omitted from our standard initial training program and if we choose to deliver instruction electronically through an Internet-based delivery method.

We offer all classroom training at ~~PAM~~PA LLC's Ventura, California outlet. We may change the location of classroom instruction, but anticipate remaining at a California location for any classroom instruction as long as our headquarters remain in California.

Additionally, we provide start-up franchisees with 5 days (48 hours), and conversion franchisees with 3 days (24 hours), of hands-on instruction in their own FAST UNDERCAR® outlet during its opening week. This part of our training course enables us to work with your opening crew and assist you in implementing inventory and administrative functions. We may also reduce your classroom training time and increase the on-site training and support, depending on your background, knowledge and abilities.

You need at least 1 full-time Approved Manager on your staff at all times (you may designate yourself). An Approved Manager is someone who successfully completes the entire initial training program and attains at least a minimum performance grade based on written tests, skill tests, and conduct and appearance standards. If the person who you designate to be your full-time manager does not achieve a passing grade, you must enroll a replacement full-time manager, who must successfully demonstrate to us his or her adequate knowledge of the FAST UNDERCAR® business methods and meet our minimum performance standards before your FAST UNDERCAR® outlet may open for business. You may enroll your employees in our regularly scheduled training programs, or you may train them, other than Approved Managers, who must be enrolled in and successfully complete our initial training program in order for us to recognize them as an Approved Manager.

You may send up to 4 individuals (including yourself) to the same pre-opening training session without paying a training fee. If you desire to send more than 4 people to the same pre-opening classroom training session (realizing that our ability to accommodate additional personnel over 4 is subject to space availability), we will impose a training fee.

In all cases, you must pay for the travel, lodging, personal expenses, and salary expenses of your employees receiving classroom training. We may also require that you and the personnel we designate complete refresher and advanced training courses, which we may deliver either in a classroom or other live format or electronically through the Internet.

If we launch our electronic training solutions, we will charge all franchisees for the right to have access and share the electronic training software solutions with employees. As we disclose in Item 6, we intend to charge an initial license fee and monthly usage fees covering maintenance and upgrades. We intend to set fees according to the number of employees that you have.

Subject	Hours of Classroom Instruction	Hours Of On The-Job Training	Location
Product Knowledge, Purchasing and Inventory Systems	32 hours (start-up franchisees) 8 hours (conversion franchisees)		Ventura, California
Delivery systems; POS computer training; operations	32 hours (start-up franchisees) 8 hours (conversion franchisees)		Ventura, California
Sales Training	8 hours (start-up franchisees) 8 hours (conversion franchisees)	24 hours (start-up franchisees) 8 hours conversion franchisees	Ventura, California
General Administration; accounting and related administrative computer functions	32 hours (start-up franchisees) 8 hours (conversion franchisees)		Ventura, California
Opening assistance		48 hours (start-up franchisees) 24 hours (conversion franchisees)	Your outlet

Explanatory Notes

Scheduling: We offer initial training on an as-needed basis. We try to schedule training on consecutive weeks and weekdays (based on a Monday through Friday work week). Scheduling is by mutual arrangement. Initial training does not begin until after you execute the lease for your FAST UNDERCAR® outlet. If we elect to deliver training electronically through an on-line Internet-based training course, it may involve live "real time" instruction or may permit you to complete the specific training module at your own pace. We may, however, set a time limit for when you must complete the on-line training module. All initial training must be completed before opening.

Attendance: You and at least one other employee of yours must attend our initial training program. At least one of you must be the designated full-time manager for your outlet and meet our minimum performance standards. After opening, if one of your full-time managers leaves your employ, you must enroll the replacement in our next available training program if you want us to recognize that individual as an Approved Manager; otherwise, you are responsible for training the replacement. Each FAST UNDERCAR® outlet must have at least 1 Approved Manager at all times. Managerial enrollees with requisite experience in the automotive aftermarket parts distribution business may qualify for the shorter initial training course that we offer to conversion operators.

Costs Associated With Initial Training: See Item 6.

Instructional Materials: Our training department prepares written instructional materials, which you receive without additional charge during the initial training program.

Mandatory Additional Training: See Item 11 B.

Instructors: Our instructors are Victor Davis and ~~our~~PA LLC's employees, Leif Vandehei and Matt Porter. Each one has over 30 years' experience in the automotive aftermarket field. At our discretion, we may use other or additional instructors who have experience with the FAST UNDERCAR® System and business model.

ITEM 12
TERRITORY

If you purchase area development rights, you receive the exclusive right to open FAST UNDERCAR® branded outlets within an agreed-upon geographic area if you satisfy agreed-upon development obligations within the time period we require. Together, we agree upon the boundaries of your development territory and your development commitment through negotiation before you sign the Area Development Agreement. You will enter into a separate Franchise Agreement for each FAST UNDERCAR® outlet which you open in your development area. We will assign each FAST UNDERCAR® outlet that you open a separate Territory, subject to the conditions we disclose in this Item 12. Once you fulfill the agreed-upon development obligations or when the term of the Area Development Agreement expires, you have no more right to develop new FAST UNDERCAR® outlets in the development area.

The Franchise Agreement grants you the right to operate a FAST UNDERCAR® branded outlet at a specific location only. We assign you a geographic area within which we agree not to open, or permit any other person (including our affiliates and franchisees) to open, another FAST UNDERCAR® outlet that operates under the "Licensed Marks" that we describe in Item 13.

We may open and operate, or license others to open and operate, businesses in your Territory that offer and sell aftermarket automotive parts and services at retail, wholesale or through any other channel of trade under trade names and trademarks dissimilar to the Licensed Marks.

In identifying your Territory, we consider a number of factors, including driving routes and traffic conditions. In nearly all cases, the Territory will be drawn to make it possible for you to complete product deliveries to most points within 30 minutes. In establishing your Territory, we use Yellow Pages and other databases to identify at least 150 automotive repair businesses operating within the Territory. Some Territories may have more automotive repair businesses. We do not represent that any or all of these businesses will become potential customers of yours or will remain in business throughout the term of your franchise, but we use this information as one measure for drawing a Territory's boundaries. Each franchisee's Territory may differ in size, but we will establish all Territories using these minimum considerations. You are solely responsible for evaluating the potential customer base within your Territory.

We delineate your Territory by reference to geographic, political and natural boundaries. We identify your Territory's boundaries on a map or by description of physical boundaries that we attach to the Franchise Agreement as an exhibit. We identify your Territory's boundaries before you sign the Franchise Agreement so that you can investigate the particular demographic and competitive characteristics and potential of your Territory in deciding to buy the franchise. If you buy the franchise, you are then responsible for finding a location within your Territory for your FAST UNDERCAR® outlet subject to our approval.

We retain the right, either directly or through our affiliates or other licensees, to solicit and sell to regional and national accounts which are headquartered within or outside of your Territory and have outlets within your Territory. By "regional and national accounts," we refer to any customer owning or licensing multiple facilities operating nationwide or in a geographic area which is broader than, but which includes, all or part of a Territory of one of our franchisees. For example, a national account may include a national chain of automotive repair shops. We may contract with the account's headquarters which is located within your Territory to sell undercar and other automotive aftermarket parts to all of the chain's outlets including those located within your Territory. In some cases, our arrangement with the chain may require us to ship directly to each one of the chain's repair shops rather than to one or more central warehouses for redistribution by the chain.

If we contract to sell directly to a regional or national account's local shops, we may, in our sole discretion, offer you the option of filling orders for outlets located in your Territory on the terms and conditions we prescribe. We may terminate your right to supply local outlets if you fail to sell or complete shipments on the terms, and in accordance with the specifications, we prescribe. If the regional or national account elects to have us invoice and/or collect for goods sold to individual outlets, we will provide central invoicing and collection services and remit to you that portion of the amounts we receive from the regional or national account attributable to the goods or services that you sell.

We also reserve the right, either directly or through our affiliates or other licensees, to engage in e-commerce sales of undercar and other automotive aftermarket parts, supplies and accessories to the public identified by the Licensed Marks and other trade names and trademarks dissimilar to the Licensed Marks through the Internet or comparable public computer network, including to customers who reside, or have a billing or delivery address, in your Territory or, if you are an area developer, in your development territory.

Under the Franchise Agreement, at least 80% of your total gross sales must be to customers ("Commercial Customers") that maintain a place of business in your Territory and purchase undercar and other automotive aftermarket parts, supplies and accessories from you for the purpose of performing installation services at their place of business. By "place of business," we refer to a commercial (non-residential) location, like a garage or similar type of service facility, where a Commercial Customer, typically professional installers, warehouses parts and completes installation services on site for their customers. No more than 20% of your total gross sales may be to non-Commercial Customers, which includes retail customers like "do-it-yourselfers" that buy and install undercar and other automotive aftermarket parts, supplies and accessories themselves and are not professional installers or others that buy automotive aftermarket parts for purposes of resale. You must keep track of the percentage of your monthly gross sales to Commercial Customers, report this information to us in submitting monthly financial statements required by the Franchise Agreement, and substantiate your compliance if we audit your books and records.

You do not have the exclusive or superior right to sell to customers who maintain a place of business or reside or work in your Territory. A customer who resides or works in your Territory may do business with any FAST UNDERCAR® outlet without any having to pay you compensation.

The franchise rights that we award to you do not give you the exclusive or preferential right to use the Licensed Marks in your Territory, nor do your franchise rights in any way limit our use of the Licensed Marks anywhere or for any purpose.

In addition to the above reservations of rights, we reserve all other distribution rights in your Territory, development territory and elsewhere using the Licensed Marks that we do not expressly grant to you. By distribution rights, we mean all forms and channels of distribution, regardless of whether we use the method now or adopt it in the future. Besides the Internet, channels of distribution include all retail and wholesale channels, catalog sales, telemarketing or other direct marketing sales. Technology may yield new channels of distribution. The kinds of reserved activities which we or our affiliates may engage in within your Territory or development territory might include, for example, directly or through one of our affiliates, selling undercar and other automotive aftermarket parts, supplies and accessories under the Licensed Marks within an auto parts retail store owned and operated by a third party. Additionally, as noted, we may open and operate, or license others to open and operate, businesses in your Territory, development territory and elsewhere that offer and sell aftermarket automotive parts and services through all forms and channels of distribution under other trade names and trademarks dissimilar to the Licensed Marks. Except as expressed in the Franchise Agreement, there is no limit on the distribution rights that we reserve.

To the extent that applicable law permits, we may establish minimum and maximum resale prices for our franchisees.

We expect you to target your advertising and promotional activities to your Territory. Likewise, we expect our affiliates and our other franchisees to concentrate their promotional efforts on marketing, publications and media that circulate or broadcast in their respective outlet's Territory. We do, however, forbid our franchisees from maintaining a World Wide Web site and from advertising and promoting their FAST UNDERCAR® outlet on the Internet or using any other public computer network to offer or sell undercar or other automotive aftermarket parts, supplies and accessories.

You do not receive the right to acquire additional franchises within your Territory or elsewhere unless you purchase area development rights.

You have no right to relocate except under limited circumstances.

We reserve the right in individual cases to impose a minimum sales quota. Our decision will vary by market and depends on the potential customer population in the Territory you are contemplating (the greater the potential customer population, the more likely we will impose a minimum sales quota). Once you indicate a general market area that you would like us to consider in awarding you a franchise, we will notify you if the sale of a franchise for that market area will be subject to a minimum sales quota. In other words, you will know if there will be a minimum sales quota before you sign any binding agreement with us.

If we impose a minimum sales quota, we will base the quota on minimum "Average Monthly Net Sales" for your FAST UNDERCAR® outlet, which means the average Net Sales of your FAST UNDERCAR® outlet per calendar month during any consecutive 3 calendar month period. "Net Sales" mean the aggregate of all revenue and income from operating your FAST UNDERCAR® outlet, whether payment is in cash or by credit card or other generally accepted form of payment, less the sum of (i) sales taxes or other taxes separately stated, if any, that you collect from customers and pay to taxing authorities; (ii) refunds and credits that you make in good faith to arms' length customers; and (iii) transactions among or between your FAST UNDERCAR® outlet and outlets owned by another franchisee or our affiliate.

When we choose to impose a minimum sales quota, we will not set the minimum according to a formula. Rather, we will base the minimum on an amount which we believe is a realistic figure for Average Monthly Net Sales given the potential customer population in the Territory immediately before the effective date of the Franchise Agreement. You and we will execute an amendment to the Franchise Agreement in the form of **Exhibit Q** to this Disclosure Document setting forth the material terms of the quota conditions at the same time that you sign the Franchise Agreement. You will receive a copy of the amendment with the minimum sales quota amount identified in the amendment before you buy a franchise so that you can consider the quota terms and conditions in deciding whether to buy a franchise.

The minimum sales quota will apply once your FAST UNDERCAR® outlet has been open and operating for at least 18 complete calendar months. As a result, the first calculation will average your FAST UNDERCAR® outlet's actual Net Sales during the 19th, 20th and 21st calendar months after your outlet opens; and thereafter, the calculation shall be made monthly for each successive 3 calendar month period. You must report all Net Sales generated by your FAST UNDERCAR® outlet to us using the computer system that we describe in Item 11. Under the amendment to the Franchise Agreement, we may terminate the Franchise Agreement if you fail to meet the minimum sales quota.

We cannot, unilaterally, modify your Territory's boundaries. We can change the boundaries only with your written agreement. Your territorial rights are not dependent upon your achieving a certain minimum sales volume, market penetration or any other contingency (although your franchise rights may be subject to a minimum sales quota, as we explain in this Item 12).

Due to our reserved rights and the fact that your franchise rights do not give you the exclusive or superior right to sell to customers who reside or work in your Territory, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

ITEM 13
TRADEMARKS

We grant you the right to operate a business using the FAST UNDERCAR® business methods, FAST UNDERCAR® trademarks and any distinguishing trade dress. You may also use other current or future trademarks that we designate. By "trademarks," we mean all trade names, trademarks, service marks, logos and commercial slogans that we designate to distinguish our chain to the public (which we collectively refer to as the "Licensed Marks.")

You must follow our rules when you use the Licensed Marks. You may not use any mark as part of a corporate or partnership name. You may not use any mark or design with any modifying words, designs, colors, or symbols, or with the sale of any unauthorized products or services, or in a manner that we do not authorize in writing. When you use the Licensed Marks, you must apply the special notices of registration that we designate.

You must modify or discontinue using any of the Licensed Marks if we, in our discretion, modify or discontinue using the particular FAST UNDERCAR® Mark. We have the absolute right to impose a change in the Licensed Marks if we believe the change is advisable in our sole discretion. We do not have to compensate you for any costs you incur to make the changes we require. You will receive written notice of any change, and will be given a reasonable time to conform to our directions (including, for example, changing signs, promotional displays, logo property and advertising), at your expense. As long as you conform to our directions in making the changes, your rights under the Franchise Agreement will continue in full force and effect. You must not directly or indirectly contest our ownership of our trademarks, trade secrets or business techniques.

Fast Undercar Inc., the affiliate of our predecessor, originally registered the following mark on the Principal Register of the United States Patent & Trademark Office and assigned this registration to our affiliate, ~~PAM~~PA LLC on June 1, 2018. By way of merger, effective January 1, 2021, PAM transferred the trademark registration to our affiliate PA LLC:

Trademark	Registration No	Date Registered
FAST UNDERCAR® (word mark)	3,137,663	September 5, 2006

We are not aware of any (i) currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; (ii) pending infringement, opposition or cancellation proceedings; or (iii) pending material litigation, involving any of the Licensed Marks.

We hold a license from ~~PAM~~PA LLC to use and sublicense the Licensed Marks with our sale and administration of FAST UNDERCAR® franchises throughout the world. The License Agreement does not significantly limit our right to use or license the use of the Licensed Marks in any manner material to the franchise. No other agreements are currently in effect which limit our use of the Marks in any manner material to the franchise.

You must notify us immediately if you learn about (i) any improper use of the Licensed Marks, (ii) a third party's use of a mark or design which is confusingly similar to any of the Licensed Marks, or (iii) any challenge to your use of any of the Licensed Marks. We will take the action we think is appropriate under the circumstances (including taking no action). We will control the prosecution, defense or settlement of any legal action. You must cooperate and assist us in defending our trademarks. You may not take any action in your own name. Unless we establish that a third party challenge is due to your misuse of the Licensed Marks, we will defend you in the matter and reimburse you for your liability and reasonable costs. To receive reimbursement, you must notify us immediately when you learn about the claim and fully cooperate in the defense of the action. Because we will defend the claim, we will not reimburse you for any legal fees or related costs that you may pay to your separate legal counsel or others.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no patents that are material to the franchise.

Although we have not filed any applications for copyright registration, we claim a common law copyright in the information contained in the Franchise Agreement, Operations Manual, and in all advertising and promotional materials (whether in use now or in the future), all of which we collectively call the "Copyrighted Materials." You may use the Copyrighted Materials only to promote your franchised business during the term of the Franchise Agreement, and only in the manner that we authorize.

We consider all information in the Operations Manual to be proprietary and certain portions which we designate to be our trade secrets. If we develop it at a later date, proprietary software will be copyrighted and we will consider it to be a trade secret. We may identify other information which we specify in writing to be our trade secrets.

We may periodically modify the Copyrighted Materials, or add to or discontinue using all or part of the Copyrighted Materials, in our discretion. We will notify you of all changes and you must conform to them at your expense. You must not contest our interest in the Copyrighted Materials, proprietary information or trade secrets.

There are no current determinations of the Copyright Office or any court, no pending interference, opposition or cancellation proceedings, and no pending material litigation involving the Copyrighted Materials or information which we regard as proprietary or our trade secrets which is relevant to their use in this state.

You must promptly notify us if you learn about any unauthorized use, or third party challenge to your use, of any of the Copyrighted Materials. We do not have to take any action, but will respond to the information in the manner we think is appropriate. Unless we establish that the third party challenge is due to your misuse, we will defend you in the matter, and reimburse you for your liability and reasonable costs. To receive reimbursement, you must notify us immediately when you learn about the claim or challenge and fully cooperate in the defense of the action. Because we will defend the claim, we will not reimburse you for any legal fees or related costs that you may pay to your separate legal counsel or others.

We know of no infringing uses which would materially affect your use of the Copyrighted Materials in this state.

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

If you are an individual, you must devote full time and attention to supervising all administrative and operational activities of your franchise business.

If a legal entity owns the franchise rights, such as a corporation, partnership or limited liability company, the person who owns a controlling interest in the equity or voting rights of the entity, or a general or operating partner, must devote full time and attention to franchise activities.

In all cases, you must staff your FAST UNDERCAR® outlet with at least 1 "Approved Manager," a term that we define in the Franchise Agreement as a full-time employee with management responsibilities who successfully completes our initial training program and meets our minimum performance criteria for managers. You (or the person who owns a controlling interest in equity or voting interests of an entity, or the general or operating partner) may serve as an Approved Manager if you (or the shareholder or partner) devote full time and attention to the franchise business and successfully complete our initial training program. Other than persons who you want to qualify for Approved Manager status, you are responsible for hiring and training all of your employees. However, by arrangement, you may send your initial employees that you hire before opening your FAST UNDERCAR® outlet to our initial training program.

Each of your owners, employees and agents who has access to our proprietary information must enter into a written confidentiality agreement with you. We designate the form of confidentiality agreement (see **Exhibit I**). These individuals must agree to maintain the confidentiality of all proprietary information and conform to the covenants not to compete.

If you are a corporation, limited liability company or other entity, then each person who owns 10% or more of the equity or voting interests of the entity must execute a Personal Guaranty (see **Exhibit H**) agreeing to be personally, jointly and severally, liable for all of your obligations under the Franchise Agreement. This applies to persons who acquire a 10% or greater interest in you after you sign the Franchise Agreement.

If you are married, your spouse will be asked to execute a Spousal Consent (**Schedule D** to the Franchise Agreement) acknowledging that your obligations under the Franchise Agreement and Area Development Agreement (if any) are binding upon the marital community.

ITEM 16
RESTRICTIONS ON
WHAT THE FRANCHISEE MAY SELL

The franchise permits you to operate one FAST UNDERCAR® business at the location we approve and nowhere else, except with our prior written approval. You may relocate your FAST UNDERCAR® business only to a location we approve of in writing. Relocation is subject to certain conditions that we specify in the Franchise Agreement.

We require you to offer and sell only the inventory items and other products and services that we approve. You must offer all of the inventory items, products and services that we require for all FAST UNDERCAR® franchise outlets, and nothing else, except with our prior written approval.

We may set the price at which you sell designated inventory to the public to the extent the law permits us to do so. Unless we do so, however, we do not restrict the prices at which you sell products or services.

Your operations must comply with all applicable laws. This includes, for example, laws pertaining to the sale of goods, warranties, health and sanitation, environmental waste, and the like. You are responsible for investigating these laws and ensuring compliance with them.

As we disclose in Item 12, at least 80% of your total gross sales must be to Commercial Customers. You are solely responsible for keeping track of your compliance with this requirement.

Any variation from our mandatory requirements requires our prior written approval. We grant approval only in exceptional cases in our discretion. An exception made for another franchisee does not have to be made for you.

We have the right to add to, modify or discontinue the list of required inventory that you must sell. We communicate all changes by written bulletin or revisions to the Operations Manual. No limits apply to our right to impose these modifications. You will be given a reasonable time period (at least 30 days) after notice from us in which to implement these changes and discontinue selling particular items which we delete from the approved list.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements pertaining to renewal, termination, transfer and dispute resolution. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section In Franchise Agreement	Summary of Franchise Agreement Section	Section In Area Development Agreement	Summary of Area Development Agreement Provision
A. Term of the franchise	4.1	10 years	3	Depends on development schedule and your performance
B. Renewal or extension of the term	4.2	one 10 year renewal option	N/A	
C. Requirements for you to renew or extend (See Note 1)	4.2	Sign new Franchise Agreement; pay renewal fee; sign release; good standing under expiring Franchise Agreement. Our then-current Franchise Agreement may contain materially different terms and conditions than the expiring Franchise Agreement.	N/A	
D. Termination by you	11.1	You may terminate the Franchise Agreement if we cannot agree upon the location for your FAST UNDERCAR® franchise business, or otherwise for good cause as we define the term in the Franchise Agreement.~~ This disclosure is subject to state law.~~	N/A	
E. Termination by Us without cause	N/A		N/A	
F. Termination by Us with cause	11.2; 11.3	We may only terminate the Franchise Agreement for good cause.	8.1.1	We may only terminate the Area Development Agreement for good cause.
G. "Cause" defined - defaults which can be cured	11.3	You have 10 days after notice to cure based upon your non-payment of fees; you have 30 days after notice to cure for non-submission of any mandatory reports or for	8.1.2	You have 30 days after notice to cure the grounds of defaults listed in Paragraph 8.1.2.8.

Provision	Section In Franchise Agreement	Summary of Franchise Agreement Section	Section In Area Development Agreement	Summary of Area Development Agreement Provision
		any other default not listed in Paragraph 11.2.		
H. "Cause" defined - defaults which cannot be cured (See Note 2)	11.2	The Franchise Agreement identifies non-curable defaults.	8.1	The Area Development identifies non-curable defaults.
I. Your obligations on termination/nonrenewal (See Note 3)	12.1	Obligations include payment of liquidated damages calculated per the Franchise Agreement; complete de-identification; sign general release; pay all accounts due (see also R. below). We may purchase all, or any, of your physical assets, including inventory, at your original cost less depreciation.	8.2	Does not automatically terminate any unit Franchise Agreements that you enter into with us.
J. Assignment of contract by Us	13.1	No restriction on our right to assign the Franchise Agreement.	9.1	No restriction on our right to assign the Area Development Agreement.
K. "Transfer" by you - definition	13.2	Includes transfer of Franchise Agreement, transfer of substantially all assets, or change in ownership of a controlling interest of a corporate, limited liability company or partnership franchisee.	9.2	Same comment as Franchise Agreement.
L. Our right to approve transfer by you	13.2.2	We have the right to approve all transfers, but will not unreasonably withhold approval.	9.2.3	Same comment as Franchise Agreement.
M. Conditions for our approval of transfer request	13.2.3; 13.4; 13.5	New franchisee qualifies; you pay transfer fee; no outstanding defaults; purchase agreement approved; training successfully completed; you sign general release; at our option either the existing agreement is transferred and assumed or the new franchisee signs our current form of agreement (see also R. below).	9.4, 9.5	Transferee qualifies; you pay transfer fee; no outstanding defaults; purchase agreement approved; you sign general release; transferee assumes Area Development Agreement. (See also R. below)
N. Our right of first refusal to acquire your business	13.3	We can match any third party offer to buy the franchise, assets or controlling interest which	9.3	Same comment as Franchise Agreement.

Provision	Section In Franchise Agreement	Summary of Franchise Agreement Section	Section In Area Development Agreement	Summary of Area Development Agreement Provision
		is the subject of a proposed transfer.		
O. Our option to purchase your business	12.2	Right to purchase assets upon termination or expiration of the Franchise Agreement.	N/A	
P. Your death or disability	13.8	Your representative must assign the franchise to an approved buyer within 6 months.	9.8	Your representative must assign the unexpired development rights to an approved buyer within 6 months.
Q. Non-competition covenants during the term of the franchise	8.12.2	Extends to each "Covered Person" as we define the term in the Franchise Agreement; prohibits direct or indirect involvement with any business which manufactures or predominantly sells undercar or other automotive aftermarket parts or accessories in any trade channel and to any wholesale or retail customer including direct-to-consumer sales accomplished through e-commerce. Applies world-wide. ~~This disclosure is subject to state law.~~	N/A	Area Development Agreement grants no right to use the Licensed Marks or FAST UNDERCAR® System.
R. Non-competition covenants after the franchise is terminated or expires	8.12.3	Extends to each "Covered Person" (see Q. above); same activities prohibited as Q. above; applies anywhere within 50 miles of your Territory or any other FAST UNDERCAR® outlet. ~~This disclosure is subject to state law.~~	N/A	Area Development Agreement grants no right to use the Licensed Marks or FAST UNDERCAR® System.
S. Modification of the agreement	18.8	The Franchise Agreement may not be modified except by a written agreement that you and the Company both sign. The Operations Manual is subject to change by us. However, nothing in the Franchise Agreement requires you to waive or disclaim representations	14.8	Same comment as Franchise Agreement.

Provision	Section In Franchise Agreement	Summary of Franchise Agreement Section	Section In Area Development Agreement	Summary of Area Development Agreement Provision
		contained in this Franchise Disclosure Document.		
T. Integration/merger clause	18.9	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises you claim were made to you cannot be enforced against us.	14.9	Same comment as Franchise Agreement.
U. Dispute resolution by arbitration or mediation	16	All disputes must be submitted to a mediation hearing conducted according to the procedure stated in the Franchise Agreement, except as provided in the Franchise Agreement regarding interim relief. Mediation will be held at our offices in Ventura, California. Disputes that cannot be resolved through mediation or negotiation are resolved through litigation. ~~This disclosure is subject to state law.~~	12	Same comment as Franchise Agreement.
V. Choice of forum	16.3.1	Litigation must be brought in the state or federal courts located in Ventura, California. ~~This disclosure is subject to state law.~~	12.3	Same comment as Franchise Agreement.
W. Choice of law	16.4	California law applies. ~~This disclosure is subject to state law.~~	12.4	Same comment as Franchise Agreement. See also State Addendum for additional disclosures.

~~Your state also may have laws that require special disclosures or amendments to the Franchise Agreement. To see if this applies to you, check the State Addendum, **Exhibit N**.~~ NOTE 1: You may exercise the renewal option if you are in good standing at the end of the preceding term. You must give timely notice of your intent to renew.

NOTE 2: Under the franchise agreement, non-curable defaults include: conviction of a felony; abandonment of the franchise business as evidenced by the unexcused closure of your FAST UNDERCAR® outlet; trademark misuse; sale of unauthorized products or services; an unapproved transfer; receipt of 3 or more notices of default within any 24 month period; misuse of proprietary information or Copyrighted Materials; failure to agree upon the franchise location within the time period identified in the Franchise Agreement.

Under the Area Development Agreement, non-curable defaults include your failure to satisfy the Development Quota, as well as some of the same defaults that are non-curable under the Franchise Agreement.

NOTE 3: When you sign the Franchise Agreement, you will also sign the contract attached as **Exhibit K** to this Franchise Disclosure Document entitled Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name. Following expiration or termination of the Franchise Agreement, we may deliver a copy of the Collateral Assignment to third party providers. The Collateral Assignment instructs the third party providers to assign us the telephone numbers and other listings for our outlet in furtherance of your duty to de-identify from the FAST UNDERCAR® system.

ITEM 18
PUBLIC FIGURES

At this time, we do not use any public figure to promote the FAST UNDERCAR® franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned~~ FAST UNDERCAR®~~ 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.

We ~~do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised FAST UNDERCAR® outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing FAST UNDERCAR® outlet, however, we may provide you with the actual records of that FAST UNDERCAR® 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 Victor Davis, General Manager, Fast Undercar Franchise LLC, 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042 (telephone (805) 676-3410 ext 110, the Federal Trade Commission, and the appropriate state regulatory agencies.~~ set forth below specific financial results for fiscal years 2019 and 2020 (each a calendar year) for a reporting group consisting of 16 franchisee-owned FAST UNDERCAR® outlets and 7 affiliate-owned FAST UNDERCAR® outlets. The reporting group represents franchisee-owned and affiliate-owned FAST UNDERCAR® outlets that (i) were owned and operated by the same owner during the entire fiscal years 2019 and 2020; and (ii) had been operating for at least 12 months before the start of fiscal year 2019. In addition to (i) and (ii), the franchisee reporting group is limited to franchisees that voluntarily reported or verified their information to us.

We exclude from the reporting group one franchisee-owned FAST UNDERCAR® outlet that opened in May, 2019 and did not meet the reporting criteria, one affiliate-owned FAST

UNDERCAR® outlet which was acquired from a franchisee in July 2020, and two franchisee-owned FAST UNDERCAR® outlets that closed in 2020.

Except for the information in this Item 19, we do not furnish, or authorize any person who sells FAST UNDERCAR® franchises to furnish, any oral or written information concerning the actual or potential sales, costs, income or profits of a FAST UNDERCAR® outlet. Actual results may vary from outlet to outlet for a variety of reasons, and we make no representation regarding the results you may achieve.

Substantiation of the data we use to prepare this Item 19 will be made available to you on reasonable request.

[Continues on next page]

TABLE 1. GROSS PROFIT INFORMATION – FISCAL YEAR 2019 AND 2020

Column	A	B	C	D	E	F	G	H	I
FRANCHISE ("F") OR AFFILIATE ("A")	MONTH/YEAR OUTLET OPENED	Reporting Year	GROSS SALES	COST OF GOODS SOLD (NOTE 3)	GROSS PROFIT	COST OF GOODS AS A % OF GROSS SALES	REBATES PAID BY 3P VENDORS (NOTE 4)	ADJUSTED GROSS PROFIT	ADJUSTED GROSS PROFIT AS A % OF GROSS SALES
Calculation Method					C MINUS D	D DIVIDED BY C		THE SUM OF E + G	H DIVIDED BY C
A	Jul-96	**2019**	1,921,471.17	1,174,869.21	746,601.96	38.86%	107,247.87	853,849.83	44.44%
		2020	2,196,533.02	1,343,170.65	853,362.37	38.85%	87,542.86	940,905.23	42.84%
A	Jul-96	**2019**	3,880,650.48	2,419,924.70	1,460,725.79	37.64%	247,749.55	1,708,475.34	44.03%
		2020	5,029,932.10	3,155,909.29	1,874,022.81	37.26%	293,538.54	2,167,561.35	43.09%
F	Aug-96	**2019**	1,656,643.87	964,981.26	691,662.61	41.75%	96,312.89	787,975.50	47.56%
		2020	1,537,636.69	912,441.27	625,195.42	40.66%	82,101.68	707,297.10	46.00%
F	Jan-97	**2019**	10,517,014.08	6,818,597.82	3,698,416.26	35.17%	670,893.78	4,369,310.04	41.55%
		2020	9,620,801.20	6,271,385.33	3,349,415.87	34.81%	649,364.87	3,998,780.74	41.56%
A	Jun-97	**2019**	2,699,957.32	1,698,675.82	1,001,281.50	37.09%	180,902.64	1,182,184.14	43.79%
		2020	3,028,512.69	1,931,588.86	1,096,923.83	36.22%	169,522.05	1,266,445.88	41.82%
F	Jun-98	**2019**	6,099,197.21	4,060,963.95	2,038,233.26	33.42%	682,230.85	2,720,464.11	44.60%
		2020	5,696,247.12	3,777,973.03	1,918,274.09	33.68%	600,501.11	2,518,775.20	44.22%
F	Jul-98	**2019**	5,762,109.38	3,685,867.90	2,076,241.48	36.03%	269,628.84	2,345,870.32	40.71%
		2020	6,288,468.15	4,159,416.71	2,129,051.44	33.86%	295,157.66	2,424,209.10	38.55%
F	Jul-98	**2019**	952,571.06	570,856.97	381,714.09	40.07%	159,732.95	541,447.04	56.84%
		2020	1,211,581.34	738,710.81	472,870.53	39.03%	105,255.47	578,126.00	47.72%
F	Feb-01	**2019**	1,097,705.29	642,912.10	454,793.19	41.43%	72,179.69	526,972.88	48.01%
		2020	1,167,703.38	733,875.07	433,828.31	37.15%	61,625.22	495,453.53	42.43%
F	Feb-01	**2019**	1,947,675.60	1,230,078.98	717,596.63	36.84%	122,327.65	839,924.28	43.12%
		2020	1,667,710.95	1,082,579.12	585,131.83	35.09%	97,096.96	682,228.79	40.91%
A	May-02	**2019**	1,761,767.73	1,084,035.08	677,732.65	38.47%	133,519.66	811,252.31	46.05%
		2020	1,904,414.11	1,173,067.13	731,346.98	38.40%	115,808.89	847,155.87	44.48%

F	May-03	**2019**	2,592,994.47	1,668,454.48	924,540.00	35.66%	197,605.97	1,122,145.97	43.28%
		2020	2,604,730.97	1,660,431.31	944,299.66	36.25%	194,719.32	1,139,018.98	43.73%
F	Aug-03	**2019**	5,266,675.19	3,313,771.48	1,952,903.71	37.08%	321,214.65	2,274,118.36	43.18%
		2020	5,039,156.11	3,193,765.28	1,845,390.83	36.62%	318,157.92	2,163,548.75	42.93%
F	Oct-04	**2019**	2,116,250.59	1,323,793.63	792,456.96	37.45%	253,382.82	1,045,839.78	49.42%
		2020	1,807,266.20	1,116,968.82	690,297.38	38.20%	181,315.35	871,612.73	48.23%
A	Jan-05	**2019**	2,290,538.23	1,472,659.85	817,878.38	35.71%	122,568.90	940,447.28	41.06%
		2020	2,690,562.65	1,737,986.09	952,576.56	35.40%	151,369.27	1,103,945.83	41.03%
F	Jan-05	**2019**	2,556,117.43	1,612,632.48	943,484.95	36.91%	175,923.87	1,119,408.82	43.79%
		2020	2,646,753.82	1,656,203.95	990,549.87	37.43%	166,088.75	1,156,638.62	43.70%
F	May-05	**2019**	3,029,134.14	1,871,413.55	1,157,720.59	38.22%	192,928.47	1,350,649.06	44.59%
		2020	2,646,421.93	1,646,575.45	999,846.48	37.78%	162,398.91	1,162,245.39	43.92%
F	Jun-05	**2019**	4,420,889.49	2,850,031.34	1,570,858.15	35.53%	242,588.95	1,813,447.10	41.02%
		2020	4,147,998.77	2,702,671.97	1,445,326.80	34.84%	255,272.00	1,700,598.80	41.00%
F	Oct-05	**2019**	5,275,796.09	3,347,391.88	1,928,404.22	36.55%	303,177.23	2,231,581.45	42.30%
		2020	5,035,094.97	3,000,038.00	2,035,056.97	40.42%	240,015.40	2,275,072.37	45.18%
A	Jan-06	**2019**	3,072,285.25	1,992,205.24	1,080,080.01	35.16%	142,796.19	1,222,876.20	39.80%
		2020	4,200,016.35	2,715,923.45	1,484,092.91	35.34%	214,884.80	1,698,977.71	40.45%
A	May-07	**2019**	2,339,762.23	1,541,189.19	798,573.04	34.13%	119,043.62	917,616.66	39.22%
		2020	2,506,773.11	1,647,024.05	859,749.06	34.30%	153,933.44	1,013,682.50	40.44%
F	Jun-07	**2019**	2,583,269.88	1,593,242.36	990,027.52	38.32%	162,703.94	1,152,731.46	44.62%
		2020	2,265,581.04	1,387,567.00	878,014.04	38.75%	158,396.85	1,036,410.89	45.75%
F	Dec-14	**2019**	2,082,633.63	1,322,279.12	760,354.51	36.51%	109,219.50	869,574.01	41.75%
		2020	2,590,578.96	1,684,499.52	906,079.44	34.98%	139,757.75	1,045,837.19	40.37%

TABLE 2. 2019 vs. 2020 – GROSS SALES RESULTS ONLY

F/A	Month/Year Outlet Opened	Total 2019	Total 2020	YOY Difference	Percentage
A	Jul-96	3,880,650.48	5,029,932.10	1,149,281.62	29.62%
A	Jul-96	1,921,471.17	2,196,533.02	275,061.85	14.32%
F	Aug-96	1,656,643.87	1,537,636.69	(119,007.18)	-7.18%
F	Jan-97	10,517,014.08	9,620,801.20	(896,212.88)	-8.52%
A	Jun-97	2,699,957.32	3,028,512.69	328,555.37	12.17%
F	Jun-98	6,099,197.21	5,696,247.12	(402,950.09)	-6.61%
F	Jul-98	5,762,109.38	6,288,468.15	526,358.77	9.13%
F	Jul-98	952,571.06	1,211,581.34	259,010.28	27.19%
F	Feb-01	1,947,675.60	1,667,710.95	(279,964.65)	-14.37%
F	Feb-01	1,097,705.29	1,167,703.38	69,998.09	6.38%
A	May-02	1,761,767.73	1,904,414.11	142,646.38	8.10%
F	May-03	2,592,994.47	2,604,730.97	11,736.50	0.45%
F	Aug-03	5,266,675.19	5,039,156.11	(227,519.08)	-4.32%
F	Oct-04	2,116,250.59	1,807,266.20	(308,984.39)	-14.60%
F	Jan-05	2,556,117.43	2,646,753.82	90,636.39	3.55%
A	Jan-05	2,290,538.23	2,690,562.65	400,024.42	17.46%
F	May-05	3,029,134.14	2,646,421.93	(382,712.21)	-12.63%
F	Jun-05	4,420,889.49	4,147,998.77	(272,890.72)	-6.17%
F	Oct-05	5,275,796.09	5,035,094.97	(240,701.12)	-4.56%
A	Jan-06	3,072,285.25	4,200,016.35	1,127,731.10	36.71%
A	May-07	2,339,762.23	2,506,773.11	167,010.88	7.14%
F	Jun-07	2,583,269.88	2,265,581.04	(317,688.84)	-12.30%
F	Dec-14	2,082,633.63	2,590,578.96	507,945.33	24.39%
ALL	Total	75,923,109.81	77,530,475.63	1,607,365.82	2.12%

TABLE 3. AVERAGE AND MEDIAN GROSS SALES 2019 VS. 2020

Average Gross Sales in Calendar Year 2019 – All Outlets (Affiliate and Franchisee Combined)				
	Average	**Median**	**High**	**Low**
Top 1/3 Outlets	$5,258,195	$5,266,675	$10,517,014	$3,029,134
Middle 1/3 Outlets	$2,470,239	$2,556,117	$2,895,159	$2,116,251
Bottom 1/3 Outlets	$1,423,967	$1,656,644	$2,082,634	$590,685
Combined Average	$3,050,800	$2,556,117	$5,164,935	$1,912,023

Average Gross Sales in Calendar Year 2020 – All Outlets (Affiliate and Franchisee Combined)				
	Average	**Median**	**High**	**Low**
Top 1/3 Outlets	$5,409,552	$5,058,942	$9,620,801	$3,031,236
Middle 1/3 Outlets	$2,602,515	$2,626,841	$2,813,002	$2,332,613
Bottom 1/3 Outlets	$1,635,091	$ 1,641,085	$2,200,183	$1,170,606
Combined Average	$3,303,473	$2,648,553	$4,877,995	$2,178,152

THESE CHARTS ARE SUBJECT TO THE FOLLOWING NOTES AND ASSUMPTIONS

NOTES

1. Item 19 discloses Gross Sales and Gross Profit results for a reporting group of 16 franchisee-owned and 7 affiliate-owned FAST UNDERCAR® outlets that met the reporting criteria described above.

2. All members of the reporting group of franchisees use the EPICOR/POS system, which is networked to our computers, which gives us immediate remote access to this data at any time. To compile this Item 19, we pulled the relevant information for each franchisee from the EPICOR/POS system. We rely on the accuracy of the information recorded by the reporting group of franchisees. We have not independently audited the information.

3. As a basis for the cost of goods, our affiliate PAM (before its merger into PA LLC), used the price paid for the most recently purchased inventory following the Average Cost method of accounting for inventories for both tax and financial reporting purposes. However, not all franchisee-owned outlets utilize the Average Cost method. We do not believe that any difference in the accounting methods used by the reporting group of outlets is material to the information we disclose in this Exhibit.

   The category of cost of goods is limited to the actual cost of procuring inventory items, i.e., goods bought for resale. Cost of goods does not include any salaries, wages, other labor expenses, or other overhead general expenses regardless of whether the overhead expense directly supports inventory procurement.

During the reporting period, PAM negotiated inventory procurement for all outlets in the reporting group to obtain the most favorable pricing and terms for all FAST UNDERCAR® owners (franchisees and our affiliates alike), including volume discounts and rebates based on aggregate purchase levels. Inventory quantities are based upon maintaining desired stock levels to ensure prompt customer service. The cost of goods for each outlet reflects volume discounts based on the aggregate level of orders placed by all operating FAST UNDERCAR® outlets.

4. See Item 8 for additional information regarding rebates paid by third party vendors during fiscal year 2020.

5. As we disclose in Item 8, some suppliers pay rebates on account of the owner's purchases from the supplier. The results of franchisee and affiliate-owned FAST UNDERCAR® outlets for fiscal years 2019 and 2020 include the rebate revenue received during fiscal years 2019 and 2020.

COMMENTS AND ASSUMPTIONS

A. Operationally, all of the reporting outlets are comparable to the franchises described in this Franchise Disclosure Document. All reporting outlets sold the same types of goods and services to the public as you will sell.

B. The reporting outlets range in size from 4,000 to 15,000 total square feet, which included from 3,600 to 13,500 square feet of warehouse space with the balance being office space. While the outlets that are the largest and smallest in size correlated with the outlets that had the highest and lowest gross sales respectively in fiscal years 2019 and 2020, in between these two extremes, operating results for fiscal years 2019 and 2020 did not reveal a correlation between outlet size and Gross Sales.

C. An outlet's geographic location may impact sales. The outlets located in metropolitan areas of over 1 Million populations have substantially more local competition than the outlets located in geographically isolated and less populous areas. The more intense competition not only affects Gross Sales, but also results in a higher cost of goods sold and lowers Gross Profit. Other factors affecting an outlet's sales include seasonality as affected by adverse weather conditions, demographic factors such as household income, and presence of local competition. In addition, an economic slowdown locally, regionally or nationally may adversely affect Gross Sales and Gross profit.

D. Gross Profits during an outlet's early months after opening tend to be lower because of special pricing and greater discounting that the outlet may do to attract customers and build a customer base. However, overall, the operating results do not reveal a correlation between the number of years an outlet has been in continuous operation at the same location and Gross Sales, cost of goods sold, or Gross Profit. Based on results during fiscal years 2019 and 2020, older outlets did not statistically achieve better operating results than outlets opened more recently.

E. Outlets experience minor seasonality, with slightly slower sales from November through February.

F. There may be minor variations in the operating hours among the outlets due to local factors.

G. We summarize the comparative Gross Sales data for fiscal years 2019 and 2020 below on franchisee-owned and affiliate-owned FAST UNDERCAR® outlets. COVID-19 was not directly responsible for any of the 4 closures in 2020 of FAST UNDERCAR® outlets owned by franchisees. As noted, FAST UNDERCAR® outlets were classified as essential businesses and allowed to remain open Gross Sales does not reflect money that a franchisee or our affiliate may have received under the federal Paycheck Protection Program. The primary reason that affiliate-owned FAST UNDERCAR® outlets in the reporting group outperformed franchisee-owned FAST UNDERCAR® outlets in the reporting group is because our affiliate acquired a competitor that we converted to an affiliate-owned FAST UNDERCAR® outlet in 2020.

	Total # Outlets	Year	Sales Volume	Growth/Decline 2020 v. 2019	+/- %
Entire Reporting Group	23	2019	75,923,109.81		
Entire Reporting Group	23	2020	77,530,475.63	+ 1,607,365.82	+ 2.1%
Franchisee Reporting Group	16	2019	57,956,677.40		
Franchisee Reporting Group	16	2020	55,973,731.60	- 1,982,945.80	-3.4%
Affiliate Reporting Group	7	2019	17,966,432.41		
Affiliate Reporting Group	7	2020	21,556,744.62	3,590,311.62	20%

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

Some Fast Undercar® Outlets have achieved the results disclosed in this Item 19. Your individual results may differ. There is no assurance that you will do as well as the reporting Fast Undercar® Outlets.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1				
System-wide Outlet Summary For Years ~~2017~~2018 to ~~2019~~2020				
Column 1	**Column 2**	**Column 3**	**Column 4**	**Column 5**
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	~~2017~~ 2018	~~28~~ 27	~~27~~ 20	~~-1~~ -7
	2019	20	21	+1
	2020	21	17	-4
Company-Owned	~~2017~~ 2018	~~5~~ 5	~~5~~ 7	~~0~~ +2
	2019	7	7	0
	2020	7	8	+1
Total Outlets	~~2017~~ 2018	~~33~~ 32	~~32~~ 27	~~-1~~ -5
	2019	27	28	+1
	2020	28	25	-3

TABLE 2		
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For Years ~~2017~~2018 to ~~2019~~2020		
Column 1	**Column 2**	**Column 3**
State	**Year**	**Number of Transfers**
California	~~2017~~ 2018	~~0~~ 1
	2019	1
	2020	0
Total	~~2017~~ 2018	~~0~~ 1
	2019	1
	2020	0

TABLE 3
Status of Franchised Outlets for Years ~~2017~~2018 to ~~2019~~2020

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations-Other Reasons**	**Outlets at End of the Year**
California	~~2017~~	~~21~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~21~~
	2018	21	0	0	0	6	0	15
	2019	15	0	0	0	0	0	15
	2020	15	0	0	0	1	2	12
Idaho	~~2017~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Oregon	~~2017~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Washington	~~2017~~	~~3~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~3~~
	2018	3	0	0	0	0	1	2
	2019	2	1	0	0	0	0	3
	2020	3	0	0	0	1	0	2
~~Totals~~	~~2017~~	~~27~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~27~~
Totals	2018	27	0	0	0	6	1	20
	2019	20	1	0	0	0	0	21
	2020	21	0	0	0	2	2	17

TABLE 4 Status of Affiliate-Owned Outlets for Years ~~2017~~2018 to ~~2019~~2020							
Column 1	**Column 2**	**Column 3**	**Column 4**	**Column 5**	**Column 6**	**Column 7**	**Column 8**
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**
California	~~2017~~ 2018	~~4~~ 5	~~1~~ 0	~~0~~ 6	~~0~~ 4	~~0~~ 0	~~5~~ 7
	2019	7	0	0	0	0	7
	2020	7	0	1	1	0	7
Washington	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	1	0	0	1
~~Totals~~	~~2017~~	~~4~~	~~1~~	~~0~~	~~0~~	~~0~~	~~5~~
Totals	2018	5	0	6	4	0	7
	2019	7	0	0	0	0	7
	2020	7	0	2	1	0	8

TABLE 5 Projected New Franchised Outlets as of December 31, 2020				
Column 1	**Column 2**	**Column 3**	**Column 4**	
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**	
California	0	1	1	~~1~~
Florida	0	0	0	
Idaho	0	0	0	
New York	0	0	0	
Oregon	0	0	0	
Washington	0	0	~~1~~0	
Total	0	1	1	~~2~~

Attached as part of **Exhibit L** is a list of the names, addresses and telephone numbers of all of our FAST UNDERCAR® franchisees. **Exhibit L** also lists the names, addresses and telephone numbers of our franchisees who have signed a franchise agreement but have not yet opened a FAST UNDERCAR® outlet as of our most recently completed fiscal year ending December 31, ~~2019~~2020.

Attached as part of **Exhibit L** is a list of the names, city and state and current business telephone number or last known home telephone of every and addresses of any FAST UNDERCAR® franchisee who has had a franchise terminated, cancelled, non-renewed or who has otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the year ending December 31, ~~2019~~2020, or who have not communicated with us during the 10 weeks before the filing of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During our last 3 fiscal years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us.

There are no trademark-specific franchisee organizations associated with the franchise system which we have created, sponsored or endorsed.

ITEM 21
FINANCIAL STATEMENTS

We include as **Exhibit M** our audited financial statements for our 2020 fiscal year (1/1/20-12/31/20), 2019 fiscal year (1/1/19-12/31/19), and ~~for~~ the seven months during 2018 that we were in operation (6/1/18-12/31/18).

ITEM 22
CONTRACTS

All agreements that we propose to use in this State are attached to this Franchise Disclosure Document as follows:

EXHIBIT C – Application and Franchise Deposit Agreement
EXHIBIT D – Franchise Agreement
EXHIBIT E – Conversion Addendum to Franchise Agreement (For Conversion Franchisees Only)
EXHIBIT F – Area Development Agreement
EXHIBIT G – Addendum to Lease and UCC–1 Financing Statement
EXHIBIT H – Personal Guaranty
EXHIBIT I – Confidentiality, Non–Disclosure and Non-Competition Agreement
EXHIBIT J – General Release
EXHIBIT K – Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name
EXHIBIT O – Declaration of Franchise Applicant
EXHIBIT Q – Amendment to Franchise Agreement Re: Minimum Sales Quota

ITEM 23
RECEIPTS

The last 2 pages of this Franchise Disclosure Document are detachable documents (**Exhibit R**) acknowledging your receipt of the Franchise Disclosure Document. You must sign one copy and give it to us. The other copy is for your records. If these pages or any other pages or exhibits are missing from your copy, please contact us at this address or phone number:

FAST UNDERCAR FRANCHISE, LLC
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(805) 676-3410 ext 110 (Telephone)
victor@fastundercar.com
info@fastundercar.com

EXHIBIT A
LIST OF FEDERAL AND STATE
FRANCHISE BOARD ADMINISTRATORS

Federal

Federal Trade Commission
6th and Pennsylvania Ave., N.W.
Washington, D.C. 20580
(202) 326-3128

State Franchise Agencies

California
State of California
Department of ~~Business Oversight~~Financial Protection and Innovation
Suite 750
320 W. 4th Street
Los Angeles, California 90013-2344
(213) 576-7500
1 (866) 275-2677
~~ask.dbo@dbo.ca.gov~~ask.dfpi@dfpi.ca.gov

Indiana
Franchise Section
Indiana Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
State of Hawaii
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2744

Maryland
Maryland Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

Illinois
Franchise Bureau
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Michigan
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
G. Mennen Williams Building, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

Minnesota
Minnesota Department of Commerce
Franchise Section
85 7th Place East
St. Paul, Minnesota 55101-2198
(651) 296-6328

Rhode Island
Division of Securities
State of Rhode Island
1511 Pontiac Avenue
Cranston, RI 02920
(401) 222-3048

New York
Bureau of Investor Protection and Securities
New York State Department of Law
23rd Floor
120 Broadway
New York, New York 10271
(212) 416-8211

South Dakota
Division of Insurance
Securities Regulation
State of South Dakota
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

North Dakota
North Dakota Securities Department
State of North Dakota
Fifth Floor
600 East Boulevard Avenue
Bismarck, North Dakota 58505-0510
(701) 328-4712

Virginia
Division of Securities and Retail Franchising
State Corporation Commission
Commonwealth of Virginia
Ninth Floor
1300 E. Main Street
Richmond, Virginia 23219

(804) 371-9051

Oregon
Department of Consumer and Business Services
Division of Finance and Corporate Securities
State of Oregon
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140

Washington
Department of Financial Institutions
Securities Division
State of Washington
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8738

Wisconsin
Division of Securities
Department of Financial Institutions
Wisconsin Commissioner of Securities
P.O. Box 1768
Madison, Wisconsin 53701-1768
(608) 266-8559

EXHIBIT B
LIST OF AGENTS FOR SERVICE OF PROCESS

California

State of California
Department of ~~Business Oversight~~Financial Protection and Innovation
Suite 750
320 W. 4th Street
Los Angeles, California 90013-2344
(213) 576-7500
1 (866) 275-2677

Hawaii

Hawaii Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
State of Hawaii
335 Merchant Street, room 203
Honolulu, Hawaii 96813

Illinois

Office of Attorney General
State of Illinois
500 South Second Street
Springfield, Illinois 62706

Indiana

Secretary of State
State of Indiana
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

Maryland

Maryland Securities Commissioner
Office of the Attorney General
Securities Division
200 Saint Paul Place
Baltimore, Maryland 21202-2020

Michigan

Michigan Department of Commerce
Corporation & Securities Bureau
6546 Mercantile Way
Lansing, MI 48909

Minnesota

Commissioner of Commerce
Minnesota Department of Commerce
Franchise Section
85 7th Place East
St. Paul, Minnesota 55101-2198

New York

New York State Department of Law
Investor Protection Bureau
28 Liberty St. 21st Floor
New York, New York 10005
212-416-8285

North Dakota

North Dakota Securities Department
State of North Dakota
Fifth Floor
600 East Boulevard Avenue
Bismarck, North Dakota 58505-0510

Oregon

Department of Consumer and Business Services
Division of Finance and Corporate Securities
State of Oregon
350 Winter Street, N.E.
Room 21
Salem, Oregon 97310

Rhode Island

Director of Business Regulation
Department of Business Regulation
Division of Securities
State of Rhode Island
1511 Pontiac Avenue
Cranston, RI 02920

South Dakota

Franchise Administration
Division of Insurance
Securities Regulation
State of South Dakota
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Virginia

Clerk of the State Corporation Commission
Commonwealth of Virginia
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

Washington

Director of Financial Institutions
Securities Division
State of Washington
150 Israel Rd. SW
Tumwater, Washington 98501

Wisconsin

Commissioner of Securities
Wisconsin Securities Commission
345 W. Washington, 4th Floor
Madison, Wisconsin 53703

EXHIBIT C
APPLICATION AND FRANCHISE DEPOSIT AGREEMENT

TO: Officers of Fast Undercar Franchise, LLC (the "Company")
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042

1. The undersigned ("Applicant") hereby applies to purchase:

— area development rights, for the right to open an agreed-upon minimum number of FAST UNDERCAR® Outlets within a designated geographic area according to an agreed-upon development schedule; or

— a FAST UNDERCAR® unit franchise, for the right to own and operate one FAST UNDERCAR® Outlet as a start-up franchisee

— a FAST UNDERCAR® unit franchise, for the right to own and operate one FAST UNDERCAR® Outlet as a conversion franchisee

on the terms and conditions set forth in the FAST UNDERCAR FRANCHISE, LLC Franchise Disclosure Document ("FDD").

2. Applicant is:

— an individual

— name of entity:____
state of incorporation or domicile:____

represented by the undersigned

____
[print name and title]

3. Applicant's deposit of $2,000.00 accompanies this application. If this application is accepted, Applicant agrees that the deposit will be credited towards the Territorial Rights Fee (if Applicant acquires area development rights) or the Initial Franchise Fee (if Applicant acquires a single unit franchise).

4. Applicant understands that evaluation of this application and supporting credentials is a subjective process and left to the Company's absolute discretion, and that the Company may consider all aspects of Applicant's character, experience and background (and, if Applicant is an entity, the character, experience and background of Applicant's officers, directors and owners) that the Company deems relevant.

5. With this application, Applicant submits documentation to support Applicant's business experience and personal, financial, and credit history. The Company has the right to request additional information and the names of references to support this application. Applicant understands that this application will not be complete until the Company receives all requested information. The information set forth in this application and in all supporting documentation is, or when submitted will be, true and complete.

6. Applicant understands that the Company will have 30 days from the date this application is complete to review the application. Applicant acknowledges that the Company has absolute discretion to accept this application or reject it. If this application is rejected, the Company will promptly refund the deposit less a $500.00 application fee.

7. If this application is approved, Applicant must, within 14 days of being notified of such approval (i) execute the FAST UNDERCAR® Area Development Agreement, or the FAST UNDERCAR® Franchise Agreement, and all other agreements required to be executed simultaneous therewith, and (ii) pay the remaining balance of the Territorial Rights Fee or Initial Franchise Fee, as applicable.

8. If Applicant fails to perform all requirements within 14 days of being notified of acceptance, the Company may withdraw its acceptance, in which event the Company will promptly refund the deposit less a $500.00 application fee.

9. Applicant understands that it may withdraw this application by written notice given at any time, even after the application is approved, but before Applicant signs the Area Development Agreement or Franchise Agreement. In that event, the Company will promptly refund the deposit, less the $500.00 application fee.

10. By accepting a refund of the deposit, less the $500.00 application fee, Applicant will be deemed to have, personally and on behalf of the officers, directors, owners, agents and other representatives of an applicant-entity, released any claim now or hereinafter existing or arising out of this application or dealings pertaining to the FAST UNDERCAR® franchise opportunity.

11. Applicant acknowledges that it may not transfer or assign this application voluntarily or by operation of law.

12. Applicant acknowledges that it has had a copy of the FDD, and all of its exhibits, in its possession for at least 14 calendar-days (or such earlier date required by applicable state law - see State Addenda) prior to signing this application and paying any consideration to FAST UNDERCAR FRANCHISE, LLC. Applicant has read the FDD and been given the opportunity to ask questions about its contents and to consult with an attorney or other professional advisor of Applicant's own choosing about the FAST UNDERCAR® franchise opportunity. Applicant understands and accepts the terms, conditions and obligations of this application. Applicant makes this application based upon an independent investigation of the business opportunity and recognizes that the investment involves business risks.

13. Applicant represents that it is not relying upon any promise or guarantee, express or implied, about the potential revenues, profits, sales, costs or success of the business venture, and that no promises or representations of any kind have been made that are contrary to any statements in the FDD.

DATE: ___________________________________

PRINT NAME OF APPLICANT:____

SIGNATURE OF APPLICANT OR PERSON EXECUTING THIS APPLICATION ON BEHALF OF APPLICANT:____

PRINT NAME OF PERSON SIGNING THIS APPLICATION:

____

IF EXECUTING THIS APPLICATION ON BEHALF OF AN ENTITY, PRINT TITLE:__________________________________

RECEIPT OF APPLICATION AND DEPOSIT IS ACKNOWLEDGED ON: ___________________________________[DATE]

FAST UNDERCAR FRANCHISE, LLC

By:_________________________________
Its:_________________________________

EXHIBIT D

FAST UNDERCAR FRANCHISE, LLC
FRANCHISE AGREEMENT

EXHIBIT D

FAST UNDERCAR FRANCHISE, LLC

FRANCHISE AGREEMENT

TABLE OF CONTENTS

EXHIBITS

FAST UNDERCAR FRANCHISE, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into on _______________, _____ by and between FAST UNDERCAR FRANCHISE, LLC, a California limited liability company ("Company") and ______________________________________ ("Franchisee") with reference to the following facts:

R E C I T A L S

A. Company owns a distinctive system (the "FAST UNDERCAR® System") for the establishment and operation of distribution outlets specializing in the sale of undercar and other automotive aftermarket parts, supplies and accessories.

B. Company has the right to use and license the name FAST UNDERCAR® and the distinctive marks, logos and commercial symbols that Company now or in the future designates which identify FAST UNDERCAR® outlets to the public (collectively referred to as the "Licensed Marks").

C. Company reserves the right to modify the Licensed Marks and FAST UNDERCAR® System in its sole discretion as it believes will best promote FAST UNDERCAR® outlets to the public.

D. Franchisee desires to obtain a franchise and license to use the FAST UNDERCAR® System and the Licensed Marks in the operation of a FAST UNDERCAR® outlet, and Company is willing to grant a license to Franchisee on the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

1. <u>DEFINITIONS.</u>

The capitalized terms used in this Agreement are defined in the paragraphs indicated below:

1.1 Addendum to Lease - ¶5.4
1.2 Advertisement - ¶8.5; 8.5.1
1.3 Advertising Cooperative - ¶8.5.2
1.4 Advertising Fee - ¶9.3
1.5 Annual Meeting – ¶7.5
1.6 Approved Manager - ¶8.1.2
1.7 Calendar Month - ¶9.2
1.8 Calendar Year - ¶10.2.4
1.9 Company's Affiliate - ¶8.12.3.1
1.10 Commercial Customer - ¶2.1.3
1.11 Confidential Information - ¶8.1.2.1
1.12 Cooperative Advertising Fee - ¶9.4.1
1.13 Controlling Interest - ¶7.3.2.1
1.14 Cost of Goods Sold ¶9.5
1.15 Covered Area - ¶8.12.3.1
1.16 Covered Person - ¶8.12.1
1.17 Effective Date of Expiration or Termination - ¶11.5

1.18 Force Majeure - ¶6.2.3
1.19 Franchise Location - ¶5.1.1
1.20 Franchise Location Approval Date - ¶5.2.2.3
1.21 Franchisee's Affiliate - ¶13.2.3.1
1.22 Franchisee's Principal - ¶7.3.2.1
1.23 FAST UNDERCAR® System - Recitals
1.24 Gross Sales - ¶10.2.2
1.25 Incapacity - ¶13.8.3
1.26 Index - ¶13.5.3
1.27 Individual Transferor - ¶13.3.1
1.28 Initial Franchise Fee - ¶9.1.1
1.29 Initiating Party - ¶16.1.1
1.30 Lease - ¶5.4.1
1.31 Lease Delivery Date - ¶5.4.1
1.32 Licensed Marks - Recitals
1.33 Local Laws - ¶8.12.7
1.34 Mediation Service - ¶16.1.1
1.35 Non-Proprietary Products and Services - ¶7.2.4
1.36 Notice of Exercise - ¶13.3.3
1.37 Franchise Disclosure Document - ¶5.4.2
1.38 On-Site Training - ¶7.3.1
1.39 Opening Date - ¶6.2.1
1.40 Operations Manuals - ¶7.1.1
1.41 Outlet - ¶2.1.1
1.42 Part-One Training - ¶7.3.1
1.43 Proprietary Products and Services - ¶7.2.3
1.44 Promotional Fund - ¶7.8.1
1.45 Publicly Held Corporation - ¶13.2.4
1.46 Qualified Transfers - ¶13.3.6
1.47 Regional or National Account - ¶2.3.5.1
1.48 Renewal Term - ¶4.2
1.49 Responding Party - ¶16.1.1
1.50 Royalty Fee - ¶9.2
1.51 Securities Review Fee - ¶13.5.1.2
1.52 Successor - ¶13.8.1
1.53 Term - ¶4.1
1.54 Territory - ¶2.3.1
1.55 Third Party Offer - ¶13.3.1

2. APPOINTMENT.

2.1 Grant of Rights.

2.1.1 Company grants to Franchisee, and Franchisee accepts, a franchise and license to use the FAST UNDERCAR® System and the Licensed Marks in connection with the operation of one FAST UNDERCAR® outlet (the "Outlet") at the Franchise Location (defined below), subject to the terms and conditions of this Agreement.

2.1.2 Concurrently with the execution of this Agreement, Franchisee shall execute the form of Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name attached to this Agreement as **Schedule E**.

2.1.3 At least 80% of Franchisee's monthly Gross Sales must be to customers that maintain a place of business in the Territory and purchase undercar and other automotive aftermarket parts, supplies and accessories for the purpose of performing installation services at their place of business ("Commercial Customers"). For purposes of this requirement, the term, "place of business" means a commercial (non-residential) location, like a garage or similar type of service facility, where a Commercial Customer, typically professional installers, warehouses parts and completes installation services on site for their customers. No more than 20% of Franchisee's monthly Gross Sales may be to customers that do not qualify as Commercial Customers, which would include retail customers like "do-it-yourselfers" that buy and install undercar and other automotive aftermarket parts, supplies and accessories themselves and are not professional installers or others that buy automotive aftermarket parts for purposes of resale. Franchisee is solely responsible for keeping track of the percentage of its monthly Gross Sales to Commercial Customers, report this information in the monthly financial statements which it submits to Company as required by the Franchise Agreement, and substantiate its compliance in the event of Company's inspection or audit of Franchisee's books and records.

2.1.4 In accepting the grant of rights, Franchisee agrees at all times to faithfully, honestly and diligently perform its obligations under this Agreement and to continuously exert its best efforts to promote and enhance the business of the Outlet and the goodwill associated with the Licensed Marks and the FAST UNDERCAR® System.

2.2 Limited Grant.

2.2.1 Company grants Franchisee no rights other than the rights expressly stated in this Agreement. Franchisee's use of the FAST UNDERCAR® System for any purpose, or in any manner, not permitted by this Agreement constitutes a breach of this Agreement.

2.2.2 The franchise and license granted apply to the Franchise Location, and to no other location.

2.2.3 Nothing in this Agreement gives Franchisee the right to sublicense the use of the Licensed Marks or FAST UNDERCAR® System to others.

2.2.4 Nothing in this Agreement gives Franchisee the right to object to Company's grant of franchises to others.

2.2.5 Nothing in this Agreement gives Franchisee an interest in Company or the right to participate in Company's business activities, investment or corporate opportunities.

2.3 Territory.

2.3.1 The area indicated on **Schedule A** hereto and incorporated herein by reference is referred to as Franchisee's "Territory."

2.3.2 Subject to the provisions of this Agreement, for as long as Franchisee is not in default under this Agreement, Company agrees not to operate, or grant others the right to operate, a FAST UNDERCAR® Outlet, in the Territory under the Licensed Marks. Franchisee acknowledges this is the extent of Franchisee's rights with respect to the Territory.

2.3.2.1 For purposes of this subsection, "Fast Undercar Outlet" means a physical location identified to the public by the Licensed Marks.

2.3.2.2 Franchisee shall have no right to enjoin or be compensated for the opening and operation of another FAST UNDERCAR® Outlet outside of the Territory, regardless of how close the Outlet is to the Territory.

2.3.2.3 Franchisee understands and agrees that the license awarded to Franchisee permits Company to own and operate, and license others to own and operate, businesses in the Territory that offer and sell aftermarket automotive parts and services at retail, wholesale or through any other channel of trade under trade names and trademarks dissimilar to the Licensed Marks.

2.3.2.4 Franchisee understands and agrees that the license awarded to Franchisee permits Company to use the Licensed Marks and FAST UNDERCAR® System in any channel of distribution either within or outside of the Territory with the exception that Company may not operate, or grant others the right to operate, a FAST UNDERCAR® Outlet, in the Territory under the Licensed Marks.

2.3.3 Franchisee may only engage in transactions with customers that maintain a place of business in the Territory and purchase undercar and other automotive aftermarket parts, supplies and accessories from Franchisee for the purpose of performing installation services at their place of business. For purposes of this Section, the term "place of business" means a commercial (non-residential) location, like a garage or similar type of service facility, where Franchisee's customer warehouses parts and completes installation services on site for their own customers.

2.3.3.1 Franchisee may not engage in transactions with customers that Franchisee knows, or based on reasonable inquiry should know, do not maintain a place of business in the Territory, do not intend to perform installation service at their place of business in the Territory, or purchase undercar and other automotive aftermarket parts, supplies and accessories from Franchisee for the purpose of shipping or transferring the parts to a third party regardless of the third party's location.

2.3.3.2 Franchisee is solely responsible for implementing appropriate due diligence procedures to ensure its compliance with these restrictions.

2.3.3.3 Franchisee understands and agrees that (i) nothing in this Agreement gives Franchisee the exclusive or superior right to sell to customers who maintain a place of business or reside or work in Franchisee's Territory; (ii) customers who reside or work in Franchisee's Territory may do business with any FAST UNDERCAR® Outlet without prior notice or compensation to Franchisee; and (iii) Company shall not be in breach of this Agreement if another FAST UNDERCAR® Outlet engages in transactions with a customer that maintains a place of business or resides or works in Franchisee's Territory.

2.3.4 Except as provided in this paragraph, nothing in this Agreement grants to Franchisee any area, market or territorial right or protection of any kind and Company reserves all other rights to use the Licensed Marks and FAST UNDERCAR® System in any channel of distribution both within and outside the Territory. Without limiting the foregoing, Company, on behalf of itself and Company's Affiliates, may directly or indirectly, offer and sell to the public, including to customers that reside or maintain a place of business in the Territory, by means of e-commerce, as that term is commonly understood, through the Internet or any comparable public computer network the same or different Proprietary Products and Non-Proprietary Products that Company authorizes Franchisee to offer and sell from time to time from Franchisee's FAST UNDERCAR® Outlet.

2.3.5 Company furthermore reserves the sole right, directly or indirectly, to solicit and sell to Regional and National Accounts which are based either within or outside of the Territory and which own or license locations within the Territory.

2.3.5.1 The term "Regional or National Account" means any customer owning or licensing multiple facilities operating nationwide or in a geographic area which is broader than, but which includes, all or part of the designated territory of any FAST UNDERCAR® Outlet, including Franchisee's Territory. For example, a Regional or National Account applies to a national chain of automotive repair shops with principal offices located in the Territory with which Company contracts to sell undercar and other automotive aftermarket parts to all of the account's repair shops, including stores located in the Territory. For purposes of defining the term Regional or National Account, it is irrelevant whether Company's arrangement requires Company to ship directly to each one of the Regional or National Account's local facilities or to one or more central warehouses for redistribution by the Regional or National Account.

2.3.5.2 Provided Franchisee is in full compliance with this Agreement, if Company contracts to sell directly to a Regional or National Account's local outlets, Company may, in its sole discretion, offer Franchisee the option of filling orders for outlets located in the Territory on the terms and conditions Company prescribes. Company may terminate Franchisee's right to supply local outlets if Franchisee fails to sell or complete shipments on the terms, and in accordance with the specifications, Company prescribes. If the Regional or National Account elects to have Company invoice and/or collect for goods sold to individual outlets, Company agrees to provide central invoicing and collection services and remit to Franchisee that portion of the amounts collected from the Regional or National Account attributable to the goods or services that Franchisee sells.

2.4 <u>Improvements; Duty to Conform to Modifications.</u>

2.4.1 Any improvements, modifications or additions which Company makes to the FAST UNDERCAR® System, or which become associated with the FAST UNDERCAR®

System, including, without limitation, ideas suggested or initiated by Franchisee, shall inure to the benefit of, and become, the exclusive property of Company.

2.4.2 Any goodwill resulting from Franchisee's use of the Licensed Marks or the FAST UNDERCAR® System shall inure to the exclusive benefit of Company. This Agreement confers no goodwill or other interest in the Licensed Marks or the FAST UNDERCAR® System upon Franchisee, except a license to use the Licensed Marks and the FAST UNDERCAR® System during the Term subject to the terms and conditions stated in this Agreement.

2.4.3 Franchisee acknowledges that Company may modify the FAST UNDERCAR® System from time to time in its sole discretion. In the event of any change to the FAST UNDERCAR® System, Company shall give Franchisee written notice of the change. Franchisee shall, at its own cost and expense, promptly adopt and use only those parts of the FAST UNDERCAR® System specified by Company and shall promptly discontinue the use of those parts of the FAST UNDERCAR® System which Company directs are to be discontinued.

2.5 Deviations from the FAST UNDERCAR® System.

2.5.1 Company, in its sole discretion, may allow other franchisees to deviate from the FAST UNDERCAR® System in individual cases. Franchisee acknowledges that it has no right to object to any variances that Company may allow to itself or other franchisees, and no claim against Company for not enforcing the standards of the FAST UNDERCAR® System uniformly. Franchisee acknowledges that Company has no obligation to waive, make any exceptions to, or permit Franchisee to deviate from, the uniform standards of the FAST UNDERCAR® System. Any exception or deviation that Company does allow Franchisee must be stated in writing and executed by Company in order to be enforceable against Company.

2.6 Additional Franchises.

This Agreement does not grant Franchisee any preferential right, or right of any kind, to acquire an additional franchise to operate another Outlet, wherever located.

2.7 Delegation of Duties.

In addition to Company's right to assign this Agreement, Company has the absolute right to delegate performance of any portion or all of its obligations under this Agreement to any third party designee of its own choosing, whether the designee is Company's Affiliate, agent or independent contractor. In the event of a delegation of duties, the third party designee will perform the delegated functions in compliance with this Agreement. When Company delegates its duties to a third party (in contrast to when Company transfers and assigns all of its rights under this Agreement to a third party that assumes Company's obligations), Company will remain responsible for the performance of the third party to whom Company's duties are delegated.

3. PROPRIETARY MARKS AND FAST UNDERCAR® SYSTEM.

3.1 Ownership.

3.1.1 Franchisee acknowledges that, as between the parties, Company owns the Licensed Marks and FAST UNDERCAR® System, and Franchisee owns no rights in the

Licensed Marks or FAST UNDERCAR® System except for the licensing rights granted by this Agreement.

3.1.2 Franchisee shall not contest, or assist any other person to contest, the validity, of Company's rights and interest in the Licensed Marks or FAST UNDERCAR® System.

3.2 Use of Licensed Marks and FAST UNDERCAR® System.

3.2.1 In operating Franchisee's Outlet, Franchisee shall (i) use only the Licensed Marks and elements of the FAST UNDERCAR® System designated by Company and only in the manner authorized and permitted by Company, (ii) use the Licensed Marks only for the operation or promotion of Franchisee's Outlet, (iii) display notices of trademark and service mark registrations in the exact manner that Company specifies, (iv) obtain fictitious or assumed name registrations as required by applicable law, and (v) prominently post notices to customers informing them that Franchisee is the independent owner of Franchisee's Outlet under license from Company.

3.2.2 Franchisee shall not use any of the Licensed Marks or any part thereof: (i) if an entity, in its corporate or legal name, (ii) with any prefix, suffix or other modifying words, terms, designs, colors or symbols, (iii) in any modified form, (iv) in connection with the sale of any unauthorized goods or services, (v) in any other manner not expressly authorized in writing by Company, or (vi) in any manner that may result in Company's liability for Franchisee's debts or obligations.

3.2.3 Company reserves the right to (1) modify or discontinue licensing any of the Licensed Marks, (2) add new names, marks, designs, logos or commercial symbols to the Licensed Marks and require that Franchisee use them, and (3) require that Franchisee introduce or observe new practices as part of the FAST UNDERCAR® System in operating Franchisee's Outlet. Franchisee acknowledges that the term Licensed Marks means the specific names, marks, designs, logos or commercial symbols licensed by Company at any given point in time, subject to Company's right to impose changes. Franchisee shall comply with Company's directions regarding changes in the Licensed Marks and FAST UNDERCAR® System within a reasonable time after written notice from Company. Company shall have no liability to Franchisee for any cost, expense, loss or damage that Franchisee incurs in complying with Company's directions and conforming to required changes, except as otherwise provided in Paragraph 3.3.5.

3.3 Defense of Licensed Marks and FAST UNDERCAR® System.

3.3.1 Company shall have the sole right to handle disputes with third parties concerning the Licensed Marks or FAST UNDERCAR® System.

3.3.2 Franchisee shall immediately notify Company in writing if Franchisee receives notice, or is informed, of any (i) improper use of any of the Licensed Marks or elements of the FAST UNDERCAR® System, (ii) use by any third party of any mark, design, logo or commercial symbol which, in Franchisee's judgment, may be confusingly similar to any of the Licensed Marks, (iii) use by any third party of any business practice which, in Franchisee's judgment, unfairly simulates the FAST UNDERCAR® System in a manner likely to confuse or deceive the public, or (iv) claim, challenge, suit or demand asserted against

Franchisee based upon Franchisee's use of the Licensed Marks or FAST UNDERCAR® System.

3.3.3 Company shall have sole discretion to take such action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Licensed Marks or FAST UNDERCAR® System.

3.3.4 Franchisee shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Company's decisions in handling disputes regarding the Licensed Marks and FAST UNDERCAR® System. Franchisee shall cooperate fully with Company and execute such documents and perform such actions as may, in Company's judgment, be necessary, appropriate or advisable in the defense of such claims, suits or demands and to protect and maintain Company's rights in the Licensed Marks and FAST UNDERCAR® System.

3.3.5 Unless it is established that a third party claim asserted against Franchisee is based, directly or indirectly, upon Franchisee's misuse of the Licensed Marks or the FAST UNDERCAR® System, Company agrees to indemnify and defend Franchisee against the third party claim and will reimburse Franchisee for the amount of any liability imposed against Franchisee by reason of its use of the Licensed Marks or the FAST UNDERCAR® System in accordance with this Agreement, provided Franchisee has notified Company immediately after learning of the claim and fully cooperates in the defense of the action. Because Company will defend the third party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter.

3.3.6 Except for reimbursement of liability as provided in this Paragraph 3.3.5, Franchisee shall have no claim of any kind against Company based upon third party claims involving the Licensed Marks or FAST UNDERCAR® System, including, without limitation, no claim for lost profits or consequential damages of any kind.

4. <u>TERM AND RENEWAL.</u>

4.1 <u>Term.</u>

This Agreement shall expire without notice 10 years from the date indicated on page 1, unless this Agreement is sooner terminated as provided herein (such 10 year period is referred to as the "Term").

4.2 <u>Renewal Term.</u>

Provided Company is granting new franchises in the state where Franchisee's Outlet is located at the time when Franchisee is permitted to exercise the renewal option granted by this Agreement, Franchisee may, at its option, renew the franchise for an additional 10 years (the "Renewal Term"), subject to all of the following conditions:

4.2.1 Franchisee must give Company written notice of Franchisee's election to renew at least 9 months, but not more than 12 months, before the end of the Term. Franchisee's notice must be accompanied by a non-refundable renewal fee equal to 25% of the initial franchise fee that Company is then charging for a new single-unit franchise in the United States.

4.2.2 Franchisee must not be in default under this Agreement at the time it gives written notice of its election to renew or on the commencement date of the Renewal Term. Further, Franchisee must not have received more than 4 notices of default, nor more than 3 notices of default during any 24 month period, during the Term.

4.2.3 Franchisee shall execute Company's then-current form of franchise agreement for a term equal in length to the Renewal Term, which agreement shall supersede this Agreement in all respects; provided, however, Franchisee shall have no further renewal rights even if the renewal franchise agreement provides for a renewal option and Franchisee shall not be required to pay the initial franchise fee stated in the renewal franchise agreement and instead shall pay the renewal fee.

4.2.4 Franchisee shall satisfy Company's then-current training requirements for renewing franchisees.

4.2.5 Franchisee shall satisfy Company's then-current appearance and design standards and equipment specifications that apply to new FAST UNDERCAR® Outlets.

4.2.6 Franchisee shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents.

4.3 Ineffective Exercise of Renewal Option.

Franchisee's failure to deliver the agreements and release required by this Paragraph 4 within 30 days after their delivery to Franchisee shall be deemed an election by Franchisee not to exercise the renewal option. Franchisee's purported exercise of the renewal option shall be ineffective if Franchisee is in default under this Agreement either at the time it gives written notice of its election to renew or on the commencement date of the Renewal Term. Franchisee acknowledges that the renewal franchise agreement it is required to execute to exercise the renewal option may be materially different than this Agreement, including, without limitation, requiring payment of additional or different fees to Company.

5. FRANCHISE LOCATION; RELOCATION; LEASE.

5.1 Franchise Location.

5.1.1 Franchisee shall locate its Outlet at a site within the Territory approved by Company (the approved site is referred to as the "Franchise Location").

5.1.2 If the parties have agreed upon the Franchise Location by the time they execute this Agreement, they shall complete **Schedule B** to identify its street address. If the parties have not agreed upon the Franchise Location at the time they execute this Agreement, Franchisee shall select the Franchise Location, subject to Company's approval, pursuant to the procedures stated in this Paragraph 5.

5.2 Procedure for Selecting Franchise Location.

5.2.1 Following execution of this Agreement, Company will loan Franchisee a copy of its Operations Manual, which contains, among other things, Company's current site selection criteria. Franchisee shall identify one or more potential sites for the Franchise Location and shall submit a written site proposal to Company, for its approval, within 30 days from the date of this Agreement. The written site proposal shall be in the form indicated in Company's Operations Manual. Company may terminate this Agreement if a completed site proposal is not received within 30 days from the date of this Agreement, and termination shall be effective immediately upon written notice to Franchisee.

5.2.1.1 Following receipt of Franchisee's written site proposal for the Franchise Location, Company will make one on-site visit to the area where the proposed site is located if Company reasonably believes that physical inspection of the demographic conditions of the area, or the proposed site, is necessary or desirable to evaluate Franchisee's proposal. Franchisee acknowledges that the on-site visit is at Company's option and not required by this Agreement.

5.2.1.2 As long as Franchisee's written site proposal is completed properly and includes all of the supporting materials identified in the Operations Manual, Company will pay its own expenses if it decides to make an on-site visit; however, if Company makes the trip and determines that the written site proposal is incomplete, Franchisee must pay Company a site review fee of $250 per day and reimburse Company for its actual travel expenses for transportation, lodging and personal expenses to send one employee to the site or area.

5.2.1.3 If Franchisee requests that Company make more than one on-site visit, or if Company determines that more than one on-site visit is necessary or desirable, to select the Franchise Location, or if an on-site visit is requested or required in connection with relocation of the Outlet, Franchisee must pay Company for each additional site visit a site review fee of $250 per day and reimburse Company for its actual travel expenses for transportation, lodging and personal expenses to send one employee per visit to the site or area.

5.2.2 Company shall have 14 days following receipt of Franchisee's completed site proposal to complete any site visit that it chooses to make and approve or disapprove the proposed site by giving written notice to Franchisee. The date of Company's notice approving Franchisee's proposed site is referred to as the "Franchise Location Approval Date."

5.2.2.1 If Franchisee proposes more than one site, Company need only approve one site, or it may disapprove all proposed sites.

5.2.2.2 Franchisee acknowledges that Company's failure to give timely notice of approval shall constitute Company's disapproval of all sites proposed by Franchisee.

5.2.2.3 Company may terminate this Agreement if the parties cannot agree upon an approved site within 30 days after Company receives Franchisee's completed site proposal.

5.2.3 On the Franchise Location Approval Date, the parties shall either execute, or be deemed to have completed, **Schedule B** to this Agreement to set forth the street address of the approved site, which shall then be incorporated herein by reference as the Franchise Location. If Franchisee proposes alternative sites and Company approves more than one proposed site, the parties must designate the one which shall be the Franchise Location. Franchisee acknowledges that Company's approval of alternative sites does not confer any right upon Franchisee to open more than one FAST UNDERCAR® Outlet.

5.2.4 Franchisee acknowledges that:

5.2.4.1 It is solely responsible for site selection;

5.2.4.2 Neither Company's proposal, nor its approval, of a site constitutes a guaranty or warranty that operation of a FAST UNDERCAR® Outlet located at the site will be successful or profitable; such approval signifies only that the site meets Company's current site criteria; and

5.2.4.3 Company's site approval does not certify that Franchisee's development, use or occupancy of the proposed site as a FAST UNDERCAR® Outlet will conform to applicable local laws, codes or permit requirements. Franchisee acknowledges that it is solely responsible for investigating and complying with all applicable local laws, codes and permit requirements concerning its development and occupancy of the Franchise Location.

5.2.5 Franchisee may terminate this Agreement any time before the Franchise Location Approval Date, and termination shall be effective immediately upon Franchisee giving written notice to Company.

5.2.6 Company may terminate this Agreement effective immediately upon giving written notice to Franchisee if the parties fail to agree upon the Franchise Location within 30 days after Company receives Franchisee's site proposal.

5.3 Relocation.

Franchisee agrees to relocate the Franchise Location under the following conditions and subject to the following requirements:

5.3.1 If (i) the Lease expires or terminates for reasons other than Franchisee's breach; (ii) the site is destroyed, condemned or otherwise rendered unusable; or (iii) the parties' mutually believe relocation will increase the business potential of the franchise, Franchisee agrees to relocate its Outlet to a new location selected by Franchisee, and approved by Company, in accordance with Company's then-current site selection procedures as specified in the Operations Manual.

5.3.2 At Franchisee's sole expense, Franchisee shall conform the relocated premises to Company's then-current appearance and design standards and equipment specifications which apply to new FAST UNDERCAR® Outlets and remove any signs or other property from the original Franchise Location which identifies it as part of the FAST UNDERCAR® System.

5.3.3 Franchisee shall complete relocation in accordance with the requirements of this Agreement without any interruption in the continuous operation of

Franchisee's Outlet, unless Company's prior written consent is obtained. In the event Company consents to a disruption in operations and such operations cease, then until operations resume at the substitute location: (i) the term of this Agreement shall not be abated, and (ii) Franchisee shall remain liable to pay Royalty Fees and any Advertising Fees and Cooperative Advertising Fees in an amount equal to the average amount paid by Franchisee during the 6 months immediately preceding the date that operations cease or the shorter period that Franchisee has been in business.

5.4 Delivery of Lease; Addendum to Lease.

5.4.1 Within 30 days after the Franchise Location Approval Date, Franchisee shall deliver to Company a copy of the lease it has negotiated directly with the owner or master landlord of the Franchise Location (the "Lease") together with an Addendum to Lease ("Addendum to Lease"), each duly executed by Franchisee and the owner or master landlord, and an original UCC-1 executed by Franchisee in favor of Company as the secured party. The date that Franchisee delivers the executed Lease, Addendum to Lease and UCC-1 to Company is the "Lease Delivery Date."

5.4.2 The Addendum to Lease and UCC-1 form shall each be substantially in the form attached to Company's Franchise Disclosure Document ("FDD") delivered to Franchisee.

5.4.3 Company may terminate this Agreement if Franchisee fails to deliver a duly executed Lease, Addendum to Lease, and UCC-1 by this Agreement within 30 days from the Franchise Location Approval Date, and termination shall be effective immediately upon written notice to Franchisee.

6. DEVELOPMENT; OPENING DATE.

6.1 Franchise Location Development.

6.1.1 Franchisee shall, at its sole expense, retain the services of licensed and competent construction personnel as are necessary to adapt and modify the Franchise Location for warehouse and receiving functions, office use and otherwise to conform the Franchise Location to Company's specifications for design, appearance and leasehold improvements stated in the Operations Manual. Franchisee acknowledges that it is solely liable for supervising, and for the acts and omissions of, its construction personnel. Franchisee shall obtain all customary contractors' lien waivers for the work performed.

6.1.2 Franchisee shall cause all construction and other development work to be carried out in compliance with the Lease and all applicable laws and regulations, including, without limitation, all government and utility permit requirements (such as, for example, zoning, sanitation, building, utility and sign permits). Franchisee shall complete development of the Franchise Location diligently, expeditiously and in a first-class manner. Company shall have access to the Franchise Location to inspect the work and performance by Franchisee's construction personnel. Franchisee may not open the Outlet for business to the public unless it fully complies with Company's specifications for design, appearance and leasehold improvements.

6.1.3 Company shall have no responsibility for any delays in development or opening of the Outlet or for any loss resulting from the design of the Outlet. Franchisee acknowledges that if Company inspects the work and performance of Franchisee's construction personnel, the inspection is not for purposes of reviewing or certifying that development is in compliance with the Lease, conforms to applicable local laws, codes or permit requirements or is of acceptable workmanship, but solely to evaluate that development conforms with Company's specifications for design, appearance and leasehold improvements.

6.2 Opening Date.

6.2.1 Franchisee shall open the Outlet for business to the public by no later than 90 days after the earlier of (i) the Lease Delivery Date, or (ii) the date Franchisee obtains possession of the Franchise Location (the "Opening Date").

6.2.2 Company may extend the Opening Date if Company determines that the Outlet's opening has been, or will be, delayed due to events of Force Majeure as defined in this Agreement. Both the determination that an event of Force Majeure has occurred, and the length of the extension, shall be made solely by Company based upon the event causing the delay. Company shall identify the extended Opening Date in a writing delivered to Franchisee.

6.2.3 The term "Force Majeure" includes, without limitation, an event caused by or resulting from an act of God, labor strike or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government, and any other similar cause which Company determines is not within Franchisee's control. If Company extends the Opening Date, Franchisee must open the Outlet for business to the public, by no later than the extended Opening Date.

6.2.4 Franchisee's failure to open for business to the public by the Opening Date, or, if Company extends it, by the extended Opening Date, shall be grounds permitting Company to terminate this Agreement effective upon written notice to Franchisee.

7. SERVICES FURNISHED BY COMPANY.

In addition to obligations stated elsewhere in this Agreement, and provided Franchisee is not in default under the terms of this Agreement, Company shall provide the following services:

7.1 Operations Manual.

7.1.1 In connection with the operation of the Outlet, Franchisee has the right to use Company's Operations Manual (the "Operations Manual") for as long as this Agreement is in effect subject to the terms of this Agreement. The Operations Manual is, and at all times will remain, Company's sole property. Upon expiration, termination or an assignment of this Agreement, Franchisee will cease using or accessing and, in accordance with Company's instructions will either promptly destroy or return to Company any physical copy or copies of the Operations Manual in Franchisee's possession.

7.1.2 Franchisee shall treat all information contained in the Operations Manual as confidential, and shall use all reasonable efforts to keep the information secret. Franchisee shall not, without Company's prior written consent, copy, duplicate, record or otherwise reproduce the Operations Manual, in whole or in part, or otherwise make it available to any person not required to have access to its contents in order to carry out his or her employment functions.

7.1.3 If Company furnishes the Operations Manual to Franchisee in electronic form, Franchisee will not share Franchisee's password or other login information necessary to access the electronic version of the Operations Manual or other information that Company maintains on any system-wide intranet or private computer network maintained by Company for the benefit of all Franchisees. Franchisee will furthermore take steps to ensure that Franchisee's employees do not share their individual passwords or other login information with any other person. To the extent Franchisee or Franchisee's employees have a reason to print out or copy any part of the Operations Manual, the copies must be kept on the premises at the Outlet in a locked desk or file cabinet and Franchisee will only grant access to the key or lock combination of the desk or file cabinet to a Franchisee employee or other person who is required to have access to the Operations Manual in order to carry out his or her employment functions.

7.1.4 The Operations Manual contains both mandatory and recommended specifications, standards and operating procedures and information pertinent to the FAST UNDERCAR® System and Franchisee's obligations under this Agreement. Franchisee shall fully comply with all mandatory specifications, standards, operating procedures and rules prescribed from time to time by Company in the Operations Manual or otherwise communicated to Franchisee in writing. The mandatory requirements now or hereafter contained in the Operations Manual or otherwise communicated to Franchisee in writing are incorporated in this Agreement by this reference, and a breach of any mandatory requirement shall constitute a breach of this Agreement and grounds for termination.

7.1.5 Company reserves the right to modify the Operations Manual from time to time to reflect changes that it may implement in the mandatory and recommended specifications, standards and operating procedures of the FAST UNDERCAR® System. All revisions will be reflected in written or electronic supplements to the Operations Manual or in other written or electronic communications delivered to Franchisee, and each supplement or communication shall become effective upon receipt. If updates are provided by "hard" copy as opposed to electronically or in some comparable format, Franchisee shall insert any updated pages in its copy of the Operations Manual upon receipt and remove superseded pages and return them to Company within 5 days following receipt. Franchisee shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Company.

7.1.6 Franchisee shall promptly notify Company if any volume or part of its copy of the Operations Manual is lost or destroyed for any reason. Provided (i) the loss is not the result of Franchisee's breach of its duty to keep the contents of the Operations Manual confidential, and (ii) Franchisee is not otherwise in default under this Agreement, Company shall furnish Franchisee with the needed replacement copy or portion of the current Operations Manual. Franchisee shall pay Company a replacement Operations Manual fee of $1,000.00 for each volume of the Operations Manual or part thereof requiring replacement, plus all shipping expenses, in full within 10 days following receipt of invoice.

7.2 <u>Specifications and Suppliers.</u>

7.2.1 The Operations Manual contains specifications for all products, equipment, supplies and other materials required to operate a FAST UNDERCAR® Outlet, including, without limitation, inventory specifications by brand name, minimum performance capability, appearance and design criteria and other mandatory features, and minimum inventory requirements. Company may modify its specifications, in its discretion, at any time.

Specification changes will be communicated to Franchisee by written supplements to the Operations Manual or otherwise in writing. Franchisee will have a reasonable time to adopt each change, and may be required to cease using discontinued items and replace them with items meeting newly published specifications.

7.2.2 Franchisee is solely responsible, at its expense, for procuring, installing and maintaining all currently-specified products, equipment, supplies and materials required to operate the Outlet and for satisfying minimum inventory, restocking requirements and inventory control procedures.

7.2.3 Company reserves the right to require that all FAST UNDERCAR® franchisees purchase designated products, equipment or supplies (collectively referred to as "Proprietary Products or Services"), which represent its trade secrets or are otherwise specially manufactured, produced or configured to Company's specifications, from one or more designated suppliers, which may be Company or its designated Affiliate. Company shall identify the Proprietary Products or Services and designated suppliers in the Operations Manual or otherwise by written notice. Proprietary Products and Services may include both inventory for resale and items required to be used to operate the Outlet, including, without limitation, designated computer hardware and software systems.

7.2.4 Except for Proprietary Products or Services, Franchisee may purchase all other products, equipment, supplies and materials required to operate the Outlet (collectively referred to as "Non-Proprietary Products or Services") from any recommended or approved supplier. Non-Proprietary Products and Services may include both inventory for resale and items required to be used to operate the Outlet.

7.2.5 Company shall publish a list of recommended suppliers in the Operations Manual which shall identify at least one recommended supplier for each item of Non-Proprietary Products or Services, which may be Company or its designated Affiliate. Company reserves the right to modify the list of Proprietary Products or Services, Non-Proprietary Products or Services, designated suppliers, or recommended suppliers from time to time in its discretion, including, without limitation, the right to add new items to the list of Proprietary Products or Services, Non-Proprietary Products or Services or to withdraw or revoke its approval of any supplier, at any time. All modifications shall be communicated to Franchisee by written supplements to the Operations Manual or otherwise in writing. Company will endeavor to negotiate with recommended suppliers special purchasing arrangements, but makes no representation about its ability to secure certain, or special, prices, payment or credit terms. It shall be a material breach of this Agreement for Franchisee to negotiate, or attempt to negotiate, different prices or other terms of sale for the purchase of Non-Proprietary Products or Services directly with the supplier that Company lists or otherwise identifies in writing as the recommended supplier of the particular Non-Proprietary Products or Services in issue.

7.2.6 Franchisee may purchase Non-Proprietary Products or Services from an alternative supplier not then included on Company's list of recommended suppliers if Franchisee obtains Company's prior written approval of the supplier in the manner set forth in this Agreement. To obtain approval to purchase (i) any brand or item not then approved by Company as meeting its minimum specifications and quality standards, or (ii) any Non-Proprietary Products or Services from a supplier not then included on Company's list of recommended suppliers, Franchisee shall submit a written request identifying the proposed item or supplier, together with (i) samples of the item for examination and/or testing, or information supporting the proposed supplier's financial capability, business reputation, delivery performance and credit rating, and (ii) a $500 testing fee. Franchisee shall pay the testing fee in full before Company will consider Franchisee's request for approval. Company will evaluate not only the quality and conformity of the item sought to be purchased from the proposed supplier, but the proposed supplier's distribution capabilities and general business reputation. Company will notify Franchisee in writing within 90 days after all requested information is received and inspection or testing is completed if it approves the proposed item and/or supplier, and its failure to timely respond shall constitute its disapproval.

7.2.7 Franchisee may not belong to any industry buying groups or associations directly without Company's prior written consent. Franchisee understands that this restriction is reasonable and necessary in order to maximize the volume of purchases made from the buying groups to which Company or its Affiliates belong and to protect purchasing history from public disclosure, which is information included within the scope of our Confidential Information.

7.2.8 Company reserves the right to reinspect the facilities of any recommended or approved supplier and to revoke the supplier's or item's approval for good cause, effective upon written notice to Franchisee. Franchisee shall not place any new orders for any item or with any recommended or approved supplier after receiving written notice from Company of changes in the item's specifications or that Company's approval of the supplier has been withdrawn or revoked.

7.3 Initial Training.

7.3.1 As of the date of this Agreement, Company's initial training program consists of two parts: (i) 104 hours of live instructor-led traditional-format administrative and operational training ("Part One Training") conducted at a designated operating FAST UNDERCAR® Outlet located close to Company's headquarters or at another Fast UNDERCAR Outlet at a mutually scheduled time any time after the Lease Approval Date, and (ii) 48 hours of on-site instruction in Franchisee's Outlet ("On-Site Training") at a mutually scheduled time during a consecutive 5-day period that includes the Opening Date. Company reserves the right to modify the initial training program at any time.

7.3.2 At a minimum, Franchisee and at least one other person must successfully complete both Part One Training before the Opening Date and On-Site Training. Either Franchisee or the other person completing both Part One Training and On-Site Training must be Franchisee's designated Approved Manager for the Outlet.

7.3.2.1 If Franchisee is not an individual, the person attending Part One Training and On-Site Training on behalf of Franchisee must own a Controlling Interest (as defined in this Agreement) of the equity or voting interests of Franchisee (if Franchisee is a corporation, LLC or other entity) or must be a general partner of Franchisee (if Franchisee is a partnership) (the individual is referred to as "Franchisee's Principal").

7.3.2.2 If Franchisee desires to designate more than 1 person as an Approved Manager before the Opening Date, each additional person must also successfully complete the same sessions of Part One Training and On-Site Training with Franchisee or Franchisee's Principal. Franchisee (if an individual) or Franchisee's Principal may be designated an Approved Manager if he or she satisfies the criteria of an Approved Manager set forth in this Agreement and in the Operations Manual.

7.3.3 Franchisee understands that, at Company's discretion, Company may deliver all, or part, of Part One Training through a Web-based delivery method that does not involve traditional instruction at a designated location.

7.3.4 Company will not impose a training fee to provide live instructor-led traditional-format Part One Training to up to 4 persons before the Opening Date. For each additional person over 4 who attends the same live session of Part One Training as Franchisee or Franchisee's Principal, Franchisee must pay a per person training fee based upon Company's then-current hourly rate. Company will not impose a training fee to provide On-Site Training before the Opening Date regardless of the number of Franchisee's employees participating in On-Site Training. In all cases, Franchisee must pay for transportation, lodging, personal expenses, and salary for each person who attends Part One Training and On-Site Training.

7.3.5 If Franchisee is entering into this Agreement in connection with the purchase of a second or subsequent franchise, upon written request, Franchisee may elect to attend a condensed Part One Training course and condensed On-Site Training instead of the standard Part One Training and On-Site Training that Company offers to franchisees in connection with the opening of their first FAST UNDERCAR® Outlet. The condensed Part One Training program and On-Site Training omits training in certain subjects involving operating procedures or other matters which have not been materially modified since Franchisee completed the initial training program for its first FAST UNDERCAR® Outlet. The length of the condensed initial training program will vary depending on the specific subjects that Company agrees may be omitted from its standard Part One Training and On-Site Training. At Company's discretion, Company may deliver all, or part, of the condensed Part One Training course through a Web-based delivery method that does not involve classroom instruction.

7.4 <u>Continuing Training.</u>

7.4.1 Company will periodically offer advanced and refresher training programs and reserves the right to require that Franchisee or Franchisee's Principal, Franchisee's Approved Managers attend specified training programs; provided, however, Company will not require Approved Managers to attend more than 5 days of live instructor-led additional training during any 12 month period. As the need develops, the Company will offer specialized training if it launches or introduces any new Proprietary Products or Services or new programs or to address particular aspects of the FAST UNDERCAR® System including, without limitation, inventory management, supplier relationships, delivery systems and financial recordkeeping.

7.4.2 All live instructor-led traditional-format continuing training courses shall be conducted at a designated operating FAST UNDERCAR® Outlet or other facility located close to Company's headquarters. Alternatively, Company may choose to deliver continuing training classes electronically through a Web-based delivery method.

7.4.3 Company will not charge a training fee to provide live instructor-led traditional-format advanced or refresher training courses to up to 4 individuals per class. For each additional person over 4 who attends the same advanced or refresher training class, Franchisee must pay a per person training fee based upon Company's then-current hourly rate. Additionally, Franchisee must pay for transportation, lodging, personal expenses, and salary for its employees who attend training.

7.5 Licensing Fees for Access to Web-Based Training Solutions.

7.5.1 In the future, Company may introduce Web-based interactive training curriculum enabling Company to deliver all or part of initial and continuing training instruction electronically either at pre-scheduled times or at any time at Franchisee's convenience on demand depending on the format of the electronic training module. Company, in its discretion, may choose to deliver some training exclusively in an electronic format in lieu of traditional-format instructor-led instruction. Franchisee will be given access to Company's Web-based training solutions by secure password, and Franchisee shall take adequate precautions to protect the password against unauthorized use. Franchisee's access to Company's Web-based interactive training solutions shall be subject to additional terms and conditions of use which shall be set forth in the Operations Manual.

7.5.2 Upon no less than 30 days written notice from Company of the launch of its Web-based interactive training solutions, Franchisee shall pay Company a non-transferable initial license fee in the amount specified in Company's notice, which shall not exceed the sum set forth in Company's FDD. Beginning with the first Calendar Month after Company gives written notice of the launch of its Web-based interactive training solutions and for each Calendar Month for the remainder of the Term, Franchisee shall pay Company a continuing license fee for the right to access Company's Web-based interactive training solutions. The continuing license fee shall be due and payable on or before the 10th day of each Calendar Month by check or by such other method, including automatic bank debit, as Company may from time to time direct. The amount of the continuing license fee shall not exceed the sum set forth in Company's FDD, subject to Company's right to increase the continuing license fee once every 12 Calendar Months upon 30 days' notice by an amount not to exceed 10% of then-current continuing license fee. The continuing license fee shall be due and payable regardless of the extent of Franchisee's use of the Web-based interactive training solutions.

7.6 Annual Meeting.

Company may conduct an annual meeting at a location proximate to its headquarters (the "Annual Meeting") to address recently-implemented changes in the FAST UNDERCAR® System and other topics of common interest to franchisees, including, without limitation, lead generation and customer relations, personnel administration, new products, advertising programs and local outlet promotions. If Company chooses to conduct an Annual Meeting, it will establish its agenda and length, but in no event will the annual meeting exceed 2 days in length. Franchisee or Franchisee's Principal must attend each Annual Meeting held, and Company may additionally require the attendance of Franchisee's Approved Manager or other designated personnel at one or more Annual Meetings, but in no event will Company require Franchisee to send more than 4 persons to the Annual Meeting. Company will not impose a fee to attend the Annual Meeting, but Franchisee must pay the transportation, lodging, personal expenses and salary for each employee who attends an Annual Meeting.

7.7 Proprietary Systems.

Company reserves the right to require that all FAST UNDERCAR® franchisees use designated proprietary software for administrative, sales and financial recordkeeping and reporting functions, in which case Franchisee's must purchase the designated software systems from Company's designated supplier as well as any mandatory components and computer hardware needed to enable the proprietary software to properly function. Franchisee is responsible for installing and maintaining all proprietary systems at its expense.

7.8 Promotional Fund.

7.8.1 In the future, Company may establish a centralized Promotional Fund (the "Promotional Fund") for the purpose of underwriting expenses associated with the creation, development and publication of advertising and promotional programs designed to enhance consumer awareness and identity of the Licensed Marks and FAST UNDERCAR® Outlets generally, for the benefit of all FAST UNDERCAR® Outlets. Upon written notice from Company that Company has established a Promotional Fund, Franchisee shall begin making contributions at the rate and interval specified in this Agreement. Franchisee's first payment shall not be due earlier than 30 days from the date Company's written notice is given.

7.8.2 If a Promotional Fund is established:

7.8.2.1 Company shall use the Promotional Fund to meet all costs of maintaining, administering, directing and preparing advertising and marketing programs, public relations and market research. Company will not be restricted with respect to what, where and how the Promotional Fund will be applied for these purposes. Company will retain complete discretion over the form, content, time, location, market and choice of media for all advertising and promotion paid for from the Promotional Fund proceeds. Company makes no representation that any amount of the Promotional Fund, if one is established, will be spent in any given geographic region or area, that monies will be spent on advertising which is national in scope, or that monies will be spent in Franchisee's market area in proportion to Franchisee's contributions to the Promotional Fund.

7.8.2.2 Company will prepare an annual accounting of the Promotional Fund, and will furnish a copy of it to Franchisee upon request. While Company will attempt to expend Promotional Fund collections on a current basis, it may recover over-expenditures from subsequent years and may carry forward under-expenditures. Company may reimburse itself for its actual administrative costs to manage the Promotional Fund, in an amount per annum which will not exceed 15% of aggregate contributions to the Promotional Fund for that year. If requested by the Promotional Fund, Company may, but will not be obligated to, loan money to the Promotional Fund; any funds loaned to the Promotional Fund will be repayable upon demand when funds are available and bear interest at no more than 2 points over the prime lending rate of Bank of America.

7.9 Grand Opening Advertising.

If the Lease requires Franchisee to conduct grand opening advertising and promotion, Company will consult with Franchisee to assist in designing a grand opening promotional program for Franchisee's Outlet.

7.10 Consultation and Advice.

As and to the extent required in Company's judgment, Company shall provide regular consultation and advice to Franchisee in response to specific administrative and operating issues and problems affecting Franchisee's Outlet which Franchisee brings to Company's attention. In each case, Company shall determine the method for communicating the consultation or advice provided to Franchisee, which may differ from the methods used for other FAST UNDERCAR® franchisees. For example and without limitation, consultation may be provided by telephone, in writing (in which case Company shall determine the method for delivering such writing) (i.e., facsimile, mail, electronic communication, or other means) or in person.

7.11 Research and Development.

As and to the extent required in Company's judgment, Company will investigate and conduct market research, monitor the activities of competitors, monitor developments in new undercar products and enhanced distribution and delivery systems, and review and update mandatory inventory requirements in order to maintain and enhance the reputation and demand for FAST UNDERCAR® Outlets and the products sold therefrom.

7.12 Inspections.

In addition to Company's audit rights described in this Agreement, Franchisee expressly authorizes Company and its representatives, at any reasonable time, and without prior notice to Franchisee, to enter the premises of Franchisee's Outlet and conduct regular inspections of the Outlet and Franchisee's methods of operation, including, without limitation, observing and conducting discussions with Franchisee's employees and reviewing Franchisee's books and records (including, without limitation, data stored on Franchisee's computer hard drive and disks) in order to verify compliance with this Agreement and the Operations Manual. Franchisee shall cooperate fully with Company's inspections and promptly cure all deviations from Company's standards, specifications and operating procedures which Franchisee is notified of either orally or in writing.

8. ADDITIONAL OBLIGATIONS OF FRANCHISEE.

In addition to obligations stated elsewhere in this Agreement, Franchisee agrees as follows:

8.1 Management.

8.1.1 Franchisee, if Franchisee is an individual, or Franchisee's Principal shall devote full time and attention to supervising all administrative and operational activities of the Outlet and compliance with this Agreement.

8.1.2 Franchisee's Outlet shall at all times be under the direct management of one or more Approved Managers. The term "Approved Manager" means an individual who devotes full time, attention and best efforts to the direct, day-to-day supervision of the Outlet, completes Part-One Training and On-Site Training to Company's sole satisfaction, meets Company's minimum performance criteria for managers to Company's sole satisfaction, and is responsible for performing the management duties identified in the Operations Manual. The Approved Manager must (i) have literacy and fluency in the English language, sufficient, in Company's judgment, to communicate in the English language with customers and other employees, and (ii) be competent to conduct in-store training procedures for Franchisee's other employees, from time to time, in accordance with Company's instructions.

8.1.2.1 In Franchisee's discretion, Franchisee, if Franchisee is an individual, or Franchisee's Principal, may be an Approved Manager, provided he or she otherwise satisfies the criteria of an Approved Manager stated in this paragraph.

8.1.2.2 If Franchisee desires to qualify an individual as an Approved Manager who has not completed Part-One Training before the Opening Date, Franchisee must enroll the individual in Company's next available Part-One Training class. Franchisee shall pay the training fee and other expenses of the individual to complete Part-One Training. Franchisee shall either arrange for the individual to receive On-Site Training from Company's representatives at Franchisee's expense, or, with Company's approval, shall provide the equivalent training in Franchisee's Outlet. The individual may not assume responsibility as an Approved Manager unless and until completing Part-One Training and On-Site Training and otherwise demonstrating minimum performance managerial capability to Company's sole satisfaction.

8.1.3 Except as otherwise provided in this Agreement, Franchisee is solely responsible for training all employees who do not participate in Part-One Training and On-Site Training before the Opening Date.

8.2 Restrictions on Operations.

8.2.1 Franchisee shall (i) sell all of, and only, the current models of Proprietary Products and Services and current Non-Proprietary Products and Services which are designated by Company as inventory for resale; (ii) use only the equipment, supplies, materials, signs, and methods of distribution and delivery services prescribed by Company or which conform to its current specifications and standards; and (iii) operate the Outlet in accordance with Company's inventory, restocking, delivery, product warranty, customer service, and product distribution standards and specifications set forth in the Operations Manual or otherwise communicated to Franchisee, as Company may revise the standards and specifications in the future in its discretion.

8.2.2 Franchisee shall not use any equipment, vehicles, supplies, materials, signs, or methods of distribution and delivery services which have not been approved by Company in writing as meeting its current specifications and standards. If Company changes its current specifications, Franchisee shall conform to the changes, at its own expense, within a reasonable period of time, not to exceed 60 days following written notice from Company.

8.2.3 Franchisee shall at all times maintain a sufficient stock of all models of current required inventory (including both current Proprietary Products and Services and current Non-Proprietary Products and Services) in order to operate the Outlet efficiently and to meet reasonably anticipated customer demand. If required, Franchisee shall label and identify all products offered for resale by the same name or designation given to them by Company. Franchisee shall have a reasonable period of time, not to exceed 60 days after receiving written notice from Company that a particular model or brand of inventory is no longer authorized for resale by FAST UNDERCAR® franchisees, to sell discontinued inventory. Except for the limited right to sell discontinued inventory, Franchisee shall not offer for sale, or sell, directly or indirectly in conjunction with the Licensed Marks, any products or services except current inventory meeting Company's specifications.

8.2.4 Franchisee shall maintain an adequate number of delivery vehicles meeting Company's specifications in order to complete deliveries to customers in a safe and efficient manner consistent with Company's distribution requirements.

8.2.5 To the extent permitted by law, Company reserves the right to set the resale prices that Franchisee may charge for designated inventory based upon different volume purchase levels and other permissible customer differentials. Franchisee shall promptly conform to Company's pricing directions issued from time to time promptly following written notice from Company.

8.2.6 Franchisee may not maintain a World Wide Web site or otherwise maintain a presence or advertise on the Internet or using any other public computer network to promote the FAST UNDERCAR® Outlet or otherwise in connection with operating the franchised business.

8.3 Staffing and Training.

Franchisee shall employ a sufficient number of competent employees and cause them to receive such in-store training in the FAST UNDERCAR® System as Company may require. All employees whose duties include customer service shall have sufficient literacy and fluency in the English language, in Company's judgment, to adequately meet the public. Franchisee is solely responsible for hiring, firing and establishing employment policies applicable to its employees, and acknowledges that this Agreement does not impose any controls, or otherwise impinge, on Franchisee's discretion to make all employment-related decisions.

8.4 Repair and Maintenance of Tangible Property.

8.4.1 Franchisee shall, at its own expense, repair and maintain the Outlet, and all equipment, delivery vehicles, signs, fixtures, furnishings, inventory, supplies, materials and other tangible property used in conducting business or offered for resale in the highest degree of cleanliness, orderliness and repair, consistent with the requirements of manufacturers and in conformity with the standards, specifications and requirements of the FAST UNDERCAR® System and as Company may from time to time direct.

8.4.1.1 With respect to tangible property not offered for resale, Franchisee shall promptly replace any item which becomes worn, damaged and non-repairable, or mechanically impaired to the extent that it no longer adequately performs the function for which it was originally intended.

8.4.1.1.1 All replacement items shall be of the same type, model and quality then specified in the Operations Manual at the time replacement is required.

8.4.1.1.2 Franchisee acknowledges that its failure to repair or maintain its tangible property not offered for resale, or its failure to conform the Franchise Location, equipment, vehicles, and other property to Company's specifications for design, appearance or leasehold improvements, shall constitute a breach of this Agreement. Company may, without waiving its right to terminate this Agreement for such reason, repair or correct the cited non-conformance. Company shall have no liability to Franchisee for any work performed. To the extent Company elects to perform required repair or maintenance work or to replace non-conforming property with conforming property, Franchisee shall be invoiced for labor and materials, plus a 15% service charge, and an amount sufficient to reimburse Company for Company's actual direct costs to perform and inspect the work and procure any replacement items, including (without limitation) transportation, lodging, meals, contractor fees and other direct expenses, all of which shall be due and payable upon receipt of invoice.

8.4.2 Franchisee shall not sell any damaged inventory unless the customer is informed in writing of the full extent of the damage prior to sale. In no event shall damaged inventory be sold if doing so violates manufacturer conditions.

8.5 Advertising.

8.5.1 Franchisee shall not use, disseminate, broadcast or publish any material using the Licensed Marks or promoting the Outlet (collectively referred to as "Advertisement") without first obtaining Company's written approval of the copy, proposed media, method of distribution or marketing plan for the Advertisement.

8.5.1.1 The term "Advertisement" is used in its broadest sense to include, without limitation: (i) any written or printed communication of any kind, including, without limitation, electronic or digital communications including, but not limited to, through third party websites and social media websites (ii) any communication by means of a recorded telephone message, spoken on radio, television or similar communication media, (iii) any promotional item or promotional or publicity event, or (iv) the use of any of the Licensed Marks on merchandise, displays, signs, or other tangible personal property.

8.5.1.2 To apply for Company's approval, Franchisee shall submit a true and correct copy, sample or transcript of the proposed Advertisement, a written business plan which explains the proposed promotional event or use of the Advertisement, and any additional information material to the proposal disclosing Franchisee's intended use of the proposed Advertisement. Company shall have 15 business days from the date of receipt in which to approve or disapprove of the Advertisement or submitted materials. If written disapproval is not received by the end of 15 business days, Company shall be deemed to have approved the Advertisement, whereupon Franchisee shall be permitted to use the Advertisement but only in the exact form submitted to Company.

8.5.2 Franchisee shall be bound by the rules of, and agrees to participate in, any advertising cooperative which exists, or may be formed, comprised of the owners of FAST UNDERCAR® Outlets located within an area delineated by Company, which includes the Franchise Location (the "Advertising Cooperative"). Franchisee acknowledges that Company reserves the right, in its discretion, to modify the region or area serviced by the Advertising Cooperative, to require that one or more Advertising Cooperatives servicing an adjacent or proximate area merge together, to subdivide an Advertising Cooperative into smaller groupings, or to dissolve an Advertising Cooperative in connection with the dissolution of all Advertising Cooperatives then in existence, all effective within 30 days following written notice from Company.

8.5.3 Franchisee shall conduct grand opening Advertising in accordance with the requirements of the Lease, subject to Company's right to approve the Advertising.

8.6 Compliance With Laws.

Franchisee shall operate the Outlet in strict compliance with all applicable laws, ordinances and regulations, including, without limitation, those relating to hazardous waste; worker's compensation; unemployment insurance; withholding and payment of Federal and State income taxes and social security taxes; collection and reporting of sales taxes; and the American With Disabilities Act. Franchisee shall secure and maintain in good standing all necessary licenses, permits, deposits and certificates required to operate the Outlet and shall provide Company with proof of compliance promptly following Company's request.

8.7 Credit Cards.

Franchisee shall honor all credit cards designated by Company and enter into all necessary credit card agreements with the issuers of designated cards.

8.8 Customer and Government Records.

Franchisee shall submit to Company promptly upon receipt copies of all customer complaints and notices and communications received from any government agency relating to alleged violations of law or regulations and hereby authorizes the government agency to provide the same information directly to Company upon Company's request.

8.9 Operating Hours.

Franchisee shall operate the Outlet on all of the days and during the hours prescribed in the Operations Manual, unless Company's prior written approval of different days or hours has been obtained or is prohibited by the Lease.

8.10 Insurance.

8.10.1 Before the Opening Date, Franchisee shall procure, at its expense, and maintain in full force and effect during the Term, policies of insurance in accordance with the following terms and conditions:

8.10.1.1 Comprehensive general liability insurance with minimum coverage of $1,000,000.00 combined single limit (including broad form contractual liability), or the higher amount required by the Lease, insuring Company and Franchisee against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, or occurring in the course of, or otherwise relating to the Outlet or the activities of Franchisee's employees. The required liability coverage shall not be limited in any way by reason of any insurance which Company maintains. Company shall be named an additional insured on each liability policy.

8.10.1.2 Workers compensation insurance as required by applicable law.

8.10.1.3 General casualty insurance, including fire and extended coverage, vandalism and malicious mischief insurance for the full replacement value of the Outlet and its contents, and for each delivery vehicle, based on the cost of replacing the damaged or destroyed property with property meeting Company's current specifications at the time replacement is required.

8.10.1.4 automobile liability insurance with minimum coverage of $1,000,000 per accident, and insuring all risks identified in the Operations Manual.

8.10.2 Company may from time to time increase the minimum insurance requirements, establish and change deductible limits, require that Franchisee procure and maintain additional forms of insurance, and otherwise modify the insurance requirements contained in this Agreement based upon inflation, Company's experience with claims, or for other commercially reasonable reasons. Franchisee shall comply with any change imposed by Company within 30 days after written notice from Company and shall submit written proof of compliance to Company upon request.

8.10.3 Each insurance policy required by this Agreement shall be written by insurance companies of recognized responsibility meeting the standards stated in the Operations Manual. Prior to the Opening Date, or earlier date specified in the Lease, Franchisee shall submit to Company certificates of insurance showing compliance with Company's insurance requirements. All certificates shall state that the policy will not be canceled or altered without at least 30 days prior written notice to Company. Maintenance of required insurance shall not relieve Franchisee of liability under the indemnity provisions set forth in this Agreement.

8.10.4 Franchisee shall cause each policy of insurance required by this Agreement to include a waiver of subrogation, which shall provide that Franchisee and Company each releases and relieves the other, and each waives its entire right to recover damages, in contract, tort and otherwise, against the other for any loss or damage occurring to Franchisee's property arising out of or resulting from any of the perils required to be insured against under this Agreement. The effect of these releases and waivers by Company and Franchisee shall not be limited by the amount of insurance carried by Franchisee or required by this Agreement or by any deductible applicable thereto.

8.10.5 Should Franchisee not procure or maintain the insurance required by this Agreement, Company may, without waiving its right to declare a breach of this Agreement based on Franchisee's default, procure the required insurance coverage at Franchisee's expense, although Company has no obligation to do so. Franchisee shall pay Company an amount equal to the premiums and related costs for the required insurance in full upon receipt of invoice, plus a 15% service charge and an amount sufficient to reimburse Company for its actual direct costs in obtaining the required insurance.

8.11 Confidential Information.

8.11.1 As used in this Agreement, the term "Confidential Information" includes, without limitation, the following: any information or knowledge concerning delivery and distribution methods and inventory purchase and control procedures observed by FAST UNDERCAR® Outlets; specifications regarding Proprietary Products and Services; knowledge of pricing, sales, profit performance or other results of operations of any individual FAST UNDERCAR® Outlet, including Franchisee's Outlet, or group of FAST UNDERCAR® Outlets or the entire chain; knowledge of supply relationships; demographic data for determining sites and territories; the results of customer surveys and promotional programs; and, in general, methods, specifications, customer data, pricing and cost data, procedures, information systems and knowledge about the operation of FAST UNDERCAR® Outlets or the FAST UNDERCAR® System, whether it is now known or exists or is acquired or created in the future, and whether or not the information is included in the Operations Manual. Confidential Information does not include (i) information which Franchisee can demonstrate came to its attention independent of the FAST UNDERCAR® franchise and prior to Company's disclosure of the information in the Operations Manual or otherwise, and (ii) information that Company agrees is, or has become, generally known in the public domain, except where public knowledge is the result of wrongful disclosure (whether or not deliberate or inadvertent).

8.11.2 Company will disclose Confidential Information to Franchisee in furnishing Franchisee with the Operations Manual, in providing or arranging for the supply of Proprietary Products and Services, and otherwise through the performance of Company's obligations and the exercise of its rights under this Agreement. Franchisee shall acquire no interest in the Confidential Information, other than a license to utilize it in the operation of the Outlet.

8.11.3 Franchisee's use, publication or duplication of the Confidential Information for any purpose not authorized by this Agreement constitutes an unfair method of competition by Franchisee and, additionally, grounds for termination of this Agreement.

8.11.4 Franchisee agrees to (i) keep the Confidential Information secret, (ii) confine disclosure of the Confidential Information to those of its employees and agents who require access in order to perform the functions for which they have been hired or retained, and (iii) observe and implement reasonable procedures prescribed from time to time by Company to prevent the unauthorized or inadvertent use, publication or disclosure of the Confidential Information including, without limitation, requiring that employees who have access to Company's Confidential Information or are otherwise designated by Company enter into Company's form of Confidentiality and Non-Disclosure Agreement. Upon request from Company, Franchisee shall obtain and deliver to Company a copy of each executed Confidentiality and Non-Disclosure Agreement for its records.

8.11.5 All agreements contained in this Agreement pertaining to the Confidential Information shall survive the expiration, termination or Franchisee's assignment of this Agreement.

8.11.6 The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding, provided Franchisee shall have used its best efforts, and shall have afforded Company the opportunity, to obtain an appropriate protective order or other assurance satisfactory to Company of confidential treatment for the information required to be disclosed.

8.12 <u>Agreements Regarding Competition.</u>

8.12.1 For purposes of this Agreement, the term "Covered Person" means (i) the individual executing this Agreement as Franchisee, if Franchisee is an individual; (ii) each officer, director and shareholder of a Franchisee that is a corporation; (iii) each officer, member and manager of a Franchisee that is a LLC; (iv) each trustee and person who owns any interest in the equity or voting interests of a Franchisee that is another form of entity; (v) each general partner of a Franchisee that is a partnership; (vi) each Approved Manager; and (vii) each member of Franchisee's or any of the foregoing individual's immediate family.

8.12.2 During the Term and any Renewal Term, it shall be a breach of this Agreement for any Covered Person, directly or indirectly, to own, engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any business located anywhere in the world which manufactures or predominantly sells undercar or other automotive aftermarket parts or accessories in any trade channel and to any wholesale or retail customer including direct-to-consumer sales accomplished through e-commerce; provided, however, the restrictions stated in this paragraph shall not apply to any Covered Person after 2 years from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee:

8.12.3 For 2 years following the Effective Date of Expiration or Termination of this Agreement for any reason, or an event of transfer as defined in this Agreement, whichever occurs first it shall be a breach of this Agreement for any Covered Person, directly or indirectly, to own, engage in or render any services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any business which manufactures or predominately sells undercar or other automotive aftermarket parts or accessories in the Covered Area in any trade channel and to any wholesale or retail customer including direct-to-consumer sales accomplished through e-commerce; provided, the restrictions stated in this paragraph shall not apply to any Covered Person after 2 years from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee.

8.12.3.1 The "Covered Area" is anywhere inside, or within a 50 mile radius from the boundaries, of: (i) Franchisee's Territory, and (ii) each territory assigned to the owner of a FAST UNDERCAR® Outlet located anywhere in the world regardless of whether the FAST UNDERCAR® Outlet opens before or after the date of this Agreement, or is opened by another franchisee, Company or any of Company's Affiliates. The term "Company's Affiliate" means any company controlling, controlled by, or under common control with, Company.

8.12.4 The agreements stated in this Paragraph 8.12 shall survive termination or expiration of this Agreement.

8.12.5 Upon Company's request, Franchisee agrees to cause each Covered Person to execute Company's form of Confidentiality and Non-Disclosure Agreement containing restrictions regarding competition substantively identical to the provisions of this Agreement.

8.12.6 This Agreement does not prohibit a Covered Person from owning 5% or less of the voting stock of a Publicly Held Corporation (defined below) that manufactures or predominately sells undercar or other automotive aftermarket parts or accessories.

8.12.7 If any provision of this Paragraph 8.12 is void or unenforceable under California law, but would be enforceable as written or as modified under the laws of the state in which the Franchise Location is located (the "Local Laws"), the parties agree that the Local Laws shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions of this Agreement regarding competition, but only with respect to the subjects covered in this Paragraph 8.12.

8.12.8 Franchisee acknowledges and agrees that Company will suffer irreparable injury not capable of precise measurement in money damages if any Confidential Information is obtained by any person, firm or corporation and is used to compete with Company or another FAST UNDERCAR® franchisee or otherwise in a manner adverse to Company's interest, or if Franchisee or any Covered Person breaches the covenants regarding competition set forth in this Agreement. Accordingly, in the event a breach of any provision regarding use of the Confidential Information or competition with the Company occurs, Franchisee, on behalf of itself and each Covered Person, hereby consents to entry of a temporary restraining order or other injunctive relief as well as to any other equitable relief which may be granted by a court having proper jurisdiction, without the requirement that

Company post bond. Franchisee further agrees that the award of equitable remedies to Company in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

9. FEES PAYABLE TO COMPANY.

9.1 Initial Franchise Fee.

9.1.1 In consideration of the franchise and license granted to Franchisee, Franchisee shall pay to Company in full upon execution of this Agreement, as an initial franchise fee (the "Initial Franchise Fee"), the sum of $12,500, less any deposit paid by Franchisee to Company before the date of this Agreement.

9.1.2 The Initial Franchise Fee is fully earned when paid and no portion of it is refundable except under the following conditions:

9.1.2.1 If this Agreement is terminated by either party based upon the failure to present a site proposal or obtain site approval within the time required by this Agreement, Company agrees that, upon receipt of a duly executed general release in form satisfactory to Company releasing Company and its officers, directors, shareholders, employees and agents from all claims arising under this Agreement or in connection with the sale of franchise rights, Company will retain $1,000.00 of the Initial Franchise Fee paid, and refund the balance to you.

9.1.2.2 If Company terminates this Agreement based upon Franchisee's failure to deliver an executed Lease within the time required by this Agreement, Company agrees that, upon receipt of a duly executed general release in form satisfactory to Company releasing Company and its officers, directors, shareholders, employees and agents from all claims arising under this Agreement or in connection with the sale of franchise rights, Company will retain $1,500.00 of the Initial Franchise Fee paid, and refund the balance to you.

9.2 Royalty Fee.

Franchisee shall pay to Company, without offset, credit or deduction of any nature, a Royalty Fee equal to the greater of (i) 4% of the Cost of Goods Sold by Franchisee, or (ii) $2,000.00 per month for each of the first 12 Calendar Months after the Opening Date and $2,500.00 per month for each Calendar Month thereafter for the balance of the Term. The minimum Royalty Fee shall be prorated for any partial Calendar Month after the Opening Date based on a 30-day month. For purposes of this Agreement, a Calendar Month is the period marked by a conventional calendar; there are 12 Calendar Months in a year beginning with January and ending with December.

9.2.1 The Royalty Fee is due and payable monthly, on or before the 10th day of each Calendar Month. The percentage Royalty Fee shall be based upon the aggregate Cost of Goods Sold by Franchisee during the prior Calendar Month.

9.2.2 Franchisee shall pay the Royalty Fee by check or by such other method, including automatic bank debit, as Company may from time to time direct.

9.3 Advertising Fee.

9.3.1 Within not less than 30 days after written notice from Company that Company has established a Promotional Fund, Franchisee shall pay to Company, without offset, credit or deduction of any nature, a monthly Advertising Fee at a rate that shall not exceed 1% of the aggregate Cost of Goods Sold by Franchisee during the prior Calendar Month (the "Advertising Fee"). Company shall deposit the Advertising Fee into the Promotional Fund.

9.3.2 During the Term, Company may increase or decrease the Advertising Fee, as frequently and in the increments it elects, provided the Advertising Fee shall never exceed 1% of the aggregate Cost of Goods Sold by Franchisee during the prior Calendar Month for which payment is made. No increase or decrease shall become effective without at least 30 days prior written notice.

9.3.3 The Advertising Fee shall be due and payable monthly, together with the Royalty Fee, by check or by such other method, including automatic bank debit, as Company may from time to time direct.

9.3.4 If Company at any time elects to rebate to Franchisee a portion of the Advertising Fee paid to Company, Franchisee must spend the rebated sum on Advertising directed to customers within the Territory in the form approved by Company in accordance with this Agreement.

9.4 Cooperative Advertising Fee.

9.4.1 If Company assigns Franchisee to an Advertising Cooperative that encompasses the Franchise Location, Franchisee shall pay as a Cooperative Advertising Fee the sums assessed by the Advertising Cooperative from time to time, which shall not exceed 1% of the aggregate Cost of Goods Sold by Franchisee during the prior Calendar Month, unless the Advertising Cooperative members, by the affirmative vote of 65% of the membership entitled to vote, approves a higher contribution or assessment, in which event Franchisee agrees to be bound by the decision and pay the higher amount so assessed (the "Cooperative Advertising Fee").

9.4.2 Franchisee acknowledges that its obligation to pay Cooperative Advertising Fees is in addition to its obligation to pay Advertising Fees.

9.5 Cost of Goods Sold Defined.

The term, "Cost of Goods Sold," means the aggregate cost price, determined by valuing inventory at current acquisition cost, including freight, but excluding rebates from suppliers, of all products sold at or from, or attributable to, the Outlet during the prior Calendar Month, less (i) documented customer refunds and credit transactions, and (ii) sales of personal property not in the ordinary course of business.

9.6 Late Payment.

9.6.1 If Franchisee fails to pay any amount to Company by the date payment is due, Franchisee shall pay (i) a late charge equal to 10% of the amount of the payment due, and (ii) interest on the amount unpaid at the rate of 1 1/2% per month (but not to exceed the maximum legal rate of interest) imposed from the date payment was due until the entire sum, late charge and accrued interest is paid in full.

9.6.2 Franchisee acknowledges that the provisions of this paragraph do not constitute an agreement by Company to accept any payment after the date payment is due or a commitment by Company to extend credit to, or otherwise finance, Franchisee's Outlet, and that Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement notwithstanding this provision.

9.7 Application of Payments.

Notwithstanding any designation given to a payment by Franchisee, Company shall have the sole discretion to apply any payments from Franchisee to any past due indebtedness owed to Company in the amounts and in such order as Company shall determine.

9.8 Gross Receipts or Equivalent Taxes.

Franchisee will pay to Company the amount of any state or local sales, use, gross receipts, or similar tax that Company may be required to pay now or in the future as determined by any state or local government on any revenue amount attributable to the Outlet ("Local Tax"), regardless of whether the Local Tax is imposed directly on Company, is required to be withheld by Franchisee from amounts due to Company under this Agreement, or is otherwise required to be collected by Franchisee from Company. If the Local Tax is imposed directly on Company and within not less than 30 days written notice from Company of the amount of the Local Tax, Franchisee will pay to Company the amount of the Local Tax. Franchisee's obligation under this Section will not be reduced or offset by any type of claim, credit or deduction of any kind. This provision will not apply to Company's liability for income or comparable taxes measured by income that Company receives on account of its relationship with Franchisee.

10. ACCOUNTING AND RECORDS.

10.1 Maintenance of Business Records.

10.1.1 During the Term, Franchisee shall maintain full, complete and accurate business records in accordance with the standards stated in the Operations Manual or otherwise prescribed by Company in writing.

10.1.2 Franchisee shall keep all business records and required business equipment and proprietary systems together at the place where notices to Franchisee are required to be sent, unless Company grants Franchisee permission to keep its business records elsewhere.

10.1.3 All business records that this Agreement requires Franchisee to maintain shall be retained by Franchisee for a minimum of 5 years during, and following, the expiration, termination, or Franchisee's assignment, of this Agreement.

10.2 Reports.

10.2.1 Franchisee shall conform to Company's prescribed inventory control procedures, including, without limitation, using prescribed proprietary systems to document inventory sold, remaining inventory levels and other information pertinent to inventory and restocking. Such information shall be conveyed to Company electronically and, upon request, in writing.

10.2.2 Franchisee shall submit monthly reports of the aggregate Cost of Goods Sold, Gross Sales, the percentage of monthly Gross Sales representing transactions with Commercial Customers, and such additional information required by Company, on forms prescribed by Company, and in the manner and at the times stated, in the Operations Manual or otherwise prescribed by Company in writing. "Gross Sales" means the aggregate revenue and income received from the operation of the Outlet for the sale of goods or services of any kind, without offset or deduction of any kind, regardless of the form of payment excluding only the following: (i) sales taxes and other taxes which applicable law requires be separately stated on each transaction and collected from customers and paid to appropriate taxing authorities; (ii) refunds and credits made in good faith to arms' length customers; (iii) the amount of any checks dishonored or returned and the amount of any charge backs or reversals of credit card transactions with customers; and (iv) the proceeds from any business interruption insurance. Franchisee shall furnish to Company, on or before the 20th day of each Calendar Month during the Term, in the form approved by Company, a monthly profit and loss statement and balance sheet, providing information for the preceding Calendar Month and cumulative information for the calendar quarter and year-to-date.

10.2.3 Franchisee shall submit to Company within 90 days after the end of Franchisee's fiscal year, or if none, the end of each Calendar Year, during the Term and any Renewal Term, a profit and loss statement and balance sheet as of the last day of such year, prepared in accordance with the accounting procedures stated in the Operations Manual. The term "Calendar Year" means the 12-month period from January 1 through December 31.

10.2.4 Franchisee certifies that all reports, forms, records, information and data that Franchisee is required to maintain or submit, voluntarily maintains or submits, or directs a third party to maintain or submit on its behalf, to Company, will be true and correct and not omit material facts that are necessary in order to make the information disclosed not misleading.

10.3 Recording of Transactions.

10.3.1 Franchisee shall track and record all sales utilizing the equipment and recording systems prescribed by Company.

10.3.2 Franchisee shall utilize the point-of-sale computer system and business equipment required by Company, and purchase, install and use specified non-proprietary and proprietary software programs, at Franchisee's sole expense, to record business activities, sales, and inventories, and to prepare operating reports in accordance with the requirements of the Operations Manual. All equipment and software shall conform to Company's specifications, which Company may modify in its discretion, from time to time.

10.3.3 If Company requires Franchisee to use proprietary software in operating the Outlet, Franchisee shall execute Company's form of separate software license agreement within 10 days after its delivery by Company.

10.4 Audit Rights.

10.4.1 Company and its representatives shall have full access to examine, audit and copy Franchisee's business records relating to the franchise and activities of the Outlet, including Franchisee's federal and state income tax returns and sales tax returns, bank statements (including deposit slips and canceled checks), data stored on Franchisee's computer terminal or on disk, and any other documents and information that Company reasonably requests in order to verify the Cost of Goods Sold reported to Company.

10.4.2 Franchisee acknowledges that Company or its representatives may access Franchisee's business records kept on disk or stored on Franchisee's computer terminal at any time, without notice, by remote electronic means.

10.4.3 Company may conduct its examination in Franchisee's business office where the records are kept or request that copies of documents be sent to Company or to its representatives for their examination in their office. Company may, at its expense, have an independent audit made of Franchisee's business records at any time.

10.4.4 If any examination or audit conducted by Company reveals an understatement in the Cost of Goods Sold reported by Franchisee to Company, then Franchisee shall within 10 days after notice from Company to pay Company any additional Royalty Fees and Advertising Fees which are owed, together with late charges and interest as provided in this Agreement, and pay to any Advertising Cooperative any additional Cooperative Advertising Fees, together with late charges and interest imposed by the Advertising Cooperative. Additionally, Company may require that all future reports and financial statements submitted by Franchisee pursuant to this Agreement be prepared by an independent certified public accountant, or such other independent accountant acceptable to Company, until further notice from Company.

10.4.5 If Company discovers that Franchisee has underreported the actual Cost of Goods Sold for any period by 3% or more of the actual Cost of Goods Sold, Franchisee shall also pay and reimburse Company for all expenses connected with Company's examination and audit, including, but not limited to, Company's reasonable accounting and legal fees and travel expenses.

10.4.6 Company shall have the right to terminate this Agreement if it discovers that Franchisee has underreported the actual Cost of Goods Sold for any period by 5% or more of the actual cost of Goods Sold.

10.4.7 Additionally, if 2 or more audits or examinations of Franchisee's business records conducted within any 12 month period disclose that Franchisee has underreported the actual Cost of Goods Sold for any period by 3% or more of the actual Cost of Goods Sold, then the second understatement shall be conclusively presumed to have been intentional for purposes of this Agreement. In addition to the consequences identified in this Agreement arising because of the second understatement, Company may terminate this Agreement upon discovery of the second understatement based upon Franchisee's intentional underreporting of the Cost of Goods Sold.

11. DEFAULT AND TERMINATION.

11.1 Termination by Franchisee.

11.1.1 Franchisee may terminate this Agreement by written notice to Company (i) for any reason any time before the date Company approves the Franchise Location; or (ii) otherwise for reasons constituting good cause, provided termination is accomplished in accordance with the requirements of this Agreement.

11.1.2 To terminate this Agreement based upon good cause, Franchisee must not be in default of any obligation under this Agreement when it serves written notice of default on Company. Good cause means that Company has committed a material and substantial breach of this Agreement which it has not cured within the period allowed by this Agreement. Franchisee's written notice must specify with particularity the matters cited to be in default and provide Company with a minimum of 30 days in which to cure the default. Additional time to cure must be provided as is reasonable under the circumstances if a default cannot reasonably be cured within the minimum 30 day period.

11.1.3 Any attempt by Franchisee to terminate this agreement except on the grounds, or according to the procedures, stated in this Agreement shall be void.

11.1.4 Franchisee's termination of this Agreement shall not entitle it to a refund of any portion of the Initial Franchise Fee or of any other fees or monies paid to Company or to any Advertising Cooperative, except as otherwise provided in this Agreement.

11.2 Termination By Company Without Opportunity to Cure.

Company may terminate this Agreement, in its discretion and election, effective immediately upon Company's delivery of written notice of termination to Franchisee based upon the occurrence of any of the following events which shall be specified in Company's written notice, and Franchisee shall have no opportunity to cure a termination based on any of the following events:

11.2.1 Should the parties not agree upon the Franchise Location within the time period set forth in this Agreement;

11.2.2 Should Franchisee fail to open the Outlet, or satisfy the conditions for opening, within the time period set forth in this Agreement;

11.2.3 Should Franchisee fail or refuse to pay, on or before the date payment is due, any fees or other amounts payable to Company or to any Advertising Cooperative to which it is assigned, and should the default continue for a period of 10 days after written notice of default is given by Company to Franchisee;

11.2.4 Should Franchisee fail or refuse to submit any report or financial statement on or before the date due, and should the default continue for a period of 10 days after written notice of default is given by Company to Franchisee;

11.2.5 Should Franchisee lose the right to possession of the Franchise Location due to Franchisee's breach of the Lease which either cannot be cured or which Franchisee has failed to cure within the allowed time period;

11.2.6 Should Franchisee commit an event of default under any other agreement by and between Franchisee and Company pertaining to the Outlet and franchise granted by this Agreement which, by its terms, cannot be cured or which Franchisee has failed to cure within the allowed time period;

11.2.7 Should Franchisee make any general arrangement or assignment for the benefit of creditors or become a debtor as that term is defined in 11 U.S.C. ¶101 or any successor statute, unless, in the case where a petition is filed against Franchisee, Franchisee obtains an order dismissing the proceeding within 60 days after the petition is filed; or should a trustee or receiver be appointed to take possession of all, or substantially all, of the assets of the Outlet, unless possession of the assets is restored to Franchisee within 30 days following the appointment; or should all, or substantially all, of the assets of the Outlet or the franchise rights be subject to an order of attachment, execution or other judicial seizure, unless the order or seizure is discharged within 30 days following issuance;

11.2.8 Should Franchisee, or any duly authorized representative of Franchisee, make a material misrepresentation or omission in obtaining the franchise rights granted hereunder, or should Franchisee or any officer, director, shareholder, member, manager, or general partner of Franchisee be convicted of or plead no contest to a felony charge or engage in any conduct or practice that, in Company's reasonable opinion, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill or reputation of Company or to the business, reputation or goodwill of the FAST UNDERCAR® System or the Licensed Marks;

11.2.9 Should Franchisee fail to comply with the conditions governing the transfer of rights under this Agreement;

11.2.10 Should an order be made or resolution passed for the winding-up or the liquidation of Franchisee (if a corporation, LLC, partnership or other entity) or should Franchisee adopt or take any action for its dissolution or liquidation;

11.2.11 Should Franchisee have received from Company, during any consecutive 24 month period, 3 or more notices of default (whether or not the notices relate to the same or to different defaults and whether or not the defaults were timely cured by Franchisee);

11.2.12 Should Franchisee make any unauthorized use, publication, duplication or disclosure of any Confidential Information or any portion of the Operations Manual;

11.2.13 Should Franchisee abandon or fail or refuse to actively operate the franchise business at or from the Outlet for any period such that Company may reasonably conclude that Franchisee does not intend to continue operating the franchise business, unless Franchisee obtains Company's written consent to close the Outlet for a specified period of time before Franchisee ceases regular activities;

11.2.14 Should Franchisee materially misuse or make an unauthorized use of any of the proprietary Marks or commit any other act which does, or can reasonably be expected to, materially impair the goodwill or reputation associated with any of the Licensed Marks or the FAST UNDERCAR® System;

11.2.15 Should an audit of Franchisee's business records disclose that Franchisee has underreported the actual Cost of Goods Sold for any period in an amount equal to 5% or more of the actual Cost of Goods Sold, or should Franchisee be conclusively presumed to have intentionally underreported the actual Cost of Goods Sold as provided in this Agreement; or

11.2.16 Should Franchisee fail to comply with any violation of federal, state or local law within 10 days after being notified of non-compliance.

11.2.17 Should less than 80% of Franchisee's monthly Gross Sales be sales to Commercial Customers either for (i) two consecutive months; or (ii) two months during any consecutive six month period during the Term.

11.3 Termination by Company With Right to Cure.

11.3.1 Should Franchisee breach, or refuse to fulfill or perform, any obligation arising under this Agreement not identified in Paragraph 11.2 above, or fail or refuse to adhere to any mandatory operating procedure, specification or standard prescribed by Company in the Operations Manual or otherwise communicated to Franchisee, Company may terminate this Agreement, in its discretion and election, effective at the close of business 30 days after giving written notice of default to Franchisee which specifies the grounds of default, if Franchisee fails to cure the default cited in the notice. Company shall indicate its election by written notice given to Franchisee either before, or after, the end of the 30 day cure period.

11.3.2 If a default cannot reasonably be cured within 30 days, Franchisee may apply to Company for additional time to complete the cure. The length of the additional cure period, if any, allowed by Company shall be stated in a writing signed by Company. If Company grants an extension and if Franchisee does not complete the required cure within the extended cure period, termination of this Agreement shall be effective at the close of business on the last day of the extended cure period without further notice from Company.

11.4 Effect of Termination.

11.4.1 Termination of this Agreement results in the concurrent, and automatic, termination of all agreements between the parties pertaining to the Outlet or the franchise granted by this Agreement.

11.4.2 In any proceeding in which the validity of termination of this Agreement is at issue, Company shall not be limited to the reasons set forth in any notice of termination or default given to Franchisee.

11.5 Effective Date of Termination or Expiration of this Agreement.

For purposes of this Agreement, the Effective Date of Termination or Expiration of this Agreement is defined as follows:

11.5.1 The Effective Date of Termination is: (i) the date Franchisee receives notice of termination described in Paragraph 11.2, or (ii) the last day of the permitted cure period for a default described in Paragraph 11.3; and

11.5.2 The Effective Date of Expiration of this Agreement is the last day of the Term.

12. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION.

12.1 Franchisee's Obligations.

On and after the Effective Date of Termination or Expiration of this Agreement, Franchisee must comply with the following duties:

12.1.1 Within 10 days following the Effective Date of Termination or Expiration of this Agreement, Franchisee shall pay all fees and other amounts owed to Company and to any Advertising Cooperative to which it is assigned, including, without limitation, late charges and interest on any late payments.

12.1.1.1 Royalty Fees, and any Advertising Fees and Cooperative Advertising Fees imposed pursuant to this Agreement, shall continue to be due and payable (and late charges and interest thereon assessed) after the Effective Date of Termination or Expiration of this Agreement until the date that Franchisee completes all post-termination obligations required by this Agreement.

12.1.1.2 When termination is based upon Franchisee's default, Franchisee shall also pay to Company all damages, costs and expenses, and reasonable attorneys' fees, incurred by Company in enforcing the default and termination.

12.1.1.3 Franchisee's payments shall be accompanied by all reports required by Company regarding the Cost of Goods Sold and business transactions through the date of payment;

12.1.2 Franchisee shall immediately cease using and, within 48 hours after the Effective Date of Termination or Expiration of this Agreement, return to Company the Operations Manual and all documents, proprietary software and supporting documentation, and all other confidential or proprietary materials provided to Franchisee pursuant to this Agreement, and shall retain no copy or record of any of the foregoing. Continued use by Franchisee of any copyrighted material shall constitute willful copyright infringement by Franchisee;

12.1.3 With respect to the Franchise Location, Company may, pursuant to the Addendum to Lease, accept an assignment of the Lease, in which case, upon notice from Company, Franchisee shall forthwith vacate the Franchise Location, leaving it in good condition and repair with all fixtures and equipment in good working order. If Company elects not to accept an assignment of the Lease, Franchisee shall remove all signs and other physical and structural features that readily identify the site as a FAST UNDERCAR® business, in a manner acceptable to Company, so that the former Franchise Location no longer suggests or indicates a connection with the FAST UNDERCAR® System. Such modifications must be completed within 10 days after Franchisee receives Company's notice given pursuant to this paragraph;

12.1.4 Franchisee shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents;

12.1.5 Franchisee shall permanently cease using, in any manner whatsoever, the Licensed Marks, Confidential Information, Proprietary Products or Services, and any other materials, signs, or distinctive features or designs associated with the FAST UNDERCAR®

System or which suggest or indicate that Franchisee is, or was, an authorized FAST UNDERCAR® franchisee or continues to remain associated with the FAST UNDERCAR® System. Franchisee shall cancel all advertising and promotional activities which associate Franchisee with the FAST UNDERCAR® System. Continued use by Franchisee of any of the Licensed Marks or Confidential Information shall constitute willful trademark infringement and unfair competition by Franchisee;

12.1.6 Franchisee shall take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to its use of the Licensed Marks;

12.1.7 Franchisee shall cease using all telephone numbers and listings used in operating the Outlet and take all steps necessary to remove all telephone directory and other directory listings that display any of the Licensed Marks. Franchisee shall furnish Company with evidence satisfactory to Company demonstrating Franchisee's compliance with this obligation within 10 days after the Effective Date of Termination or Expiration of this Agreement. Company shall have the right to demand an assignment of the telephone numbers and listings, in which case Franchisee shall be deemed to consent to the assignment, without compensation, as of the Effective Date of Termination or Expiration;

12.1.8 Franchisee shall comply with the provisions of this Agreement regarding noncompetition and maintaining the confidentiality of Confidential Information; and

12.1.9 Franchisee shall keep and maintain all business records pertaining to the business conducted at the Outlet for 5 years after the Effective Date of Termination or Expiration of this Agreement. During this period, Franchisee shall permit Company to inspect such business records as frequently as Company deems necessary.

12.2 <u>Company's Right to Purchase Assets.</u>

12.2.1 Upon termination or expiration of this Agreement, Company shall have the right, but not the obligation, to purchase all, or any, of Franchisee's physical assets, including inventory, at Franchisee's original cost less depreciation, based upon the depreciation schedule which Company or Company's Affiliates use for like or comparable property.

12.2.2 Company may exercise this option by giving Franchisee written notice within 10 days after the Effective Date of Termination or Expiration of this Agreement, specifying in the notice the assets it desires to purchase. Within 10 days following receipt of Company's notice, Franchisee shall furnish Company with documentation substantiating the original cost of each item identified by Company and depreciation taken as reported by Franchisee in its federal and state income tax returns.

12.2.3 Within 10 days following receipt of Franchisee's documentation, Company shall notify Franchisee of the particular assets it will purchase, and within 5 days after giving the notice, Company will pay Franchisee the purchase price, less permitted set offs. Company shall have the absolute right to set off from the purchase price all amounts then due and owing from Franchisee to it pursuant to the terms of this Agreement or otherwise under applicable law, as well as all amounts then due and owing to any Promotional Fund and to any Advertising Cooperative. For the sake of clarity, permitted set offs shall include the amount of Liquidated Damages payable by Franchisee to Company pursuant to this Agreement. Franchisee shall deliver possession of the assets to Company upon Company's payment of the purchase price.

12.3 Survival of Obligations.

12.3.1 All obligations of the parties that expressly, or by their nature, survive the Effective Date of Termination or Expiration of this Agreement shall continue in full force and effect subsequent to the Effective Date of Termination or Expiration of this Agreement until they are satisfied in full.

12.3.2 Franchisee shall remain fully liable for any and all obligations of the Outlet, whether incurred before, or after, the Effective Date of Termination or Expiration of this Agreement, including, without limitation, obligations arising under this Agreement, the Lease, and all obligations owed to third parties including, without limitation, obligations for products, equipment, supplies, materials, salaries to employees, and taxes.

12.4 Third Party Rights; Available Remedies.

12.4.1 No person acting for the benefit of Franchisee's creditors or any receiver, trustee in bankruptcy, sheriff or any other officer of a court or other person in possession of Franchisee's assets or business shall have the right to assume Franchisee's obligations under this Agreement without Company's prior consent.

12.4.2 Company's right to terminate this Agreement shall not be its exclusive remedy in the event of Franchisee's default, and Company shall be entitled, in its sole discretion and election, alternatively or cumulatively, to affirm this Agreement in the event of Franchisee's default and obtain damages arising from the default, injunctive relief to compel Franchisee to perform its obligations under this Agreement or to prevent Franchisee from breaching this Agreement, and any other remedy available under applicable law.

13. ASSIGNMENT AND TRANSFER.

13.1 Assignment by Company.

This Agreement shall inure to the benefit of Company's successors and assigns. Company is free to assign all of its rights under this Agreement to any person or entity, provided the assignee agrees in writing to assume Company's obligations. Upon such assignment and assumption, Company shall have no further obligation to Franchisee.

13.2 Assignment by Franchisee: In General.

13.2.1 Franchisee acknowledges that the franchise rights granted to it are personal, and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Franchisee and, if Franchisee is a corporation, LLC or other entity, that of its officers, directors, shareholders, managers, members, trustees or owners.

13.2.2 Franchisee acknowledges that it has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly, (i) any interest in this Agreement, (ii) the right to use the FAST UNDERCAR® System or the Licensed Marks granted pursuant to this Agreement, or (iii) all or a significant portion of the other assets of the Outlet or its leasehold rights, without Company's prior written consent, which shall not unreasonably be withheld and shall be subject to the further conditions stated in this Paragraph 13.

13.2.3 For purposes of this Agreement, each of the following events is an event of transfer requiring Company's prior written consent and subject to the conditions stated in this Paragraph 13:

13.2.3.1 A change in ownership of Franchisee due to a consolidation or merger involving Franchisee or any of Franchisee's Affiliates. The term "Franchisee's Affiliate" means any company controlling, controlled by, or under common control with, Franchisee.

13.2.3.2 If Franchisee is an individual, an order dissolving Franchisee's marriage.

13.2.3.3 The death or Incapacity (as defined in this Agreement) of Franchisee if Franchisee is an individual, or the death or Incapacity of any person satisfying the definition of Franchisee's Principal.

13.2.3.4 A transfer of any interest in this Agreement, or a Controlling Interest in the equity or voting interests of Franchisee or any of Franchisee's Affiliates, to a trust of any kind.

13.2.3.5 The sale, assignment, transfer, pledge, donation, encumbrance or other alienation of more than 1% of the outstanding securities of Franchisee or any of Franchisee's Affiliates, or the authorization or issuance of additional shares representing more than 1% of the then-outstanding securities of Franchisee or Franchisee's Affiliates, if either entity is a Publicly Held Corporation.

13.2.3.6 The offer or sale of securities of Franchisee pursuant to a transaction subject to registration under federal or state securities laws or by private placement pursuant to a written offering memorandum.

13.2.3.7 The sale, assignment, transfer, pledge, donation, encumbrance or other alienation of a Controlling Interest in the equity or voting interests of Franchisee or any of Franchisee's Affiliates, or the issuance of additional shares representing a Controlling Interest in the equity or voting interests of Franchisee or any of Franchisee's Affiliates.

13.2.4 An entity is a "Publicly Held Corporation" if it registers to sell its securities under the Securities Exchange Act of 1934.

13.2.5 "Controlling Interest" means the possession, directly or indirectly, of power to direct, or cause a change in the direction of, the management and policies of an entity. A "Controlling Interest" shall be presumed to be transferred if a transfer, either alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring, in the aggregate, more than 25% of the equity or voting interests of a corporation, LLC, partnership or other entity.

13.2.6 Any attempted or purported transfer which fails to comply with the requirements of this Agreement shall be null and void and shall constitute a default under this Agreement.

13.3 Company's Right of First Refusal.

13.3.1 Except with respect to Qualified Transfers, if Franchisee, or the person to whom an offer is directed (the "Individual Transferor"), receives a written offer ("Third Party Offer") to purchase or otherwise acquire an interest which will result in an event of transfer within the meaning of this Agreement, Franchisee or the Individual Transferor, shall, within 5 days after receiving the Third Party Offer and before accepting it, apply to Company in writing for Company's consent to the proposed transfer.

13.3.2 Franchisee, or the Individual Transferor, shall attach to its application for consent to complete the transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee's experience and qualifications, (ii) a copy of the proposed transferee's current financial statement, and (iii) any other information material to the Third Party Offer, proposed transferee and proposed assignment or that Company requests.

13.3.3 Company or its nominee shall have the right, exercisable by written notice ("Notice of Exercise") given to Franchisee or the Individual Transferor, within 30 days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Franchisee or the Individual Transferor that it will purchase or acquire the rights, assets, equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Company may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (ii) deduct from the purchase price the amount of any commission or fee otherwise payable to any broker or agent in connection with the Third Party Offer and all amounts then due and owing from Franchisee to Company, the Promotional Fund, and any Advertising Cooperative under this Agreement or otherwise.

13.3.4 The closing shall take place at Company's headquarters at a mutually agreed upon date and time, but not later than 60 days following Company's receipt of the Third Party Offer, all supporting information, and the application for consent to the transfer.

13.3.4.1 At the closing, Franchisee or the Individual Transferor shall deliver to Company the same documents, affidavits, warranties, indemnities and instruments as would have been delivered by Franchisee or the Individual Transferor to the proposed transferee pursuant to the Third Party Offer.

13.3.4.2 All costs, fees, document taxes and other expenses incurred in connection with the transfer shall be allocated between Franchisee and Company in accordance with the terms of the Third Party Offer, and any costs not allocated shall be paid by Franchisee or the Individual Transferor.

13.3.5 In the event Company gives timely Notice of Exercise but, through no fault of Franchisee or the Individual Transferor, fails to close the purchase for any reason, Franchisee or the Individual Transferor shall have no recourse against Company. Franchisee or the Individual Transferor may not complete the sale to the proposed transferee without first obtaining Company's prior written consent and satisfying the other conditions stated in this Paragraph 13.

13.3.6 Company's right of first refusal shall not apply to any of the following transfers ("Qualified Transfers"):

13.3.6.1 The transfer or assignment of equity or voting interests constituting less than a Controlling Interest of the equity or voting interests of a Franchisee which is not a Publicly Held Corporation.

13.3.6.2 If Franchisee is an individual, the transfer by Franchisee all of his or her rights under this Agreement to a newly-formed corporation, LLC or other entity provided all of the equity or voting interests of the new entity are owned by the individual.

13.3.6.3 A transfer due to the death or Incapacity of Franchisee or any person satisfying the definition of Franchisee's Principal, provided the transfer is made to the spouse, adult children, heirs or legal representative of the deceased or incapacitated person.

13.4 <u>Conditions of Assignment to Third Party.</u>

13.4.1 If Company does not exercise its right of first refusal or complete the purchase of the interest which is the subject of a Third Party Offer, or in the event of a Qualified Transfer or other event of transfer which requires Company's prior written consent, Company shall determine whether or not to issue its consent to the proposed transfer and shall notify Franchisee of its decision by no later than the following dates: (i) if Company gives timely Notice of Exercise but does not consummate the transfer through no fault of Franchisee or the Individual Transferor, notice shall be given within 10 days after the scheduled closing date for Company's purchase of the interest, or 30 days after Notice of Exercise is given, whichever occurs latter, or (ii) in all other cases, notice shall be given 30 days following Company's receipt of the Third Party Offer (if any), all supporting information and the application for consent.

13.4.2 As a condition to issuing consent to a transfer, Company shall require that all of the following conditions be satisfied:

13.4.2.1 The proposed transferee must meet Company's then-current qualifications for new FAST UNDERCAR® franchisees in the state where the Outlet is located, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

13.4.2.2 As of the date consent is requested and through the date of closing of the proposed transfer and assignment, Franchisee must not be in default under this Agreement, the Lease, or any other agreements with Company, and must be current with all monetary obligations owed to third parties.

13.4.2.3 Franchisee will remain subject to all obligations stated herein that expressly, or by their nature, survive the Effective Date of Expiration or Termination of this Agreement, including, without limitation, the provisions prohibiting competition and disclosure of Confidential Information.

13.4.2.4 Franchisee must execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents.

13.4.2.5 All required third party consents to the transfer must be obtained.

13.4.2.6 The proposed transferee must execute all other documents and agreements required by Company to consummate the transfer. If the proposed transferee is a corporation, LLC or other entity, each person who at the time of the transfer, or later, owns or acquires, either legally or beneficially, 10% or more of the equity or voting interests of the proposed transferee must execute the form of personal guaranty attached to this Agreement as **Schedule C** and incorporated herein by reference.

13.4.2.7 Franchisee's right to receive the sales proceeds from the proposed transferee in consideration of the transfer, or otherwise, shall be subordinate to the proposed transferee's and Franchisee's duties owed to Company, Company's assignee and Company's Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Franchisee and the proposed transferee shall expressly include a subordination provision permitting payment of the sales proceeds to Franchisee only after any outstanding obligations owed to Company, Company's assignee and Company's Affiliates are fully satisfied.

13.4.2.8 The proposed transferee and at least one other person must successfully complete Company's next available Part-One Training and Company shall provide On-Site Training immediately after possession of the Outlet is transferred to the proposed transferee. One of the individuals receiving training must be designated by the proposed transferee as its Approved Manager (the proposed transferee, if an individual may designate him or herself). Company shall not charge a fee for providing initial training program to up to 4 individuals, provided all attend the same training sessions. Company may deliver initial training electronically through Company's Web-based interactive training solution. All transportation, hotel, food, personal and salary expenses incurred by any person to attend the initial training program are the proposed transferee's sole obligation.

13.4.2.9 Unless the transfer is a Qualified Transfer, Franchisee must pay to Company, at the time Franchisee or the Individual Transferor applies to Company for its consent to transfer, a transfer fee of $2,500. Additionally, if Company approves the transfer, the proposed transferee shall pay Company's then-current license fee for the right to access Company's Web-based interactive training solutions. If consent is denied, Company may retain $1,500 as compensation for its expenses in reviewing the proposed transfer application.

13.4.2.10 Either:

13.4.2.10.1 Franchisee must simultaneously transfer its rights under this Agreement, the Lease, and any other contracts whose continuation is necessary for operation of the Outlet, to the same proposed transferee and satisfy any separate conditions to obtain any third party consents required for the transfer of Franchisee's rights to the proposed transferee. The proposed transferee must enter into a written assignment and assumption agreement acceptable to Company, assuming and agreeing to be bound by all of the terms and conditions of the contracts being assigned; or

13.4.2.10.2 At Company's option, Company may require the transferee to execute Company's then-current form of Franchise Agreement, and its then-current form of any other contract to which Franchisee is a party. The term of the new forms of contract shall be equal to the unexpired portion of the selling Franchisee's franchise term. The transferee shall be excused from paying the Initial Franchise Fee stated in the new Franchise Agreement.

13.4.2.11 Within a reasonable period of time following the closing date, the proposed transferee shall conform the Outlet to Company's then-current appearance and design standards and equipment specifications then applicable to new FAST UNDERCAR® Outlets.

13.5 Additional Conditions Applicable to the Sale of Certain Securities.

13.5.1 Whenever the issuance, offer or sale of securities constituting an event of transfer under this Agreement is subject to registration under federal or state securities laws or is offered by private placement pursuant to a written offering memorandum of any kind, Franchisee shall do all of the following at least 45 days before the proposed effective date of the registration or the delivery of any private placement memorandum:

13.5.1.1 Submit all offering or registration materials to Company for its prior review.

13.5.1.2 Reimburse Company for its actual expenses incurred in connection with reviewing the offering or registration materials, including (without limitation) attorneys' fees, accountants' fees and travel expenses, in an amount not to exceed $25,000 (the "Securities Review Fee").

13.5.1.3 Provide Company with a written opinion of counsel, in the form and covering the matters prescribed by Company, that the offering or registration complies with all applicable laws.

13.5.1.4 Agree in writing to fully indemnify and hold Company harmless from and against any claims, demands, liability, costs or expenses of any kind arising out of the private or public securities offering and avoid any implication that Company participates in, or endorses, the securities offering.

13.5.2 Franchisee shall promptly delete or correct any statements concerning the FAST UNDERCAR® System, Licensed Marks or experience of FAST UNDERCAR® Outlets made in connection with any private or public securities offering that Company may reasonably object to following notice from Company.

13.5.3 The Securities Review Fee shall be increased annually on January 1 of each year during the Term by an amount equal to the percentage increase, if any, in the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics for the Los Angeles-Anaheim-Riverside, All Urban Consumers (All Items 1982 = 100), or if that index is no longer published then by a comparable index selected by Company (the "Index"), comparing the Index level existing on January 1 of each subsequent year during the Term with the Index level existing on January 1 of the year in which the Term commenced.

13.6 Closing of Sale to Third Party.

13.6.1 Should Company consent to a transfer to a third party, Franchisee, or the Individual Transferor, may only complete the transfer to the proposed transferee on the terms identified in the Third Party Offer or as otherwise stated in Franchisee's application for consent.

13.6.2 If there is any material change in the terms of the Third Party Offer, Company has a right of first refusal to accept the new terms subject to the conditions stated in this Paragraph 13.

13.6.3 If Company consents to the transfer to a third party, the transfer must close within 60 days from the date the Third Party Offer is first submitted to Company unless Company grants an extension of time in writing; otherwise, it must again be offered to Company.

13.7 Corporate/Entity Franchisee.

13.7.1 If Franchisee is a corporation, LLC, partnership, or other entity, it shall furnish to Company, upon execution of this Agreement or at such other time as transfer to the entity is permitted, a copy of its articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement, and a list of all persons owning an interest in the equity or voting interests of the entity. Additionally, Franchisee shall promptly provide Company with a copy of any amendments to, or changes in, the information during the Term.

13.7.2 During the Term, each person who now or later owns or acquires, either legally or beneficially, 10% or more of the equity or voting interests of Franchisee must execute Company's form of personal guaranty attached hereto as **Schedule C**.

13.7.3 Franchisee shall maintain stop transfer instructions against the transfer on its records of any equity or ownership interests. Each certificate representing an ownership interest in Franchisee shall bear a legend, in the form stated in the Operations Manual, that it is held, and further assignment or transfer thereof is, subject to all restrictions imposed upon transfer set forth in this Agreement.

13.7.4 The chief financial officer of Franchisee shall deliver a certificate to Company annually, when Franchisee's annual financial statements are delivered, which lists all owners of record and all beneficial owners of any interest in the equity or voting interests of Franchisee and identifies all transfers of equity or voting interests in Franchisee which have occurred during the period covered by the annual financial statement.

13.8 Death or Incapacity.

13.8.1 In the event of the death or Incapacity of Franchisee or any person satisfying the definition of Franchisee's Principal, the spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners (collectively referred to as the "Successor") shall have 180 days from the date of death or Incapacity in which to (i) purchase the interest of the deceased or incapacitated person in the franchise or Franchisee, or (ii) complete the sale or assignment of the interest to a qualified, approved third party, provided, in either case, the purchase or assignment complies with the conditions for transfer stated in this Paragraph 13.

13.8.2 During the period that the Successor operates Franchisee's Outlet, the Successor shall perform all of the obligations of Franchisee under this Agreement. At the end of the 180 day period, if the Successor has not purchased the franchise or obtained Company's consent to a transfer to a third party, Company may, at its election, terminate this Agreement.

13.8.3 For purposes of this Agreement, the term “Incapacity” means an inability due to medical reasons to devote full time and attention to supervising all administrative and operational activities of the Outlet and compliance with this Agreement continuing for at least 4 months in the aggregate during any consecutive 12 month period during the Term, based upon the examination and findings of a physician selected by Company. A period of Incapacity shall continue without interruption unless and until the person suffering the Incapacity resumes his or her duties under this Agreement on a full time basis for 30 consecutive days.

14. RELATIONSHIP OF PARTIES; INDEMNIFICATION; SECURITY INTEREST.

14.1 Independent Contractor.

14.1.1 This Agreement does not create a fiduciary relationship between the parties, nor does it make either party a general or special agent, joint venturer, partner or employee of the other for any purpose.

14.1.2 With respect to all matters, Franchisee relationship to Company is as an independent contractor.

14.1.3 Franchisee acknowledges that it is the independent owner of the Outlet and in sole control of all aspects of its operation, and shall conduct its business using its own judgment and discretion, subject only to the provisions of this Agreement.

14.1.4 Franchisee shall conspicuously identify itself in all advertising and all dealings with customers, suppliers and other third parties as the owner of the Outlet operating under a franchise from Company.

14.2 Indemnification by Franchisee.

14.2.1 Franchisee shall indemnify and hold Company and Company’s officers, directors, shareholders, employees, agents, successors and assigns, harmless from and against any and all costs, expenses, losses, liabilities, damages, causes of action, claims and demands whatsoever, arising from or relating to the business conducted by Franchisee at or from the Outlet, whether or not arising from bodily injury, personal injury or property damage, or any other violation of the rights of others, or in any other way.

14.2.2 Franchisee’s obligation to indemnify Company shall extend, without limitation, to all claims for actual and consequential damages, and Company’s costs and expenses incurred in defending any third party claim covered by Franchisee’s indemnification, including, without limitation, attorneys and other professional fees, court costs, and travel and living expenses. Company shall have the right to retain its own counsel to defend any third party claim asserted against it which is covered by this indemnification agreement.

14.2.3 Franchisee’s indemnification obligation shall survive the expiration or termination of this Agreement for any reason.

14.3 Security Interest.

To secure Franchisee’s performance under this Agreement, Franchisee hereby grants to Company a security interest in and to all of Franchisee’s tangible and intangible property used to operate the Outlet. Company shall record appropriate financing statements to protect and perfect Company's rights as a secured party under applicable law. Except with Company's prior written consent, which Company shall not unreasonably withhold, it shall be a breach of this Agreement for Franchisee to grant another person a security interest in Franchisee's tangible or intangible assets of the Outlet even if subordinate to Company's security interest. Company agrees to subordinate Company's own security interest if requested by a lender providing financing to Franchisee on commercially reasonable terms in connection with the purchase of the franchise.

15. PERSONAL GUARANTY.

15.1 Scope.

If Franchisee is a corporation, LLC or other entity, each person who owns or at any time during the Term acquires, either legally or beneficially, 10% or more of the equity or voting interests of Franchisee shall furnish any financial information reasonably required by Company and execute Company's form of personal guaranty attached to this Agreement as **Schedule C**.

15.2 Default.

An event of default under this Agreement shall occur if any guarantor fails or refuses to deliver to Company, within 10 days after Company's written request: (i) evidence of the due execution of the personal guaranty, and (ii) current financial statements of guarantor as may from time to time be requested by Company.

16. DISPUTE RESOLUTION.

16.1 Agreement to Mediate Disputes.

Except as provided in Paragraph 16.2, no party shall bring a civil action seeking enforcement of, or any other legal remedy founded on, this Agreement until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this Agreement.

16.1.1 The mediation shall be conducted pursuant to the rules of JAMS ("the Mediation Service"). Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the Mediation Service in writing, with a copy to the other party (the "Responding Party"). The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with Mediation Service's then current rules, except to the extent such rules conflict with this Agreement, in which case this Agreement shall control.

16.1.2 The mediation will be conducted by a single mediator, who must either be a practicing attorney with experience in business format franchising or a retired judge with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

16.1.3 The fees and expenses of Mediation Service, including (without limitation) mediator's fee, shall be shared equally by the parties. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

16.1.4 The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether Company or Franchisee is the Initiating Party, the mediation shall be conducted at Company's offices, unless Company and Franchisee agree upon a mutually acceptable alternative location.

16.1.5 The parties shall participate in good faith in the mediation with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties. The parties recognize and agree, however, that the mediator's recommendations, if any, shall not be binding on the parties.

16.1.6 The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

16.1.7 At the mediator's discretion, or upon either party's request, the mediator will provide a written evaluation of each party's claims and defenses and of the likely resolution of the dispute if not settled. The parties agree that the mediator is not acting as an attorney or providing legal advice on behalf of any party.

16.1.8 The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

16.1.9 If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation, and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

16.2 Exceptions to Duty to Mediate Disputes.

The obligation to mediate shall not apply to:

16.2.1 Any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond; or

16.2.2 Any claim for unlawful detainer or similar remedies available to a landlord or for the enforcement of Company's other rights under the Addendum to Lease.

16.3 Judicial Relief.

16.3.1 The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims described in Paragraph 16.2, shall be brought exclusively in the Superior Court of California for the County of Ventura, or in the United States District Court located in or closest to Ventura County, California. The parties agree to submit to the jurisdiction of said courts.

16.3.2 To the fullest extent that it may effectively do so under applicable law, Franchisee waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this paragraph and agrees not to commence any action of any kind against Company or any of its officers, directors, employees, agents or property arising out of or relating to this Agreement except in the courts identified in this paragraph.

16.3.3 The parties agree to waive any right to a trial by jury in any action arising out of or relating to this Agreement, as further provided in Paragraph 19.

16.3.4 In any proceeding alleging breach of this Agreement, each party shall have the right to engage in deposition and document discovery including, in the case of Company, the right to conduct forensic examination of Franchisee's computer terminals if Company reasonably believes the computer terminals contain Confidential Information. In connection with any application for any interim relief, as set forth above, each party may conduct discovery on an expedited basis.

16.4 Choice of Law.

Except as otherwise provided in Paragraph 8.12, the parties agree that California law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

16.5 Limitations Period.

To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this

Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than the last to occur of the following: (i) 90 days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation proceeding which is initiated before the last day of the limitations period, and such toll shall commence on the date the Responding Party receives the Initiating Party's demand for mediation and continue until the date the mediation is concluded.

16.6 Punitive or Exemplary Damages.

Company and Franchisee, and their respective directors, officers, shareholders and guarantors, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

16.7 Liquidated Damages.

If this Agreement is terminated due to Franchisee's material breach, Company may recover liquidated damages calculated in the manner provided in this Section ("Liquidated Damages"). The calculation of Liquidated Damages is based on the parties' good faith estimate of the amount of time it would take Company to find a replacement for Franchisee in the trade area that had been served by Franchisee and for the replacement to generate Royalty Fees and Advertising Fees equivalent to the amounts paid or payable by Franchisee. The parties agree that: (i) if termination occurs more than 36 complete Calendar Months from the Opening Date, Liquidated Damages shall be equal to the product of 36 times the average Royalty Fees and Advertising Fees paid, or that should have been paid, by Franchisee based on the Cost of Goods Sold by Franchisee for the 36 Calendar Months immediately before the Effective Date of Termination of this Agreement; and (ii) if termination occurs before Franchisee has operated its FAST UNDERCAR® Outlet for at least 36 complete Calendar Months, Liquidated Damages shall be equal to the product of 36 times the average Royalty Fees and Advertising Fees paid, or that should have been paid, by Franchisee based on the Cost of Goods Sold by Franchisee during the period since the Opening Date. In each case, the amount of Liquidated Damages shall not be reduced by any claims by Franchisee for set off or otherwise. Furthermore, the Liquidated Damages calculation shall not be affected by the fact that during the calculation period Royalty Fees and Advertising Fees may not have been paid or had been forgiven, setoff, or waived by Company for any reason. The parties acknowledge and agree that the method for calculating Liquidated Damages represents the parties' reasonable endeavor to estimate a fair average compensation for Company's loss due to Franchisee's material breach and their decision to provide for Liquidated Damages spares both parties the cost and inconvenience of having to prove Company's actual damages.

16.8 Attorneys' Fees.

16.8.1 Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

16.8.2 Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

16.9 Waiver of Collateral Estoppel.

The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and Franchisee therefore each agree that a decision of a judge in any proceeding or action in which either Company and Franchisee, but not both of them, is a party will not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and Franchisee. Company and Franchisee therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

16.10 Waiver of Class Action Proceedings and Relief.

Company and Franchisee agree that any mediation or litigation initiated or brought by either party against the other will be conducted only on an individual basis, not on a class-wide basis, and there may be no consolidation or joinder of other claims or controversies involving any other Franchisee. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and Franchisee both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

17. ACKNOWLEDGEMENTS.

Franchisee acknowledges and represents to Company, to induce Company to enter into this Agreement, that:

17.1 Acceptance of Conditions.

Franchisee has read this Agreement and Company's FDD and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's standards of service and quality and the uniformity of those standards at all FAST UNDERCAR® Outlets in order to protect and preserve the FAST UNDERCAR® System and the goodwill of the Licensed Marks;

17.2 Independent Investigation.

Franchisee has conducted an independent investigation of the business contemplated by this Agreement. Franchisee recognizes that the FAST UNDERCAR® System may evolve and change over time; that an investment in this franchise involves business risks; and that the success of the investment depends upon Franchisee's business ability and efforts;

17.3 Reliance.

Franchisee has not received or relied upon any promise or guaranty, express or implied, about the revenues, profits or success of the business venture contemplated by this Agreement;

17.4 No Representations; Status of Franchisee.

17.4.1 No representations have been made by Company, or by its officers, directors, shareholders, employees or agents, that are contrary to statements made in the FDD previously received by Franchisee or to the terms contained in this Agreement; and

17.4.2 Franchisee (if an individual) or each person executing a guaranty of Franchisee's obligations, is a United States citizen or a lawful resident alien of the United States; if Franchisee is a corporation, LLC, partnership or other entity, it shall remain duly organized and in good standing for as long as this Agreement is in effect and it owns the franchise rights; and all financial and other information provided to Company in connection with Franchisee's application is true and correct and no material information or fact has been omitted which is necessary in order to make the information disclosed not misleading.

17.5 Anti-Terrorism Representations.

Franchisee agrees to comply with and/or to assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee certifies, represents and warrants on behalf of itself, each Covered Person and each person who is a guarantor of Franchisee's obligations to Company that none of their property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee is not otherwise in violation of any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of, or "blocking" of assets under, the Anti-Terrorism Laws shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Company or one of its affiliates, in accordance with the termination provisions of this Agreement.

18. MISCELLANEOUS.

18.1 Notices.

18.1.1 All communications required or permitted to be given to either party hereunder shall be in writing and shall be deemed duly given on the earlier of (i) the date when delivered by hand; (ii) one business day after delivery to a reputable national overnight delivery service; or (iii) 4 business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested.

18.1.2 All notices shall be addressed to Franchisee at the following address: ____; and to Company at its headquarters at 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042, Attention: President.

18.1.3 Either party may change its address for receiving notices by appropriate written notice to the other.

18.1.4 All payments and reports required to be delivered to Company shall be directed to Company at the above address.

18.1.5 Notwithstanding the parties' agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by Company during regular business hours on the date it is due shall be deemed delinquent.

18.2 Time of the Essence.

Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

18.3 Withholding of Consent.

Except where this Agreement expressly obligates Company to reasonably approve or not unreasonably withhold its approval of any action or request by Franchisee, Company has the absolute right to refuse any request by Franchisee or to withhold its approval of any action by Franchisee. Further, whenever the consent or approval of Company is required under this Agreement such consent or approval must be in writing unless this Agreement specifies otherwise.

18.4 Waiver.

18.4.1 Any waiver granted by Company to Franchisee excusing or reducing any obligation or restriction imposed under this Agreement shall be in writing and shall be effective upon delivery of such writing by Company to Franchisee or upon such other effective date as specified in the writing, and only to the extent specifically allowed in such writing.

18.4.2 No waiver granted by Company, and no action taken by Company, with respect to any third party shall limit Company's discretion to take action of any kind, or not to take action, with respect to Franchisee. Any waiver granted by Company to Franchisee shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative.

18.4.3 No delay on the part of Company in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Company of any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy.

18.4.4 Company's acceptance of any payments made by Franchisee after a breach of this Agreement shall not be, nor be construed as, a waiver by Company of any breach by Franchisee of any term, covenant or condition of this Agreement.

18.5 Paragraph Headings; Language.

18.5.1 The paragraph headings used in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement.

18.5.2 The language used in this Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against Company or Franchisee. The term "Franchisee" as used herein is applicable to one or more persons, corporations, partnerships or entities, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Company shall be joint and several.

18.5.3 Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto.

18.5.4 Whenever this Agreement refers to "business days," it shall mean weekdays only, excluding Saturdays, Sundays and holidays.

18.6 Binding on Successors.

The covenants, agreements, terms and conditions contained in this Agreement shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties hereto.

18.7 Validity; Conformity With Applicable Law.

18.7.1 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

18.7.2 To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non renewal or the like other than in accordance with applicable law, such provisions shall be deemed to be automatically amended to conform them to the provisions of such applicable law.

18.7.3 To the extent any provision of this Agreement is deemed unenforceable by virtue of its scope in terms of geographic area, business activity prohibited or length of time, but could be enforceable by reducing any or all thereof, the parties agree that the provision shall be enforced to the fullest extent permissible under the laws of the jurisdiction in which enforcement is sought.

18.8 Amendments.

No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on any party unless it is set forth in writing and executed: (i) on behalf of Franchisee, by Franchisee if Franchisee is an individual, and, if not, by an authorized agent or officer of Franchisee; and (ii) on behalf of Company, by any duly authorized officer of Company.

18.9 Complete Agreement.

This Agreement, including all exhibits and addendums attached hereto, and all agreements or documents which by the provisions of this Agreement are expressly incorporated herein or made a part hereof, sets forth the entire agreement between the parties, fully superseding any and all prior agreements or understandings between them pertaining to the subject matter hereof.

18.10 Covenant and Condition.

Each provision of this Agreement performable by Franchisee shall be construed to be both a covenant and a condition.

18.11 Submission of Agreement.

The submission of this Agreement to Franchisee does not constitute an offer to Franchisee, and this Agreement shall become effective only upon execution by Company and Franchisee.

19. WAIVER OF JURY TRIAL.

COMPANY AND FRANCHISEE EACH HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER COMPANY OR FRANCHISEE ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, THE USE OF THE PROPRIETARY MARKS OR FAST UNDERCAR® SYSTEM BY FRANCHISEE, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY OR OTHERWISE, NOW OR HEREAFTER IN EFFECT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW.

20. CONSENT OF SPOUSE.

If Franchisee enters into this Agreement in their individual capacity, Franchisee's spouse shall execute a Consent of Spouse in the form of **Schedule D**. If Franchisee is a Business Entity, the spouse of each Personal Guarantor shall execute a Consent of Spouse in the form of **Schedule D**.

[END OF PAGE]

21. <u>FURTHER ASSURANCES.</u>

Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date stated on page 1.

[Company]

FAST UNDERCAR FRANCHISE, LLC

By:__________________________________
Its:__________________________________
[FRANCHISEE]

____
[Signature]

____
[Print Name]

____
[NAME OF CORPORATION OR PARTNERSHIP]

By:__________________________________
Its:__________________________________

SCHEDULE “A”

TERRITORY

Franchisee’s Territory is the following area:

____

____

____

Dated:______________________, ________________

[COMPANY]

FAST UNDERCAR FRANCHISE, LLC

____
[Signature]

By:__________________________________
Its:__________________________________

[FRANCHISEE]

____
[Print Name]

[NAME OF CORPORATION
OR PARTNERSHIP]

By:__________________________________
Its:__________________________________

SCHEDULE “B”

FRANCHISE LOCATION

Franchisee’s Franchise Location is at the following street address:

____

____

____

Dated:_____________________, ________________

[COMPANY]

FAST UNDERCAR FRANCHISE, LLC

____
[Signature]

By:_________________________________
Its:_________________________________

[FRANCHISEE]

____
[Print Name]

[NAME OF CORPORATION
OR PARTNERSHIP]

By:_________________________________
Its:_________________________________

SCHEDULE "C"

PERSONAL GUARANTY

SCHEDULE "D"

SPOUSAL CONSENT

The undersigned is the spouse of _________________________________,

☐ The party identified as "Franchisee" in that certain Franchise Agreement dated __________________________ ("Franchise Agreement") by and between FAST UNDERCAR FRANCHISE, LLC ("Company") and Franchisee.

☐ ____________________, a Personal Guarantor who has entered into a Personal Guaranty of the obligations of __________________________, the Franchisee under that certain Franchise Agreement dated __________________________ ("Franchise Agreement") by and between FAST UNDERCAR FRANCHISE, LLC ("Company") and Franchisee.

I hereby give my consent to my spouse's execution of the Franchise Agreement, Personal Guaranty, or both, depending on the box or boxes that I have marked off, and I agree that the actions and the obligations undertaken by my spouse under the referenced contract(s) shall be binding on the marital community and any interest I may have in any rights awarded to my spouse.

I declare that I have had the opportunity to request a copy of, and fully and carefully read, the Franchise Agreement, Personal Guaranty, or both, depending on the box or boxes that I have marked off, and have furthermore had the opportunity to seek the advice of independent counsel with respect to this Consent.

Dated: _________________________

Signature of Spouse: ____________________________

Print Name:_________________________

SCHEDULE “E”

FAST UNDERCAR FRANCHISE, LLC

COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, LISTINGS AND ASSUMED OR FICTITIOUS BUSINESS NAME

This Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name (“**Assignment**”) is entered into this _____________ day of ____________, _____ (“**Effective Date**”) in accordance with the terms of that certain Franchise Agreement (“Franchise Agreement”) between and the person(s) or entity identified on the signature block of this Agreement as “**Franchisee**” and **FAST UNDERCAR FRANCHISE, LLC,** a California limited liability company, the entity identified on the signature block of this Agreement as “**Company.**” This Assignment is being executed concurrently with the Franchise Agreement under which Company granted Franchisee the right to own and operate a franchise and license to operate a FAST UNDERCAR® outlet at a specific location (“**Franchised Outlet**”) and use the FAST UNDERCAR® System, Licensed Marks and other intellectual property rights of Company (“**Company’s IP**”). The Effective Date of this Assignment is the same as the Effective Date of the Franchise Agreement.

FOR VALUE RECEIVED, Franchisee hereby irrevocably and unconditionally assigns and transfers to Company all of Franchisee’s right, title, and interest in and to those certain telephone numbers, addresses, domain names, locators, directories, listings, and assumed or fictitious business names (collectively, the “**Numbers, Addresses, Listings and Names**”) Franchisee has used or is using in connection with the operation of the Franchised Outlet on the effective date of termination or expiration of the Franchise Agreement. This Assignment may not be revoked without the prior written consent of Company. The parties agree that this Assignment is for collateral purposes only and does not impose on Company any liability or obligation of any kind to Franchisee or any third party arising from or in connection with the operation of the Franchised Outlet or Franchisee’s acts or omissions. Company’s execution of this Assignment does not create or impose any express or implied obligations upon Company pertaining to the Numbers, Addresses, Listings and Names used by Franchisee on or before the effective date of termination or expiration of the Franchise Agreement. Furthermore, nothing in this Assignment is intended to, or shall, modify Franchisee’s indemnity agreement in the Franchise Agreement.

Upon termination or expiration of the Franchise Agreement (without renewal or extension) and in accordance with the requirements of the Franchise Agreement, Franchisee shall immediately cease using the Numbers, Addresses, Listings and Names and shall notify the telephone, Internet, email, electronic network, directory, and listing entities with which Franchisee has dealt (all such entities are collectively referred to herein as “**Provider Companies**”) to effectuate the assignment and transfer of Franchisee’s interest in the Numbers, Addresses, Listings and Names to Company pursuant to the terms of this Assignment. If Franchisee fails to do so, Franchisee agrees that this Assignment gives Company the absolute and unconditional authority to direct the Provider Companies on Franchisee’s behalf to effectuate the assignment and transfer of the Numbers, Addresses, Listings and Names to Company upon termination or expiration of the Franchise Agreement. The parties agree that the Provider Companies may accept Company’s written notice, the

Franchise Agreement or this Assignment as conclusive proof of Company's exclusive rights in and to the Numbers, Addresses, Listings, and Names as of the effective date of termination or expiration of the Franchise Agreement. The parties further agree that, if the Provider Companies require that the parties execute the Provider Companies' own assignment forms or other transfer documents following termination or expiration of the Franchise Agreement, Company's execution of those forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment.

Franchisee hereby appoints Company as Franchisee's true and lawful attorney-in-fact to direct the Provider Companies to assign the Numbers, Addresses, Listings, and Names to Company, and to execute such documents and take such actions as may be necessary to effectuate the assignment.

The parties agree that at any time after the date of this Assignment they will perform all additional acts and execute and deliver any documents as may be necessary to assist in or accomplish the purpose of this Assignment described herein upon termination or expiration of the Franchise Agreement.

IN WITNESS WHEREOF, the parties have signed this Assignment as of the Effective Date.

Company:	Franchisee:
______________________________	______________________________
By: ___________________________	By: ___________________________
Name: _________________________	Name: _________________________
Title: __________________________	Title: __________________________

SCHEDULE “F”

FAST UNDERCAR FRANCHISE, LLC

SBA ADDENDUM

ADDENDUM TO FRANCHISE AGREEMENT

[APPLICABLE ONLY IF FRANCHISEE OBTAINS SBA-GUARANTEED FINANCING]

THIS ADDENDUM (“Addendum”) is made and entered into on _____________, 20__, by and between FAST UNDERCAR FRANCHISE, LLC (“Company”), located at 3 DAKOTA DR., SUITE 110, NEW HYDE PARK, NEW YORK 11042, and ____________________ (“Franchisee”), located at ____.

Company and Franchisee entered into a Franchise Agreement on ______________, _____, (such Agreement, together with any exhibits, schedules and amendments is referred to as 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”). The 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 Company requires Franchisee to sign:

1. CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Company has an option to purchase or a right of first refusal with respect to that partial interest, Company 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 Company’s consent is required for any transfer (full or partial), Company will not unreasonably withhold such consent. In the event of an approved transfer of the interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

2. FORCED SALE OF ASSETS

- If Company 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 licensee 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 term (excluding additional renewals) for fair market value.

3. COVENANTS

- If the Franchisee owns the real estate where the licensee location is operating, Company 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.

4. EMPLOYMENT

- Company 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 Company.

As to the referenced Franchise Agreement, this Addendum automatically terminates when the 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.

Company and Franchisee acknowledge that submission of false information to the SBA, or the withholding of material information from the 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 COMPANY:

By: ___________________________

Print Name: ____________________

Title: _________________________

Authorized Representative of FRANCHISEE:

By: ___________________________

Print Name: ____________________

Title: _________________________

Note to Parties: This Addendum is based on a form created by the SBA. It only addresses "affiliation" between the Company and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all the SBA eligibility requirements.

EXHIBIT E
FAST UNDERCAR FRANCHISE, LLC
CONVERSION ADDENDUM
TO
FRANCHISE AGREEMENT

THIS CONVERSION ADDENDUM (the "Agreement") is made and entered into on _______________, _____ by and between FAST UNDERCAR FRANCHISE, LLC, a California limited liability company ("Company") and _____________________________________ ("Franchisee") with reference to the following facts:

R E C I T A L S

A. Company has approved Franchisee's application to acquire a FAST UNDERCAR® franchise as a conversion applicant based upon Franchisee's prior related experience and other qualifications.

B. Company and Franchisee have simultaneously entered into a certain Franchise Agreement on the same date stated above (the "Franchise Agreement") whereby Company has granted Franchise the right to use the FAST UNDERCAR® System and the Licensed Marks in the operation of a FAST UNDERCAR® outlet, and Company is willing to grant a license to Franchisee on the terms and conditions hereinafter set forth.

C. Franchisee understands that by becoming a FAST UNDERCAR® franchisee, it shall be subject to the covenants against competition, confidentiality agreements and standards of performance established by Company which did not attach to Franchisee before converting its business to a FAST UNDERCAR® Outlet;

D. The parties desire to amend the Franchise Agreement to set forth certain additional terms applicable to conversion franchisees only.

NOW, THEREFORE, the parties agree as follows:

1. DEFINITIONS. All capitalized terms used in this agreement shall have the same meaning assigned to them in the franchise agreement. the parties incorporate the recitals into this agreement to give them full force and effect.

2. AMENDMENTS TO FRANCHISE AGREEMENT.

2.1 Initial Training. Part-One Training shall consist of 40 hours of administrative and operational instruction geared specifically for conversion franchisees. On-Site Training shall consist of 24 hours of hands-on instruction in Franchisee's Outlet. All other terms and conditions regarding initial training set forth in the Franchise Agreement shall remain unchanged including, without limitation, Company's right to deliver all, or part, of Part One Training through an Internet-based delivery method that does not involve classroom instruction at a designated location or an instructor-led live training curriculum.

2.2 Initial Franchise Fee. The Initial Franchise Fee shall be $12,500, payable in full upon execution of the Franchise Agreement less any deposits previously paid by Franchisee before the date of the Franchise Agreement.

2.3 Franchise Location. Franchisee understands that it must apply to Company for approval to operate the franchise business from the same business premises where Franchisee conducted a related automobile distribution business before buying the franchise and that approval is based upon the same site selection criteria that Company applies to start-up franchisees. If Company rejects Franchisee's existing business premises, Franchisee must select a site within Franchisee's assigned Territory and complete Franchise Location Development, at its expense, in the manner provided in the Franchise Agreement.

2.4 Conversion of Existing Physical Facilities and Other Property. If Company approves Franchisee's existing business premises as the Franchise Location, then before Franchisee may commence business using the Licensed Marks, Franchisee shall, at Franchisee's sole expense, cease using or replace, as Company directs, those items of inventory, equipment, supplies, materials and other property, including, without limitation, signs, point of sale materials and advertising, not approved by Company or not conforming to the FAST UNDERCAR® System. Franchisee shall conform the appearance and design of its existing premises, and all inventory, equipment and property used to operate its former business to the standards and requirements of the FAST UNDERCAR® System as required by the Franchise Agreement. Franchisee shall remove, or destroy, any materials, signs or other distinctive features or designs formerly used by Franchisee or suggesting Franchisee's affiliation (past or present) with another business other than the FAST UNDERCAR® System. Franchisee shall convert all of its books of account to comply with Company's standard reporting requirements. Franchisee may not commence doing business under the Licensed Marks until Franchisee completes all conversion requirements imposed by Company.

2.5 Opening Date. The parties shall mutually agree upon the Opening Date and indicate it on Exhibit A hereto and incorporated herein by reference. If no date is inserted on Exhibit A, the parties agree that the Opening Date shall be 30 days from the date set forth on page 1 of this Agreement.

2.6 Secondary Signs. If Franchisee conducted a related automobile parts distribution business on the same premises as the Franchise Location before acquiring the franchise, Franchisee may request permission from Company to display secondary signs of such size, content and style, and for such duration, as Company prescribes for the purpose of advising the public of Franchisee's former trade name under which it did business before converting the premises to a FAST UNDERCAR® Outlet. In addition to the indemnity provisions in the Franchise Agreement, Franchisee agrees to indemnify and hold Company harmless from and against any liability, obligations, damages or claims of any kind brought by any franchise or distribution system to which Franchisee once belonged, or other third party, contesting Franchisee's decision to become a FAST UNDERCAR® franchisee or acceptance into the FAST UNDERCAR® System.

2.7 Addendum to Lease. Prior to the Opening Date, Franchisee shall execute and cause the landlord of the Franchise Location to execute the form of Addendum to Lease delivered to Franchisee as an exhibit to the Franchise Disclosure Document. Franchisee may not do business under the Licensed Marks unless and until Franchisee delivers a fully executed Addendum to Lease to Company. Franchisee's failure to deliver a fully executed Addendum to Lease to Company on or before the Opening Date shall be grounds permitting Company to terminate the Franchise Agreement. Termination shall be effective at the close of business on the 10th day after the date written notice of default is given to Franchisee if Franchisee does not deliver a fully executed Addendum to Lease to Company within the 10-day time period.

3. FULL FORCE AND EFFECT. EXCEPT AS EXPRESSLY AMENDED BY THIS AGREEMENT, THE FRANCHISE AGREEMENT SHALL BE AND REMAIN IN FULL FORCE AND EFFECT.

4. FURTHER ASSURANCES. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date stated on page 1.

[Company]

FAST UNDERCAR FRANCHISE, LLC

By:__________________________________

Its:__________________________________

[FRANCHISEE]

____
[Signature]

____
[Print Name]

____

[NAME OF CORPORATION OR PARTNERSHIP]

By:__________________________________

Its:__________________________________

SCHEDULE “A”
OPENING DATE

The Opening Date shall be as follows:

____________________, _________

Dated: __________________, _______

[COMPANY]

FAST UNDERCAR FRANCHISE, LLC

____
[Signature]

By:_________________________________

Its:_________________________________

[FRANCHISEE]

____
[Print Name]

[NAME OF CORPORATION OR PARTNERSHIP]

By:_________________________________

Its:_________________________________

EXHIBIT F

FAST UNDERCAR FRANCHISE, LLC

AREA DEVELOPMENT AGREEMENT

EXHIBIT F

FAST UNDERCAR FRANCHISE, LLC

AREA DEVELOPMENT AGREEMENT

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EXHIBITS

FAST UNDERCAR FRANCHISE, LLC

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (“Agreement”) is made and entered into on _______________, _____ by and between FAST UNDERCAR FRANCHISE, LLC, a California limited liability company (“Company”) and __________________________________ (“Developer”) with reference to the following facts:

R E C I T A L S

A. Company owns a distinctive system (the “FAST UNDERCAR® System”) for the establishment and operation of distribution outlets specializing in the sale of undercar parts, supplies and accessories (collectively referred to as “FAST UNDERCAR® Outlets”).

B. Company has the right to use and license the name FAST UNDERCAR® and the distinctive marks, logos and commercial symbols which identify FAST UNDERCAR® Outlets (collectively referred to as the “Licensed Marks”).

C. Company grants to persons who are able to meet Company’s qualifications and will undertake the necessary investment and effort, and Developer has applied for, the right to develop and operate a mutually agreed-upon number of FAST UNDERCAR® Outlets within a designated geographic area, pursuant to the FAST UNDERCAR® System and the further requirements and obligations set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. <u>DEFINITIONS</u>.

The capitalized terms used in this Agreement are defined in the paragraphs indicated below:

1.1 Controlling Interest - ¶9.2.5
1.2 Developer - ¶14.5.2
1.3 Development Deadline - ¶4.1
1.4 Developer’s Principal - ¶14.5.5
1.5 Development Quota - ¶4.1
1.6 Development Term - ¶2.
1.7 Developer’s Territory - ¶2.1
1.8 Franchise Agreement - ¶5.2.2
1.9 FAST UNDERCAR® Outlets - Recitals
1.10 FAST UNDERCAR® System - Recitals
1.11 Incapacity - ¶9.8.3
1.12 Index - ¶9.5.3
1.13 Individual Transferor - ¶9.3.1
1.14 Initiating Party - ¶12.1.1
1.15 Licensed Marks - Recitals
1.16 Mediation Service ¶12.1.1
1.17 Notice of Exercise - ¶9.3.3
1.18 Operations Manual - ¶5.1.1
1.19 Publicly Held Corporation - ¶9.2.4
1.20 Qualified Transfers - ¶9.3.6

1.21 Regional or National Account - ¶2.5.1.3
1.22 Responding Party - ¶12.1.1
1.23 Securities Review Fee - ¶9.5.1.2
1.24 Successor - ¶9.8.1
1.25 Territorial Rights Fee - ¶2.3.1
1.26 Third Party Offer - ¶9.3.1

2. DEVELOPMENT RIGHTS AND OBLIGATIONS.

2.1 Grant of Rights.

Subject to the terms and conditions of this Agreement, Company hereby grants to Developer, and Developer hereby accepts, the exclusive right to develop FAST UNDERCAR® Outlets within the geographic area described on **Schedule 1** attached hereto (said area is referred to as "Developer's Territory").

2.2 Limited Grant.

2.2.1 Company grants Developer no rights other than the rights expressly stated in this Agreement. Developer's use of the FAST UNDERCAR® System for any purpose, or in any manner, not permitted by this Agreement constitutes a breach of this Agreement.

2.2.2 Nothing in this Agreement gives Developer the right to sublicense the use of the Licensed Marks or FAST UNDERCAR® System to others.

2.2.3 Nothing in this Agreement gives Developer the right to object to Company's grant of franchises to others.

2.2.4 Nothing in this Agreement gives Developer an interest in Company or the right to participate in Company's business activities, investment or corporate opportunities.

2.3 Territorial Rights Fee.

2.3.1 Upon execution of this Agreement, Developer shall pay to Company a territorial rights fee of ____________________ Dollars ($_________) less the amount of the deposit (if any) previously paid by Developer upon application for area development rights (the "Territorial Rights Fee").

2.3.2 The parties acknowledge and agree that the Territorial Rights Fee represents the product of $12,500 multiplied by the number of FAST UNDERCAR® Outlets included in the Development Quota. Developer acknowledges that $12,500 represents 100% of the Initial Franchise Fee currently being charged by Company as of the date of this Agreement for a single unit franchise pursuant to Company's form of Franchise Agreement attached hereto as **Schedule 3**. Concurrently upon execution of this Agreement, Developer shall execute a Franchise Agreement for the first FAST UNDERCAR® Outlet in Developer's Development Quota. Each time Developer executes a Franchise Agreement for an additional FAST UNDERCAR® Outlet in fulfillment of the Development Quota, Company shall credit the sum of $12,500 to the Initial Franchise Fee payable under the Franchise Agreement until the total amount of the credits equals the Territorial Rights Fee.

2.3.3 If Developer does not fully satisfy the Development Quota for whatever reason or this Agreement otherwise terminates based upon Developer's default before expiration of the Development Term, Developer shall have no right to recover from Company, directly or indirectly, any portion of the unused Territorial Rights Fee, it being agreed that the execution of this Agreement by Company and Company's agreement to forego other development opportunities in the Development Territory while this Agreement is in effect is adequate consideration for Developer's payment of the Territorial Rights Fee, which is fully earned by Company upon the parties' execution of this Agreement and is not refundable under any condition.

2.4 Developer's Territory.

During the Development Term (as defined below), and provided Developer is not in default under this Agreement, Company agrees not to operate, or grant others the right to operate, a FAST UNDERCAR® Outlet in Developer's Territory. Developer acknowledges that this is the extent of Developer's rights with respect to Developer's Territory.

2.5 Company's Reserved Rights.

2.5.1 Developer acknowledges that Company reserves all rights to use the Licensed Marks and the FAST UNDERCAR® System in any channel of distribution, both within and outside Developer's Territory, not granted to Developer. Without limiting the foregoing, Company, on behalf of itself, Company's Affiliates and other licensees, may directly or indirectly:

2.5.1.1 Own, operate and grant licenses to others to use the Licensed Marks and FAST UNDERCAR® System anywhere and for any purpose in any channel of distribution, except in connection with the operation of an Outlet in Developer's Territory. "Outlet" means a physical location identified to the public by the Licensed Marks. For the sake of clarity and without limitation, Company, on behalf of itself, Company's Affiliates and other licensees, may directly or indirectly own, operate or grant licenses to others to own and operate a business under a trade name dissimilar from the Licensed Marks that sells goods and services comparable to the Proprietary Products and Non-Proprietary Products sold by FAST UNDERCAR® Outlets.

2.5.1.2 Offer and sell to the public, including to customers that reside or maintain a place of business in the Territory, through e-commerce or any other channel of distribution, the same or different Proprietary Products and Non-Proprietary Products that Company authorizes Franchisee to offer and sell from Franchisee's FAST UNDERCAR® Outlet.

2.5.1.3 Solicit and sell to Regional or National Accounts which are based either within or outside of the Territory and which own or license locations within the Territory. The term "Regional or National Account" means any customer owning or licensing multiple facilities operating nationwide or in a geographic area which is broader than, but which includes, all or part of the designated territory of any FAST UNDERCAR® Outlet, including Developer's Territory. For example, a Regional or National Account applies to a national chain of automotive repair shops with principal offices located in the Territory with which Company contracts to sell undercar parts to all of the account's repair shops, including stores located in the Territory. For purposes of defining the term Regional or National Account, it is irrelevant whether Company's arrangement requires Company to ship directly to each one of the Regional or National

Account's local facilities or to one or more central warehouses for redistribution by the Regional or National Account.

2.5.2 Franchisee understands and agrees that the license awarded to Franchisee permits Company to own and operate, and license others to own and operate, businesses in Developer's Territory that offer and sell aftermarket automotive parts and services at retail, wholesale or through any other channel of trade under trade names and trademarks dissimilar to the Licensed Marks.

2.5.3 Franchisee understands and agrees that the license awarded to Franchisee permits Company to use the Licensed Marks and FAST UNDERCAR® System in any channel of distribution either within or outside of Developer's Territory with the exception that Company may not operate, or grant others the right to operate, a FAST UNDERCAR® Outlet, in Developer's Territory under the Licensed Marks.

2.5.4

2.6 Delegation of Duties

In addition to Company's right to assign this Agreement, Company has the absolute right to delegate performance of any portion or all of its obligations under this Agreement to any third party designee of its own choosing, whether the designee is Company's Affiliate (as defined in **Schedule 3**), agent or independent contractor. In the event of a delegation of duties, the third party designee will perform the delegated functions in compliance with this Agreement. When Company delegates its duties to a third party (in contrast to when Company transfers and assigns all of its rights under this Agreement to a third party that assumes Company's obligations), Company will remain responsible for the performance of the third party to whom Company's duties are delegated.

3. DEVELOPMENT TERM.

The term of this Agreement ("Development Term") shall commence on the date written on page 1. Unless this Agreement is earlier terminated as provided below, the Development Term shall expire on the earlier to occur of the following 2 dates: (i) the date specified for the opening of the last FAST UNDERCAR® Outlet as set forth on **Schedule 2** hereto, or (ii) the date that the last FAST UNDERCAR® Outlet permitted to be open pursuant to this Agreement actually opens for business to the public.

4. DEVELOPMENT OBLIGATIONS.

4.1 Development Quota; Development Deadline.

Developer agrees to open and operate, within Developer's Territory, the number of FAST UNDERCAR® Outlets set forth on **Schedule 2** (the "Development Quota") from and after each point in time set forth on **Schedule 2** (each deadline identified on **Schedule 2** for fulfilling a Development Quota is referred to as a "Development Deadline").

4.2 Failure to Meet Development Conditions.

If Developer does not satisfy a Development Quota by the applicable Development Deadline, Company may terminate this Agreement, in which case the consequences of termination stated in this Agreement shall apply.

4.3 Closures.

4.3.1 If a FAST UNDERCAR® Outlet closes for any reason after having been opened for a period long enough, or under circumstances, for Company reasonably to believe the closure is permanent, and as a result of the closure Developer falls below the Development Quota applicable at the time of the closure, Developer shall have 6 months from the closing date in which to open a substitute FAST UNDERCAR® Outlet within Developer's Territory in its place.

4.3.2 During the period of closure, until the substitute FAST UNDERCAR® Outlet commences operating, Developer shall remain liable to pay monthly Royalty Fees and any Advertising Fees and Cooperative Advertising Fees for the closed FAST UNDERCAR® Outlet, on or before the 10th day of each month during the period of closure, equal to the average amount paid by Franchisee during the 6 months immediately preceding the date that operations cease or the shorter period that Franchisee has been in business.

5. GRANT OF FRANCHISES TO DEVELOPER.

5.1 Selection of Franchise Location.

5.1.1 Following the execution of this Agreement, Developer has the right to use Company's Confidential Operations Manual ("Operations Manual"), which contains, among other things, Company's current site selection criteria, including the demographic and physical requirements that Company currently applies in connection with site review and approval.

5.1.2 Unless specific locations are identified on **Schedule 2**, Developer shall propose to Company, for its approval, specific locations in Developer's Territory for FAST UNDERCAR® Outlets which Developer believes meet Company's site selection criteria. Each location that Developer proposes shall be subject to Company's approval, which Company shall not unreasonably withhold. Before Company shall be obligated to offer Developer a Franchise Agreement for any proposed location, Developer shall comply with all of the following conditions:

5.1.2.1 Developer's written site proposal shall be in the form indicated in Company's Operations Manual.

5.1.2.2 Following receipt of Developer's written site proposal, Company will make one on-site visit to the area where the proposed site is located if Company reasonably believes that physical inspection of the demographic conditions of the area, or the proposed site, is necessary or desirable to evaluate Developer's proposal. Developer acknowledges that the on-site visit is at Company's option and not required by this Agreement.

5.1.2.3 As long as Developer's written site proposal is completed properly and includes all of the supporting materials identified in the Operations Manual, Company will pay its own expenses to complete one on-site visit per Franchise Agreement entered into by the parties; however, if Company makes the trip and determines that the written site proposal is incomplete, Developer must pay Company a site review fee of $250 per day and reimburse Company for its actual travel expenses for transportation, lodging and personal expenses to send one employee to the site or area.

5.1.2.4 If Developer requests that Company make more than one on-site visit before a Franchise Agreement for the FAST UNDERCAR® Outlet under development is signed, or if Company determines that more than one on-site visit is necessary or desirable, before it will sign a Franchise Agreement for the FAST UNDERCAR® Outlet under development, Developer must pay Company, for each additional site visit per Franchise Agreement, a site review fee of $250 per day and reimburse Company for its actual travel expenses for transportation, lodging and personal expenses to send one employee per visit to the site or area.

5.1.3 Company shall have 21 days following receipt of Developer's completed site proposal to complete any site visit that it chooses to make and to approve or disapprove the proposed site by giving written notice to Developer.

5.1.4 Developer acknowledges that Company's failure to give timely notice of approval shall constitute Company's disapproval of the site proposed by Developer.

5.1.5 If Company indicates its approval of a proposed site, the parties shall mutually agree upon and identify the boundaries of the Territory which will be assigned to the approved site, which boundaries shall be set forth in a schedule to the Franchise Agreement for the FAST UNDERCAR® Outlet.

5.2 Operations Manual.

5.2.1 Following the execution of this Agreement, Company will provide to Developer a copy of Company's Operations Manual. Developer has the right to use the Operations Manual for as long as this Agreement is in effect, subject to the terms of this Agreement. The Operations Manual is, and at all times, will remain, Company's sole property. Upon expiration, termination or an assignment of this Agreement, Developer will cease using or accessing and, in accordance with Company's instructions will either promptly destroy or return to Company any physical copy or copies of the Operations Manual in Developer's possession.

5.2.2 Developer shall treat all information contained in the Operations Manual as confidential, and shall use all reasonable efforts to keep the information secret. Developer will not, without Company's prior written consent, copy, duplicate, record or otherwise reproduce the Operations Manual, in whole or in part, or otherwise make it available to any person not required to have access to its contents in order to carry out his or her employment functions.

5.2.3 If Company furnishes the Operations Manual to Developer in electronic form, Developer will not share Developer's password or other login information necessary to access the electronic version of the Operations Manual or other information that Company maintains on any system-wide intranet or private computer network maintained by Company for the benefit of all Developers. Developer will furthermore take steps to ensure that Developer's employees do not share their individual passwords or other login information with any other person. To the extent Developer or Developer's employees have a reason to print out or copy any part of the Operations Manual, the copies must be kept in Developer's office in a locked desk or file cabinet and Developer will only grant access to the key or lock combination of the desk or file cabinet to a Developer employee or other person who is required to have access to the Operations Manual in order to carry out his or her employment functions.

5.2.4 The Operations Manual contains both mandatory and recommended specifications, standards and operating procedures and information pertinent to the FAST UNDERCAR® System, a FAST UNDERCAR® Outlet and Developer's obligations under this Agreement. Developer shall fully comply with all mandatory specifications, standards, operating procedures and rules prescribed from time to time by Company in the Operations Manual or otherwise communicated to Developer in writing. The mandatory requirements now or hereafter contained in the Operations Manual or otherwise communicated to Developer in writing are incorporated in this Agreement by this reference, and a breach of any mandatory requirement shall constitute a breach of this Agreement and grounds for termination.

5.2.5 Company reserves the right to modify the Operations Manual from time to time to reflect changes that it may implement in the mandatory and recommended specifications, standards and operating procedures of the FAST UNDERCAR® System. All revisions will be reflected in written or electronic supplements to the Operations Manual or in other written or electronic communications delivered to Developer, and each supplement or communication shall become effective upon receipt. If updates are provided by "hard" copy as opposed to electronically or in some comparable format, Developer shall insert any updated pages in its copy of the Operations Manual upon receipt and remove superseded pages and return them to Company within 5 days following receipt. Developer shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Company.

5.2.6 Developer shall promptly notify Company if any volume or part of its copy of the Operations Manual is lost or destroyed for any reason. Provided (i) the loss is not the result of Developer's breach of its duty to keep the contents of the Operations Manual confidential, and (ii) Developer is not otherwise in default under this Agreement, Company shall furnish Developer with the needed replacement copy or portion of the current Operations Manual. Developer shall pay Company a replacement Operations Manual fee of $1,000.00 for each volume of the Operations Manual or part thereof requiring replacement, plus all shipping expenses, in full within 10 days following receipt of invoice.

5.3 Franchise Agreement.

5.3.1 If Company approves a site proposed by Developer and the parties mutually agree upon the boundaries of the Territory assigned to the approved site, Company will offer Developer a franchise to operate a FAST UNDERCAR® Outlet at that location by delivering to Developer a Franchise Agreement for the approved site in the form attached hereto as **Schedule 3** (the "Franchise Agreement"). For each franchise that Company offers to Developer, the parties will sign a separate Franchise Agreement. At the time that the parties execute the Franchise Agreement, Company will credit $12,500 of the Territorial Rights Fee to Developer's payment of the Initial Franchise Fee for the franchise rights granted to Developer by the Franchise Agreement.

5.3.2 Within 15 days after Company delivers the Franchise Agreement for an approved site, Developer shall execute the Franchise Agreement and any schedules to it, and return the executed documents to Company together with payment of the applicable Initial Franchise Fee computed in accordance with this Agreement. Should Developer fail to comply with this obligation, Company shall be under no obligation to sell a franchise for the approved site to Developer, and Developer shall run the risk of failing to satisfy the Development Quota set forth on **Schedule 2**.

5.3.3 Once the parties execute a Franchise Agreement for an approved site, their relationship, and the mutual rights and obligations of the parties, as to the development, ownership and operation of that site shall be exclusively governed by the Franchise Agreement and any other agreements entered into by either one or both of them pursuant thereto.

6. PROPRIETARY MARKS AND FAST UNDERCAR® SYSTEM.

Developer acknowledges that this Agreement does not constitute a franchise and does not grant Developer any right to use the Licensed Marks or the FAST UNDERCAR® System, and that Developer's right to use the Licensed Marks and FAST UNDERCAR® System is derived solely from each Franchise Agreement which may be entered into pursuant to this Agreement.

7. FULL TIME AND ATTENTION.

Developer shall devote full time and best efforts to the development obligations created by this Agreement.

8. DEFAULT AND TERMINATION OF DEVELOPMENT AGREEMENT.

8.1 Events Resulting in Termination By Company.

8.1.1 Company may terminate this Agreement, in its discretion and election, effective immediately upon Company's delivery of written notice of termination to Developer based upon the occurrence of any of the following events which shall be specified in Company's written notice, and Developer shall have no opportunity to cure a termination based on any of the following events:

8.1.1.1 Should Developer fail to satisfy any Development Quota or other opening requirement within the time period set forth in this Agreement;

8.1.1.2 Should Developer fail or refuse to pay, on or before the date payment is due, any fees or other amounts payable to Company pursuant to this Agreement, and should the default continue for a period of 10 days after written notice of default is given by Company to Developer;

8.1.1.3 Should Developer make any general arrangement or assignment for the benefit of creditors or become a debtor as that term is defined in 11 U.S.C. §101 or any successor statute, unless, in the case where a petition is filed against Developer, Developer obtains an order dismissing the proceeding within 60 days after the petition is filed; or should a trustee or receiver be appointed to take possession of all, or substantially all, of Developer's assets, unless possession of the assets is restored to Developer within 30 days following the appointment; or should all, or substantially all, of Developer's assets or the development rights be subject to an order of attachment, execution or other judicial seizure, unless the order or seizure is discharged within 30 days following issuance;

8.1.1.4 Should Developer, or any duly authorized representative of Developer, make a material misrepresentation or omission in obtaining the rights granted hereunder, or should Developer or any officer, director, shareholder, member, manager, or general partner of Developer be convicted of or plead no contest to a felony charge or engage in any conduct or practice that, in Company's reasonable opinion, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill or reputation of Company or to the business, reputation or goodwill of the FAST UNDERCAR® System or the Licensed Marks;

8.1.1.5 Should Developer fail to comply with the conditions governing the transfer of rights under this Agreement;

8.1.1.6 Should an order be made or resolution passed for the winding-up or the liquidation of Developer (if a corporation, LLC, partnership or other entity) or should Developer adopt or take any action for its dissolution or liquidation;

8.1.1.7 Should Developer make any unauthorized use, publication, duplication or disclosure of any portion of the Operations Manual;

8.1.1.8 Should Developer materially misuse or make an unauthorized use of any of the Licensed Marks or commit any other act which does, or can reasonably be expected to, materially impair the goodwill or reputation associated with any of the Licensed Marks or the FAST UNDERCAR® System;

8.1.1.9 After curing any default under this Agreement, should Developer engage in the same noncompliance, whether or not the subsequent default is timely corrected after notice is delivered to Developer, or, alternatively, if on 3 or more occasions within any 24 consecutive months during the Development Term, should Developer fail to comply with one or more requirements of this Agreement whether or not each separate default (which need not be the same act of noncompliance) is timely corrected after notice is delivered to Developer; or

8.1.2 Should Developer fail to comply with any other provision of this Agreement and not correct the default within 30 days after Company gives Developer written notice of the default, which notice shall describe the action that Developer must take to cure the default.

8.2 Effect of Termination or Expiration of Agreement.

If this Agreement terminates or expires:

8.2.1 The parties agree that each Franchise Agreement, and every other agreement, then in effect by and between the parties pertaining to a FAST UNDERCAR® Outlet owned by Developer shall remain in full force and effect, unless the grounds which Company has relied upon to terminate this Agreement also constitute grounds for termination of the other agreement(s) and Company has satisfied all requirements to terminate the other agreement(s);

8.2.2 Developer shall have no further right to enter into Franchise Agreements for the development of additional FAST UNDERCAR® Outlets in Developer's Territory, nor shall Developer have any right to prevent Company, or others, from owning and operating, or granting franchises to others to own and operate, FAST UNDERCAR® Outlets in Developer's Territory, subject, however, to the territorial rights, if any, that have been granted to Developer under each Franchise Agreement then in effect between the parties pertaining to a FAST UNDERCAR® Outlet owned by Developer;

8.2.3 In any proceeding in which the validity of termination of this Agreement is at issue, Company shall not be limited to the reasons set forth in any notice of termination or default given to Developer;

8.2.4 Developer shall immediately cease using and return to Company the Operations Manual and all documents and confidential or proprietary materials provided to Developer pursuant to this Agreement, and shall retain no copy or record of any of the foregoing. Continued use by Developer of any copyrighted material shall constitute willful copyright infringement and unfair competition by Developer; and

8.2.5 Developer shall execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents.

9. TRANSFER.

9.1 Assignment by Company.

This Agreement shall inure to the benefit of Company's successors and assigns. Company is free to assign all of its rights under this Agreement to any person or entity, provided the assignee agrees in writing to assume Company's obligations. Upon such assignment and assumption, Company shall have no further obligation to Developer.

9.2 Assignment by Developer: In General.

9.2.1 Developer acknowledges that the rights granted to it by this Agreement are personal, and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Developer and, if Developer is a corporation, LLC or other entity, that of its officers, directors, shareholders, managers, members, trustees or owners.

9.2.2 Developer acknowledges that it has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly, any interest in this Agreement or the right to use Licensed Marks granted pursuant to this Agreement without Company's prior written consent, which shall not unreasonably be withheld and shall be subject to the further conditions stated in this Agreement.

9.2.3 For purposes of this Agreement, each of the following events is an event of transfer requiring Company's prior written consent and subject to the conditions stated in this Paragraph 9:

9.2.3.1 A change in ownership of Developer due to a consolidation or merger involving Developer or Developer's parent company.

9.2.3.2 If Developer is an individual, an order dissolving Developer's marriage.

9.2.3.3 The death or Incapacity (as defined in this Agreement) of Developer if Developer is an individual, or the death or Incapacity of any person satisfying the definition of Developer's Principal (as defined in this Agreement).

9.2.3.4 A transfer of any interest in this Agreement, or a Controlling Interest in the equity or voting interests of Developer, to a trust of any kind.

9.2.3.5 The sale, assignment, transfer, pledge, donation, encumbrance or other alienation of more than 1% of the outstanding securities of Developer, or the authorization or issuance of additional shares representing more than 1% of the then-outstanding securities, if Developer is a Publicly Held Corporation.

9.2.3.6 The offer or sale of securities of Developer pursuant to a transaction subject to registration under federal or state securities laws or by private placement pursuant to a written offering memorandum.

9.2.3.7 The sale, assignment, transfer, pledge, donation, encumbrance or other alienation of a Controlling Interest in the equity or voting interests of Developer, or the issuance of additional shares representing a Controlling Interest in the equity or voting interests of Developer, if Developer is not a Publicly Held Corporation.

9.2.4 Developer is a "Publicly Held Corporation" if Developer is registered to sell its securities under the Securities Exchange Act of 1934.

9.2.5 "Controlling Interest" means the possession, directly or indirectly, of power to direct, or cause a change in the direction of, the management and policies of Developer. A "Controlling Interest" shall be presumed to be transferred if a transfer, either alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring, in the aggregate, more than 25% of the equity or voting interests in a Developer which is a corporation, LLC, partnership or other entity.

9.2.6 Any attempted or purported transfer which fails to comply with the requirements of this Agreement shall be null and void and shall constitute a default under this Agreement.

9.3 Company's Right of First Refusal.

9.3.1 Except with respect to Qualified Transfers, if Developer receives a written offer ("Third Party Offer") to purchase or otherwise acquire (a) Developer's rights under this Agreement, (b) more than a 1% interest in the outstanding securities of a Publicly Held Corporation, (c) any securities of Developer offered pursuant to a transaction which is subject to registration under federal or state securities laws or is offered by private placement pursuant to a written offering memorandum of any kind, or (d) a Controlling Interest in the equity or voting interests of Developer which is not a Publicly Held Corporation, Developer, or the person receiving such offer (the "Individual Transferor"), shall, within 5 days after receiving the Third Party Offer and before accepting it, apply to Company in writing for Company's consent to the proposed assignment.

9.3.2 Developer, or the Individual Transferor, shall attach to its application for consent a copy of the Third Party Offer together with (a) information relating to the proposed transferee's experience and qualifications, (b) a copy of the proposed transferee's current financial statement, and (c) any other information material to the Third Party Offer, proposed transferee and proposed assignment or that Company requests.

9.3.3 Company or its nominee shall have the right, exercisable by written notice ("Notice of Exercise") given to Developer or the Individual Transferor, within 30 days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Developer or the Individual Transferor that it will purchase or acquire the rights, assets, equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Company may (a) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (b) deduct from the purchase price the amount of any commission or fee otherwise payable to any broker or agent in connection with the Third Party Offer and all amounts then due and owing from Developer to Company under this Agreement or under any Franchise Agreement between the parties.

9.3.4 The closing shall take place at Company's headquarters at a mutually agreed upon date and time, but not later than 60 days following Company's receipt of the Third Party Offer, all supporting information, and the application for consent.

9.3.4.1 At the closing, Developer or the Individual Transferor shall deliver to Company the same documents, affidavits, warranties, indemnities and instruments as would have been delivered by Developer or the Individual Transferor to the proposed transferee pursuant to the Third Party Offer.

9.3.4.2 All costs, fees, document taxes and other expenses incurred in connection with the transfer shall be allocated between Developer and Company in accordance with the terms of the Third Party Offer, and any costs not allocated shall be paid by Developer or the Individual Transferor.

9.3.5 In the event Company gives timely Notice of Exercise but, through no fault of Developer or the Individual Transferor, fails to close the purchase for any reason, Developer or the Individual Transferor shall have no recourse against Company. Developer or the Individual Transferor may not complete the sale to the proposed transferee without first obtaining Company's prior written consent and satisfying the other conditions stated in this Paragraph 9.

9.3.6 Company's right of first refusal shall not apply to any of the following transfers ("Qualified Transfers"):

9.3.6.1 The transfer or assignment of equity or voting interests constituting less than a Controlling Interest of the equity or voting interests of a Developer which is not a Publicly Held Corporation.

9.3.6.2 If Developer is an individual, the transfer by Developer all of his or her rights under this Agreement to a newly-formed corporation, LLC or other entity provided all of the equity or voting interests of the new entity are owned by the individual.

9.3.6.3 A transfer due to the death or Incapacity of Developer or any person satisfying the definition of Developer's Principal, provided the transfer is made to the spouse, adult children, heirs or legal representative of the deceased or incapacitated person.

9.4 Conditions of Assignment to Third Party.

9.4.1 If Company does not exercise its right of first refusal or complete the purchase of the interest which is the subject of a Third Party Offer, or in the event of a Qualified Transfer or other event of transfer which requires Company's prior written consent, Company shall determine whether or not to issue its consent to the proposed transfer and shall notify Developer of its decision by no later than the following dates: (a) if Company gives timely Notice of Exercise but does not consummate the transfer through no fault of Developer or the Individual Transferor, notice shall be given within 10 days after the scheduled closing date for Company's purchase of the interest, or 30 days after Notice of Exercise is given, whichever occurs latter, or (b) in all other cases, notice shall be given 30 days following Company's receipt of the Third Party Offer (if any), all supporting information and the application for consent.

9.4.2 As a condition to issuing consent to a transfer, Company shall require that all of the following conditions be satisfied:

9.4.2.1 The proposed transferee must meet Company's then-current qualifications for an area developer of a territory similar in size and demographic characteristics to Developer's Territory, including qualifications pertaining to financial condition, credit rating, business experience, moral character and reputation.

9.4.2.2 Unless the transfer is a Qualified Transfer, Developer shall pay to Company a transfer fee of $2,500 when Developer applies to Company for consent to the proposed transfer. That amount shall be in addition to the payment of any transfer fee due under any Franchise Agreement if the assignment and transfer of this Agreement occurs contemporaneously with the assignment of one or more Franchise Agreements. If consent is denied, Company may retain $1,500 as compensation for its expenses in reviewing the proposed transfer application;

9.4.2.3 Developer must execute and deliver a general release, in form satisfactory to Company, of any and all claims against Company and its officers, directors, shareholders, employees and agents;

9.4.2.4 The proposed transferee must execute all other documents and agreements required by Company to evidence the assumption of Developer's obligations under this Agreement and under any other agreements which are contemporaneously being assigned; provided, however, that nothing in this Agreement requires that, in connection with the transfer and assignment of this Agreement, Developer also assign and transfer to the same proposed transferee any or all other agreements then in effect by and between Developer and Company or Company's Affiliates (as defined in **Schedule 3**). In no event may other agreements be contemporaneously assigned either to the same or to other transferees unless Developer satisfies all conditions for transfer imposed under the other agreements;

9.4.2.5 If the proposed transferee is a corporation, LLC or other entity, each person who at the time of the assignment, or later, owns or acquires, either legally or beneficially, 10% or more of the equity or voting interests of the proposed transferee must execute Company's form of personal guaranty attached hereto as **Schedule 4** and incorporated herein by reference.

9.4.2.6 Developer's right to receive the sales proceeds from the proposed transferee for the rights being assigned, or otherwise, shall be subordinate to the proposed transferee's and Developer's duties owed to Company or Company's Affiliates under, or pursuant to, this Agreement or any other agreement, including under any Franchise Agreement, Lease or Sublease (as those terms are defined in **Schedule 3**). All contracts by and between Developer and the proposed transferee shall provide for the foregoing subordination and may further provide that so long as the proposed transferee is not in default to Company in the performance of any of its obligations, the proposed transferee may pay the sales proceeds to Developer; and

9.4.2.7 As of the date consent is requested and through the date of closing of the proposed transfer and assignment, Developer must not be in default under this Agreement or under any other agreements with Company, including Franchise Agreements for FAST UNDERCAR® Outlets owned by Developer, and must be current with all monetary obligations owed to third parties.

9.5 Additional Conditions Applicable to the Sale of Certain Securities.

9.5.1 Whenever the issuance, offer or sale of securities of Developer (whether or not Developer is a Publicly Traded Corporation) is subject to registration under federal or state securities laws or is offered by private placement pursuant to a written offering memorandum of any kind, Developer shall do all of the following at least 45 days before the proposed effective date of the registration or the delivery of any private placement memorandum:

9.5.1.1 Submit all offering or registration materials to Company for its prior review.

9.5.1.2 Reimburse Company for its actual expenses incurred in connection with reviewing the offering or registration materials, including (without limitation) attorneys' fees, accountants' fees and travel expenses, in an amount not to exceed $25,000 (the "Securities Review Fee").

9.5.1.3 Provide Company with a written opinion of counsel, in the form and covering the matters prescribed by Company, that the offering or registration complies with all applicable laws.

9.5.1.4 Agree in writing to fully indemnify and hold Company harmless from and against any claims, demands, liability, costs or expenses of any kind arising out of the private or public securities offering and avoid any implication that Company participates in, or endorses, the securities offering.

9.5.2 Developer shall promptly delete or correct any statements concerning the FAST UNDERCAR® System, Licensed Marks or experience of FAST UNDERCAR® Outlets made in connection with any private or public securities offering that Company may reasonably object to following notice from Company.

9.5.3 The Securities Review Fee shall be increased annually on January 1 of each year during the Development Term by an amount equal to the percentage increase, if any, in the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics for the Los Angeles-Anaheim-Riverside, All Urban Consumers (All Items 1982 = 100), or if that index is no longer published then by a comparable index selected by Company (the “Index”), comparing the Index level existing on January 1 of each subsequent year during the Development Term with the Index level existing on January 1 of the year in which the Development Term commenced.

9.6 Closing of Sale to Third Party.

9.6.1 Should Company consent to a transfer to a third party, Developer, or the Individual Transferor, may only complete the transfer to the proposed transferee on the terms identified in the Third Party Offer or as otherwise stated in Developer’s application for consent.

9.6.2 If there is any material change in the terms of the Third Party Offer, Company has a right of first refusal to accept the new terms subject to the conditions stated in this Paragraph 9.

9.6.3 If Company consents to the transfer to a third party, the transfer must close within 60 days from the date the Third Party Offer is first submitted to Company unless Company grants an extension of time in writing; otherwise, it must again be offered to Company.

9.7 Corporate/Entity Developer.

9.7.1 If Developer is a corporation, LLC, partnership, or other entity, it shall furnish to Company, upon execution of this Agreement or at such other time as transfer to the entity is permitted, a copy of its articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement, and a list of all persons owning an interest in the equity or voting interests of the entity. Additionally, Developer shall promptly provide Company with a copy of any amendments to, or changes in, the information during the Development Term.

9.7.2 During the Development Term, each person who now or later owns or acquires, either legally or beneficially, 10% or more of the equity or voting interests of Developer must execute Company’s form of personal guaranty attached hereto as **Schedule 4**.

9.7.3 Developer shall maintain stop transfer instructions against the transfer on its records of any equity or ownership interests. Each certificate representing an ownership interest in Developer shall bear a legend, in the form stated in the Operations Manual, that it is held, and further assignment or transfer thereof is, subject to all restrictions imposed upon transfer set forth in this Agreement.

9.7.4 The chief financial officer of Developer shall deliver a certificate to Company annually, within 90 days after the end of Developer’s fiscal year, or if none, the end of each calendar year, during the Development Term, which lists all owners of record and all beneficial owners of any interest in the equity or voting interests of Developer and identifies all transfers of equity or voting interests in Developer which have occurred during the past year.

9.8 Death or Incapacity.

9.8.1 In the event of the death or Incapacity of Developer or any person satisfying the definition of Developer's Principal, the spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners (collectively referred to as the "Successor") shall have 180 days from the date of death or Incapacity in which to (i) purchase the interest of the deceased or incapacitated person in this Agreement or in Developer, or (ii) complete the sale or assignment of the interest to a qualified, approved third party, provided, in either case, the purchase or assignment complies with the conditions for transfer stated in this Paragraph 9.

9.8.2 During the period before the Successor purchases the interest or completes the sale, the Successor shall perform all of the obligations of Developer under this Agreement. At the end of the 180 day period, if the Successor has not purchased the franchise or obtained Company's consent to a transfer to a third party, Company may, at its election, terminate this Agreement.

9.8.3 For purposes of this Agreement, the term "Incapacity" means an inability due to medical reasons to devote full time and attention to operation of the development obligations created by this Agreement for at least 4 months in the aggregate during any consecutive 12 month period during the Development Term, based upon the examination and findings of a physician selected by Company. A period of Incapacity shall continue without interruption unless and until the person suffering the Incapacity resumes his or her duties under this Agreement on a full time basis for 30 consecutive days.

10. RELATIONSHIP OF PARTIES; INDEMNIFICATION.

10.1 Independent Contractor.

10.1.1 This Agreement does not create a fiduciary relationship between the parties, nor does it make either party a general or special agent, joint venturer, partner or employee of the other for any purpose.

10.1.2 With respect to all matters, Developer relationship to Company is as an independent contractor.

10.1.3 Developer acknowledges that it is the independent owner of the rights granted by this Agreement and shall conduct its business using its own judgment and discretion, subject only to the provisions of this Agreement.

10.1.4 Developer shall conspicuously identify itself in all advertising and all dealings with customers, suppliers and other third parties as the owner of this business operating under rights granted by Company.

10.2 Indemnification by Developer.

10.2.1 Developer shall indemnify and hold Company and Company's officers, directors, shareholders, employees, agents, successors and assigns, harmless from and against any and all costs, expenses, losses, liabilities, damages, causes of action, claims and demands whatsoever, arising from or relating to Developer's activities conducted pursuant to this Agreement, whether or not arising from bodily injury, personal injury or property damage, or any other violation of the rights of others, or in any other way.

10.2.2 Developer's indemnification obligation shall extend, without limitation, to all claims and obligations arising from the business conducted by Developer pursuant to this Agreement, actual and consequential damages, and Company's costs and expenses incurred in defending any third party claim covered by Developer's indemnification, including, without limitation, attorneys and other professional fees, court costs, and travel and living expenses. Company shall have the right to retain its own counsel to defend any third party claim asserted against it which is covered by this indemnification agreement.

10.2.3 Developer's indemnification obligation shall survive the expiration or termination of this Agreement for any reason.

11. PERSONAL GUARANTY.

11.1 Scope.

If Developer is a corporation, LLC or other entity, each person who owns or at anytime during the Development Term acquires, either legally or beneficially, 10% or more of the equity or voting interests of Developer shall furnish any financial information reasonably required by Company and execute Company's form of personal guaranty attached to this Agreement as **Schedule 4**.

11.2 Default.

An event of default under this Agreement shall occur if any guarantor fails or refuses to deliver to Company, within 10 days after Company's written request: (i) evidence of the due execution of the personal guaranty, and (ii) current financial statements of guarantor as may from time to time be requested by Company.

12. DISPUTE RESOLUTION.

12.1 Agreement to Mediate Disputes.

Except as provided in Paragraph 12.2, no party shall bring a civil action seeking enforcement of, or any other legal remedy founded on, this Agreement until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this Agreement.

12.1.1 The mediation shall be conducted pursuant to the rules of JAMS ("the Mediation Service"). Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the Mediation Service in writing, with a copy to the other party (the "Responding Party"). The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with Mediation Service's then current rules, except to the extent such rules conflict with this Agreement, in which case this Agreement shall control.

12.1.2 The mediation will be conducted by a single mediator, who must either be a practicing attorney with experience in business format franchising or a retired judge with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

12.1.3 The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether Company or Developer is the Initiating Party, the mediation shall be conducted at Company's offices, unless Company and Developer agree upon a mutually acceptable alternative location.

12.1.4 The parties shall participate in good faith in the mediation with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties. The parties recognize and agree, however, that the mediator's recommendations and decision, if any, shall not be binding on the parties.

12.1.5 The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

12.1.6 At the mediator's discretion, or upon either party's request, the mediator will provide a written evaluation of each party's claims and defenses and of the likely resolution of the dispute if not settled. The parties agree that the mediator is not acting as an attorney or providing legal advice on behalf of any party.

12.1.7 The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

12.1.8 If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation, and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

12.2 Exceptions to Duty to Mediate Disputes.

The obligation to mediate shall not apply to any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond.

12.3 Judicial Relief.

12.3.1 The parties agree that (a) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (b) all claims described in Paragraph 12.2, shall be brought exclusively in the Superior Court of California for the County of Ventura or in the branch of the United States District Court of the Central District of California located closest to Company's headquarters. The parties agree to submit to the jurisdiction of said courts.

12.3.2 To the fullest extent that it may effectively do so under applicable law, Developer waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this paragraph and agrees not to commence any action of any kind against Company or any of its officers, directors, employees, agents or property arising out of or relating to this Agreement except in the courts identified in this paragraph.

12.3.3 The parties agree to waive any right to a trial by jury in any action arising out of or relating to this Agreement, as further provided in this Agreement.

12.3.4 In any proceeding alleging breach of this Agreement, each party shall have the right to engage in deposition and document discovery. In connection with any application for any interim relief, as set forth above, each party may conduct discovery on an expedited basis.

12.4 Choice of Law.

The parties agree that California law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

12.5 Limitations Period.

To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than the last to occur of the following: (i) 90 days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation proceeding which is initiated before the last day of the limitations period, and such toll shall commence on the date the Responding Party receives the Initiating Party's demand for mediation and continue until the date the mediation is concluded.

12.6 Punitive or Exemplary Damages.

12.6.1 Company and Developer, and their respective directors, officers, shareholders and guarantors, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

12.7 Attorneys' Fees.

12.7.1 Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

12.7.2 Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

12.8 Waiver of Collateral Estoppel.

The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and Developer therefore each agree that a decision of a judge in any proceeding or action in which either Company and Developer, but not both of them, is a party will not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and Developer. Company and Developer therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

12.9 Waiver of Class Action Proceedings and Relief.

Company and Developer agree that any mediation or litigation initiated or brought by either party against the other will be conducted only on an individual basis, not on a class-wide basis, and there may be no consolidation or joinder of other claims or controversies involving any other Developer. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and Developer both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

13. <u>ACKNOWLEDGEMENTS</u>.

13.1 Developer acknowledges and represents to Company, to induce Company to enter into this Agreement, that:

13.1.1 Developer has read this Agreement and Company's Uniform Franchise Disclosure Document ("UFDD") and understands and accepts the terms, conditions and covenants contained in this Agreement;

13.1.2 Developer has conducted an independent investigation of the FAST UNDERCAR® System and acknowledges Company's right to modify the FAST UNDERCAR® System at any time in Company's sole discretion;

13.1.3 Developer has not received or relied upon any promise or guaranty, express or implied, about the revenues, profits or success of the business venture contemplated by this Agreement;

13.1.4 No representations have been made by Company, or by its officers, directors, shareholders, employees or agents, that are contrary to statements made in the UFDD previously received by Developer or to the terms contained in this Agreement;

13.1.5 Developer, if an individual, or each person executing a guaranty of Developer's obligations, is a United States citizen or a lawful resident alien of the United States; and

13.1.6 Developer, if a corporation, LLC, partnership or other entity, is duly organized and in good standing; and

13.1.7 All financial and other information provided to Company in connection with Developer's application to acquire development rights is true and correct and no material information or fact has been omitted which is necessary in order to make the information disclosed not misleading.

13.2 <u>Anti-Terrorism Representations</u>

Developer agrees to comply with and/or to assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Developer certifies, represents and warrants on behalf of itself and Developer's Principal that none of their property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Developer is not otherwise in violation of any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of, or "blocking" of assets under, the Anti-Terrorism Laws shall constitute grounds for immediate termination of this Agreement and any other agreement Developer has entered into with Company or one of its affiliates, in accordance with the termination provisions of this Agreement.

14. MISCELLANEOUS.

14.1 Notices.

14.1.1 All communications required or permitted to be given to either party hereunder shall be in writing and shall be deemed duly given on the earlier of (a) the date when delivered by hand; (b) one business day after delivery to a reputable national overnight delivery service; or (c) 4 business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested.

14.1.2 All notices shall be addressed to Developer at the following address: ____; and to Company at its headquarters at 3 Dakota Drive, Suite 110, New Hyde Park, New York 11042.

14.1.3 Either party may change its address for receiving notices by appropriate written notice to the other.

14.1.4 All payments and reports required to be delivered to Company shall be directed to Company at the above address.

14.1.5 Notwithstanding the parties' agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by Company during regular business hours on the date it is due shall be deemed delinquent.

14.2 Time of the Essence.

Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

14.3 Withholding of Consent.

Except where this Agreement expressly obligates Company to reasonably approve or not unreasonably withhold its approval of any action or request by Developer, Company has the absolute right to refuse any request by Developer or to withhold its approval of any action by Developer. Further, whenever the consent or approval of Company is required under this Agreement such consent or approval must be in writing unless this Agreement specifies otherwise.

14.4 Waiver.

14.4.1 Any waiver granted by Company to Developer excusing or reducing any obligation or restriction imposed under this Agreement shall be in writing and shall be effective upon delivery of such writing by Company to Developer or upon such other effective date as specified in the writing, and only to the extent specifically allowed in such writing.

14.4.2 No waiver granted by Company, and no action taken by Company, with respect to any third party shall limit Company's discretion to take action of any kind, or not to take action, with respect to Developer. Any waiver granted by

Company to Developer shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative.

14.4.3 No delay on the part of Company in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Company of any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy.

14.4.4 Company's acceptance of any payments made by Developer after a breach of this Agreement shall not be, nor be construed as, a waiver by Company of any breach by Developer of any term, covenant or condition of this Agreement.

14.5 Paragraph Headings; Language.

14.5.1 The paragraph headings used in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement.

14.5.2 The language used in this Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against Company or Developer. The term "Developer" as used herein is applicable to one or more persons, corporations, partnerships or entities, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Developer hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Company shall be joint and several.

14.5.3 Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto.

14.5.4 Whenever this Agreement refers to "business days," it shall mean weekdays only, excluding Saturdays, Sundays and holidays.

14.5.5 The term "Developer's Principal" means the person owning a Controlling Interest (as defined in this Agreement) of the equity or voting interests of Developer if Developer is a corporation, LLC or other entity or a general partner of Developer if Developer is a partnership.

14.6 Binding on Successors.

The covenants, agreements, terms and conditions contained in this Agreement shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties hereto.

14.7 Validity; Conformity With Applicable Law.

14.7.1 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

14.7.2 To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non renewal or the like other than in accordance with applicable law, such provisions shall be deemed to be automatically amended to conform them to the provisions of such applicable law.

14.8 Amendments.

No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on any party unless it is set forth in writing and executed: (a) on behalf of Developer, by Developer if Developer is an individual, and, if not, by an authorized agent or officer of Developer; and (b) on behalf of Company, by any duly authorized officer of Company.

14.9 Complete Agreement.

This Agreement, including all schedules, agreements and documents attached hereto sets forth the entire agreement between the parties, fully superseding any and all prior agreements or understandings between them pertaining to the subject matter hereof. The terms and conditions of all schedules are expressly incorporated herein or made a part hereof.

14.10 Covenant and Condition.

Each provision of this Agreement performable by Developer shall be construed to be both a covenant and a condition.

14.11 Submission of Agreement.

The submission of this Agreement to Developer does not constitute an offer to Developer, and this Agreement shall become effective only upon execution by Company and Developer.

15. WAIVER OF JURY TRIAL.

COMPANY AND DEVELOPER EACH HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER COMPANY OR DEVELOPER ON ANY MATTER WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, THE USE OF THE PROPRIETARY MARKS OR FAST UNDERCAR® SYSTEM BY DEVELOPER, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY OR OTHERWISE, NOW OR HEREAFTER IN EFFECT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW.

16. FURTHER ASSURANCES.

Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date stated on page 1.

[Company]

FAST UNDERCAR FRANCHISE, LLC

By: ________________________________

Its: ________________________________

[DEVELOPER]

____
[Signature]

____
[Print Name]

____
[NAME OF CORPORATION OR PARTNERSHIP]

By: ________________________________

Its: ________________________________

SCHEDULE 1

Description of Developer's Territory

SCHEDULE 2

Development Quota

FAST UNDERCAR® Outlet	Date by Which FAST UNDERCAR® Outlet Shall Open For Business [or specify length of interval between openings]
Unit #1	____________________
Unit #2	____________________
Unit #3	____________________
Unit #4	____________________
Unit #5	____________________
Unit #6	____________________
Unit #7	____________________
Unit #8	____________________

[Attach supplement as needed]

SCHEDULE 3

Franchise Agreement

SCHEDULE 4

Personal Guaranty

EXHIBIT G

ADDENDUM (“Addendum”)

TO LEASE DATED (“Lease”)

BY AND BETWEEN (“Landlord”)

AND (“Tenant or Franchisee”)

RE: RIGHTS OF FAST UNDERCAR FRANCHISE, LLC (“Company”)

I. WHEREAS, Company and Tenant are parties to a certain Franchise Agreement dated __________________ (the “Franchise Agreement”), pursuant to which Company has granted Franchisee a franchise and license to use the FAST UNDERCAR® System and the FAST UNDERCAR® Licensed Marks in operating a FAST UNDERCAR® Outlet on the terms and conditions stated in the Franchise Agreement; and

II. WHEREAS, Company has approved Franchisee’s request to locate its FAST UNDERCAR® Outlet in certain premises (“Premises”) owned by Landlord which is the subject of the Lease attached hereto as **Schedule A**, provided that the conditions and agreements set forth in this Addendum are made a part of the Lease.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A. Assignment of Lease. Franchisee irrevocably assigns and transfers to Company all of Franchisee’s right, title, and interest in and to the Lease and all options contained therein. This assignment may not be revoked without the prior written consent of Company. The parties acknowledge that, until Company accepts the assignment made by Franchisee, Company has no obligations, liabilities, or responsibilities under the Lease of any kind, including, without limitation, as a guarantor or indemnitor of Tenant’s obligations to Landlord. Company’s signature below does not create or impose any obligations upon Company.

B. Use of Property. The Premises shall be used solely for the operation of a FAST UNDERCAR® Outlet. Company may enter the Premises at any time to inspect Franchisee’s operations and engage in all activities expressly permitted by the Franchise Agreement.

C. Default in Franchise Agreement. Franchisee’s default under the Franchise Agreement for any reason shall constitute an event of default under the Lease, which can only be cured if the Franchise Agreement default is timely cured by Franchisee.

D. Notices to Company. Landlord shall serve Company with a copy of any notice of default, breach or termination of Lease at the same time at serves Franchisee with such notice.

E. Incorporation by Reference. Landlord and Franchisee expressly incorporate the terms of this Addendum as part of the Lease.

F. Default by Franchisee. Landlord agrees not to terminate the Lease based on Franchisee's breach or default until it has given Company written notice identifying the breach or default and at least 10 days to cure the breach or default. If Company chooses not to cure the breach or default, Landlord may terminate the Lease in the manner provided in the Lease, but shall have no remedy against Company.

G. Acceptance of Assignment by Company. Company may accept the assignment of the Lease at any time before the Lease expires if: (a) Company terminates the Franchise Agreement for any reason, or (b) Franchisee loses the right to occupy the Premises for any reason other than expiration of the Lease or condemnation or destruction of the Premises on the terms stated in the Lease. To accept the assignment, Company must give written notice to Landlord and Franchisee. If Company accepts the assignment, at Company's election, from and after the date of acceptance: (i) Company shall have all of the rights of Franchisee under the Lease and Franchisee shall be deemed to be a sublessee of Company on the terms and conditions contained in this Lease; (ii) Company shall have the right to assign or sublet all or any part of its interest in the Lease or in the Premises to another FAST UNDERCAR® franchisee without Landlord's prior consent; and (iii) Company shall be liable to perform only the obligations of Franchisee under the Lease arising from and after the date of Company's acceptance of the assignment and shall have no liability for obligations arising before Company's acceptance of the assignment.

H. Landlord's Agreements. In addition to agreements stated elsewhere in this Addendum, for the benefit of Company, Landlord agrees not to (a) accept Franchisee's voluntary surrender of the Lease without prior notice to Company, or (b) amend the Lease without Company's prior written consent.

I. Communications. Any notices required in this Addendum must be in writing and will be deemed given when actually delivered by personal delivery or 4 days after being sent by certified or registered mail, return receipt requested, if addressed as follows:

Company: FAST UNDERCAR FRANCHISE, LLC
Attention: President
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042

Landlord: ____________________________
____
____

Tenant: ____________________________
____
____

Any party may change its address for receiving notices by appropriate written notice to the other.

J. Miscellaneous. Any waiver excusing or reducing any obligation imposed by this Addendum shall be in writing and executed by the party who is charged with making the waiver and shall be effective only to the extent specifically allowed in such writing. The language used in this Addendum shall in all cases be construed simply according to its fair meaning and not strictly for or against any party. Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto. This Addendum shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs, and personal representatives of the parties hereto. This Addendum sets forth the entire agreement with regard to the rights of Company, fully superseding any and all prior agreements or understandings between the parties pertaining to the subject matter of this Addendum. This Addendum may only be amended by written agreement duly executed by each party.

K. Waiver of Jury Trial. LANDLORD, TENANT AND COMPANY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM, OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER LANDLORD, TENANT OR COMPANY ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ADDENDUM, THE RELATIONSHIP OF LANDLORD, TENANT AND COMPANY, THE USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY, OR OTHERWISE NOW OR HEREAFTER IN EFFECT.

L. Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

IN WITNESS WHEREOF, this Addendum is made and entered into by the undersigned parties as of ________________________, _______.

COMPANY: **FAST UNDERCAR FRANCHISE, LLC**

BY: ________________________________

LANDLORD: ____________________________________

BY: ________________________________

FRANCHISEE: ____________________________________

BY: ________________________________

SCHEDULE “A”

[ATTACH COPY OF LEASE]

EXHIBIT H

PERSONAL GUARANTY

THIS GUARANTY AGREEMENT ("Agreement") is made as of ________________, _____, by ___________________________, an individual ("Guarantor") in favor of FAST UNDERCAR FRANCHISE, LLC (the "Company"), subject to the following recitals:

R E C I T A L S

A. Guarantor's company, ____, a ______________________________ ("Debtor") has applied to the Company to purchase franchise or area development rights to operate one or more FAST UNDERCAR® outlets. Debtor is an entity other than a partnership duly organized under the laws of the State of _____________________.

B. The Company grants franchise or area development rights to qualified applicants willing to execute the following documents, which are collectively referred to as the "Contracts," copies of which the Company attached as exhibits to the Franchise Disclosure Document that the Company has delivered to Franchisee: Franchise Agreement; Area Development Agreement (if Company grants Debtor area development rights); General Release; Addendum to Lease; and Confidentiality, Non-Disclosure and Non-Competition Agreement.

C. When the applicant for a franchise is an entity other than a partnership, the Company requires that each person owning 10% or more of the equity or voting interests of the franchisee execute a copy of this Agreement, agreeing to personally guaranty the franchisee's obligations under each one of the Contracts for the benefit of the Company.

D. Guarantor represents that he/she is one of the individuals identified on Exhibit A, which lists all of the owners of Debtor, and that Guarantor owns, either legally or beneficially, 10% or more of the equity or voting interests of Debtor.

NOW, THEREFORE, in order to induce the Company to enter into the Contracts with Debtor, Guarantor covenants and agrees with the Company as follows:

Section 1. Guaranty.

(a) Guarantor hereby unconditionally and irrevocably guarantees to each of the Company the full and punctual payment and performance of all present and future amounts, liabilities and obligations of Debtor to the Company or to any successor or transferee thereof under each of the Contracts entered into by and between Debtor and the Company. Guarantor's agreement shall apply regardless of whether the amounts, liabilities or obligations are liquidated or unliquidated, now existing or hereafter arising, in principal, interest, delinquency charges, costs and attorney's fees, as therein stipulated, and under and pursuant to all amendments, supplements and restatements of the Contracts (collectively, the "Indebtedness").

(b) Payments made on the Indebtedness will not discharge or diminish the obligations and liability of Guarantor under this Agreement for any remaining and succeeding Indebtedness.

(c) The guarantee provided for in this Agreement is an absolute, unconditional, continuing guarantee of payment and is in no way conditioned upon or limited by: (i) any attempt to collect from Debtor; (ii) any attempt to collect from, or the exercise of any rights and remedies against, any person other than Debtor who may at any time now or hereafter be primarily or secondarily liable for any or all of the Indebtedness, including, without limitation, any other maker, endorser, surety, or guarantor of all or a portion of the Indebtedness; or (iii) any resort or recourse to or against any security or collateral now or hereafter pledged, assigned, or granted to the Company under the provisions of any instrument or agreement or otherwise assigned or conveyed to it.

(d) If Debtor fails to pay any of the Indebtedness, when and as the same shall become due and payable (whether by acceleration, declaration, extension or otherwise), Guarantor shall on demand pay the same to the Company in immediately available funds, in lawful money of the United States of America, at its address specified in or pursuant to this Agreement.

Section 2. Solidary Obligation.

Guarantor hereby binds and obligates Guarantor and Guarantor's heirs, successors and assigns in solido with Debtor for the full and punctual payment and performance of all of the Indebtedness precisely as if the same had been contracted and were due and owing by Guarantor personally.

Section 3. Obligations Absolute.

(a) The obligations and liabilities of Guarantor under this Agreement (i) are primary obligations of Guarantor, (ii) are continuing, absolute, and unconditional, (iii) shall not be subject to any counterclaim, recoupment, set-off, reduction, or defense based upon any claim that Guarantor may have against Debtor, (iv) are independent of any other guaranty or guaranties at any time in effect with respect to all or any part of the Indebtedness, and (v) may be enforced regardless of the existence of such other guaranty or guaranties.

(b) The obligations and liabilities of Guarantor under this Agreement shall not be affected, impaired, lessened, modified, waived or released by the invalidity or unenforceability of the Indebtedness or any ancillary or related document, or by the bankruptcy, reorganization, dissolution, liquidation or similar proceedings affecting Debtor or the sale or other disposition of all or substantially all of the assets of Debtor.

(c) Guarantor hereby consents that at any time and from time to time, the Company may, without in any manner affecting, impairing, lessening, modifying, waiving or releasing Guarantor's obligations or liabilities under this Agreement, do any one or more of the following, all without notice to, or further consent of, Guarantor:

(1) renew, extend or otherwise change the time or terms for payment of the principal of, or interest on, any of the Indebtedness or any renewals or extensions thereof;

(2) extend or change the time or terms for performance by Debtor of any other obligations, covenants or agreements;

(3) amend, compromise, release, terminate, waive, surrender, or otherwise deal with: (i) any or all of the provisions of the Indebtedness, (ii) any or all of the obligations and liabilities of Debtor or Guarantor, or (iii) any or all property or other security given at any time as collateral by Guarantor or Debtor;

(4) sell, assign, collect, substitute, exchange or release any or all property or other security now or hereafter serving as collateral for any or all of the Indebtedness;

(5) receive additional property or other security as collateral for any or all of the Indebtedness;

(6) fail or delay to enforce, assert or exercise any right, power, privilege or remedy conferred upon the Company under the provisions of any Indebtedness or under applicable laws;

(7) grant consents or indulgences or take action or omit to take action under, or in respect of, the Indebtedness; and

(8) apply any payment received from Debtor or from any source, other than Guarantor, to the Indebtedness in whatever order and manner the Company may elect, and any payment received from Guarantor for or on account of this Agreement may be applied by the Company to any of the Indebtedness in whatever order and manner the Company may elect.

Section 4. Waiver by Guarantor.

Guarantor unconditionally waives, to the extent permitted by applicable laws:

(a) notice of acceptance of and reliance on this Agreement or of the creation of any of the Indebtedness;

(b) presentment, demand, dishonor, protest, notice of non-payment and notice of dishonor of the Indebtedness;

(c) notice of transfer or assignment of the Indebtedness and this Agreement; and

(d) all notices required by statute or otherwise to preserve any rights against Guarantor, hereunder, including, without limitation, any demand, proof, or notice of non-payment of any of the Indebtedness by Debtor and notice of any failure or default on the part of Debtor to perform or comply with any term of the Indebtedness.

Section 5. Subrogation.

Until such time as the Indebtedness has been paid and performed in full and the provisions of this Agreement are no longer in effect, Guarantor shall not exercise any right to subrogation, reimbursement or contribution against Debtor nor any right to subrogation, reimbursement or indemnity against any property or other security serving at any time as collateral for any or all of the Indebtedness, all of which rights of subrogation, reimbursement, contribution and indemnity Guarantor subordinates to the full and punctual payment and performance of the Indebtedness.

Section 6. Subordination.

Should Guarantor for any reason advance or lend monies to Debtor, whether or not the funds are used by Debtor to reduce the Indebtedness, Guarantor hereby agrees that any and all rights that Guarantor may have or acquire to collect from, or be reimbursed by, Debtor shall be subordinate to the rights of the Company to collect and enforce the payment and performance of the Indebtedness, until such time as the Indebtedness has been fully paid and performed and the provisions of this Agreement are no longer in effect.

Section 7. Remedies.

Upon the failure to pay or perform any of the Indebtedness when due (whether by acceleration or otherwise) the Company, subject to the provisions of Section 15 of this Agreement, may institute a judicial proceeding for the collection of the sums or the performance of the Indebtedness so due and unpaid or unperformed, and may prosecute the proceeding to judgment for final decree, and may enforce the same against Guarantor and collect the monies adjudged or decreed to be payable in the manner provided by law out of the property of Guarantor, wherever situated. In the event of such a failure, the Company shall have the right to proceed first and directly against Guarantor without proceeding against Debtor or any other person, without exhausting any other remedies which it, or they, may have and without resorting to any other security held by the Company.

Section 8. Enforcement Expenses.

Guarantor agrees to indemnify and hold the Company harmless against any loss, liability, or expense, including their reasonable attorney's fees, accounting fees and other costs and disbursements that may result from Debtor's failure to pay or perform any of the Indebtedness when and as due and payable or that may be incurred in enforcing any obligation of Debtor or Guarantor.

Section 9. Notices.

All communications required or permitted to be given to either party hereunder shall be in writing and shall be deemed duly given on the earlier of (a) the date when delivered by hand; (b) one business day after delivery to a reputable national overnight delivery service; or (c) 4 business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. Notices shall be addressed in the manner shown on Exhibit A, provided either party may change its address for receiving notices by appropriate written notice to the other.

Section 10. Amendment.

Neither this Agreement nor any provisions hereof may be changed, waived, discharged or terminated orally or in any manner other than by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

Section 11. Waivers.

No course of dealing on the part of the Company, its officers, employees, consultants or agents, nor any failure or delay by the Company with respect to exercising any of rights, powers or privileges under this Agreement shall operate as a waiver thereof.

Section 12. Cumulative Rights.

The rights and remedies of the Company under this Agreement, the Indebtedness and any ancillary or related document shall be cumulative, and the exercise or partial exercise of any such right or remedy shall not preclude the exercise of any other right or remedy.

Section 13. Titles of Articles, Sections and Subsections.

All titles or headings to articles, sections, subsections or other divisions of this Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the other content of such articles, sections, subsections or other divisions, such other content being controlling as to the agreement between the parties hereto.

Section 14. Singular and Plural.

Words used herein in the singular, where the context so permits, shall be deemed to include the plural and vice versa. The definitions of words in the singular herein shall apply to such words when used in the plural where the context so permits and vice versa.

Section 15. Dispute Resolution.

The parties adopt and incorporate by reference as part of this Agreement the Dispute Resolution provisions set forth in **Schedule B**.

Section 16. Successors and Assigns.

(a) All covenants and agreements by or on behalf of Guarantor in this Agreement shall bind Guarantor's heirs, successors and assigns and shall inure to the benefit of the Company and its successors and assigns.

(b) This Agreement is for the benefit of the Company and for such other person or persons as may from time to time become or be the holders of any of the Indebtedness, and this Agreement shall be transferable and negotiable, with the same force and effect and to the same extent as the Indebtedness may be transferable, it being understood that, any holder of the Indebtedness shall have under this Agreement, upon the transfer of the Indebtedness, all of the rights of such granted to the Company.

Section 17. Further Assurances.

Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

IN WITNESS WHEREOF, Guarantor has caused this Agreement to be duly executed as of the date first written above.

Guarantor:

____
Sign Name:

Print Name:___________________________

The Company executes this Agreement to acknowledge its agreement to be bound by the dispute resolution provisions stated in **Schedule B**.

FAST UNDERCAR FRANCHISE, LLC

By:__________________________________

Title:________________________________

Date: _______________________________

SCHEDULE A

All of the following provisions are incorporated by reference into the attached document.

Notices

Debtor:	______________________________
	______________________________
	______________________________
	Attn:__________________________
Guarantor:	______________________________
	______________________________
	______________________________
	Attn:__________________________
Company:	3 Dakota Drive, Suite 110 New Hyde Park, New York 11042 Attn: President

SCHEDULE B

DISPUTE RESOLUTION

1. Agreement to Mediate Disputes. Except as provided in Section 2 of this **Schedule B**, no party shall bring a civil action seeking enforcement of, or any other legal remedy founded on, this Agreement until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this **Schedule B**.

(a) The mediation shall be conducted pursuant to the rules of JAMS ("the Mediation Service") Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the Mediation Service in writing, with a copy to the other party (the "Responding Party"). The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with Mediation Service's then current rules, except to the extent such rules conflict with this Agreement, in which case this Agreement shall control.

(b) The mediation will be conducted by a single mediator, who must either be a practicing attorney with experience in business format franchising or a retired judge with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

(c) The fees and expenses of Mediation Service, including (without limitation) mediator's fee, shall be shared equally by the parties. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

(d) The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether Company or Guarantor is the Initiating Party, the mediation shall be conducted at Company's offices, unless Company and Guarantor agree upon a mutually acceptable alternative location.

(e) The parties shall participate in good faith in the mediation, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties. The parties recognize and agree, however, that the mediator's recommendations, if any, shall not be binding on the parties.

(f) The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

(g) At the mediator's discretion, or upon either party's request, the mediator will provide a written evaluation of each party's claims and defenses and of the likely resolution

of the dispute if not settled. The parties agree that the mediator is not acting as an attorney or providing legal advice on behalf of any party.

(h) The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided, however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

(i) If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation, and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

2. Exceptions to Duty to Mediate Disputes. The obligation to mediate shall not apply to:

(a) Any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond; or

(b) Any claim for unlawful detainer or similar remedies available to a landlord or for the enforcement of Company's other rights under the Addendum to Lease.

3. Judicial Relief.

(a) The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims described in Section 2. of this Schedule B., shall be brought exclusively in the Superior Court of California for the County of Ventura, or the United States District Court located in or closest to Ventura County, California. The parties agree to submit to the jurisdiction of said courts.

(b) To the fullest extent that it may effectively do so under applicable law, Guarantor waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Schedule B. and agrees not to commence any action of any kind against

Company or any of its officers, directors, employees, agents or property arising out of or relating to this Agreement, except in the courts identified in this Schedule B.

(c) The parties agree to waive any right to a trial by jury in any action arising out of or relating to this Agreement, as further provided in Schedule B.

(d) In any proceeding alleging breach of this Agreement, each party shall have the right to engage in deposition and document discovery, including, in the case of Company, the right to conduct forensic examination of Guarantor's computer terminals if Company reasonably believes the computer terminals contain Confidential Information. In connection with any application for any interim relief, as set forth above, each party may conduct discovery on an expedited basis.

4. Choice of Law. The parties agree that California law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

5. Limitations Period. To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than the last to occur of the following: (i) 90 days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation proceeding which is initiated before the last day of the limitations period, and such toll shall commence on the date the Responding Party receives the Initiating Party's demand for mediation and continue until the date the mediation is concluded.

6. Punitive or Exemplary Damages. Company and Guarantor, and their respective directors, officers, shareholders and guarantors, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

7. Attorneys' Fees.

(a) Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

(b) Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

8. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and Guarantor therefore each agree that a decision of a judge in any proceeding or action in which either Company and Guarantor, but not both of them, is a party will not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and Guarantor. Company and Guarantor therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

9. Waiver of Class Action Proceedings and Relief. Company and Guarantor agree that any mediation or litigation initiated or brought by either party against the other will be conducted only on an individual basis, not on a class-wide basis, and there may be no consolidation or joinder of other claims or controversies involving any other Guarantor. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and Guarantor both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

EXHIBIT I

CONFIDENTIALITY, NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

WHEREAS, the undersigned:

CHECK AND COMPLETE APPROPRIATE BOX:

___ is an officer, director, member, manager, partner or owner of an interest in the equity or voting interests of ____________, the Franchisee under, and signatory to, that certain Franchise Agreement dated ____________ (the "Franchise Agreement") entered into with FAST UNDERCAR FRANCHISE, LLC ("Company") granting Franchisee the right to own and operate one FAST UNDERCAR® Outlet on the terms and conditions stated therein.

___ is an officer, director, member, manager, partner or owner of an interest in the equity or voting interests of ____________, the Developer under, and signatory to, that certain Area Development Agreement dated ____________ (the "Area Development Agreement") entered into with FAST UNDERCAR FRANCHISE, LLC ("Company") granting the undersigned the right to open an agreed-upon minimum number of FAST UNDERCAR® Outlets within a designated geographic area on the terms and conditions stated therein.

___ is an employee of ____________, the entity which executed the Franchise Agreement as Franchisee or Area Development Agreement as Developer.

___ [if none of the above apply] is associated in the following capacity with Franchisee or Developer: __________________.

WHEREAS, the undersigned acknowledges that, in order to induce Company to enter into the Franchise Agreement or Area Development Agreement, Franchisee or Developer must cause certain persons owning an interest in, or who are employed by or associated with, Franchisee or Developer to execute this Confidentiality and Non-Disclosure Agreement ("Agreement") for the benefit of Company.

NOW, THEREFORE, the undersigned, having read this Agreement and understanding its terms, hereby agrees as follows:

1. <u>Nondisclosure of Confidential Information</u>.

(a) The undersigned agrees not to disclose, duplicate, sell, reveal, divulge, publish, furnish or communicate, either directly or indirectly, any Confidential Information (as defined below) to any other person, firm or entity, unless authorized in writing by Company.

(b) The undersigned agrees not to use any Confidential Information for his or her own personal gain or to further the purposes of others, whether or not the Confidential Information has been conceived, originated, discovered or developed, in whole or in part, by the undersigned or represents the undersigned's work product. To the extent the undersigned has assisted in the preparation of any information which Company considers to be Confidential Information or has prepared or created such information by himself or herself, the undersigned hereby assigns any rights that he or she may have in such information as creator to Company, including all ideas made or conceived by the undersigned.

(c) The undersigned acknowledges that the use, publication or duplication of the Confidential Information for any purpose not authorized by this Agreement constitutes an unfair method of competition by the undersigned.

(d) The provisions of this paragraph 1 shall apply forever, surviving the expiration or termination of all contracts between Company and Franchisee.

(e) The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding, provided the undersigned shall have used its best efforts, and shall have afforded Company the opportunity, to obtain an appropriate protective order or other assurance satisfactory to Company of confidential treatment for the information required to be disclosed.

(f) The term "Confidential Information:"

(1) Includes, without limitation, the following: any information or knowledge concerning delivery or distribution methods observed by FAST UNDERCAR® Outlets; information or knowledge concerning inventory purchase or control procedures observed by FAST UNDERCAR® Outlets; specifications regarding Proprietary Products and Services; knowledge of pricing, sales, profit performance or other results of operations of any individual FAST UNDERCAR® Outlet, group of FAST UNDERCAR® Outlets, or the entire chain; information or knowledge regarding supply relationships; demographic data for determining sites and territories; the results of customer surveys and promotional programs; and, in general, methods, specifications, customer data, pricing and cost data, procedures, information systems and knowledge about the operation of FAST UNDERCAR® Outlets or the FAST UNDERCAR® System, whether it is now known or exists or is acquired or created in the future, and whether or not the information is included in the Operations Manual.

(2) Excludes (i) information which Franchisee, Developer or the undersigned can demonstrate came to its, his or her attention independent of the rights granted by Company, and prior to Company's disclosure of the information in the Operations Manual or otherwise, and (ii) information that Company agrees is, or has become, generally known in the public domain, except where public knowledge is the result of wrongful disclosure (whether or not deliberate or inadvertent).

2. Return of Proprietary Materials.

Upon expiration or termination of the Franchise Agreement or Area Development Agreement, the undersigned shall surrender to Franchisee or Developer, or, if directed by Company, directly to Company, all materials in the possession of the undersigned relating or concerning any Confidential Information. The undersigned expressly acknowledges that such materials shall be and remain the sole property of Company.

3. Agreements Regarding Competition.

(a) For as long as Franchisee or Area Developer is a party to any Franchise Agreement or Area Development Agreement with Company, the undersigned agrees that he or she shall not, directly or indirectly, own, engage in or render services to, either as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any business located anywhere in the world which manufactures or predominantly sells undercar parts or accessories; provided, however, the restrictions stated in this paragraph shall not apply to the undersigned after 2 years from the date that the undersigned ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee or Area Developer.

(b) For a period of 2 years after expiration or termination of the last Franchise Agreement or Area Development Agreement between Franchisee or Developer and Company, or after Franchisee or Developer sell and assign all of their contractual rights concerning FAST UNDERCAR® Outlets, the undersigned agrees that he or she shall not, directly or indirectly, own, engage in or render services to, either as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any business located within the "Covered Area" which manufactures or predominantly sells undercar parts or accessories; provided, however, the restrictions stated in this paragraph shall not apply to the undersigned after 2 years from the date that the undersigned ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee or Area Developer.

(1) The "Covered Area" is anywhere inside, or within a radius of 50 miles from the boundaries of: (a) the territory assigned to any FAST UNDERCAR® Outlet owned by Franchisee; (b) the development territory assigned to Developer, and (c) each territory assigned to the owner of a FAST UNDERCAR® Outlet anywhere in the world (regardless of whether the FAST UNDERCAR® Outlet opens before or after the date of this Agreement, or is opened by another franchisee, Company or Company's Affiliate).

(c) The provisions of this paragraph 3 shall apply forever, surviving the expiration or termination of all contracts between Company and Franchisee.

(d) This Agreement does not prohibit the undersigned from owning 5% or less of the voting stock of a Publicly Held Corporation (as that term is defined in the Franchise Agreement or Area Development Agreement) that manufactures or predominately sells undercar parts or accessories.

(e) If any provision of this paragraph 3 is void or unenforceable under California law, but would be enforceable as written or as modified under the laws of any state having jurisdiction over the undersigned (the "Local Laws"), the parties agree that the Local Laws shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions of this Agreement regarding competition, but only with respect to the subjects covered in this paragraph 3.

(f) The parties acknowledge that the undersigned may engage in any activities not expressly prohibited by this Agreement. However, in connection with permitted activities, the undersigned shall not (i) use the Confidential Information or any of the Licensed Marks (as that term is defined in the Franchise Agreement or Area Development Agreement); (ii) engage in any conduct or activity which suggests or implies that Company endorses, or authorizes, the undersigned's activities; (iii) induce any person to engage in conduct prohibited by this Agreement; or (iv) divert customers away from any FAST UNDERCAR® Outlet.

4. Irreparable Harm to Company.

(a) The undersigned acknowledges and agrees that Company will suffer irreparable injury not capable of precise measurement in monetary damages if it discloses or misuses any Confidential Information, or if the undersigned breaches the covenants set forth in this Agreement. Accordingly, in the event of a breach of this Agreement by the undersigned, the undersigned consents to entry of interim relief, including, without limitation, the entry of a temporary restraining order, preliminary injunction, permanent injunction, writ of attachment, appointment of a receiver, and any other equitable relief which the court deems necessary in order to prevent irreparable injury, all without the requirement that bond be posted.

(b) The undersigned agrees that the award of equitable remedies to Company in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

5. Validity; Conformity With Applicable Law.

Wherever possible, each provision of this Agreement shall be interpreted in a manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited thereunder, the provision shall be ineffective only to the extent of the prohibition or invalidity without invalidating the remainder of this Agreement.

6. Dispute Resolution.

The parties adopt and incorporate by reference as part of this Agreement the Dispute Resolution provisions set forth in **Schedule A**.

7. Miscellaneous

(a) Any waiver granted to the undersigned by Company excusing or reducing any obligation or restriction imposed under this Agreement shall be evidenced by a writing executed by Company in order to be effective and shall only be effective to the extent specifically allowed in such writing. No waiver granted by Company shall constitute a continuing waiver. Any waiver granted by Company shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative. No delay on the part of Company in exercising any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy.

(b) This Agreement sets forth the entire agreement made by the undersigned pertaining to the subject matter hereof, fully superseding any and all prior agreements or understandings that may exist between the undersigned and the Company pertaining to such subject matter. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on the undersigned unless it is set forth in a writing and duly executed by the undersigned and Company.

(c) This Agreement shall be binding on the undersigned's heirs, executors, successors and assigns as though originally executed by such persons.

(d) The parties agree that all capitalized terms in this Agreement shall have the same meaning assigned to them in any Franchise Agreement or Area Development

Agreement between Company and Franchisee or Developer, and incorporate such definitions herein.

8. Further Assurances.

Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Agreement.

IN WITNESS WHEREOF, the undersigned has entered into this Agreement as of the date shown above the undersigned's signature.

DATED:_____________________________

____
Signature

____
Print Name

Company executes this Agreement to acknowledge its agreement to be bound by the dispute resolution provisions stated in **Schedule A**.

FAST UNDERCAR FRANCHISE, LLC

By:________________________________

Title:______________________________

Date:______________________________

SCHEDULE A

DISPUTE RESOLUTION

1. Agreement to Mediate Disputes. Except as provided in Section 2 of this Schedule A., no party shall bring a civil action seeking enforcement of, or any other legal remedy founded on, this Agreement until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this **Schedule A**.

(a) The mediation shall be conducted pursuant to the rules of JAMS ("the Mediation Service") Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the Mediation Service in writing, with a copy to the other party (the "Responding Party"). The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with Mediation Service's then current rules, except to the extent such rules conflict with this Agreement, in which case this Agreement shall control.

(b) The mediation will be conducted by a single mediator, who must either be a practicing attorney with experience in business format franchising or a retired judge with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

(c) The fees and expenses of Mediation Service, including (without limitation) mediator's fee, shall be shared equally by the parties. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

(d) The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether Company or the undersigned is the Initiating Party, the mediation shall be conducted at Company's offices, unless Company and the undersigned agree upon a mutually acceptable alternative location.

(e) The parties shall participate in good faith in the mediation, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties. The parties recognize and agree, however, that the mediator's recommendations, if any, shall not be binding on the parties.

(f) The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

(g) At the mediator's discretion, or upon either party's request, the mediator will provide a written evaluation of each party's claims and defenses and of the likely resolution

of the dispute if not settled. The parties agree that the mediator is not acting as an attorney or providing legal advice on behalf of any party.

(h) The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided, however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

(i) If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation, and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

2. Exceptions to Duty to Mediate Disputes. The obligation to mediate shall not apply to:

(a) Any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond; or

(b) Any claim for unlawful detainer or similar remedies available to a landlord or for the enforcement of Company's other rights under the Addendum to Lease.

3. Judicial Relief.

(a) The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims described in Section 2. of this Schedule A., shall be brought exclusively in the Superior Court of California for the County of Ventura, or the United States District Court located in or closest to Ventura County, California. The parties agree to submit to the jurisdiction of said courts.

(b) To the fullest extent that it may effectively do so under applicable law, the undersigned waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Schedule A. and agrees not to commence any action of any kind against Company or any of its officers, directors, employees, agents or property arising out of or relating to this Agreement, except in the courts identified in this **Schedule A**.

(c) The parties agree to waive any right to a trial by jury in any action arising out of or relating to this Agreement, as further provided in **Schedule A**.

(d) In any proceeding alleging breach of this Agreement, each party shall have the right to engage in deposition and document discovery, including, in the case of Company, the right to conduct forensic examination of the undersigned's computer terminals if Company reasonably believes the computer terminals contain Confidential Information. In connection with any application for any interim relief, as set forth above, each party may conduct discovery on an expedited basis.

4. Choice of Law. The parties agree that California law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

5. Limitations Period. To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than the last to occur of the following: (i) 90 days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation proceeding which is initiated before the last day of the limitations period, and such toll shall commence on the date the Responding Party receives the Initiating Party's demand for mediation and continue until the date the mediation is concluded.

6. Punitive or Exemplary Damages. Company and the undersigned, and their respective directors, officers, shareholders and guarantors, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

7. Attorneys' Fees.

(a) Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

(b) Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

8. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and the undersigned therefore each agree that a decision of a judge in any proceeding or action in which either Company and the undersigned, but not both of them, is a party will not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and the undersigned. Company and the undersigned therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

9. Waiver of Class Action Proceedings and Relief. Company and the undersigned agree that any mediation or litigation initiated or brought by either party against the other will be conducted only on an individual basis, not on a class-wide basis, and there may be no consolidation or joinder of other claims or controversies involving any other party. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and the undersigned both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

EXHIBIT J

GENERAL RELEASE

This GENERAL RELEASE ("Release") is made this ______ day of _____________, ____, by ________________________ ("Releasor"), with reference to the following facts:

A. The undersigned, Releasor:

[COMPLETE AND CHECK APPROPRIATE BOX]

1. _____ is the Franchisee under, and signatory to, that certain Franchise Agreement dated _________________ entered into by and between FAST UNDERCAR FRANCHISE, LLC, as franchisor (“Company”) and Releasor, as Franchisee, permitting Releasor to use the FAST UNDERCAR® System and Licensed Marks in operating a FAST UNDERCAR® Outlet, as the capitalized terms are defined in the Franchise Agreement, on the further terms and conditions of the Franchise Agreement; or

2. _____ is the Franchisee under, and signatory to, that certain Franchise Agreement and Conversion Addendum each dated _________________ entered into by and between Company and Releasor, as Franchisee, permitting Releasor to use the FAST UNDERCAR® System and Licensed Marks in operating a FAST UNDERCAR® Outlet, as the capitalized terms are defined in the Franchise Agreement, on the further terms and conditions of the Franchise Agreement; or

3. _____ is the Developer under, and signatory to, that certain Area Development Agreement dated _________________ entered into by and between Company and Releasor, as Developer, granting Releasor the right to open an agreed-upon minimum number of FAST UNDERCAR® Outlets within a designated geographic area on the terms and conditions stated therein.

4. ______ is an employee, officer, director, member, manager, partner or owner of an interest in the equity or voting interests of Franchisee or Developer.

B. This Release is being executed either pursuant to the requirements of the Franchise Agreement, Area Developer Agreement, Application and Franchise Deposit Agreement, or otherwise as a condition of the rights granted, or to be granted, by Company, and for other good and valuable consideration, the receipt of which is acknowledged by the parties.

NOW, THEREFORE, RELEASOR AGREES AS FOLLOWS:

1. <u>General Release</u>.

Releasor, for itself, himself or herself, and, if applicable, additionally, for its, his or her respective officers, directors, shareholders, members, managers, trustees, partners, employees, attorneys, heirs and successors (Releasor and such other persons are collectively referred to as the "Releasing Parties"), hereby release and forever discharge Company, its officers, directors, shareholders, agents, employees, representatives, attorneys, successors and assigns, and each of them, from any and all claims, demands, obligations, liabilities, actions, causes of action, suits, proceedings, controversies, disputes, agreements, promises, allegations, costs and expenses, at law or in equity, of every nature, character or description whatsoever, whether known or unknown, suspected or unsuspected or anticipated or unanticipated, which any of the Releasing Parties ever had, now has, or may, shall or can hereafter have or acquire (collectively referred to as "Claims"). This Release includes, but is not limited to, all Claims arising out of, concerning, pertaining to or connected with any agreement, tort, statutory violation, representation, nondisclosure, act, omission to act, fact, matter or thing whatsoever, occurring as of or prior to the date of this Release, so that after the date of this Release, none of the Releasing Parties shall have any claim of any kind or nature whatsoever against Company or its officers, directors, shareholders, agents, employees, representatives, attorneys, successors and assigns, directly or indirectly, or by reason of any matter, cause, action, transaction or thing whatsoever done, said or omitted to have been done or said at any time prior to the date of this Release.

2. Waiver of Civil Code Section 1542.

This Release is intended by Releasor to be a full and unconditional general release, as that phrase is used and commonly interpreted, and to constitute a full, unconditional and final accord and satisfaction, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of Releasor or any of the other Releasing Parties against Company regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. Releasor, for itself, himself or herself, for each of the other Releasing Parties hereby expressly, voluntarily and knowingly waives, relinquishes and abandons each and every right, protection and benefit to which Releasor or any of the Releasing Parties would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereinafter existing under the laws of California or any other applicable federal and state law with jurisdiction over the parties relationship. Releasor, for itself, himself or herself, for each of the other Releasing Parties, acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

In making this voluntary express waiver, Releasor acknowledges that claims or facts in addition to or different from those which are now known or believed to exist with respect to the matters mentioned herein may later be discovered and that it is Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. This Release is and shall be and remain a full, complete and unconditional general release. Releasor acknowledges and agrees that the foregoing waiver of Section 1542 is an essential, integral and material term of this Release.

3. Dispute Resolution. Releasor agrees to be bound by the dispute resolution provisions attached as Schedule A to this Release, which are incorporated herein by this reference.

4. Release Not Admission. Releasor understands and agrees that the giving or acceptance of this Release and the agreements contained herein shall not constitute or be

construed as an admission of any liability by Company or an admission of the validity of any claims made by or against Company.

5. Authority of Parties. Each person executing this Release on behalf of a party hereto warrants and represents that he or she is duly authorized to execute this Release on behalf of such party.

6. No Prior Assignments. Releasor represents and warrants that Releasor has not previously assigned or transferred, or attempted to assign or transfer, to any third party any of the Claims which are the subject of this Release, all of such Claims being released.

7. Further Assurances. Each party agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform the terms, provisions and conditions of this Release.

IN WITNESS WHEREOF, Releasor has executed this Release on the date first shown above.

Releasor:

____

[IF APPLICABLE]

By:_________________________________

Its:_________________________________

Company executes this Release to acknowledge its agreement to be bound by the dispute resolution provisions stated in **Schedule A**.

FAST UNDERCAR FRANCHISE, LLC

By:_________________________________

Title:_______________________________

Date:_______________________________

SCHEDULE "A"

DISPUTE RESOLUTION

1. Agreement to Mediate Disputes. Except as provided in Section 2 of this **Schedule A**, no party shall bring a civil action seeking enforcement of, or any other legal remedy founded on, this Agreement until the dispute has been submitted to mediation conducted in accordance with the procedures stated in this **Schedule A**.

(a) The mediation shall be conducted pursuant to the rules of JAMS ("the Mediation Service"). Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the Mediation Service in writing, with a copy to the other party (the "Responding Party"). The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Thereupon, both parties will be obligated to engage in the mediation, which shall be conducted in accordance with Mediation Service's then current rules, except to the extent such rules conflict with this Agreement, in which case this Agreement shall control.

(b) The mediation will be conducted by a single mediator, who must either be a practicing attorney with experience in business format franchising or a retired judge with no past or present affiliation or conflict with any party to the mediation. The parties agree that mediator and Mediation Service's employees shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

(c) The fees and expenses of Mediation Service, including (without limitation) mediator's fee, shall be shared equally by the parties. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

(d) The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether Company or Releasor is the Initiating Party, the mediation shall be conducted at Company's offices, unless Company and Releasor agree upon a mutually acceptable alternative location.

(e) The parties shall participate in good faith in the mediation, with the intention of resolving the dispute, if at all possible. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties. The parties recognize and agree, however, that the mediator's recommendations, if any, shall not be binding on the parties.

(f) The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing, that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

(g) At the mediator's discretion, or upon either party's request, the mediator will provide a written evaluation of each party's claims and defenses and of the likely resolution

of the dispute if not settled. The parties agree that the mediator is not acting as an attorney or providing legal advice on behalf of any party.

(h) The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator and Mediation Service's employees, are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable federal and state laws or rules of evidence; provided, however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

(i) If one party breaches this Agreement by refusing to participate in the mediation or not complying with the requirements for conducting the mediation, the non-breaching party may immediately file suit and take such other action to enforce its rights as permitted by law and the breaching party shall be obligated to pay: (i) the mediator's fees and costs; (ii) the non-breaching party's reasonable attorneys' fees and costs incurred in connection with the mediation, and (iii) to the extent permitted by law, the non-breaching party's reasonable attorneys' fees and costs incurred in any suit arising out of the same dispute, regardless of whether the non-breaching party is the prevailing party. Additionally, in connection with (iii), the breaching party shall forfeit any right to recover its attorneys' fees and costs should it prevail in the suit. The parties agree that the foregoing conditions are necessary in order to encourage meaningful mediation as a means for efficiently resolving any disputes that may arise.

2. Exceptions to Duty to Mediate Disputes. The obligation to mediate shall not apply to:

(a) Any claim by either party seeking interim relief, including, without limitation, requests for temporary restraining orders, preliminary injunctions, writs of attachment, appointment of a receiver, for claim and delivery, or any other orders which a court may issue when deemed necessary in its discretion to preserve the status quo or prevent irreparable injury, including the claim of either party for injunctive relief to preserve the status quo pending the completion of a mediation proceeding. The party awarded interim or injunctive relief shall not be required to post bond; or

(b) Any claim for unlawful detainer or similar remedies available to a landlord or for the enforcement of Company's other rights under the Addendum to Lease.

3. Judicial Relief.

(a) The parties agree that (i) all disputes arising out of or relating to this Agreement which are not resolved by negotiation or mediation, and (ii) all claims described in Section 2. of this Exhibit A, shall be brought exclusively in the Superior Court of California for the County of Ventura, or the United States District Court located in or closest to Ventura County, California. The parties agree to submit to the jurisdiction of said courts.

(b) To the fullest extent that it may effectively do so under applicable law, Releasor waives the defense of an inconvenient forum to the maintenance of an action in the courts identified in this Exhibit A. and agrees not to commence any action of any kind against

Company or any of its officers, directors, employees, agents or property arising out of or relating to this Agreement, except in the courts identified in this **Schedule A**.

(c) The parties agree to waive any right to a trial by jury in any action arising out of or relating to this Agreement, as further provided **in Schedule A**.

(d) In any proceeding alleging breach of this Agreement, each party shall have the right to engage in deposition and document discovery, including, in the case of Company, the right to conduct forensic examination of Releasor's computer terminals if Company reasonably believes the computer terminals contain Confidential Information. In connection with any application for any interim relief, as set forth above, each party may conduct discovery on an expedited basis.

4. Choice of Law. The parties agree that California law shall govern the construction, interpretation, validity and enforcement of this Agreement and shall be applied in any mediation or judicial proceeding to resolve all disputes between them, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event the federal law shall govern.

5. Limitations Period. To the extent permitted by applicable law, any legal action of any kind arising out of or relating to this Agreement or its breach, including without limitation, any claim that this Agreement or any of its parts is invalid, illegal or otherwise voidable or void, must be commenced by no later than the last to occur of the following: (i) 90 days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability; provided, however, the applicable limitations period shall be tolled during the course of any mediation proceeding which is initiated before the last day of the limitations period, and such toll shall commence on the date the Responding Party receives the Initiating Party's demand for mediation and continue until the date the mediation is concluded.

6. Punitive or Exemplary Damages. Company and Releasor, and their respective directors, officers, shareholders and guarantors, as applicable, each hereby waive to the fullest extent permitted by law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, each is limited to recovering only the actual damages proven to have been sustained by it.

7. Attorneys' Fees.

(a) Except as expressly provided in this Agreement, in any action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with the relationship of the parties hereunder, the prevailing party shall be entitled to recover against the other its reasonable attorneys' fees and costs in addition to any other relief awarded by the court. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

(b) Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

8. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate or compromise disputes in which they may be, or become, involved with third parties without having the dispute affect their rights and obligations to each other under this Agreement. Company and Releasor therefore each agree that a decision of a judge in any proceeding or action in which either Company and Releasor, but not both of them, is a party will not prevent the party to the proceeding or action from making the same or similar arguments, or taking the same or similar positions, in any proceeding or action between Company and Releasor. Company and Releasor therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action or proceeding between them even if they lost a similar claim or defense in another action or proceeding with a third party.

9. Waiver of Class Action Proceedings and Relief. Company and Releasor agree that any mediation or litigation initiated or brought by either party against the other will be conducted only on an individual basis, not on a class-wide basis, and there may be no consolidation or joinder of other claims or controversies involving any other Releasor. Any such mediation or litigation initiated or brought by either party against the other will not and may not proceed as a class action, collective action, private attorney general action or any similar representative action. Company and Releasor both understand and agree that they are waiving any substantive or procedural rights that they might have to bring an action on a class, collective, private attorney general, representative or other similar basis.

EXHIBIT K

COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, LISTINGS AND ASSUMED OR FICTITIOUS BUSINESS NAME

FAST UNDERCAR FRANCHISE, LLC

COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, LISTINGS AND ASSUMED OR FICTITIOUS BUSINESS NAME

This Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name ("**Assignment**") is entered into this ____________ day of ____________, _____ ("**Effective Date**") in accordance with the terms of that certain Franchise Agreement ("Franchise Agreement") between and the person(s) or entity identified on the signature block of this Agreement as "**Franchisee**" and **FAST UNDERCAR FRANCHISE, LLC,** a California limited liability company, the entity identified on the signature block of this Agreement as "**Company.**" This Assignment is being executed concurrently with the Franchise Agreement under which Company granted Franchisee the right to own and operate a franchise and license to operate a FAST UNDERCAR® outlet at a specific location ("**Franchised Outlet**") and use the FAST UNDERCAR® System, Licensed Marks and other intellectual property rights of Company ("**Company's IP**"). The Effective Date of this Assignment is the same as the Effective Date of the Franchise Agreement.

FOR VALUE RECEIVED, Franchisee hereby irrevocably and unconditionally assigns and transfers to Company all of Franchisee's right, title, and interest in and to those certain telephone numbers, addresses, domain names, locators, directories, listings, and assumed or fictitious business names (collectively, the "**Numbers, Addresses, Listings and Names**") Franchisee has used or is using in connection with the operation of the Franchised Outlet on the effective date of termination or expiration of the Franchise Agreement. This Assignment may not be revoked without the prior written consent of Company. The parties agree that this Assignment is for collateral purposes only and does not impose on Company any liability or obligation of any kind to Franchisee or any third party arising from or in connection with the operation of the Franchised Outlet or Franchisee's acts or omissions. Company's execution of this Assignment does not create or impose any express or implied obligations upon Company pertaining to the Numbers, Addresses, Listings and Names used by Franchisee on or before the effective date of termination or expiration of the Franchise Agreement. Furthermore, nothing in this Assignment is intended to, or shall, modify Franchisee's indemnity agreement in the Franchise Agreement.

Upon termination or expiration of the Franchise Agreement (without renewal or extension) and in accordance with the requirements of the Franchise Agreement, Franchisee shall immediately cease using the Numbers, Addresses, Listings and Names and shall notify the telephone, Internet, email, electronic network, directory, and listing entities with which Franchisee has dealt (all such entities are collectively referred to herein as "**Provider Companies**") to effectuate the assignment and transfer of Franchisee's interest in the Numbers, Addresses, Listings and Names to Company pursuant to the terms of this Assignment. If Franchisee fails to do so, Franchisee agrees that this Assignment gives Company the absolute and unconditional authority to direct the Provider Companies on Franchisee's behalf to effectuate the assignment and transfer of the Numbers, Addresses, Listings and Names to Company upon termination or expiration of the Franchise Agreement. The parties agree that the Provider Companies may accept Company's written notice, the Franchise Agreement or this Assignment as conclusive proof of Company's exclusive rights in and to the Numbers, Addresses, Listings, and Names as of the effective date of termination or expiration of the Franchise Agreement. The parties further agree that, if the Provider Companies require that the parties execute the Provider Companies' own assignment forms or other transfer documents following termination or expiration of the Franchise Agreement, Company's execution of those forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment.

Franchisee hereby appoints Company as Franchisee's true and lawful attorney-in-fact to direct the Provider Companies to assign the Numbers, Addresses, Listings, and Names to Company, and to execute such documents and take such actions as may be necessary to effectuate the assignment.

The parties agree that at any time after the date of this Assignment they will perform all additional acts and execute and deliver any documents as may be necessary to assist in or accomplish the purpose of this Assignment described herein upon termination or expiration of the Franchise Agreement.

IN WITNESS WHEREOF, the parties have signed this Assignment as of the Effective Date.

Company:	Franchisee:
______________________________	______________________________
By: ___________________________	By: ___________________________
Name: _________________________	Name: _________________________
Title: __________________________	Title:

EXHIBIT L

LIST OF FAST UNDERCAR OPERATING LOCATIONS

FRANCHISEE OWNED LOCATIONS AS OF DECEMBER 31, ~~2019~~ 2020			
CALIFORNIA			IDAHO
Fast Hernandez LLC Fast Undercar Santa Ana 1569 E. Edinger Santa Ana, CA 92705 714/480-1300	Fast B&P, Inc. Fast Undercar Oakland 3775 Alameda Avenue, #G Oakland, CA 94601 510/437-5200	~~CARNAC~~J. J. Chub, Inc. Fast Undercar ~~San Luis Obispo~~Torrance ~~3523 S. Higuera, #E~~ ~~San Luis Obispo, CA 93401~~ ~~805/544-4200~~ 2373 208th Street, #F-2 Torrance, CA 90501 310/328-9600	Fast Industries, Inc. 119 E. 46th St., #201 Garden City, ID 83714 208/376-7373
			OREGON
~~ZZZ Auto Parts LLC~~ ~~Fast Undercar Bakersfield~~ ~~33 V Street~~ ~~Bakersfield, CA 93304~~ ~~805/631-9000~~	~~Trojan Horse Investments, LLC~~ ~~Fast Undercar Santa Fe Springs~~ ~~9930 Pioneer Blvd.~~ ~~Santa Fe Springs, CA 90670~~ ~~562/801-9999~~	~~J. J. Chub, Inc.~~ ~~Fast Undercar Torrance~~ ~~2373 208th Street, #F-2~~ ~~Torrance, CA 90501~~ ~~310/328-9600~~	~~FPA Portland LLC~~ ~~Fast Undercar Portland~~ ~~2508 SE 8th Street~~ ~~Portland, OR 97202~~ ~~503/236-3278~~
~~ATM Plus, Inc.~~ZZZ Auto Parts LLC Fast Undercar ~~Chula Vista~~Bakersfield ~~2232 Verus~~33 V Street~~, #F~~ ~~San Diego, CA 92154~~ ~~619/575-3278~~ Bakersfield, CA 93304 805/631-9000	Fast B & M, Inc. Fast Undercar Concord 2430 Estand Way Pleasant Hill, CA 94523 925/602-1111	Fast Pro, Inc. Fast Undercar Santa Clara 2555 Lafayette Street, #103 Santa Clara, CA 95050 408/566-0200	~~Fast Kawaguchi, Inc.~~ FPA Portland LLC Fast Undercar ~~Salem~~Portland ~~3146 22nd~~2508 SE 8th Street ~~SE~~ ~~Salem OR 97302~~ ~~503/588-9448~~ Portland, OR 97202 503/236-3278
			~~WASHINGTON~~
~~M&R Auto Parts, LLC~~ ATM Plus, Inc. Fast Undercar ~~Lancaster 43300 Gingham Ave, Unit 107~~Chula Vista ~~Lancaster, CA 93534~~ ~~661/942-6461~~ 2232 Verus Street, #F San Diego, CA 92154 619/575-3278	Norcal Fast Auto, Inc. Fast Undercar Sacramento 4540 Florin Perkins Rd. Sacramento, CA 95826 916/455-0390	2 Fast 4U, LLC Fast Undercar Canyon Ctry 21182 Centre Point Pkwy. Santa Clarita, CA 91350 661-278-1800	~~Renaghan~~Fast Kawaguchi, Inc. Fast Undercar ~~Redmond~~Salem ~~4610 148 Ave. NE~~ ~~Redmond, WA 98052~~ ~~425/861-7886~~ 3146 22nd Street SE Salem OR 97302 503/588-9448
			WASHINGTON

M&R Auto Parts, LLC Fast Undercar Lancaster 43300 Gingham Ave, Unit 107	Darrell Castleman Fast Undercar Fresno 355 N Street Fresno, CA 93721	David Mostamond Fast Undercar Garden Grove 11818 Western Ave.	~~CARNAC~~Renaghan, Inc. Fast Undercar ~~Santa Maria 322 S. Oak St.~~Redmond	~~David Mostamond~~ ~~Fast Undercar Garden Grove~~ ~~11818 Western Ave.~~	~~FPA Kent, LLC~~ ~~Fast Undercar Kent~~ ~~19612 70th Ave. S., Bay 1~~ ~~Kent, WA 98032~~

Lancaster, CA 93534 661/942-6461	559-498-8260	Stanton, CA 90680 714-890-1800	~~Santa Maria, CA 93454 805/955-5018~~ 4610 148 Ave. NE Redmond, WA 98052 425/861-7886	~~Stanton, CA 90680 714-890-1800~~	~~253/395-9333~~

			Renaghan, Inc. Fast Undercar Everett 2718 Broadway Ave Everett, WA 98201 425/861-7886

AFFILIATE OWNED LOCATIONS AS OF DECEMBER 31, ~~2019~~2020	
Fast Undercar Ventura 4277 Transport Street Ventura, CA 93003 805/676-3400	Fast Undercar Thousand Oaks 3653 Old Conejo Rd. Newbury Park, CA 91320 805/495-3410
Fast Undercar San Marcos 234 Venture St., Unit 101 San Marcos, CA 92078 760/471-6999	Fast Undercar Santa Barbara 509 E. Haley Street Santa Barbara, CA 93103 805/899-2555
Fast Undercar Stockton 1725 Sanguinetti Lane, #B Stockton, CA 95205 209/469-5050	Fast Undercar Anaheim 1522 Kimberly Ave Fullerton, CA 92831 714/688-1111
Fast Undercar Laguna 23015 Del Lago Dr., #A-2 Laguna Hills, CA 92653 949/457-8888	Fast Undercar Kent 19612 70th Ave. S., Bay 1 Kent, WA 98032 253/395-9333

FRANCHISEES WITH SIGNED AGREEMENT BUT LOCATION NOT YET OPENED AS OF DECEMBER 31, ~~2019~~2020	
None	
~~Fast Undercar Long Beach~~ ~~DJ Agahi~~ ~~562/801-9999~~	

FRANCHISEES WHO HAVE CEASED OPERATIONS UNDER A FRANCHISE AGREEMENT DURING FISCAL YEAR ENDING DECEMBER 31, ~~2019~~2020	

CARNAC, Inc. Fast Undercar Santa Maria 322 S. Oak St. Santa Maria, CA 93454 805/955-5018	CARNAC, Inc. Fast Undercar San Luis Obispo 3523 S. Higuera, #E San Luis Obispo, CA 93401 805/544-4200
Trojan Horse Investments, LLC Fast Undercar Santa Fe Springs 9930 Pioneer Blvd. Santa Fe Springs, CA 90670 562/801-9999	FPA Kent, LLC Fast Undercar Kent 19612 70th Ave. S., Bay 1 Kent, WA 98032 253/395-9333
~~None~~	

EXHIBIT M

FINANCIAL STATEMENTS

FAST UNDERCAR FRANCHISE, LLC

FINANCIAL REPORT

DECEMBER 31, 2020 AND DECEMBER 31, 2019

Table of Contents

RSM

Independent Auditor's Report

RSM US LLP

Board of Directors
Fast Undercar Franchise, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Fast Undercar Franchise, LLC (the Company), which comprise the Successor balance sheet as of December 31, 2020, the related statements of operations, member's equity and cash flows for the Successor period from October 28, 2020 through December 31, 2020 and the Predecessor balance sheet as of December 31, 2019, the related statements of operations, member's equity and cash flows for the Predecessor periods from January 1, 2020 through October 27, 2020 and from January 1, 2019 through December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fast Undercar Franchise, LLC as of December 31, 2020, the Successor's related statements of operations, member's equity and cash flows for the Successor period from October 28, 2020 through December 31, 2020 and the Predecessor balance sheet as of December 31, 2019, the Predecessor's related statements of income, member's equity and cash flows for the Predecessor periods from January 1, 2020 through October 27, 2020 and from January 1, 2019 through December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

New York, New York
March 30, 2021

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FAST UNDERCAR FRANCHISE, LLC
BALANCE SHEETS
(in thousands)

	Successor		Predecessor	
	December 31, 2020		December 31, 2019	
ASSETS				
Current assets:				
Cash	$	78	$	25
Accounts receivable, net		315		121
Total current assets		393		146
Due from affiliate		-		604
Accounts receivable, long term		-		447
Goodwill, net		476		368
Intangibles, net		12,239		8,333
Total assets	$	13,108	$	9,898
LIABILITIES AND MEMBER'S EQUITY				
Current liabilities:				
Deferred revenue	$	-	$	44
Accrued earnout, short-term		-		278
		-		322
Due to affiliate		261		-
Total liabilities		261		322
Member's equity		12,847		9,576
Total liabilities and member's equity	$	13,108	$	9,898

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF OPERATIONS
(in thousands)

	Successor	Predecessor	
	For the period October 28, 2020 through December 31, 2020	For the period January 1, 2020 through October 27, 2020	For the fiscal year ended December 31, 2019
Revenue	$ 132	$ 301	$ 1,152
Interest income	-	-	22
Total revenue	132	301	1,174
Amortization	269	860	1,034
Total operating expenses	269	860	1,034
Net (loss) income	$ (137)	$ (559)	$ 140

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF MEMBER'S EQUITY
(in thousands)

		Predecessor
Predecessor balance as of December 31, 2018	$	9,462
Cumulative effect of the adoption of ASC 606		(26)
Net income		140
Predecessor balance as of December 31, 2019		9,576
Net loss		(559)
Predecessor balance prior to acquisition on October 27, 2020	$	9,017

		Successor
Successor opening balance subsequent to acquisition on October 28, 2020	$	12,984
Net loss		(137)
Successor balance as of December 31, 2020	$	12,847

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
(in thousands)

	Successor	Predecessor	
	For the period October 28, 2020 through December 31, 2020	**For the period January 1, 2020 through October 27, 2020**	**For the fiscal year ended December 31, 2019**
Cash Flows from Operating Activities:			
Net (loss) income	$ (137)	$ (559)	$ 140
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Amortization	269	860	1,034
Sales allowances	-	447	-
Deferred revenue	-	-	18
Change in operating assets and liabilities, net of business acquired:			
Accounts receivable	(12)	(182)	(305)
Net cash provided by operating activities	120	566	887
Cash Flows from Investing Activities:			
Due from affiliate	(406)	51	(146)
Net cash (used in) provided by investing activities	(406)	51	(146)
Cash Flows from Financing Activities:			
Payment of deferred purchase price and earnout	-	(278)	(743)
Net cash used in financing activities	-	(278)	(743)
Net (decrease) increase in cash	(286)	339	(2)
Cash at beginning of period	364	25	27
Cash at end of period	$ 78	$ 364	$ 25
Schedule of Non-Cash Investing and Financing Activities			
Acquisition of business and related capital contribution	$ 12,984	$ -	$ -

See accompanying notes to financial statement

1. BUSINESS DESCRIPTION AND BASIS OF PRESENTATION

Business Description

Fast Undercar Franchise, LLC (the "Company") is a franchisor of wholesale distributors of automotive aftermarket parts. The Company collaborates with individual entrepreneurs to build successful businesses through a turn-key business model. The Company's franchisees currently operate 17 locations throughout California and the Pacific Northwest providing wholesale distribution of automotive aftermarket parts with immediate delivery to professional installers of all types.

On June 1, 2018, FUFC Acquisition, LLC acquired the assets of Fast Undercar Franchise Corporation. On June 4, 2018, the name of FUFC Acquisition, LLC was changed to Fast Undercar Franchise, LLC. The acquisition has been accounted for in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for business combinations and accordingly, the Company's assets and liabilities were recorded using their fair values as of June 1st, 2018.

On October 28, 2020, Fast Undercar Franchise, LLC had an indirect change in ownership. Please refer to Note 3 *Business Acquisitions* for further information.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) and are presented for the successor period ending December 31, 2020 and predecessor periods ending October 27, 2020 and December 31, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Cash

The Company maintains bank accounts in the United States, which, at times, may exceed federally insured limits. The Company has not experienced any losses on such balances.

Concentration of Credit Risk

Assets that are exposed to concentrations of credit risk consist primarily of cash and receivables from franchisees. The Company performs credit evaluations of its franchisees; however, the Company's policy is not to require collateral.

Revenue is generated from royalty fees billed to franchisees in accordance with franchise agreements. For the successor period ending December 31, 2020 and predecessor periods ending October 27, 2020 and December 31, 2019, three franchisees accounted for 51%, 47% and 33% of revenue, and two, two and three franchisees accounted for 57%, 51% and 70% of accounts receivable, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of its franchisees to make required payments. The amount of the allowance account is based on historical experience and the analysis of the accounts receivable balances outstanding and is estimated using factors such as general economic conditions and trends, historical collection and charge-off experience, creditworthiness of customers and aging of accounts receivable. Receivables are charged against the allowance for doubtful accounts when it is probable that the receivable will not be recovered. Based on management's assessment for the successor period ending December 31, 2020 and predecessor periods ending October 27, 2020 and December 31, 2019, there was no allowance for doubtful accounts recorded.

Goodwill

Goodwill represents the excess purchase price of acquired companies over the fair value of their net assets. The Company has elected to apply the private company accounting alternative for the subsequent measurement of goodwill and amortizes goodwill over ten years using the straight-line amortization method. The Company tests goodwill for impairment at the entity level and performs testing for impairment when a triggering event occurs that indicates that the fair value of the entity may be below its carrying value. The Company has not identified any impairment losses with respect to goodwill for the period presented.

Intangible Assets

Intangible assets include amounts assigned to trade name and franchise agreements. The Company has determined that its trade name and franchise agreements have a definite life and amortizes them over eight years in the successor period and ten years in the predecessor period using the straight-line amortization method. The Company tests the intangibles for impairment when a triggering event occurs that indicates that the fair value of the trademark may be below its carrying value.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Disclosure about how fair value is determined for assets and liabilities is based on a hierarchy established from the significant levels of inputs as follows:

Level 1	Quoted prices in active markets for identical assets or liabilities;
Level 2	Quoted prices in active markets for similar assets and liabilities and inputs that are observable for the asset or liability; or
Level 3	Unobservable inputs, such as discounted cash flow models or valuations.

The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The fair value of cash and accounts receivable approximates the carrying amount due to the short maturities of these items.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

On January 1, 2019, the Company adopted Accounting Standard Update (ASU) No. 2014-09, "*Revenue from Contracts with Customers"* (Topic 606), ("ASU 2014-09") and the related subsequent amendments, which were codified in the Accounting Standards Codification, (collectively, "ASC 606"), using the modified retrospective approach. Refer to "Recent Accounting Pronouncements" below, and Note 5, Franchises and Revenue, for additional information.

Franchise revenues include initial franchise fees and ongoing sales-based royalty and system fund contributions, which are used for advertising and cooperative advertising programs and materials. The license granted to develop and operate a franchise is the distinct performance obligation that is transferred to the franchisee. Ancillary promised services, such as training, which are not considered distinct within the context of the franchise agreement, are combined with the franchise license and are considered as one distinct performance obligation. Payments for the initial franchise fees are received upon execution of the franchise agreement. These payments are initially deferred and recognized as revenue over time throughout the contractual term of the related franchise agreement, in accordance with the revenue recognition method for the performance obligation. Unamortized deferred franchise fees are recognized as revenue upon the termination of franchise agreements with franchisees.

Royalty fees are based on a percentage of cost of goods sold and are recorded as revenue as the fees are earned and become receivable from franchisees.

Income taxes

The Company is a single member LLC (disregarded entity for tax purposes), a wholly owned subsidiary of PA & E Holdco, Inc. (the "Parent"). The Company is included in the consolidated tax return of the Parent. Accordingly, there is no tax provision recorded on the accompanying stand-alone financial statements.

Recent accounting pronouncements

On January 1, 2019, the Company adopted ASC 606, which was effective for accounting periods beginning after December 15, 2018, using the modified retrospective method to those contracts which were not completed as of December 31, 2018. The new guidance is principle-based and provides a five-step model to determine when and how revenue is recognized. The core principle of ASC 606 is that revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which a company expects to be entitled in exchange for those goods or services.

The Company licenses intellectual property to franchisees through franchise agreements, which include the right to develop, open and operate a franchise outlet over a contractual period of time. As part of these agreements, the Company receives an initial franchise fee. Under ASC 606, the license to the Company's intellectual property and training are considered one distinct performance obligation. As such, with the adoption of ASC 606 effective January 1, 2019, initial franchise fees are recognized over the contractual term of the franchise agreement. The Company does not consider this advance consideration to be a significant financing component as the initial franchise fee, which represents an insignificant portion of the total fees expected to be collected from franchisees, functions to protect the Company from nonperformance by its franchisees and does not provide a significant financing benefit to the Company.

(in thousands)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent accounting pronouncements (continued)

Franchise royalty fees are based on the cost of goods sold of the underlying franchise outlet. ASC 606 did not impact the recognition of the royalty fees from the franchised outlets and these fees continue to be recognized as the franchise sales occur. Franchise royalties for certain franchisees were deferred which resulted in a long-term receivable balance. The Company concluded that a significant financing component existed as a significant amount of time existed between when the services were provided, and payment would be received. The cumulative effect of initially applying the new revenue standard was recorded as an adjustment of $26 to the opening retained earnings balance. The Company recorded an adjustment to the long-term receivables to impute interest income during 2019 of $22.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. The ASU simplifies the measurement of goodwill impairment by eliminating the requirement that an entity compute the implied fair value of goodwill based on the fair values of its assets and liabilities to measure impairment. Instead, goodwill impairment will be measured as the difference between the fair value of the reporting unit and the carrying value of the reporting unit. The ASU also clarifies the treatment of the income tax effect of tax deductible goodwill when measuring goodwill impairment loss. For nonpublic companies, ASU No. 2017-04 is effective for annual reporting periods beginning after January 1, 2022. ASU No. 2017-04 must be applied prospectively with early adoption permitted.

The Company is currently evaluating the impact of the adoption of this guidance on its financial statements. The adoption of ASU No. 2017-04 is not expected to have a material impact on the financial statements.

3. BUSINESS ACQUISITIONS

Acquisition of Company

On October 28, 2020, pursuant to a merger agreement dated September 27, 2020, KPAE Holdings, L.P. Inc. acquired a majority interest of PAI Holdco, Inc., of which Fast Undercar Franchise, LLC is a direct subsidiary. This resulted in an indirect acquisition of the Company. The consideration was allocated to Fast Undercar Franchise, LLC based upon its relative fair value related to PAI Holdco, Inc. in total.

The consideration and purchase price allocation relating to Fast Undercar Franchise, LLC, subject to working capital adjustments, are as follows:

Allocation of Base Purchase Price	$	12,984
Less Cash Acquired		(364)
Fair Value of Total Consideration Transferred	$	12,620

(in thousands)

3. BUSINESS ACQUISITIONS (Continued)

Acquisition of Company (continued)

Accounts Receivable	$	303
Due to Related Party		(667)
Goodwill		484
Intangibles		12,500
Total Consideration Transferred	$	12,620

The estimated fair values of assets acquired and liabilities assumed are provisional and are based on the information that was available as of the balance sheet date. The Company expects to finalize the valuation and complete the purchase price allocation as soon as practical but no later than one year from the acquisition date.

4. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangibles as of successor period ended December 31, 2020 and predecessor period ended December 31, 2019 were compromised of the following:

Successor period ended December 31, 2020	**Estimated Useful Life (Years)**	**Gross Amount**	**Accumulated Amortization**	**Net**
Goodwill	10	$ 484	$ (8)	$ 476
Franchise Trade Name	8	4,000	(83)	3,917
Franchise Agreements	8	8,500	(178)	8,322
		$ 12,984	$ (269)	$ 12,715

Predecessor period ended December 31, 2019	**Estimated Useful Life (Years)**	**Gross Amount**	**Accumulated Amortization**	**Net**
Goodwill	10	$ 437	$ (69)	$ 368
Franchise Trade Name	10	3,000	(475)	2,525
Franchise Agreements	10	6,900	(1,092)	5,808
		$ 10,337	$ (1,636)	$ 8,701

(in thousands)

4. GOODWILL AND INTANGIBLE ASSETS (Continued)

Amortization expense for the successor period ended December 31, 2020 and predecessor periods ended October 27, 2020 and December 31, 2019 was $269, $860 and $1,034, respectively.

As of December 31, 2020, the amortization expense for goodwill and intangibles to be recognized for each of the five years and thereafter is estimated as follows:

Years Ended December 31	Future Estimated Amortization
2021	$ 1,611
2022	1,611
2023	1,611
2024	1,611
2025	1,611
Thereafter	4,660
Total	$ 12,715

(in thousands)

5. FRANCHISES AND REVENUE

During the successor period ended December 31, 2020 and predecessor periods ended October 27, 2020 and December 31, 2019, the majority of the Company's revenue was related to franchise royalty fees.

Minimum future franchise fees as of December 31, 2020, are as follows:

Years Ended December 31	Future Minimum Franchise Fees
2021	$ 414
2022	444
2023	355
2024	280
2025	240
Thereafter	568
Total	$ 2,301

6. RELATED PARTY TRANSACTIONS

At the successor period December 31, 2020 and predecessor periods ended October 27, 2020 and December 31, 2019, amounts due to or from affiliates and paid to or from affiliates bear no specific repayment terms and are expected to be collected in the normal course of business. In addition, the Company shares space and other resources with its Parent.

7. RISKS AND UNCERTAINTIES

The outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, continues to impact the U.S. and global economies. The automotive repair industry has been deemed an essential service, yet uncertainty remains over the duration of the pandemic. There are still numerous unknown factors including the likelihood of resurgence, transmission of new variations of the virus and the actions taken by governmental authorities in response. Therefore, the Company is unable to accurately predict the impact COVID-19 will have on our results of operations and financial position in the future, despite COVID not having a significant financial impact in 2020.

8. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 30th, 2021, which is the date the financial statements were available to be issued.

FAST UNDERCAR FRANCHISE, LLC

FINANCIAL REPORT

DECEMBER 31, 2019 AND DECEMBER 31, 2018

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RSM

Independent Auditor's Report

RSM US LLP

Board of Directors
Fast Undercar Franchise, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Fast Undercar Franchise, LLC (the Company), which comprise the balance sheets as of December 31, 2019 and 2018, the related statements of operations, member's equity and cash flows for the year ended December 31, 2019 and for the period from June 1, 2018 (inception) through December 31, 2018, and the related notes to the financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fast Undercar Franchise, LLC as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the year ended December 31, 2018 and the period June 1, 2018 (inception) through December 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

New York, NY
March 27, 2020

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FAST UNDERCAR FRANCHISE, LLC
BALANCE SHEETS
(in thousands)

	December 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash	$ 25	$ 27
Accounts receivable, net	121	109
Total current assets	146	136
Due from affiliate	604	551
Accounts receivable, long term	447	154
Goodwill, net	368	411
Intangibles, net	8,333	9,323
Total assets	$ 9,898	$ 10,575
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Deferred purchase price payable	$ -	$ 557
Deferred Revenue	44	-
Accrued Earnout, short-term	278	278
	322	835
Long-term liabilities:		
Accrued Earnout, long-term	-	278
Total liabilities	322	1,113
Member's equity	9,576	9,462
Total liabilities and member's equity	$ 9,898	$ 10,575

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF OPERATIONS
(in thousands)

	For the year ended December 31, 2019	For the period June 1, 2018 through December 31, 2018
Revenue	$ 1,152	$ 719
Interest income	22	-
Total revenue	1,174	719
Amortization	1,034	603
Transaction expenses	-	149
Total operating expenses	1,034	752
Net Income (Loss)	$ 140	$ (33)

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF MEMBER'S EQUITY
(in thousands)

Opening balance as of June 1, 2018	$	-
Acquisition capital contribution		9,495
Net loss		(33)
Balance as of December 31, 2018		9,462
Cumulative effect of the adoption of ASC 606		(26)
Net income		140
Balance as of December 31, 2019	$	9,576

See accompanying notes to financial statements

FAST UNDERCAR FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
(in thousands)

	For the year ended December 31, 2019	For the period June 1, 2018 through December 31, 2018
Cash Flows from Operating Activities:		
Net income (loss)	$ 140	$ (33)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Amortization	1,034	603
Deferred revenue	18	-
Change in operating assets and liabilities, net of business acquired:		
Accounts receivable	(305)	(141)
Net cash provided by operating activities	887	429
Cash Flows from Investing Activities:		
Purchase of business	-	(8,845)
Due from affiliate	(146)	(551)
Net cash used in investing activities	(146)	(9,396)
Cash Flows from Financing Activities:		
Proceeds from capital contributions	-	8,994
Payment of deferred purchase price and earnout	(743)	-
Net cash (used in) provided by financing activities	(743)	8,994
Net (decrease) increase in cash	(2)	27
Cash at beginning of period	27	-
Cash at end of period	$ 25	$ 27
Schedule of Non-Cash Financing Activities:		
Non-cash consideration issued for acquisition	$ -	$ 1,614

See accompanying notes to financial statements

1. BUSINESS DESCRIPTION AND BASIS OF PRESENTATION

Business Description

Fast Undercar Franchise, LLC (the Company) is a franchisor of wholesale distributors of automotive aftermarket parts. The Company collaborates with individual entrepreneurs to build successful businesses through a turn-key business model. The Company franchisees currently operate 21 locations throughout California and the Pacific Northwest providing wholesale distribution of automotive aftermarket parts with immediate delivery to professional installers of all types.

On June 1, 2018, FUFC Acquisition, LLC acquired the assets of Fast Undercar Franchise Corporation. On June 4, 2018 the name of FUFC Acquisition, LLC was changed to Fast Undercar Franchise, LLC. The acquisition has been accounted for in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for business combinations and accordingly, the Company's assets and liabilities were recorded using their fair values as of June 1st, 2018. Please refer to Note 3 *Business Acquisitions* for further information about the acquisition of the Company.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) and are presented for the year ended December 31, 2019 and the period ended June 1, 2018 through December 31, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Cash

The Company maintains bank accounts in the United States, which, at times, may exceed federally insured limits. The Company has not experienced any losses on such balances.

Concentration of Credit Risk

Assets that are exposed to concentrations of credit risk consist primarily of cash and receivables from franchisees. The Company performs credit evaluations of its franchisees; however, the Company's policy is not to require collateral.

Revenue is generated from royalty fees billed to franchisees in accordance with franchise agreements. As of December 31, 2019, and 2018, three and two franchisees accounted for 33% and 23% of revenue, respectively, and three franchisees accounted for 70% and 58% of accounts receivable, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of its franchisees to make required payments. The amount of the allowance account is based on historical experience and the analysis of the accounts receivable balances outstanding and is estimated using factors such as general economic conditions and trends, historical collection and charge-off experience, creditworthiness of customers and aging of accounts receivable. Receivables are charged against the allowance for doubtful accounts when it is probable that the receivable will not be recovered. Based on management's assessment as of December 31, 2019 and 2018, there was no allowance for doubtful accounts recorded.

Goodwill

Goodwill represents the excess purchase price of acquired companies over the fair value of their net assets. The Company has elected to apply the private company accounting alternative for the subsequent measurement of goodwill and amortizes goodwill over ten years using the straight-line amortization method. The Company tests goodwill for impairment at the entity level and performs testing for impairment when a triggering event occurs that indicates that the fair value of the entity may be below its carrying value. The Company has not identified any impairment losses with respect to goodwill for the period presented.

Intangible Assets

Intangible assets include amounts assigned to trade name and franchise agreements. The Company has determined that its trade name and franchise agreements have definite lives and amortizes them over ten years using the straight-line amortization method. The Company tests the trade name and franchise agreements for impairment when a triggering event occurs that indicates that the fair value of the trademark may be below its carrying value.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Disclosure about how fair value is determined for assets and liabilities is based on a hierarchy established from the significant levels of inputs as follows:

Level 1	Quoted prices in active markets for identical assets or liabilities;
Level 2	Quoted prices in active markets for similar assets and liabilities and inputs that are observable for the asset or liability; or
Level 3	Unobservable inputs, such as discounted cash flow models or valuations.

The determination of where assets and liabilities fall within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The fair value of cash and accounts receivable approximates the carrying amount due to the short maturities of these items.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

On January 1, 2019, the Company adopted ASU No. 2014-09, "Revenue from Contracts with Customers" (Topic 606), ("ASU 2014-09") and the related subsequent amendments, which were codified in the Accounting Standards Codification, (collectively, "ASC 606"), using the modified retrospective approach. Refer to "Recent Accounting Pronouncements" below, and Note 5, Franchises and Revenue, for additional information.

Franchise revenues include initial franchise fees and ongoing sales-based royalty and system fund contributions, which are used for advertising and cooperative advertising programs and materials. The license granted to develop and operate a franchise is the distinct performance obligation that is transferred to the franchisee. Ancillary promised services, such as training, which are not considered distinct within the context of the franchise agreement, are combined with the franchise license and are considered as one distinct performance obligation. Payments for the initial franchise fees are received upon execution of the franchise agreement. These payments are initially deferred and recognized as revenue over time throughout the contractual term of the related franchise agreement, in accordance with the revenue recognition method for the performance obligation. Unamortized deferred franchise fees are recognized as revenue upon the termination of franchise agreements with franchisees.

Royalty fees are based on a percentage of cost of goods sold and are recorded as revenue as the fees are earned and become receivable from franchisees.

Income taxes

The Company is a single member LLC (disregarded entity for tax purposes), a wholly owned subsidiary of PA & E Holdco, Inc. (the "Parent"). The Company is included in the consolidated tax return of the Parent. Accordingly, there is no tax provision recorded on the accompanying stand-alone financial statements.

Recent accounting pronouncements

On January 1, 2019, the Company adopted ASC 606, which was effective for accounting periods beginning after December 15, 2018, using the modified retrospective method to those contracts which were not completed as of December 31, 2018. The new guidance is principle-based and provides a five-step model to determine when and how revenue is recognized. The core principle of ASC 606 is that revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which a company expects to be entitled in exchange for those goods or services.

The Company licenses intellectual property to franchisees through franchise agreements, which include the right to develop, open and operate a franchise outlet over a contractual period of time. As part of these agreements, the Company receives an initial franchise fee. Under ASC 606, the license to the Company's intellectual property and training are considered one distinct performance obligation. As such, with the adoption of ASC 606 effective January 1, 2019, initial franchise fees are recognized over the contractual term of the franchise agreement. The Company does not consider this advance consideration to be a significant financing component as the initial franchise fee, which represents an insignificant portion of the total fees expected to be collected from franchisees, functions to protect the Company from nonperformance by its franchisees and does not provide a significant financing benefit to the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent accounting pronouncements (continued)

Franchise royalty fees are based on the cost of goods sold of the underlying franchise outlet. ASC 606 did not impact the recognition of the royalty fees from the franchised outlets and these fees continue to be recognized as the franchise sales occur. Franchise royalties for certain franchisees were deferred which resulted in a long-term receivable balance. The Company concluded that a significant financing component exists as a significant amount of time exists between when the services were provided, and payment will be received. The cumulative effect of initially applying the new revenue standard was recorded as an adjustment of $26 to the opening retained earnings balance. The Company recorded an adjustment to the long-term receivables to impute interest income during 2019 of $22.

In addition, as part of the acquisition of the franchise business that is described in the Business Acquisition footnote any deferred revenue that existed as of June 1, 2018 was adjusted to fair value. There has been no impact at transition relating to deferred revenue.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. The ASU simplifies the measurement of goodwill impairment by eliminating the requirement that an entity compute the implied fair value of goodwill based on the fair values of its assets and liabilities to measure impairment. Instead, goodwill impairment will be measured as the difference between the fair value of the reporting unit and the carrying value of the reporting unit. The ASU also clarifies the treatment of the income tax effect of tax deductible goodwill when measuring goodwill impairment loss. For nonpublic companies, ASU No. 2017-04 is effective for annual reporting periods beginning after January 1, 2022. ASU No. 2017-04 must be applied prospectively with early adoption permitted.

The Company is currently evaluating the impact of the adoption of this guidance on its financial statements. The adoption of ASU No. 2017-04 is not expected to have a material impact on the financial statements.

(in thousands)

3. BUSINESS ACQUISITIONS

Acquisition of Company

On June 1, 2018, pursuant to an asset purchase agreement dated May 15, 2018, FUFC Acquisition, LLC, formed on April 17, 2018, completed the acquisition of substantially all the assets of Fast Undercar Franchise Corporation for a purchase price of approximately $10,459. The consideration and purchase price allocation are as follows:

Cash Paid to Sellers	$	8,845
Deferred Purchase Price		557
Contingent Purchase price		556
Rollover equity		501
Fair Value of Total Consideration Transferred	$	10,459

Accounts Receivable	$	122
Total identifiable net assets		122
Goodwill		437
Intangibles		9,900
Total Consideration Transferred	$	10,459

(in thousands)

4. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangibles as of December 31, 2019 and 2018 were compromised of the following:

December 31, 2019	**Estimated Useful Life (Years)**	**Gross Amount**	**Accumulated Amortization**	**Net**
Goodwill	10	$ 437	$ (69)	$ 368
Franchise Trade Name	10	3,000	(475)	2,525
Franchise Agreements	10	6,900	(1,092)	5,808
		$ 10,337	$ (1,636)	$ 8,701

December 31, 2018	**Estimated Useful Life (Years)**	**Gross Amount**	**Accumulated Amortization**	**Net**
Goodwill	10	$ 437	$ (26)	$ 411
Franchise Trade Name	10	3,000	(175)	2,825
Franchise Agreements	10	6,900	(402)	6,498
		$ 10,337	$ (603)	$ 9,734

Amortization expense for the year ended December 31, 2019 and the period ended June 1, 2018 through December 31, 2018 was $1,034 and $603, respectively.

As of December 31, 2019, the amortization expense for goodwill and intangibles to be recognized for each of the five years and thereafter is estimated as follows:

Year Ended December 31,	**Future Estimated Amortization**
2020	$ 1,034
2021	1,034
2022	1,034
2023	1,034
2024	1,034
Thereafter	3,531
Total	$ 8,701

(in thousands)

5. FRANCHISES AND REVENUE

During the year ended December 31, 2019 and the period ended June 1, 2018 through December 31, 2018, the majority of the Company's revenue was related to franchise royalty fees. In addition, during the period ended December 31, 2018, the Company's Parent acquired six of the franchise locations.

Minimum future franchise fees as of December 31, 2019 are as follows:

Year Ended December 31,	Future Minimum Franchise Fees
2020	$ 567
2021	564
2022	521
2023	445
2024	370
Thereafter	990
Total	$ 3,457

Total revenues recognized during 2019 disaggregated by type was as follows:

Franchise revenues:

Royalty	$1,152
Interest income	22
Initial fees	-
Total revenues	$1,174

6. RELATED PARTY TRANSACTIONS

At December 31, 2019 and 2018, amounts due from affiliate bear no specific repayment terms and are expected to be collected in the normal course of business. In addition, the Company shares space and other resources with its Parent. Management believes the value of such shared resources is not material.

7. COMMITMENTS AND CONTINGENCIES

Contingent Consideration

In connection with the purchase agreement, the seller is entitled to an additional purchase price based upon meeting certain performance targets. As of December 31, 2019, approximately $278 of additional consideration has been accrued and is payable during the year ending December 31, 2020.

8. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 27, 2020, which is the date the financial statements were available to be issued. On February 3rd, 2020, the Parent purchased the Fast Parts Affiliates, Inc. franchise located in Kent, Washington.

The recent outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, has led to adverse impacts on the U.S. and global economies. The automotive repair industry has been deemed an essential service yet there is uncertainty as to how the pandemic could impact the Company's operations and the operations of the Company's suppliers and vendors as a result of quarantines, facility closures, and travel and logistics restrictions. While the disruption caused by the pandemic is currently expected to be temporary, there is uncertainty regarding its duration. Therefore, while the pandemic is expected to impact the Company's results of operations and financial position, the impact cannot reasonably be estimated at this time.

EXHIBIT N

STATE ADDENDUM

Certain states require a franchisor to register with a state agency in order to offer or sell franchises to residents of the state or for locations in the state. These states are: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, VIRGINIA, WASHINGTON and WISCONSIN.

As a condition of registration in certain of these states, a franchisor must disclose additional information required by the state. In some states, you must sign an amendment to the Franchise Agreement. This exhibit includes all of the additional state-specific disclosures and Addendum to Franchise Agreement forms.

CALIFORNIA

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

1. In addition to the information disclosed in Item 3:

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

2. In addition to the information disclosed in Item 17:

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

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

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

d. Under certain limited circumstances, California Corporations Code, Section 31125 requires Company to give a franchisee a disclosure document, approved by the Department of Corporations, before a solicitation of a proposed material modification of an existing franchise.

e. The Franchise Agreement and Area Development Agreement each require that all disagreements be resolved first by non-binding mediation, and if that process does not result in resolution, by litigation. The mediation will occur at Company's offices, presently located in Ventura, California. The fees and expenses of mediation service, including the mediator's fee, are shared by the parties. Each party bears its own attorneys' fees and other costs incurred in connection with the mediation regardless of the outcome of the mediation or the mediator's evaluation of each party's case. For litigation, the Franchise Agreement and Area Development Agreement each provide that the prevailing party may recover its reasonable attorneys' fees and costs in addition to any other relief awarded by the court.

f. Company shall be entitled to reimbursement of all fees, costs and expenses which it incurs, including fees to retain attorneys, accountants or other experts, to enforce its rights under this Agreement under circumstances when no mediation or judicial action is commenced.

g. The Franchise Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions code Sections 20000 – 20043).

h. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

3. Payment of all initial fees is postponed until after all of Company's initial obligations are complete and your FAST UNDERCAR® Outlet is open for business.

4. OUR WEBSITE IS WWW.FASTUNDERCAR.COM. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF ~~BUSINESS OVERSIGHT~~FINANCIAL PROTECTION AND INNOVATION AT ~~WWW.DBO.CA.GOV~~WWW.DFPI.CA.GOV.

ADDENDUM TO FAST UNDERCAR FRANCHISE, LLC
CONTRACTS
FOR THE STATE OF CALIFORNIA

This FIRST ADDENDUM TO CONTRACTS ("Addendum") is made and entered into on ______________, _______ by and between FAST UNDERCAR FRANCHISE, LLC, a California limited liability company ("Company") and ______________________ ("Franchisee"), subject to the following recitals:

R E C I T A L S

A. Franchisee is a resident of the state of California or a non-resident who is acquiring franchise rights permitting the location of one or more FAST UNDERCAR® outlets in the State of California.

B. The "Contracts" covered by this Addendum include all of the following contracts, copies of which are attached as exhibits to the Franchise Disclosure Document that Company has delivered to Franchisee, i.e.: Franchise Agreement; Area Development Agreement; General Release; Addendum to Lease; Confidentiality, Non-Disclosure and Non-Competition Agreement; and Personal Guaranty (collectively referred to as the "Contracts").

C. To the extent that the parties enter into any of the Contracts now or in the future, they desire to amend the Contracts in order to conform them to the requirements of California law.

D. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Contracts.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties mutually acknowledge and agree that:

(a) To the extent that any provision in any of the Contracts is inconsistent with the California Franchise Investment Law (the "CFIL"), the provisions of the CFIL shall control.

(b) To the extent that the governing law provided for in each of the Contracts is inconsistent with the CFIL, the provisions of the CFIL shall prevail.

(c) A release or waiver of rights executed by Franchisee shall not include a release or waiver of rights arising under the CFIL except when the release or waiver of rights is executed pursuant to a negotiated settlement agreement and provided that each party is represented by independent counsel.

(d) To the extent that any provision in any of the Contract unreasonably restricts or limits the statute of limitations period for claims arising under the CFIL, right or remedies under the CFIL or reduces or limits Franchisee's rights or remedies under the CFIL, such as the right to a jury trial, the specific provision in the Contract may not be enforceable under the CFIL.

(e) The parties amend the Contracts to provide that payment of all initial fees is postponed until after all of Company's initial obligations are complete and Franchisee's FAST UNDERCAR® Outlet is open for business.

(f) Transfer fees payable in connection with an assignment of any of the Contracts shall be limited to Company's reasonable estimated or actual costs in approving and processing a transfer application.

(g) The parties agree that the Contracts, whether now existing or hereinafter entered into by the parties, shall be enforced in accordance with their terms, subject, however, to the terms of this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

FRANCHISOR:	FRANCHISEE:
FAST UNDERCAR FRANCHISE, LLC a California limited liability company	____________________________________
By:_________________________________	
Its:_________________________________	

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following information is required by New York's General Business Law (NY Gen. Bus. §680 et seq.) (Consol. 2001) ("**New York Franchise Law")** and supplements the information in this Disclosure Document:

1. Item 3 is supplemented by the following language which is added to the end of the Item:

Except as otherwise provided in Item 3, neither we, nor any predecessor, nor our Parent, nor any person listed in Item 2 of this Disclosure Document, nor any affiliate offering franchises under Company's principal trademark:

A. Has an administrative, criminal or civil action pending against that person alleging any of the following: 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. In addition, include 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.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. In Item 4 is supplemented by the following language which is added to the end of the Item:

Except as disclosed above, neither we nor any affiliate of ours, nor any predecessor, nor any officer of ours has during the 10-year period immediately before the issuance date of this Disclosure Document: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the Company held this position in the company or partnership.

3. We deposit the Initial Franchise Fees paid by Franchisees into our general funds. This money is unrestricted and may be used for any purpose that we believe is appropriate.

4. In Item 17, the summary accompanying provision (d) with regard to the Franchise Agreement is supplemented by the addition of the following language:

You may terminate the Franchise Agreement on any grounds available by law.

5. In Item 17, the summary accompanying provision (j) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary:

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

6. In Item 17, the summary accompanying provision (w) with regard to the Franchise Agreement is supplemented by the addition of the following language at the end of the summary:

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

7. Revisions to the Brand Guidelines will not unreasonably increase your obligations or place an excessive economic burden on your operations.

8. The New York Franchise Law makes it unlawful for a franchisor to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by the New York Franchise Law.

9. The provisions in this State Addendum are effective only to the extent that the jurisdictional requirements of the New York Franchise Law are met independent of and without reference to this State Addendum. This State Addendum will have no effect if the jurisdictional requirements of the New York Franchise Law are not met.

WASHINGTON PROVISIONS

The State of Washington has a statute, RCW 19,100.180, which may supersede the provisions of the contracts that you enter into with the Company pertaining to, among other subjects, the areas of termination and renewal of your franchise. There may also be decisions rendered by the state courts of Washington which may supersede the provisions of the contracts that you enter into with the Company.

The "Contracts" referred to in this Addendum include all of the following contracts, copies of which are attached as exhibits to the Franchise Disclosure Document: Franchise Agreement; Area Development Agreement; General Release; Addendum to Lease; Confidentiality, Non-Disclosure and Non-Competition Agreement; and Personal Guaranty (collectively referred to as the "Contracts").

To the extent that the applicable governing law stipulated in any of the Contracts conflicts with the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the "Act"), the Act shall prevail.

A release or waiver of rights executed by a franchisee who is a resident of Washington or who is a nonresident of Washington but operates a franchise in Washington shall not include rights that arise under the Act, except when the release or waiver is executed pursuant to a negotiated settlement agreement provided each party is represented by independent counsel in the settlement negotiations. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims arising under the Act or which reduce or limit your rights or remedies under the Act, such as the right to a jury trial, may not be enforceable under the Act.

Under Washington law, transfer fees are collectible to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The Contracts require that all disputes (with limited exceptions) be resolved first by non-binding mediation, and if that process does not result in resolution, by court proceeding (litigation). Mediation will take place either in a mutually agreed upon place in the state of Washington, or, if no mutual agreement, as determined by the mediator at the time of mediation. Litigation must be brought in the federal or state courts located in Ventura, California, except that any action or proceeding arising out of or in connection with the sale of a franchise or alleging a violation of the Washington Investment Protection Act may be brought in the federal or state courts in Washington.

The Contracts do not permit arbitration. However, Washington law requires us to disclose that any arbitration involving a franchise purchased in Washington, the arbitration site must either be in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

Washington law (RCW 49.62.020) provides that 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). Washington law requires us to disclose that any provisions contained in the Contracts that conflict with these limitations are void and unenforceable in Washington.

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

The Franchise Agreement includes a restriction that applies to Franchisee and each Covered Person for a period of 2 years after (i) expiration or termination of the Franchise Agreement (or if Franchisee and Company are parties to more than one Franchise Agreement, after the last Franchise Agreement); and (ii) 2 years from the date that a Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee, or otherwise associated in any capacity with Franchisee. The parties amend this provision to reduce the duration of the period from 2 years to 18 months.

If you acquire a franchise for the right to open and operate a single FAST UNDERCAR® outlet, the Initial Franchise Fee will be payable to us in full on the date that the FAST UNDERCAR® outlet opens for business to the public.

Additionally, if you acquire multi-unit development rights, we will defer collecting the Territorial Rights Fee when you sign the Area Development Agreement. Instead, you will pay us the sum of $12,500 (representing 100% of the Initial Franchise Fee currently being charged by Company as of the date of this Agreement for a single unit franchise pursuant to the Franchise Agreement) in full on the date that you open each FAST UNDERCAR® outlet in the Development Quota.

Washington residents and non-residents who own a franchise located in the State of Washington will enter into the Washington Addendum to Contracts in the form which is included as part of this **Exhibit N** for purposes of amending the contracts entered into by the parties to comply with the provisions of the Act.

ADDENDUM TO FAST UNDERCAR FRANCHISE, LLC
CONTRACTS
FOR THE STATE OF WASHINGTON

This FIRST ADDENDUM TO CONTRACTS ("Addendum") is made and entered into on ______________, _______ by and between FAST UNDERCAR FRANCHISE, LLC, a California limited liability company ("Company") and ______________________ ("Franchisee"), subject to the following recitals:

R E C I T A L S

A. Franchisee is a resident of the state of Washington or a non-resident who is acquiring franchise rights permitting the location of one or more FAST UNDERCAR® outlets in the State of Washington.

B. The "Contracts" covered by this Addendum include all of the following contracts, copies of which are attached as exhibits to the Franchise Disclosure Document that Company has delivered to Franchisee, i.e.: Franchise Agreement; Area Development Agreement; General Release; Addendum to Lease; Confidentiality, Non-Disclosure and Non-Competition Agreement; and Personal Guaranty (collectively referred to as the "Contracts").

C. To the extent that the parties enter into any of the Contracts now or in the future, they desire to amend the Contracts in order to conform them to the requirements of Washington law.

D. All capitalized terms in this Addendum shall have the same meaning assigned to them in the Contracts.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. The parties mutually acknowledge and agree that:

(a) To the extent that any provision in any of the Contracts is inconsistent with the Washington Franchise Investment Protection Act (the "Act"), the provisions of the Act shall control.

(b) To the extent that the governing law provided for in each of the Contracts is inconsistent with the Act, the provisions of the Act shall prevail.

(c) A release or waiver of rights executed by Franchisee shall not include a release or waiver of rights arising under the Act except when the release or waiver of rights is executed pursuant to a negotiated settlement agreement and provided that each party is represented by independent counsel.

(d) To the extent that any provision in any of the Contract unreasonably restricts or limits the statute of limitations period for claims arising under the Act, right or remedies under the Act or reduces or limits Franchisee's rights or remedies under the Act, such as the right to a jury trial, the specific provision in the Contract may not be enforceable under the Act.

(e) The parties amend the Contracts to provide that payment of all initial fees is postponed until after all of Company's initial obligations are complete and Franchisee is open for business.

(f) Transfer fees payable in connection with an assignment of any of the Contracts shall be limited to Company's reasonable estimated or actual costs in approving and processing a transfer application.

(g) The Contracts require that all disputes (with limited exceptions) be resolved first by non-binding mediation, and if that process does not result in resolution, by court proceeding (litigation). Mediation will take place either in a mutually agreed upon place in the state of Washington, or, if no mutual agreement, as determined by the mediator at the time of mediation. Litigation must be brought in the federal or state courts located closest to our headquarters at the time the action is filed, except that any action or proceeding arising out of or in connection with the sale of a franchise or alleging a violation of the Washington Investment Protection Act may be brought in the federal or state courts in Washington.

(h) Pursuant to Washington law (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 Washington law (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 Contracts that conflict with these limitations are void and unenforceable in Washington.

(i) The Franchise Agreement includes a restriction that applies to Franchisee and each Covered Person for a period of 2 years after (i) expiration or termination of the Franchise Agreement (or if Franchisee and Company are parties to more than one Franchise Agreement, after the last Franchise Agreement); and (ii) 2 years from the date that a Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee, or otherwise associated in any capacity with Franchisee. The parties amend this provision to reduce the duration of the period from 2 years to 18 months.

(j) Washington law (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 Contracts are void and unenforceable in Washington.

(k) This Addendum shall be effective only to the extent that the jurisdictional requirements of the Act are met independently of and without reference to this Addendum. This Addendum shall have no effect if the jurisdictional requirements of the Act are not met.

(l) The parties agree that the Contracts, whether now existing or hereinafter entered into by the parties, shall be enforced in accordance with their terms, subject, however, to the terms of this Addendum.

IN WITNESS WHEREOF parties have executed this Addendum on the date first above written.

FRANCHISOR:	FRANCHISEE:
FAST UNDERCAR FRANCHISE, LLC a California limited liability company	______________________________

By:______________________________

Its:______________________________

EXHIBIT O

DECLARATION OF FRANCHISE APPLICANT

As part of the process that we follow in reviewing an application to purchase a FAST UNDERCAR® franchise, you must execute this Declaration to inform us if any statement or promise has been made to you by our representatives that we do not authorize or that you believe is untrue, inaccurate or misleading. We also want to confirm that you understand the terms of the agreements you will sign. Please review each of the following questions carefully and provide honest and complete responses to each question.

Have you received and personally reviewed the Franchise Disclosure Document ("the FDD") and each exhibit that the FDD identifies as being attached to it presented by FAST UNDERCAR FRANCHISE, LLC (the "Company")?	**Yes** ☐	**No** ☐
Do you understand all of the information contained in the Franchise Agreement and exhibits?	**Yes** ☐	**No** ☐

If not, what parts do you not understand? (Attach additional pages, if necessary.)
____
____
____

Did you receive the FDD together with a copy of all proposed agreements relating to the sale of the franchise at least the longer of (i) 14 calendar days, or (ii) ten (10) business days before your execution of this document and before you paid any consideration in connection with the this franchise?	**Yes** ☐	**No** ☐
On behalf of the prospective franchisee, did you sign a receipt for the FDD indicating the date that you received the FDD?	**Yes** ☐	**No** ☐
Do you understand all of the information contained in the FDD?	**Yes** ☐	**No** ☐

If not, what parts do you not understand? (Attach additional pages, if necessary.)
____
____
____

Have you had the opportunity to discuss the benefits and risks of operating a FAST UNDERCAR® franchise business with an attorney, accountant or other professional advisor?	**Yes** ☐	**No** ☐
If you have discussed the benefits and risks of operating a FAST UNDERCAR® franchise business with an attorney, accountant or other professional advisor, do you understand those benefits and risks?	**Yes** ☐	**No** ☐

If you have not discussed the benefits and risks of operating a FAST UNDERCAR® franchise business with an attorney, accountant or other professional advisor, why did you decide not to seek professional advice? (Attach additional pages, if necessary.)
____
____
____

Do you understand each of the following: (i) we retain the right to modify the FAST UNDERCAR® System as that term is defined in the Franchise Agreement; (ii) an investment in a FAST UNDERCAR® franchise involves business risks; and (iii) the success of your FAST UNDERCAR® franchise depends primarily upon the business acumen of the Franchisee's management team and other economic and business factors?	**Yes** ☐	**No** ☐

If not, what do you not understand? (Attach additional pages, if necessary.)
____
____
____

Have you had the opportunity to visit an operating FAST UNDERCAR® outlet and/or speak with an existing FAST UNDERCAR® franchisee or the Operating Manager or other representative of a FAST UNDERCAR® outlet that is owned by one of our Affiliates?	**Yes** ☐	**No** ☐

If not, why not? (Attach additional pages, if necessary.)
____
____
____

Has any employee or other person speaking on behalf of the Company made any statement or promise concerning the revenues or profits that you will or are likely to earn from a FAST UNDERCAR® outlet other than disclosures appearing in the FDD?	**Yes** ☐	**No** ☐
Has any employee or other person speaking on behalf of the Company made any statement or promise regarding the costs you may incur in operating a FAST UNDERCAR® outlet other than disclosures appearing in the FDD?	**Yes** ☐	**No** ☐
Has any employee or other person speaking on behalf of the Company made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a FAST UNDERCAR® outlet?	**Yes** ☐	**No** ☐
Has any employee or other person speaking on behalf of the Company made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Company will or may furnish to you that is contrary to, or different from, the information contained in the FDD?	**Yes** ☐	**No** ☐
Has any employee or other person speaking on behalf of the Company made any statement, promise or agreement concerning the anticipated income, earnings and growth of the Company or of the FAST UNDERCAR® franchise network as a whole?	**Yes** ☐	**No** ☐

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

Do you understand that your answers are important to us and that we will rely on them in deciding whether or not to enter into an Area Development Agreement or Franchise Agreement with you or award you a franchise?	**Yes** ☐	**No** ☐

By signing this Declaration, you represent that you have responded truthfully based upon your personal knowledge and belief and have provided complete answers containing all material facts that are responsive to the above questions.

Dated: ______________________, ________

____

APPLICANT

EXHIBIT P

OPERATIONS MANUAL TABLE OF CONTENTS

(Consisting of 13 pages)

OPERATIONS MANUAL

Manual 3 of 4

Operations Manual

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This Confidential Operations Manual is the property of Fast Undercar® Franchise Corp. The contents are confidential and proprietary and may not be reproduced by any means or disclosed to third parties in any manner whatsoever without the express, prior written permission of Fast Undercar Franchise Corp. Certain Franchise Agreements may contain additional or different terms. In case of any inconsistency between this Confidential Operations Manual Package and any particular Franchise Agreement, in all cases, the terms of the Franchise Agreement shall prevail.

Fast Undercar is a registered trademark of Fast Undercar Inc., 4277 Transport Street, Ventura, CA 93003, phone 805-676-3410, fax 805-676-1571.

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CHAPTER 6 APPROVED SUPPLIERS

CHAPTER 7 INTERNAL POLICIES

CHAPTER 8
ADMINISTRATION

CHAPTER 9
SALES AND MARKETING

TOTAL PAGES: 12

EXHIBIT Q

AMENDMENT TO FRANCHISE AGREEMENT RE: MINIMUM SALES QUOTA

This AMENDMENT TO FRANCHISE AGREEMENT RE: MINIMUM SALES QUOTA (the "Amendment") is made on ____________________, _________ ("Effective Date") by FAST UNDERCAR FRANCHISE, LLC, a California limited liability company ("Company"), and __________________ ("Franchisee") with reference to the following facts:

R E C I T A L S

A. Company has offered to award Franchisee the right and license to use the FAST UNDERCAR® System and the Licensed Marks in the operation of a FAST UNDERCAR® Outlet at a specific location serving the ____ market pursuant to the terms of the Franchise Agreement ("Franchise Agreement") in the form attached to Company's FDD previously delivered to Company on the condition that Franchisee agree to amend the Franchise Agreement in order to add a Minimum Sales Quota requirement as a condition of the franchise on the terms in this Amendment.

B. Franchisee is willing to accept the condition and amend the Franchise Agreement on the terms of this Amendment. Franchisee understands that Company is not prepared to offer Franchisee a franchise unless Franchisee accepts the minimum Net Sales condition on the terms in this Amendment.

C. The parties are prepared to execute the Franchise Agreement first and then this Amendment and each will be dated as of the Effective Date.

NOW, THEREFORE, in consideration of the award of franchise rights, the parties agree as follows:

I. DEFINITIONS. All capitalized terms in this Amendment shall have the same meaning given to them in the Franchise Agreement.

II. AMENDMENT. The parties amend the Franchise Agreement to provide as follows:

A. The parties add the following definitions to the Franchise Agreement:

i. "Average Monthly Net Sales" means the average Net Sales of the Outlet per Calendar Month during any consecutive 3 Calendar Month period.

ii. "Net Sales" mean the aggregate of all revenue and income from operating the Outlet, whether payment is in cash or by credit card or other generally accepted form of payment, less the sum of (i) sales taxes or other taxes separately stated, if any, that Franchisee collects from customers and pays to taxing authorities; (ii) refunds and credits that Franchisee makes in good faith to arms' length customers; and (iii) transactions among or between Franchisee's Outlet and Outlets owned by another Franchisee or Company's Affiliate.

iii. "Minimum Sales Quota" is the amount calculated pursuant to this Amendment as the minimum Average Monthly Net Sales of the Outlet calculated monthly in the manner described in this Amendment after the Outlet has been open for at least 18 complete Calendar Months from the Opening Date.

B. As a condition of the franchise and license awarded to Franchisee, after the Outlet has been open for at least 18 complete Calendar Months from the Opening Date, the Outlet must generate Average Monthly Net Sales computed in accordance with this Amendment of no less than $______________________. For example, it the Opening Date is June 4, 2016, the Outlet's Average Monthly Net Sales during the period starting on January 1, 2018 through March 31, 2018, must be no less than $______________________. Consequently, for purposes of this Amendment, the Minimum Sales Quota is $___________________.

C. Company shall calculate the Outlet's Average Monthly Net Sales by looking backwards and totaling the Outlet's actual Net Sales during the 3 Calendar Month period and dividing the total by 3. As a result:

i. The first calculation will average the Outlet's actual Net Sales during the 19th, 20th and 21st Calendar Months after the Outlet's Opening Date. This calculation must average no less than the Minimum Sales Quota.

ii. The calculation shall be made monthly for each successive 3 Calendar Month period. For example, if the Outlet opens on June 4, 2016, the first calculation of Average Monthly Net Sales will cover the 3 Calendar Months from January 1, 2018 through March 31, 2018 (Calendar Months 19-21 after the Opening Date); the next calculation will cover the 3 Calendar Months from February 1, 2018, through April 30, 2018 (Calendar Months 20-22 after the Opening Date); then the next calculation will cover the 3 Calendar Months from March 1, 2018, through May 31, 2018 (Calendar Months 21-23 after the Opening Date); and so on until the end of the Term. For each Calendar Month that this calculation is repeated, the Average Monthly Net Sales must be no less than the Minimum Sales Quota.

D. Franchisee understands that the Franchise Agreement requires Franchisee to report all Net Sales generated by the Outlet at the time of the transaction on the point-of-sale computer system that Company designates at the time.

E. Franchisee's failure to achieve the Minimum Sales Quota in any Calendar Month after the Outlet has been open for at least 18 complete Calendar Months shall be grounds permitting Company to terminate the Franchise Agreement in Company's discretion and election, effective immediately upon Company's delivery of written notice of termination to Franchisee, and Franchisee shall have no opportunity to cure a termination based on this ground.

III. COMPLETE AND VOLUNTARY AGREEMENT. This Amendment sets forth the entire agreement between the parties pertaining to its subject matter hereof. By entering into this Agreement, Franchisee ratifies that enters into this Amendment for good and valuable consideration based on its independent decision without any type of coercion by the Company.

IV. FULL FORCE AND EFFECT. Except as modified by this Amendment, all of the terms and conditions of the Franchise Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the Effective Date.

FAST UNDERCAR FRANCHISE, LLC	FRANCHISEE
By: ______________________	______________________ [Signature]
Its: ______________________	______________________ [Print Name]
	______________________ [NAME OF CORPORATION OR PARTNERSHIP]
	By/Its: ______________________

STATE EFFECTIVE DATES

The following states have franchise laws that require that this Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Disclosure 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	~~April 27, 2020~~
Hawaii	Not Filed
Illinois	Not Filed
Indiana	Not Filed
Maryland	Not Filed
Michigan	~~August 31, 2020~~
Minnesota	Not Filed
New York	Not Filed
North Dakota	Not Filed
Rhode Island	Not Filed
South Dakota	Not Filed
Virginia	Not Filed
Washington	~~June 8, 2020~~
Wisconsin	Not Filed

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 R

RECEIPT
[YOUR COPY]

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Iowa, New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this Disclosure Document at least 10 business days or 14 calendar 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 this Disclosure Document 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 state agencies listed in **Exhibit A**.

The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:

Company:

FAST UNDERCAR FRANCHISE, LLC
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(516) 300-1265

Franchise Sellers:

Victor Davis
Randy A. Buller
FAST UNDERCAR FRANCHISE, LLC
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(516) 300-1265

Issuance Date: March 30, ~~2020~~2021

We authorize the respective state agencies identified on **Exhibit B** to receive service of process for us in the particular state.

I have received a Disclosure Document dated March 30, ~~2020~~2021 that included the following Exhibits on the date above my signature:

A - LIST OF FEDERAL AND STATE FRANCHISE BOARD ADMINISTRATORS
B - REGISTERED AGENT FOR SERVICE OF PROCESS
C - APPLICATION AND FRANCHISE DEPOSIT AGREEMENT
D - FRANCHISE AGREEMENT
    Schedule A Territory
    Schedule B Franchise Location
    Schedule C Personal Guaranty
    Schedule D Spousal Consent
    Schedule E Collateral Assignment of Telephone Numbers, Addresses, Listings and Assumed or Fictitious Business Name
    Schedule F SBA Addendum
E - CONVERSION ADDENDUM TO FRANCHISE AGREEMENT (For Conversion Franchisees Only)
F - AREA DEVELOPMENT AGREEMENT
    Schedule 1 – Description of Developer's Territory
    Schedule 2 – Development Quota
    Schedule 3 – Franchise Agreement
    Schedule 4 – Personal Guaranty
G - ADDENDUM TO LEASE AND UCC-1 FINANCING STATEMENT
H - PERSONAL GUARANTY
I - CONFIDENTIALITY, NON-DISCLOSURE AND NON-COMPETITION AGREEMENT
J - GENERAL RELEASE
K - COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, LISTINGS AND ASSUMED OR FICTITIOUS BUSINESS NAME
L - LIST OF OPERATING LOCATIONS
M - FINANCIAL STATEMENTS
N - STATE ADDENDUM – AND LIST OF STATE EFFECTIVE DATES
O - DECLARATION OF FRANCHISE APPLICANT
P - OPERATIONS MANUAL TABLE OF CONTENTS
Q - AMENDMENT TO FRANCHISE AGREEMENT RE: MINIMUM SALES QUOTA
R - RECEIPT

Date: ______________________________

(Do not leave blank)

____
Signature of Prospective Franchisee

____
Print Name

~~**EXHIBIT R**~~

RECEIPT
[OUR COPY]

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Iowa, New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this Disclosure Document at least 10 business days or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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FAST UNDERCAR FRANCHISE, LLC
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(516) 300-1265(Telephone)

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Victor Davis
Randy A. Buller
FAST UNDERCAR FRANCHISE, LLC
3 Dakota Drive, Suite 110
New Hyde Park, New York 11042
(516) 300-1265

Issuance Date: March 30, ~~2020~~2021

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R – RECEIPT

Date: ______________________________

(Do not leave blank)

____
Signature of Prospective Franchisee

____
Print Name

Return this copy to us -- you mail the executed original to us at the above address; fax us a signed copy of this receipt to the fax number shown above; or pdf the signed copy as an attachment to an e-mail directed to victor@fastundercar.com.

Document comparison by Workshare 10.0 on Wednesday, March 31, 2021 9:35:48 AM

Input:	
Document 1 ID	netdocuments://4832-0677-3974/1
Description	FUF LLC - Parts Authority - 2021 FDD
Document 2 ID	netdocuments://4832-0677-3974/7
Description	FUF LLC - Parts Authority - 2021 FDD
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	976
Deletions	229
Moved from	5
Moved to	5
Style change	0
Format changed	0
Total changes	1215