FRANCHISE DISCLOSURE DOCUMENT

Pro-Lift Doors Franchise, LLC
A Delaware Limited Liability Company
630 Peter Jefferson Parkway, Suite 200
Charlottesville, VA 22911
(434) 995-5582
http://www.ProLiftDoors.com
pflick@proliftdoors.com

The franchise offered is for the establishment and operation of businesses that provide a full range of garage door installation, maintenance, and repair services for residences and "light commercial" buildings (a "Unit Franchise").

The total investment necessary to begin operation of a Pro-Lift Doors Unit Franchise is from $85,625 - $138,000. This includes the $60,000 franchise fee that must be paid to us. If you purchase two franchised territories at the same time, the franchise fee is $110,000 for both. If you purchase three franchised territories at the same time, the franchise fee is $130,000 for all three.

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 Disclosure 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 Paul Flick at 630 Peter Jefferson Parkway, Suite 200, Charlottesville, Virginia 22911, (434) 995-5582.

The terms of your franchise agreement will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your franchise agreement. Carefully read the entire franchise agreement. Show your franchise agreement and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: March 20, 2018

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

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.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES THAT MOST DISAGREEMENTS BE SUBMITTED TO LITIGATION ONLY IN THE STATE OF OUR PRINCIPAL PLACE OF BUSINESS, WHICH CURRENTLY IS THE COMMONWEALTH OF VIRGINIA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN OUR HOME STATE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT IT IS GOVERNED BY THE LAW OF THE COMMONWEALTH OF VIRGINIA. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS. YOU SHOULD REVIEW THE STATE-SPECIFIC ADDENDA ATTACHED TO THIS DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENT FOR STATE-SPECIFIC PROVISIONS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We may pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

(*See* the attached State Registrations page for State Effective Dates)

PRO-LIFT DOORS FRANCHISE, LLC

STATE REGISTRATIONS

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
California	September 11, 2017
Illinois	November 14, 2017
Indiana	July 7, 2017
Maryland	January 11, 2018
Michigan	September 14, 2017
Minnesota	October 4, 2017
New York	November 20, 2017
Virginia	Pending
Washington	August 28, 2017
Wisconsin	July 11, 2017

STATE OF MICHIGAN
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Antitrust and Franchise Unit, 670 Law Building, Lansing, Michigan 48913, (517) 373-7117.

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

To simplify the language in this Disclosure Document, the words "we," "our" and "us" refer to Pro-Lift Doors Franchise, LLC, the franchisor of this business. The words "you" and "your" refer to the person who buys the Unit Franchise, whether you are an individual or a corporation, limited liability company, or other legal entity. If you are a corporation, limited liability company, or other business entity, certain provisions of this Disclosure Document also apply to your owners and will be noted.

We were organized in the State of Delaware on September 24, 2015. Our principal business address is 630 Peter Jefferson Parkway, Suite 200, Charlottesville, VA 22911 and we can be found on the Internet at http://www.ProLiftDoors.com. We do business only under our corporate name and the name "Pro-Lift Doors" and "Pro-Lift Garage Doors." As of December 31, 2016, there were four Pro-Lift Doors franchises in the U.S. Our agents for service of process are listed in Exhibit B to this Diclosure Document. The name and address of our Agent for Service of Process in Delaware is: United States Corporation Agents, Inc., 300 Delaware Avenue, Suite 210-A, Wilmington, DE 19801.

Our Parent, Predecessors and Affiliates

We were organized in the State of Delaware in 2015 and do not have any predecessors.

Our parent company is Pro-Lift Doors, LLC, a Delaware limited liability company. Pro-Lift Doors, LLC is owned by Premium Service Brands, LLC, a Delaware limited liability company. Premium Service Brands, LLC owns two other franchise businesses: Maintenance Made Simple, LLC and 360 Painting, LLC.

Our affiliate, 360 Painting, LLC ("360 Painting") is a franchise business that provides a full range of painting and wall finishing services for both exterior and interior portions of residences and "light commercial" buildings under the name "360 Painting." 360 Painting has offered franchises since September 2, 2006. 360 Painting does not and has not previously offered franchises in any other line of business. 360 Painting engages in no other line of business. As of December 31, 2016, there were 68 360 Painting franchise in the U.S. (and five in Canada).

Our affiliate, Maintenance Made Simple, LLC ("Maintenance Made Simple") offers franchise businesses that offer and sell a full range of handyman services for both exterior and interior portions of residences and "light commercial" buildings under the trademark Maintenance Made Simple. Maintenance Made Simple has offered franchises since January 2, 2010. Maintenance Made Simple does not and has not previously offered franchises in any other line of business. Maintenance Made Simple engages in no other line of business. As of December 31, 2016, there were two Maintenance Made Simple franchises in the U.S.

Our Business

Pro-Lift Doors Franchise, LLC grants Unit Franchises to qualified individuals and business entities to establish and operate businesses in conjunction with the service mark "PROLIFT GARAGE DOORS" and certain other logos and trademarks (collectively referred to as the "Marks").[1] We refer to the Pro-Lift Doors business you will operate as a Unit Franchisee as the "Franchised Business" or "Pro-Lift Doors Business." We began offering franchises in September 2015. We do not offer and have not previously offered franchises in any other line of business. We do not operate any businesses similar to the Franchised Business except that Premium Service Brands owns two garage door businesses that operate similar businesses to the Franchised Business.

Pro-Lift Doors Unit Franchises are businesses that provide garage door installation, maintenance and repair services. The prototypical Pro-Lift Doors Unit Franchise offers a full range of garage door services for residences and "light commercial" buildings.

Each Pro-Lift Doors business must operate in accordance with our "System". The distinguishing characteristics of the System include among other things, uniform standards and procedures for business operations and management; procedures and strategies for marketing, advertising and promotions, signage, vehicle wrapping, inventory and materials; methods and techniques for installing garage doors; methods and techniques for inventory and cost control; the Marks; the Operations Manual; uniform standards, specifications and procedures; record keeping, accounting, billing, collections and account management; all of which are designed to enhance the business and managerial aspects of the garage door business.

General Description of the Market and Competition

Our concept is targeted towards any residential or commercial real estate owners who are looking for quality garage door installation, repair and maintenance services. As a Unit Franchisee, you will compete in a developed market with local businesses as well as regional or national chains of businesses offering similar services and products, including any other residential or commercial garage door companies.

Regulations Specific to the Industry

As a garage door services contractor, Unit Franchisees may be required to obtain a contractor's license in certain states. You should investigate whether this requirement will apply to your Franchised Business. Additionally, federal, state, and local laws, rules, regulations and ordinances may apply to the operation of a Pro-Lift Doors Unit Franchise, including those which: (a) establish general standards, specifications and requirements for the construction, design and maintenance of real property improvements; and (b) set standards pertaining to employee health and safety. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating a Pro-Lift Doors business and you should consider both their effect and the cost of compliance.

You must obtain all contractor permits and licenses and operational licenses. We are not required to provide any guidance in compliance with these laws and regulations, and any guidance that is provided is not guaranteed. You should consult with your attorney concerning these and other laws, regulations and ordinances that may affect the operation of the Franchised Business. You are solely

responsible for investigating and complying with all of these applicable laws, regulations and other requirements, despite any advice or information that we may give you. We have not researched any of these laws to determine their applicability to your Franchised Business.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer: Paul Flick

Mr. Flick has served as the Chief Executive Officer at our headquarters in Charlottesville, VA since our inception in September 2015. Mr. Flick has also served as the owner of our parent company, Pro-Lift Doors, LLC and its parent company, Premium Service Brands, LLC, since their inception in March 2012 and January 2015, respectively, operating out of Charlottesville, VA. He has been the CEO of our affiliates, 360 Painting and Maintenance Made Simple since their inception in April 2006 and December 2009, respectively, operating out of Charlottesville, VA.

President: Chris Hall, MBA, MS

Mr. Hall has served as our President since our inception in September 2015. Prior to bringing Pro Lift Garage Doors Franchise to market, Mr. Hall has operated Pro-Lift Doors of Denver since its inception in February 2015. Mr. Hall has served in a contract advisory and sales roll for the development and franchise expansion for 360 Painting (from June 2012 - December 2015) and the Belfor Franchise Group in Ann Arbor, Michigan (November 2012 - March 2014).

ITEM 3

LITIGATION

Our Litigation

We have no litigation that must be disclosed in this Item involving us.

Our Affiliate's Litigation

The following litigation relates to our affiliate and guarantor, 360 Painting, LLC:

LITIGATION AGAINST FRANCHISEES IN LAST FISCAL YEAR

Lawsuit for Breach and Violation of Post-Termination Provisions of Franchise Agreement

360 Painting, LLC, f/k/a 360 Painting, Inc. v. RWSJA, LLC and Ryan Anderson (U.S. District Court for the Western District of Virginia, No. 3:16-cv-00082-GEC). Filing date: 12/6/16. Voluntarily dismissed by 360 Painting: February 3, 2017.

360 Painting, LLC, f/k/a 360 Painting, Inc. v. William Caldwell (Case No. 3:17-cv-00015-GEC, U.S. District Court for the Western District of Virginia). Voluntarily dismissed by 360 Painting: August 31, 2017.

360 Painting, LLC, f/k/a 360 Painting, Inc. v. Peloquin Ventures, Inc. and Jason L. Peloquin (Case No. 3:17-cv-00004-GEC, U.S. District Court for the Western District of Virginia). Filed date: On January 18, 2017. Voluntarily dismissed by 360 Painting: October 13, 2017.

PRIOR ACTIONS

Leslie Owens Brown, et al v. 360 Painting Inc. and Paul Flick (Case # CAL13-14582, Circuit Court for Prince George's County, Maryland). In 2013, Plaintiff brought an action against 360 Painting Inc. and Paul Flick alleging that 360 Painting, Inc. sold an unregistered franchise to plaintiff in the state of Maryland. The parties entered into a consent order dated October 10, 2013, wherein 360 Painting paid Leslie Brown $46,000 (the franchise fee, costs, and attorney's fees) without conceding the allegations in the complaint.

MMG-360 LLC, et al. v. Paul Flick, Home Service Franchising, Inc., 360 Painting LLC, Maintenance Made Simple LLC, et al. (Case No. CV-11-752725, Court of Common Pleas, Cuyahoga County, Ohio). On April 6, 2011, Plaintiff brought an action against Defendants alleging fraud in the inducement and seeking refund of Plaintiff's purchase price in a transaction in which Plaintiff entities purchased assets of Defendant entities for $140,000, which transactions were rescinded shortly after their occurrence; fraud and breach of contract based on the rescission or settlement agreement entered into between Plaintiffs and Defendants in which Plaintiffs agreed to accept $100,000 from Defendants in full re-payment of the $140,000 original purchase price paid by Plaintiffs; and seeking declaratory judgment that certain ancillary agreements were canceled and terminated and that exclusive control over 3 Plaintiff entities revert to Plaintiff Merry Meeting, Inc. Plaintiffs and Defendants filed cross motions for summary judgment. Plaintiff's summary judgment motion was granted control over Plaintiffs MMG-360, LLC; MMG-MMS, LLC; and MMG-MC, LLC is returned to Plaintiff MerryMeeting, Inc.

GOVERNMENTAL ACTIONS

In the Matter of 360 Painting, LLC f.k.a. 360 Painting, Inc., and Paul Flick, Administrative Proceeding Before the Securities Commissioner of Maryland, Case No. 2015-0477, as modified by Order Modifying Consent Order dated January 4, 2017. On or about February 23, 2016, the Securities Division of the Office of the Attorney General of the State of Maryland initiated an investigation into the franchise-related activities of 360 Painting, LLC and Paul Flick. On August 18, 2016, we entered into a Consent Order with the Securities Commissioner, pursuant to which we agreed, without admitting or denying any of the Commissioner's statements of fact or conclusions of law, except as to the Commissioner's jurisdiction in the proceeding, (1) to immediately and permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Registration and Disclosure Law; (2) to promptly file with the Securities Division and diligently pursue the completion of an initial application to register our franchise offering in Maryland; and (3) to send offers of rescission to two Maryland Franchisees, offering them the right to rescission of their 360 Painting franchise agreements and to obtain a refund of initial franchise fees. Pursuant to the Order Modifying Consent Order dated January 4, 2017, the Consent Order was modified so that 360 Painting was not required to register its 360 Painting franchise offering in Maryland as long as no offers or sales of 360 Painting franchises were made in Maryland or to any Maryland residents. In the Consent Order, the Commissioner concluded that we had violated §§ 14-214, 14-216, 14-228 and 14-229 of the Maryland Franchise Registration and Disclosure Law by offering and selling franchises in Maryland and to Maryland residents while not registered to offer and sell franchises in Maryland and using a Franchise Disclosure Document that failed to set forth all information the Securities Division requires to be included in a Maryland-registered Franchise Disclosure Document under the Maryland Franchise Registration and Disclosure Law and Maryland's Franchise Regulations. Specifically, the Commissioner found that, in the Franchise Disclosure Documents distributed to the Maryland Franchisees, we had failed to disclose the lawsuit filed by Leslie Owens Brown referenced immediately above in Item 3 of the Franchise Disclosure Documents. We have corrected this error. The two Maryland Franchisees accepted the rescission offer.

The Commissioner of Commerce of the State of Minnesota advised us that it was prepared to commence formal action pursuant to Minn. Stat. § 80C.12(2016) and Minn. Stat. §45.027 (2016) against us based on allegations that we offered and sold an unregistered franchise in the State of Minnesota in violation of Minn. Stat. §80C.02 (2016). On November 6, 2017, we entered into a Consent Order with the Commissioner of Commerce of the State of Minnesota, pursuant to which we agree, without admitting or denying any of the Commissioner's statements of fact or conclusions of law, (1) to cease and desist from offering or selling in the State of Minnesota until registration in compliance with Minn. Stat., ch. 80C (2016) has been achieved or qualification for an exemption from registration pursuant to Minn. Stat. § 80C.03 (2016) has been met; (2) to pay a civil penalty of $1,000.00; and (3) to disclose the Consent Order in our Franchise Disclosure Document (Item 3 Litigation) for a period of one year from the date of the Consent Order.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Franchise Fee

The franchise fee ("Franchise Fee") for a Pro-Lift Doors Unit Franchise is $60,000, which must be paid to us by bank wire transfer in one-lump sum upon signing the Franchise Agreement. Financing is also available (see Item 10). This fee is charged for a license to operate from one location in a specific residential territory called the "Protected Territory." If the franchisee purchases a subsequent Unit Franchise from us, the initial franchise fee for that subsequent Unit Franchise will be 60% of the then-current initial franchise fee. All initial fees described above are fully earned when paid and are not refundable under any circumstances.

If you purchase two franchised territories at the same time, the franchise fee is $110,000 for both territories, which must be paid in full upon the signing of the two franchise agreements. If you purchase three franchised territories at the same time, the franchise fee is $130,000 for all three territories, which must be paid in full upon the signing of the three franchise agreements.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

The Virginia State Corporation Commission's Division of Securities and Retain Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

We offer a special incentive program for U.S. military veterans purchasing a new Franchised Business. Under this program, we offered honorably discharged veterans a 10% discount on the initial franchise fee. Two franchisees took advantage of this discount.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fees Minimum Royalty	6% of Gross Sales You must pay us a minimum royalty of $800 per month after you begin presales even if the franchised business has no business revenue.	By the 4th of each month.	Based on the previous week's Gross Sales.
Breaching Royalty Fees	Additional 10% of Gross Sales, above normal royalty rate	By the 4th of each month.	If you are in breach of the Franchise Agreement and fail to cure the breach within the required time period, we may charge you royalties at this increased rate until you cure the breach or we terminate the Agreement. (see Franchise Agreement Section 4.2)
Marketing Fund	2% of Gross Sales	By the 4th of each month.	In the future we may require Marketing Fund Contributions to be used in cooperative advertising.
Minimum Local Advertising	$5,000 in each quarter through end of second calendar year of operation; 4% of Gross Sales per year for years three through five.	As invoiced by suppliers	You pay directly subject to our approval. (see Franchise Agreement Section 11.3) We may require Local Advertising expenditures to be used in cooperative advertising.
Job Proposal / Estimating Software	As determined by vendor, currently, $35 per month, paid to a 3rd party we specify	As invoiced by supplier	See Item 8 for details; Section 4.7 of Franchise Agreement.

Type of Fee	Amount	Due Date	Remarks
Call Center/Technology Fee	$500 per month or 1% of Gross Sales, whichever is greater.	By the 4th of each month	Inbound/Outbound call service to handle leads; website development, email address (see Item 8 for details; Section 4.6 of Franchise Agreement)
High Speed Internet Access Fee	As determined by vendor	As invoiced by vendor	High-speed Internet connection (through DSL or cable modem)
Audit	All costs and expenses associated with audit	Upon demand	Audit costs payable only if the audit shows an understatement in amounts due of at least 3%. (see Section 6.4 of Franchise Agreement)
Late Fees	1.5% per month or the highest rate allowed by law, whichever is less	Upon demand	Applies to all overdue Royalty Fees, Marketing Fund Contributions and amounts overdue to our Affiliates or us. (see Section 5.3 of Franchise Agreement) Also applies to any amount due revealed by an audit. (see Section 6.4)
Approval of Products or Suppliers	All reasonable costs of evaluation, which is $40 per hour	Time of evaluation	Applies to new suppliers you wish to purchase from or products you wish to purchase that we have not previously approved. (see Item 8)
Insurance Policies	Amount of unpaid premiums plus our reasonable expenses in obtaining the policies	Upon demand	Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you. (see Item 8 and Section 18.2 of Franchise Agreement)
Renewal Fee	10% of our then-current Initial Franchise Fee if charged by Franchisor at the time of renewal	Prior to expiration of the then-current term	Payable if you elect and we approve you to enter into a renewal franchise agreement upon expiration of the Franchise Agreement. (see Section 3.2 of Franchise Agreement)
Transfer Fee	$10,000	At the time of transfer	Does not apply to an assignment upon the death or disability of Franchisee (see Section 19.3 of the Franchise Agreement)
Customer Service	All costs incurred in assisting your customers, which is $40 per hour	Upon demand	You must reimburse us if we determine it is necessary for us to provide services directly to your customers. (see Section 9.9 of Franchise Agreement)

Type of Fee	Amount	Due Date	Remarks
Additional Operations Assistance	Rates as published in the Manual, currently, $250 per day, plus our expenses	Time of assistance	We provide up to 5 days of assistance around the beginning of operations at no charge. You pay for additional assistance if you request it. (see Section 13 of Franchise Agreement)
Conferences and Conventions	You must pay your expenses as well as your managers' expenses in attending conferences. We may also charge a reasonable fee ($40 per hour) to cover costs and expenses of the convention or conference.	Time of program	See Section 14.5 of Franchise Agreement. Annual conventions are mandatory and scheduled in advance based on all franchisees attending. Franchisees who do not attend are subject to a $1,000 annual convention fee.
Cost of Enforcement	All costs including attorneys' fees	Upon demand	You must reimburse us for all costs incurred as a result of your failure to fulfill any obligations under the Franchise Agreement. (See Section 31 of Franchise Agreement)
Indemnification	All damages and costs including attorneys' fees	Upon demand	You must defend lawsuits at your cost and hold us harmless against lawsuits arising from your operation of the Franchised Business. (See Section 18.1 of Franchise Agreement)
Advertising Cooperative Fee	As determined by the members of the Adveristing Cooperative but shall not be more than the greater of $10,000 or 2% of Gross Sales per annum in connection with any Advertising Cooperative.	Upon demand	See Section 11.4 of the Franchise Agreement. There is no voting power of franchisor-owned outlets on these fees.

NOTES

[1] Gross Sales. The term "Gross Sales" means the total of all monies and receipts derived by Franchisee (for purposes of this paragraph, inclusive of Franchisee's owners and officers as well as any business entity through which the Franchised Business is operated) from the sale of products or services in connection with the Franchised Business, and from all other business using the Marks, whether evidenced by cash, credit, check, gift certificate, gift card, script or other property or services, including (without limitation) all proceeds received from any business interruption insurance policy and all commissions, finder's fees, referral fees, construction management fees or other compensation received by Franchisee arising in any way from the operations of the Franchised Business. Gross Sales does not include (i) promotional allowances or rebates paid to Franchisee in connection with its purchase of products or supplies; (ii) sales, use, merchants' or other taxes measured on the basis of the gross revenues of the Franchised Business imposed by governmental authorities directly on sales or use and collected from customers, provided that the taxes are added to the selling price of Franchisee's goods and services and are in fact paid by Franchisee to the appropriate governmental authorities; or (iii) the value of any coupons duly issued and approved by Franchisor, or any bona fide discounts or customer refunds approved by Franchisor.

[2] If any state imposes any sales or use taxes on the royalty fees, then we have a right to collect this sales and use tax from you.

[3] All costs and fees set forth in Item 6 are current as of the issuance date of this franchise disclosure document. The current amount of all costs and fees shall be set forth in our Manual.

[4]Except as otherwise noted in this Item, all fees are uniformly imposed and non-refundable. Except for insurance premiums and as otherwise noted in this Item, all fee are payable to, and imposed and collected by us.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESMENT

Type of Expenditures	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Franchise Fee (1)	$60,000	Wire Transfer	Upon Signing Franchise Agreement	Us
Vehicle (2)	$1,500 - $5,000	As Arranged	Before Beginning Operations	Lessor
Leasehold Improvements (3)	0 - $1,000	As Arranged	Before Beginning Operations	Third Parties
Real Estate Lease for Premises – 3 Months (4)	0 - $4,500	As Arranged	Before Beginning Operations	Landlord
Non-Office Equipment &Supplies	$750 - $2,500	As Arranged	Before Beginning Operations	Third Parties Approved Suppliers
Insurance (5)	$2,000 - $5,000	As Arranged	Before Beginning Operations	Third Parties
Signage (6)	$3,000 - $4,000	As Arranged	Before Beginning Operations	Third Parties Approved Suppliers
Computer Software (7)	$275 - $2,000	As Arranged	Before Beginning Operations	Us and Vendors
Office Equipment & Supplies (8)	$500 - $2,000	As Arranged	Before Beginning Operations	Third Parties Approved Suppliers
Grand Opening Advertising (9)	$5,000 - $15,000	As Arranged	First Month Of Operation	Third Parties
Training Expenses (10)	$2,000 - $4,000	As Arranged	Before Beginning Operations	Third Parties
Business Licenses or Bonds (11)	$100 - $1,500	As Arranged	Before Beginning Operation	Licensing Authorities
Professional Fees (12)	$500 - $1,500	As Arranged	As Necessary	Third Parties
Additional Funds (13) (3 months)	$10,000 - $30,000	As Arranged	As Necessary	You Determine
TOTAL (14)	$85,625 - 138,000			

NOTES

[1] Franchise Fee. The Franchise Fee is described in greater detail in Item 5 of this Disclosure Document. All expenditures are non-refundable unless specifically noted otherwise. Financing is available (See Item 10).

[2] Vehicle. Assumes one leased vehicle. There is no special type of vehicle required. The estimate does not include mandatory signage –see note 5 below.

[3] Leasehold Improvements. You may need to make improvements to a home office. It is assumed that you will operate the Franchised Business from a home office. If you decide to locate your office outside of your home, the estimated real estate lease costs are summarized below.

[4] Real Estate Lease for Premises – 3 months. If you decide to locate your office outside of your home, a real estate lease amount must be added to the initial franchise expenses. Locations for offices are typically within either a freestanding building or an in-line retail plaza space with ample parking, good visibility and visible signage. The amount reflects the amount of lease payments for the first three months that you operate your business. Lease payments vary considerably depending upon regional and local factors and the type of lease negotiated by you. Lease payments for a typical small office lease usually range from $500.00 to $1,500.00 per month depending upon the size, location and market demand for the property. The rate may be higher for a metropolitan area.

[5] Insurance. Requirements are described in greater detail in Section 18.2 of the Franchise Agreement. Factors that may affect your cost of insurance include the value and age of your equipment, number of employees, your safety record and record of workers' compensation claims, record of liability claims and driving record.

[6] Signage. This range includes the cost of all signage used in the Franchised Business, including a fully wrapped sales vehicle and lawn signs, etc. The signage requirements and costs will vary based upon the size and location of the Franchised Business, local zoning requirements and local wage rates for installation, among other things.

[7] Computer Software. Since you will be using a web-based IT system managed by us, you will only need standard software such as Microsoft Office.

[8] Office Equipment and Supplies. You must purchase general office supplies including stationery, business cards and typical office equipment including telephones, computers, monitors and printers. Factors that may affect your cost of office equipment and supplies include local market conditions, the size of the premises, suppliers and other factors.

[9] Grand Opening. During the 30 days prior and 60 days after the opening of the Franchised Business, you will be required to spend a minimum of $5,000 on Grand Opening Advertising. You may choose to spend more. Factors that may affect the actual amount you spend include the type of media used, local media cost, location of the Franchised Business and customer demographics in the surrounding area.

[10] Training. You are not charged an additional fee for initial training; but you must pay for transportation, meals, lodging and other incidentals while attending training. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose. Furthermore, this estimate does not include a salary for you or youremployees during training.

[11] Business Licenses or Bonds. Local government agencies typically charge fees for construction permits, occupancy permits, and operating licenses, among other things. Your actual costs may vary based on the requirements of local government agencies.

[12] Professional Fees. We recommend that you have a minimum amount of money available to cover any legal or accounting fees that you may incur in establishing the Franchised Business. Your actual costs may vary based on the complexity of services needed.

[13] Additional Funds. We recommend that you have a minimum amount of money available to cover operating expenses, including employees' salaries, for the first three months that the Franchised Business is open. This estimate does not include a salary for the Designated Manager. We cannot guarantee that this recommendation will be sufficient, and additional working capital may be required if sales are low or operating costs are high. You should ensure that you have sufficient personal resources to cover your expenses during this period.

[14] Total. In compiling this chart, we relied on the industry experience and the experience of our affiliates in owning and operating businesses similar to the one offered in this Franchise Disclosure Document. The amounts shown are estimates only and may vary for many reasons including the size of your home office, the number of Vehicles you choose to lease or buy, the capabilities of your management team, where you locate your Franchised Business and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting the Franchised Business.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as indicated below, you are not required to purchase or lease products or services from us or from suppliers approved by us or under our specifications.

Call Center/Technology The Call Center answers all inbound calls either through the local number or the 888#. It also performs out bound calling when there is a lead submitted through the website, Home Advisors. The customer service representative will take the call and schedule the estimate. The technology portion of the fee covers website maintenance and administrative duties with the assignment of an email address.

As of the date of this Disclosure Document, the only type of goods or services for which we or any of our Affiliates are an approved supplier is the Call Center/Technology features of the franchise business.

Job Proposal/Estimating Software

You must purchase from our approved supplier for software we use in conjunction with operating your business. The software fee will entitle two users to gain access to the software. This software will assist in completing job proposals. You may purchase other software to assist your business. This will assist in completing job proposals.

Hardware

You must purchase and use a laptop PC designated and approved by Us. (Franchise Agreement Section 10). If we elect to modify our computer hardware or software requirements, you must upgrade your equipment at the actual cost of the upgrade. There are no contractual limits on the frequency or cost of upgrades. We estimate the cost of the required computer hardware and software for your Pro-Lift Doors business at $300 to $3,000. You may use hardware and software that you currently own in the operation of your Pro-Lift Doors business so long as it meets our standards and specifications. You will not incur any annual costs for optional or required maintenance, updating, upgrading or support contracts for the computer systems.

Approved Suppliers/Standards and Specifications

You may operate your Pro-Lift Doors business from your home, provided that you equip your home office with a high-speed Internet connection that is "always on" (such as DSL or cable modem), and that you make adequate provisions for storage of equipment and supplies at or near your home. You also may choose to operate your Pro-Lift Doors business from an office outside of your home.

You must maintain, furnish and equip your Pro-Lift Doors business and all Vehicles according to our standards and specifications, which we will make available to you. All products, supplies, Vehicles, equipment and tools, signs and other products or materials for use or sale in your Pro-Lift Doors business must meet our specifications and quality standards and, if required by us, shall be purchased only from an Approved Supplier, which may be us, an affiliate, or another supplier we designate. We will provide, in the Operations Manual or by other written or electronic form, a list of items you will need to purchase for resale or to operate your Pro-Lift Doors business and, if required, a list of Approved Suppliers for some or all of these items, and periodically we may revise this list. Our specifications may include minimum standards for performance, design, appearance and quality. We formulate and modify our specifications and standards for products and services based on the industry knowledge and experience of our company's CEO, Paul Flick.

If you would like to use any item or service in establishing or operating your Pro-Lift Doors business that we have not approved (for items or services that require supplier approval), you must first send us sufficient information, specifications and/or samples for us to determine whether the item or service complies with our standards and specifications or the supplier meets our Approved Supplier criteria. We will decide within 30 days after receiving the required information whether you may purchase or lease those items or services or from the supplier. We apply the following and other general criteria in approving a proposed supplier: the ability to provide sufficient quantity of product; quality of products and/or services at competitive prices; production and delivery capability; and dependability and general reputation of the supplier. The franchisor charges a reasonable fee for product/supplier approval. There is no product/supplier testing fee. No franchise officer owns an interest in any supplier. Neither the franchisor nor any persons affiliated with the franchisor are currently approved suppliers.

We may review our approval of any item, service or supplier at any time. We will notify you if we revoke our approval of an item, service or supplier, and you must immediately stop purchasing disapproved items or services, or must immediately stop purchasing from a disapproved supplier.

The franchisor or its affiliates will not derive revenue or other material consideration from required purchases or leases by franchisees.

There currently exist no purchasing or distribution cooperatives relevant to your Pro-Lift Doors business. We do not provide material benefits to franchisees based on their purchase of particular products or services or use of particular suppliers.

Insurance

You must purchase and maintain in effect during the term of your Pro-Lift Doors business the types and amounts of insurance specified in the Operations Manual, as appropriate. In addition, you must purchase and maintain any other insurance that may be required by applicable law and any lender

or lessor. Your insurance policies must name us as an additional insured and/or loss payee. We do not derive revenue as a result of your purchase of insurance.

To satisfy our current requirements under the Franchise Agreement, you must maintain the following insurance policies and minimum coverage amounts: (1) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Franchised Business, or Franchisee's conduct of business pursuant to this Agreement with a minimum per occurrence coverage of One Million Dollars ($1,000,000.00) and general aggregate liability coverage of Two Million Dollars ($2,000,000.00); (2) auto insurance for the Vehicles in an amount required by state law; (3) property and casualty insurance; (4) products liability insurance with a minimum liability coverage of Two Million Dollars ($2,000,000.00); (5) workers' compensation insurance that complies with the statutory requirements of the state in which the Franchised Business is located; (6) umbrella liability insurance; and (6) employer liability coverage with a minimum limit of Five Hundred Thousand Dollars ($500,000.00). You may have to purchase additional coverage, either in dollar limits or types, if required by your state's laws.

Miscellaneous

We and our affiliates will derive revenues or other material consideration as a result of required purchases or leases by franchisees. We reserve the right to use any payments, discounts or other amounts received by us from suppliers, lessors or other parties in connection with those arrangements without restriction. We are not required to give you an accounting of those payments, discounts or other amounts or to share the benefit of them with you or other franchisees. Any such amounts and benefits shall be kept by us as compensation for locating and negotiating with suppliers for you and other franchisees. We do not provide material benefits to franchisees (for example, renewal of existing franchises or granting of additional franchises) based on their use of designated or approved suppliers.

We have negotiated distribution and supply agreements, commissions, and group rates for purchases of certain inventory and supplies necessary for the operation of the Franchised Business. You must buy all door system parts, including but not limited to, doors, operators, door hardware, and springs from an Approved Supplier or the supplier we designate.

We have not received any revenue or other material consideration from third-party suppliers as a result of any other purchases made by franchisees. We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional Pro-Lift Doors Unit Franchises) based on whether you purchase through the sources we designate or approve; however, purchases of unapproved products or purchases from unapproved suppliers in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

We estimate that approximately 35% of your expenditures for leases and purchases in establishing your Pro-Lift Doors Unit Franchise will be for goods and services that must be purchased either from us, an Approved Supplier or in accordance with our standards and specifications. We estimate that approximately 55 - 65% of your expenditures on an ongoing basis will be for goods and services that must be purchased from either us, an Approved Supplier or in accordance with our standards and specifications.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

The Section references are to those in the Franchise Agreement unless otherwise noted.

Obligation	Section in Agreement	Disclosure Document Item
a. Site Selection and Acquisition/Lease	FA Section None	Item 11
b. Pre-Opening Purchases/Leases	FA Section 9	Items 7 and 8
c. Site Development and Other Pre-Opening Requirements	FA Section 9	Items 6, 7, 11, and 16
d. Initial and Ongoing Training	FA Section 14.1 through 14.4	Items 6, 7 and 11
e. Opening	FA Section 1, 2, 11.1, and 13	Item 7 and 11
f. Fees	FA Section 4	Items 5, 6, and 7
g. Compliance With Standards and Policies/Operating Manual	FA Section 5, 6, 8, and 9	Items 8 and 16
h. Trademark and Proprietary Information	FA Section 8, 15 and 21.3; Internet Web Site Agreement pages i and ii; Telephone Listing Agreement pages i and ii.	Items 11, 13 and 14
i. Restrictions On Products/Services Offered	FA Section 9	Items 8 and 16
j. Warranty and Customer Service Requirements	FA Section 9	Item 16
k. Territorial Development and Sales Quotas	FA Sections 2.1-2.4	Item 12
l. Ongoing Product/Service Purchases	FA Section 9	Items 8 and 11
m. Maintenance, Appearance and Remodeling Requirements	FA Section 9	Item 6
n. Insurance	FA Section 18.2	Items 6, 7 and 8

Obligation	**Section in Agreement**	**Disclosure Document Item**
o. Advertising	FA Section 11 and 15 Internet Web Site Agreement, pages i and ii; Telephone Listing Agreement, pages i and ii	Items 6, 7 and 11
p. Indemnification	FA Section 18.1; page ii of the Internet Web Site Agreement and Telephone Listing Agreement	Item 6
q. Owner's Participation Management/Staffing	FA Section 9, 14, 16	Item 15
r. Records/Reports	FA Section 6.1 through 6.3	Item 11
s. Inspections/Audits	FA Section 6.4	Item 6, 11 and 13
t. Transfer	FA Section 19 and 20	Item 17
u. Renewal	FA Sections 3.2	Item 17
v. Post-Termination Obligations	FA Section 23.2; Internet Web Sites Agreement pages i and ii; Telephone Listing Agreement i and ii	Item 17
w. Noncompetition/Nonsolicitation Covenants	FA Section 21.1 and 21.2	Item 17
x. Dispute Resolution	FA Section 30	Item 17

ITEM 10

FINANCING

We may offer, directly or indirectly, financing for a portion of the Initial Franchise Fee, generally, no more than one half of the Initial Franchise Fee. Before agreeing to finance any of the Initial Franchise Fee, we reserve the right to qualify you according to a number of factors, including but not limited to, creditworthiness. We reserve the right to refuse financing to you, even if you qualify, at our sole discretion. We do not guarantee your Vehicle lease(s) or other obligations.

Promissory Notes

If you desire to finance a portion of your Initial Franchise Fee, and such financing is available, and you qualify, you must complete Exhibit J, "Promissory Note." The terms of the Promissory Note may vary with respect to amount financed, the due date and the monthly payments. Our standard Promissory Note provides that the principal balance of the note is to be repaid in 36 monthly installments at the annual interest rate of 10%. Your interest rate, loan term and down payment amounts may change according to current promotional programs. We reserve the right to change the offered interest rate, loan term and down payment amounts at any time after written notice to you. We require a personal guarantee to be signed by you and by all the principals of your business as we deem necessary for adequate security (See Section 25, Franchise Agreement and Guaranty Agreement). If you do not pay the installments due on the promissory note on time, we can require you to pay the entire debt and all accrued interest and late charges on demand, terminate your Franchise Agreement, and/or require you to pay for our court costs and attorneys' fees if we have to institute a collection action against you. (See Exhibit J, Promissory Note) and Franchise Agreement, Section 22.3, 23.2).

Guaranty Agreement

We require all of our franchisees to personally guarantee that any and all amounts due and owing to us will be paid in accordance with the terms disclosed in our Franchise Agreement, as we deem necessary for adequate security. If you are not an individual, all principals of your organization (i.e., persons or partners who sign the Franchise Agreement and in the case of a corporation, partnership, or limited liability company, the shareholders, partners, managers or members of that organization), must sign the Guaranty Agreement presented at the end of the Franchise Agreement as Exhibit C-6, as we deem necessary for adequate security. This is a personal guarantee of the obligations under the Franchise Agreement. This Guaranty Agreement gives us the right to collect any amounts due us from you personally. Neither we, nor our affiliates, guarantee any notes, leases or other obligations you may have with a third party.

Waiver of Defenses

You waive presentment, protest and notice, and the benefit of the homestead exemption, and further agree to pay reasonable attorneys' fees and all court costs should it become necessary to place the Promissory Note in the hands of an attorney for collection or to protect our interests as provided in the Promissory Note (See Promissory Note). The Franchise Agreement contains a provision in which you waive all questions of personal jurisdiction or venue, that is, any claim that the court in which the action is brought is inconvenient or inappropriate, and your right to a jury trial (*See* Franchise Agreement, Sections 30.2 and 30.6). Generally, you have the right to a jury trial in civil litigation. The laws of certain states do not permit you to waive your right to a jury trial. Except as disclosed in this Item 10, we do not offer financing that requires you to waive notice or waive a defense against us.

Other Financing Information

We have not yet nor do we presently intend to transfer, assign, discount, or sell to a third party any Promissory Note, any portion of a Promissory Note or other payment obligation executed by any franchisee. However, we reserve the right to do so in the future under terms that we have not yet determined. We will determine the terms of any assignment. If we do decide to sell or assign any Promissory Note or portion thereof or any other payment obligation executed by any franchisee, that franchisee may lose all its defenses against us as a result of the sale or assignment.

We do not receive direct or indirect payments for placing financing. If you do not finance through us, or if you do not qualify under our financing program, we may recommend that you contact certain lenders who may be able to offer you financing. If you finance through a third party, it may request you to personally guarantee the loan, and if you do not make timely payments, it may be able to accelerate your loan, confess judgment on your loan, remove your equipment, and/or charge you liquidated damages. We do not receive any compensation or fee from any third party lender. We do not guarantee your obligations to third parties.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTERSYSTEMS, AND TRAINING

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

A. Before The Franchised Business Opens

Before you open your Franchised Business, we will:

1. designate your Protected Territory, as further described in Item 12. (Franchise Agreement Section 2.1)

2. provide an initial training program of approximately 60 hours of on-line training, 36 hours of classroom training and 4 hours of field training. This training is described in detail later in this Item. (Franchise Agreement Section 14.1)

3. provide to you, on loan, one copy of the Pro-Lift Doors Operations Manual, which includes (among other things) employment applications, interview questions, job descriptions, and suggested pay scales. Our current Operations Manual is 157 pages long. You may view the Operations Manual at our offices, provided that you sign our Nondisclosure Agreement regarding that document that is attached as Exhibit E. (Franchise Agreement Section 7)

4. provide you with a list of approved suppliers for equipment, signs, fixtures, opening inventory, and supplies.

B. Other Assistance During the Operation of The Franchised Business

After the opening of the Franchised Business, we will:

1 provide you with up to forty (40) working hours of in-person assistance during the first twelve (12) months after you begin operating to help you with sales, promotional and operations matters with regard to the Franchised Business. This assistance will be provided on days and times as mutually agreed upon by you and us, and you must allow us a reasonable period of time from your request to provide our in-person support. (Franchise Agreement Section 13);

2 periodically advise and offer general guidance to you by telephone, e-mail, facsimile, newsletters and other methods. Our guidance is based on our experience in operating garage door businesses. Our advice and guidance may consist of knowledge and experience relating to the authorized services or products, as well as operational methods, accounting procedures, and marketing and sales strategies. (Franchise Agreement Section 12);

3 at our discretion, make periodic visits to the Franchised Business for the purposes of consultation, assistance and guidance in various aspects of the operation and management of the Franchised Business (Franchise Agreement Section 12) and make available to you operations assistance and ongoing training as we deem necessary (Franchise Agreement Sections 12 and 14.4);

4 provide you with changes and additions to the System as generally made available to all franchisees. (Franchise Agreement Section 7);

5 approve forms of advertising materials you will use for Local Advertising, Grand Opening Advertising and Cooperative Advertising. (Franchise Agreement Section 11.5); and

6 provide you with modifications to the Operations Manual as they are made available

to franchisees. (Franchise Agreement Section 7)

We will not provide any assistance relating to the prices at which you must sell your products and services.

C. Advertising and Promotion

Each year, you must spend the following amounts on advertising, promotions and public relations in the local area surrounding the Franchised Business: $5,000 per quarter for your first two years of operation, and 4% of Gross Sales for years three through five. Your advertising may include print, television, radio, Internet or other media. You will pay for your ads and promotions directly, but we will provide you with general marketing guidelines, and we will review and must approve your advertisements before they are made available to the public. (Franchise Agreement Sections 11.3 and 11.5)

We have a System-wide Marketing Fund, where you will be required to contribute 2% of your Gross Sales to the fund. (Franchise Agreement Section 11.2) We will administer the Marketing Fund as follows:

1 We will control the creative concepts and the materials and media to be used, and we will determine the placement and allocation of advertisements. We may use print, television, radio, Internet or other media for advertisements and promotions. All media coverage is local. We do not guarantee that any particular franchisee will benefit directly or in proportion to their contribution from the placement of advertising by the Marketing Fund.

2 We may use your contributions to meet any cost of producing, maintaining, administering and directing consumer advertising (including the cost of preparing and conducting television, radio, Internet, magazine and newspaper advertising campaigns and other public relations activities; developing and/or hosting an Internet web page of similar activities; employing advertising agencies to assist therein; providing promotional brochures; and providing other marketing materials to franchisees). We initially plan to conduct all advertising in-house, but we may use a national or regional advertising agency in the future. We will maintain your contributions in a separate account from our funds, and we will not use them for any of our general operating expenses, except for our reasonable administrative costs and overhead related to administration of the Marketing Fund. We will not use Marketing Fund Contributions for advertising that is principally a solicitation for the sale of franchises. To date, the Marketing Fund has all been spent on website development and search engine optimization.

3 We may use all contributions in the fiscal year they are made. We will use any interest or other earnings of the Marketing Fund before using current contributions. We intend for the Marketing Fund to be perpetual, but we have the right to terminate it if necessary. We will not terminate the Marketing Fund until all contributions and earnings have been used for advertising and promotional purposes or have been returned to you and all of our franchisees on a *pro rata* basis.

4 All Pro-Lift Doors businesses owned by us or our affiliates will make similar contributions to the Marketing Fund as required of you.

5 We will have a financial statement of the Marketing Fund prepared each year, and we will provide you with a copy if you request it. We may require that the annual financial statement be audited by an independent certified public accountant at the expense of the Marketing Fund.

6 The Marketing Fund is not a trust, and we assume no fiduciary duty in administering the Marketing Fund.

7 Once fifty (50) or more franchises are established and operating, we may require you and our other franchisees to form an advisory board to provide advice and counsel regarding

our use of Marketing Fund Contributions. The advisory board will function in an advisory capacity only, and will not exercise authority over the Marketing Fund or over us. We reserve the right to change or dissolve the advertisting councel after formation.

Although we are not obligated to do so, we may create a Cooperative Advertising program for the benefit of all Pro-Lift Doors businesses located within a particular region. We have the right to (a) allocate any Portion of the Marketing Fund to a Cooperative Advertising program, and (b) collect and designate all or a portion of the Local Advertising for a Cooperative Advertising program. We will determine the geographic territory and market areas for each Cooperative Advertising program, and we may require cooperatives to be changed, dissolved or merged. You must participate in any Cooperative Advertising program established in your region, and we may establish an advertising council for you and the other franchisees in that region to self-administer the program. Franchisee's payments to any Advertising Cooperative shall be determined by Franchisee and those other franchisees of the Pro-Lift Doors System and/or Franchisor, as the case may be, who are participants in such Advertising Cooperative, as set forth in the by-laws of that Advertising Cooperative or membership, dues, participation or other payment agreements of such Advertising Cooperative. Franchisee, however, may not be required to spend more than the greater of $10,000 or 2% of Gross Sales per annum in connection with any Advertising Cooperative. (Franchise Agreement Section 11.4)

You must spend at least $5,000 on Grand Opening Advertising during the period that is 30 days before and 60 days after the opening of the Business, including print or news media and/or direct mail advertising, dues for business organizations, event dues or other solicitation and promotional efforts. We will provide you with guidance for conducting Grand Opening Advertising, and we will review and approve the materials you use in your Grand Opening Advertising. In addition, we retain the option to collect $5,000 from you before the opening of the Franchised Business and implement the grand opening promotion on your behalf. (Franchise Agreement Section 11.1) You may not establish, create or operate an Internet site or website using any domain name containing the words "Pro-Lift Doors" or any variation thereof without our prior written consent. We retain the sole right to advertise on the Internet and create web sites using the "Pro-Lift Doors" domain name and any other domain names we may designate in the Operations Manual. You may not advertise or promote your Pro-Lift Doors business on or through the Internet/world wide web or other electronic transmission via computer without our express prior written approval.

The advertising funds were used in the following manner in 2017:

- Production – 37%
- Search engine optimization – 63%

D. Computer/Point-of Sale System

Hardware. You must purchase and use a laptop PC designated and approved by us. (Franchise Agreement Section 10). If we elect to modify our computer hardware or software requirements, you must upgrade your equipment at the actual cost of the upgrade. There are no contractual limits on the frequency or cost of upgrades. We estimate the cost of the required computer hardware and software for your Pro-Lift Doors business at $300 to $3,000. You may use hardware and software that you currently own in the operation of your Pro-Lift Doors business so long as it meets our standards and specifications. You will not incur any annual costs for optional or required maintenance, updating, upgrading or support contracts for the computer systems.

Call/ Technology Center. You must use our Call Center/Technology services described in Item 8.

Job Proposal/Estimating Software. You must use Job Proposal/Estimating software for the management of the franchised business through our approved vendor, which is also described in Item 8. Other than this Job Proposal/Estimating Software, there are no additional maintenance costs. We will have access to your sales management system of your franchised business, which will only include access to sales and lead generation information. Other than this information, the franchisor will not have independent access to any other information that may be generated or stored in any electronic cash register or computer system.

Internet. You must obtain and install a high-speed Internet connection (through DSL or cable modem) to your computer system at the Approved Location and maintain a valid e-mail address and account to which you have access and through which we may contact you. (Franchise Agreement Section 10) We have the right to independently access all information you collect or compile at any time without first notifying you, and you must give us password access to your computer system to enable us to obtain this data. (Franchise Agreement Section 10)

Websites. You must use our approved website provider for advertising your business on the internet. We will provide URL for your website.

E. Typical Length of Time Before Operation

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of a Pro-Lift Doors business is no more than 60 days. Factors that may affect your beginning operations include ability to secure permits, zoning and local ordinances, weather conditions, and delays in installation of equipment and fixtures. You must attend training at our headquarters (as described below) within 50 days of signing the Franchise Agreement, and you must open your Franchised Business and be operational within four (4) months after signing the Franchise Agreement. (Franchise Agreement Section 1).

F. Site Selection

You may operate your Business from your home, provided that it is equipped with a high-speed Internet connection that is "always on" (such as DSL or cable modem), and that you make adequate provisions for storage of equipment and supplies at or near your home. If you prefer, you may locate your Business elsewhere provided that the proposed alternate location meets our specifications and is expressly approved by us in writing. The criteria that we use in deciding whether to approve a location outside of your home are whether (a) it is located within the Protected Territory (which will be designated in reference to your home address), and (b) it is suitable for use of the equipment required in the Business and for storage of equipment and supplies.

We will respond to your request for approval within 30 days after you provide us with the information necessary for us to determine that it will otherwise satisfy our criteria. There is o time limit for the Franchisor to approve or disapprove a site. We will not unreasonably withhold our approval of your proposed location outside of your home; however, you must operate the Business from your home until we approve an alternative location in writing. In addition, you must operate from your home if we do not approve or agree upon an alternative location in writing.

G. Training

The initial training program includes five (5) days of general instruction and guidance at our training center in Charlottesville, Virginia. If you will be an owner/operator of the franchise, you and an employee who will be your second-in-charge (your "Assistant Designated Manager") must attend and complete our initial training program to our satisfaction. If you will be a passive owner of the franchise, then you, the person you designate to operate the Business on a daily basis (your "Designated Manager"), and a designated Assistant Designated Manager must also attend and complete our initial training program to our satisfaction. If you replace your Designated Manager or Assistant Designated Manager, you must immediately inform us, and the proposed replacement Designated Manager and/or Assistant Designate Manager must attend and complete our training program to our satisfaction.

Although the cost of initial training is included in the Franchise Fee, you must pay for all costs in attending training, such as travel, employees' salaries, meals, accommodations, and other incidentals. You will not be charged fees for additional training of a new Designated Manager

and/or Assistant Designate Manager, but you will be responsible for any travel and lodging costs associated with that additional training. You must train your own employees and other management personnel. This initial training is in addition to the up to five (5) days of on-site opening assistance we make available to you. (Franchise Agreement Section 14) The schedule for our initial training program is provided on the following page. We will hold the training program within eight (8) weeks of when you sign the Franchise Agreement.

TRAINING PROGRAM FOR FRANCHISEES:

The initial training program is overseen and conducted by Chris Hall. Mr. Hall has been with the franchisor since its inception in 2015 and has been in the garage doors business since that time.
Mr. Flick has been with the franchisor since its inception in 2015, and has spent time in the field since 2014. Our confidential Operations Manual is used as the instructional material for our Initial Training program. After you have been trained, we may periodically require you, your manager(s) and/or employees to attend refresher-training programs concerning operation of the Franchised Business, and you must pay all expenses to attend these programs.

Prior to the classroom training, the we will provide 60 hours of on-line training, which will include the following topics: vendor introductions, installer recruitment, setting up marketing initiatives, practice estimates, setting up insurance, business plan, and marketing plan.

CLASSROOM TRAINING PROGRAM FOR FRANCHISEES

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
History/Philosophy of Pro-Lift Doors	1	0	Charlottesville, VA
Use of the Operations Manual	0.5	0	Charlottesville, VA
Services Provided to Pro-Lift Doors Franchisees	0.5	0	Charlottesville, VA
Pre-Opening Procedures	2	0	Charlottesville, VA
Human Resources	4	0	Charlottesville, VA
Advertising/Marketing	4	0	Charlottesville, VA
Sales Procedures	8	4	Charlottesville, VA
Pricing	2	0	Charlottesville, VA
Management Procedures	4	0	Charlottesville, VA
Customer Service Procedures	5	0	Charlottesville, VA
Use of the Pro-Lift Doors Software System	2	0	Charlottesville, VA
Scheduling Jobs	1	0	Charlottesville, VA
Franchise Reporting Requirements	2	0	Charlottesville, VA
TOTAL	**36**	**4**	

ITEM 12

TERRITORY

We provide a Protected Territory to each Unit Franchisee. You must operate your franchise only in the Protected Territory defined in Exhibit A of the Franchise Agreement, and only from your home office (or other approved office space) and the Vehicles. (Franchise Agreement Section 2.1) Your Protected Territory will be delineated by zip codes, streets, highways, or other natural or political boundaries and will consist of a geographic area containing not less than 100,000 people as of the date of the Franchise Agreement. During the term of the Franchise Agreement, we cannot change the Protected Territory without your consent, and we will not establish any substantially similar franchised or company-owned businesses under the name "Pro-Lift Doors" or any other name within your Protected Territory. (Franchise Agreement Sections 2.2 and 2.4)

If you are in compliance with the Franchise Agreement during its term, we will not establish or operate, or license others to establish or operate, Pro-Lift Door businesses or competing businesses within the Protected Territory. We do not offer any options, rights of first refusal or similar rights to acquire additional franchises within the territory or contiguous territories. However, we retain the right to: (a) own and operate, and license to others the right to own and operate Pro-Lift Doors or Franchised Businesses outside of your Protected Territory using the Marks or any other marks we may designate; (b) own and operate and license to others the right to own and operate similar businesses under different names inside or outside of the Protected Territory under different marks; (c) use the Marks and System in connection with services and products, promotional and marketing efforts, or related items, or in alternative channels of distribution, including the sale of goods or services through wholesale and retail stores, via the Internet, through mail order catalog, and via direct marketing through telephone, television, or radio within or outside of your Protected Territory; (d) develop or become associated with other concepts (including dual branding and/or other franchise systems), whether or not using the Premium Service brands System and/or the Marks, and award franchises under other concepts for locations anywhere; (e) acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere (these transactions may include © 2018 Pro-Lift Doors Franchise Disclosure Document arrangements involving competing outlets and brand conversions to or from the Pro-Lift Doors and System); and (f) engage in any other activities not expressly prohibited by the Franchise Agreement. (Franchise Agreement Section 2.3) We are not required to pay you for soliciting or accepting orders from inside your territory.

We may enter into agreements, periodically, with customers that we consider "National Account Customers" (that is, customers that contract with us or with our affiliate for the provision of services at more than one location). To the extent that we enter into an agreement with National Account Customer that requires services in your Territory, we may offer you the right to provide the services, we may provide the services ourselves, or we may subcontract the work to another franchisee or independent contractor, who may provide services in your Territory. You will be compensated only for the services that you provide.

You are restricted from soliciting or advertising for customers outside of your Protected Territory, and you may not advertise on the Internet without our prior written consent. You are not required to achieve a sales or market penetration quota. (Franchise Agreement Section 2.4)

You must obtain our written consent and approval before opening an office location other than your home office. The conditions under which we will approve an office re-location are the same as those under which we will approve any office outside your home, and they are described in Item 11.F. of this Disclosure Document. We do not make any representations concerning site selection assistance should you choose to relocate your Business from your home office.

The franchisor will not pay any compensation for soliciting or accepting orders inside the franchisee's 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.

Until completion of your second calendar year of owning a franchise, the cost of residential services cannot exceed $15,000 per project or $30,000 in the aggregate without our prior approval. Residential services are limited to one, two, or three owner-occupied dwellings. Subject to your compliance with the terms of the Certification Programs referenced below and National Accounts listed immediately above, and subject to you being in full compliance with the Franchise Agreement, you may perform commercial work in your Protected Territory but you agree and acknowledge that you do not own the exclusive rights to perform such commercial work in your Protected Territory. If you wish to offer services other than residential services, you must obtain our prior written approval, which we may grant at our sole discretion. We may condition our approval on your completion of a Certification Program, if any, and the payment of any licensing fee associated with providing additional services.

ITEM 13

TRADEMARKS

We will grant the right to operate Pro-Lift Doors businesses under the service mark "PROLIFT GARAGE DOORS." You may also use any other current or future Mark to operate your Pro-Lift Doors business that we designate in writing, including the logo on the front of this Disclosure Document. By Mark, we mean, trade names, trademarks, service marks and logos used to identify Pro-Lift Doors businesses. Pro-Lift Doors Franchise, LLC has obtained registration of the following Mark on the Principal Register of the U.S. Patent and Trademark Office ("USPTO") and has filed all required affidavits:

MARK	REGISTRATION NUMBER	REGISTRATION DATE
PROLIFT GARAGE DOORS	4972430	June 7, 2016

There are currently no effective material determinations of the USPTO, trademark trial and appeal board, the trademark administrator of this state or any court; pending infringement, opposition or cancellation; or pending material litigation involving the Marks.

There are no infringing or prior superior uses actually known to us that could materially affect the use of the Marks in this state or any other state in which the Pro-Lift Doors business is to be located.

There are no agreements currently in effect, which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise.

You will not receive any rights to the Marks other than the nonexclusive right to use them in the operation of your Pro-Lift Doors business. You may only use the Marks in accordance with our standards, operating procedures and specifications. Any unauthorized use of the Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Marks. You may not contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the Franchise Agreement. You may not assist any other person in contesting the validity or ownership of the Marks.

You must immediately notify us of any apparent infringement of, or challenge to your use of, any Mark, or any claim by any person of any rights in any Marks, and you may not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so; however, you may communicate with your own counsel at your own expense. We may take whatever action we deem appropriate in these situations, and we have exclusive control over any settlement or proceeding concerning any Mark. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

We can require you to modify or discontinue the use of any Mark and to use other trademarks or service marks. We will not be required to reimburse you for modifying or discontinuing the use of a

Mark or for substituting another trademark or service mark for a discontinued Mark. We are not obligated to reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

We will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to that proceeding. We have the right to control the defense and settlement of that proceeding. Our reimbursement does not include your expenses for removing signage or discontinuing your use of any Mark. Our reimbursement also does not apply to any disputes where we challenge your use of a Mark. Our reimbursement does not apply to legal fees you incur in seeking separate, independent legal counsel.

You must use the Marks as the sole trade identification of the Franchised Business; however, if you are a Unit Franchisee and your Pro-Lift Doors business is a conversion franchise, during the first six (6) months that your Unit Franchise is open, we may, in our discretion, allow you to display secondary signage referring to your prior trade name. You may not use any Mark or part of any Mark as part of your corporate name in any modified form. You may not use any Mark in connection with the sale of any unauthorized products or services, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law.

You must notify us if you apply for your own trademark or service mark registrations. You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents of which we are aware that are material to the Pro-Lift Doors businesses, and there are no patents pending. We own copyrights in the Operations Manual, our estimating software, marketing materials and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Registrar of Copyrights and need not do so to protect them. You may use these items only as we specify while operating the Franchised Business, and you must stop using them if we direct you to do so. You must promptly tell us when you learn about any unauthorized use of copyrighted information. We have the right to control any litigation concerning our copyrighted materials. We are not obligated to protect your rights to use the copyrighted materials.

There are currently no effective determinations of the Copyright Office (Library of Congress) or any court regarding the copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain Confidential Information, including certain trade secrets, methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in operating garage door businesses, and we may divulge this information in confidence to qualified franchisees and managers. We will provide our Confidential Information to you during training, in the Operations Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the Confidential Information for the purpose of operating your Pro-Lift Doors business. You may only divulge Confidential Information to employees who must have access to it to operate the Pro-Lift Doors business. You must enforce the confidentiality provisions as to your employees.

Certain individuals with access to Confidential Information, including your owners (and members of their immediate families) officers, directors, executives, managers and professional staff, may be required to sign nondisclosure agreements the same as or similar to the Nondisclosure Agreement attached to the Franchise Agreement.

All ideas, concepts, techniques or materials concerning your Pro-Lift Doors business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other franchisees. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Unit Franchise must always be under the direct full-time supervision of a Designated Manager, which is you if you are an individual, or is an individual you select if you are a business entity. We strongly encourage you to operate the Unit Franchise and are primarily seeking to grant franchises to owner/operators. However, if you pursue this franchise as a second business, we must approve the résumés of potential managers and be allowed to conduct phone interviews before they may begin to work. You (and your Designated Manager) must attend and satisfactorily complete our initial training program before opening the Unit Franchise. Your Designated Manager must also complete the on-the-job training program before opening your Unit Franchise. You must keep us informed of the identity of your current Designated Manager. If you are a corporation or other business entity and the Unit Franchise is under the supervision of a Designated Manager, he or she does not have to be one of your owners. If the franchisee is a business entity, the on-premises supervisor is not required to have an equity interest in the franchise.

Miscellaneous

As described in Item 14, certain individuals having access to Confidential Information may be required to sign nondisclosure agreements the same as or similar to the Nondisclosure Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the right to enforce that agreement.

If you are a business entity, anyone who owns a 5% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and be personally liable for your breach of the Franchise Agreement by signing the Guaranty Agreement attached to the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only use your home office, or another office location selected by you with our approval, and the Vehicles for the operation of your Unit Franchise, and you must not use, or permit the use of, that office or those Vehicles for any other purpose without our written consent. You must operate your Unit Franchise in strict conformity with the methods, standards and specifications in the Operations Manual and as we may require otherwise in writing. You may not deviate from these standards, specifications and procedures without our written consent.

You must offer all of the services and products we specify in strict accordance with our standards and specifications. We have the right, using our reasonable business judgment, to specify the prices at which you must offer some or all of the products and services. You may not sell any services or products that we have not authorized, and you must discontinue offering any services or products

that we may, in our sole discretion, disapprove in writing at any time. If your franchise is a conversion, you must stop using all products, supplies and equipment that we have not approved or that does not conform to our System.

We may periodically change required or authorized products or services at all Pro-Lift Doors businesses. There are no limits on our right to do so. If we modify the System, you may be required to add or replace equipment, signs and fixtures, and you may have to make improvements or modifications as necessary to maintain uniformity with our current standards and specifications.

Occasionally, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based upon factors as we determine, including test marketing, your qualifications, and regional or local differences.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	Provision	Section in Franchise Agreement	Summary
a.	Length of the franchise term	Section 3.1	The initial term is 10 years.
b.	Renewal or extension of the term	Section 3.2	You may renew for 2 additional successive terms of 10 years each, subject to (c) below.
c.	Requirements for franchisee to renew or extend	Section 3.2	You may renew the Franchise Agreement if you: have given timely written notice of your intent to renew; have substantially complied with the provisions of the Franchise Agreement; are not in default of any provision of the Franchise Agreement or any other agreement between you and us; sign the then-current Franchise Agreement which may have terms and conditions materially different from those in your original contract; pay a renewal fee in

	Provision	Section in Franchise Agreement	Summary
			the amount of 10% of the then-current initial Franchise Fee; complete to our satisfaction all maintenance, updating and replacement of the Vehicles and all maintenance, refurnishing, renovation, modernizing and remodeling of the Business; have satisfied all monetary obligations owed to us; comply with current qualifications and training requirements; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.
d.	Termination by franchisee	Section 22.1	You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and we fail to cure our breach within 90 days (or 150 days as required if curable or commenced within initial 90 days) of receiving your written notice.
e.	Termination by franchisor without cause	Not applicable	We may not terminate the Franchise Agreement without cause.
f.	Termination by franchisor with cause	Section 22.2 and 22.3	We may terminate the Franchise Agreement either with or without a cure period for the reasons set forth in these Sections.
g.	"Cause" defined – curable defaults	Section 22.3	You can avoid termination of the Franchise Agreement if you cure the following defaults within 10 days of receiving our notice of termination: failure to make payments due us; or failure to operate the Business under the supervision of an approved Manager. In addition, we have the right to terminate the Agreement upon 30 days notice if any other default under the Franchise Agreement remains uncured, but you may be provided an additional thirty days if the default cannot reasonably be cured within the thirty day period.
h.	"Cause" defined – non-curable defaults	Section 22.2	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to satisfactorily complete initial training; fail to commence operation of

	Provision	Section in Franchise Agreement	Summary
			the Business within four months after execution of this Agreement; abandon, fail or refuse to actively operate the Business for more than five consecutive days; file for or are forced into bankruptcy, become insolvent or have a trustee or receiver appointed for any part of your property; are dissolved voluntarily or involuntarily (if you are a business entity); fail to pay any amount owed to any creditor, supplier or lessor of the Business or the Vehicles or any taxing authority and fail to correct the failure within 10 calendar days of notice thereof; fail to satisfy the Minimum Royalty requirement; are convicted of or plead no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect our reputation and goodwill; operate your Business in a manner that presents an environmental, health or safety hazard; make a material misrepresentation to us before or after being granted the franchise; make an unauthorized transfer of this Agreement, the franchise, the business or an ownership interest in the franchise; misuse or make an unauthorized use of any Mark and fail to correct or cease such use within 10 days of notice thereof; misappropriate any Mark; commit any act that could reasonably be expected to materially impair or detrimentally impact the goodwill of any Mark, challenge our ownership of the Marks, file a lawsuit involving the Marks without our consent, or fail to cooperate with us to defend any Mark; fail to comply fully with covenants not to compete; make or permit a third party to make any unauthorized use or disclosure of any of our confidential information or trade secrets; fail to comply with any law or regulation applicable to the operation of the franchise (provided if the failure does not involve tax evasion or result in governmental proceedings, only if not cured within a reasonable period not to exceed 30 days); knowingly maintain false books or records or or deny our access to books and records during an audit or inspection; submit a financial report or other data that underestimate by more than 3% the Royalties and/or marketing fund contribution; default under the Agreement three or more times within a twelve month period; or, default under any other agreement you have with us such that we may terminate that other agreement.

	Provision	Section in Franchise Agreement	Summary
i.	Franchisee's obligations on termination or non-renewal	Section 23.1 and 23.2; Internet Web Sites Agreement, page i and ii; Telephone Listing Agreement i and ii	If the Franchise Agreement is terminated or not renewed, you must: stop using all Confidential Information, including customer data, as well as the System and the Marks; return the Operations Manual, Marks and all other Confidential Information; stop operating the Franchised Business and refrain from doing business under any name or in any manner that may give the general public the impression that you are in any way connected with us; pay all sums owed to us including damages and costs incurred in enforcing the termination provisions of the Franchise Agreement; make reasonable modifications to the Vehicle(s) and any real property used in connection with the Business as necessary to eliminate their identification as being connected with the a Pro-Lift Doors Business; if requested, assign your business assets to us; cancel or assign to us any assumed names; assign your telephone and facsimile numbers to us; fulfill all obligations to customers under outstanding warranties and to ensure fulfillment, post a bond equal to 0.5% of your gross sales for the last 24 months or pay us a fee of $10,000, whichever is greater, with the balance net of any amounts expended to ensure outstanding warranty obligations to be returned on fulfillment; comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement.
j.	Assignment of contract by franchisor	Section 19.1	There are no restrictions on our right to assign our interest in the Franchise Agreement.
k.	"Transfer" by franchisee – definition	Section 19.2	"Transfer" includes transfer of ownership or any interest in the Franchised Business, the Franchise Agreement, the Vehicle(s), the Franchised Business's assets or the franchisee entity or its owners if an entity.
l.	Franchisor approval of transfer by franchisee	Section 19.2 and Section 19.4	You may not transfer any interest in any of the items listed in (k) above without our prior written consent.

	Provision	Section in Franchise Agreement	Summary
m.	Conditions for franchisor approval of transfer	Section 19.4	We will consent to a transfer if you: have paid all monetary obligations in full; are not in default under the Franchise Agreement or any other agreement with us; sign a general
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 20	We may match an offer for your Franchised Business or an ownership interest that you propose to sell.
o.	Franchisor's option to purchase Franchisee's business	Section 23.2	Except in the case of a renewal under Section 2, we shall have the option upon termination, expiration or cancellation of the Franchise Agreement to purchase the Business, the Vehicles, and/or any portion of the assets of the Business, excluding any real property.
p.	Death or disability of franchisee	Section 19.3	Upon your death or disability, the Franchise Agreement must be transferred to a party approved by us.
q.	Non-competition and non-solicitation covenants during the term of the franchise	Section 21.1	You, your spouse, and your owners and managers, as applicable, and their spouses (the "Bound Parties") are prohibited from: having any interest as a disclosed or beneficial owner in a Competitive Business, regardless of location; or, performing services as a director, officer, manager, employee, consultant, representative or agent, or otherwise for a Competitive Business, regardless of location; soliciting or attempting to solicit any of our or any of our franchisee's employees, or otherwise interfering with or disrupting these employment relationships.

	Provision	Section in Franchise Agreement	Summary
r.	Non-competition and non-solicitation covenants after the franchise is terminated or expires	Section 21.1 and 21.2	For 2 years after the termination or expiration of the Franchise Agreement, you and the Bound Parties are prohibited from: having any interest as a disclosed or beneficial owner in a Competitive Business; performing services for a Competitive Business located within the Protected Territory or within a twenty mile radius as the crow flies of the Protected Territory or any other Pro-Lift Doors franchised location; soliciting or attempting to solicit any of our or any of our franchisee's employees, customers, or vendors or otherwise interfering with or disrupting these employment, customer or vendor relationships.
s.	Modification of the agreement and the Operations Manual	Section 7 and 40	The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Operations Manual without your consent to reflect changes in the Pro-Lift Doors business operating requirements.
t.	Integration/merger clause	Section 40	Only the terms of the Franchise Agreement and related agreements are binding (subject to this Disclosure Document and applicable federal and state law). Any other promises, if any, may not be enforceable. Nothing in the Franchise Agreement or any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished to you.
u.	Dispute resolution by arbitration or mediation	N/A	N/A
v.	Choice of forum	Section 30.2	Subject to applicable state law, any litigation must be pursued in courts located in the county and state in which we maintain our principal place of business (currently Albermarle County, Virginia).

	Provision	Section in Franchise Agreement	Summary
w.	Choice of law	Section 30.1	Other than as set forth in a state specific addendum, the Franchise Agreement shall be governed by the laws of the Commonwealth of Virginia, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

ITEM 18

PUBLIC FIGURES

We have neither given nor promised compensation or other benefit to any public figure in connection with the use of a public figure in the name or symbol of the franchised business or the endorsement or recommendation of the franchised business by a public figure in advertisements. You are not prohibited by the Franchise Agreement from using the name of a public figure or celebrity in your promotional efforts or advertising; however, all advertising requires our prior approval.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of the company-owned or franchised 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 outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contact Paul Flick, 630 Peterson Jefferson Parkway, Suite 200, Charlottesville, VA 22911, (434) 995-5582, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2015 to 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	0	0	0
	2016	0	3	+3
	2017	3	11	+8
Company-Owned	2015	0	2	+2
	2016	2	3	0
	2016	3	2	-1
Total Outlets	2015	0	2	+2
	2016	2	5	+3
	2017	6	13	+7

Table 2
Transfers of Outlets From Franchisees to New Owners
(other than the Franchisor) –
For years 2015 to 2017

State	Year	Number of Transfers
(not applicable)	2015	0
	2016	0
	2017	0
Total	2015	0
	2016	0
	2017	0

Table 3

Status of Franchised Outlets

For years 2015 to 2017

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	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	2	0	0	0	0	2
Colorado	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Florida	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	1	1
Georgia	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	1	0	0	0	0	3
Minnesota	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Missouri	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1

Nevada	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Pennsylvania	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Texas	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	1	1
Washington	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Totals	2015	0	2	0	0	0	0	2
	2016	2	4	0	0	0	0	6
	2017	6	10	0	0	0	3	13

Table 4

Status of Company-Owned Outlets

For years 2015 to 2017

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Colorado	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	1	0
Georgia	2015	0	1	0	0	0	1
	2016	1	0	0	0	0	1
	2017	2	0	0	0	0	2
Totals	2015	0	2	0	0	0	2
	2016	2	0	0	0	0	2
	2017	3	0	0	0	1	2

Table 5

Projected Openings as of December 31, 2017

State	Franchise Agreements Signed but Outlets Not Opened as of Dec. 31, 2017	Projected New Franchised Outlets in 2018	Projected Company-Owned Outlets in 2018
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0	0
Arkansas	0	0	0
California	0	0	0
Colorado	0	1	0
Connecticut	0	0	0
District of Columbia	0	0	0
Delaware	0	0	0
Florida	0	2	0
Georgia	1	1	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	0	0	0
Indiana	0	0	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0

State	Franchise Agreements Signed but Outlets Not Opened as of Dec. 31, 2017	Projected New Franchised Outlets in 2018	Projected Company-Owned Outlets in 2018
Maryland	0	0	1
Massachusetts	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	0	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	1	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	0	0
North Carolina	0	2	0
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	1	0
Rhode Island	0	0	0
South Carolina	0	1	0
South Dakota	0	0	0

State	Franchise Agreements Signed but Outlets Not Opened as of Dec. 31, 2017	Projected New Franchised Outlets in 2018	Projected Company-Owned Outlets in 2018
Tennessee	0	1	0
Texas	0	4	0
Utah	0	0	0
Vermont	0	0	0
Virginia	0	0	0
Washington	0	1	0
West Virginia	0	0	0
Wisconsin	0	0	0
Wyoming	0	0	0
Other:	0	0	0
Other:	0	0	0
Totals	2	14	1

A list of our unit franchisees as of December 31, 2017 is attached as Exhibit G-1. A list of the unit franchisees who have had their businesses terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who have not communicated with us within 10 weeks of the issuance date for this Disclosure Document, is attached as Exhibit G-2. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have signed confidentiality clauses with certain current or former franchisees. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Pro-Lift Doors franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As of the date of this Disclosure Document, there are no trademark-specific franchisee organizations associated with the Pro-Lift Doors system that we have created, sponsored, or endorsed, and there are no independent trademark-specific franchisee organizations that have asked to be included in our Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

We are a newly formed entity and, therefore, have included the financial statements of our affiliate 360 Painting, LLC. Attached as Exhibit F are the audited financial statements of 360 Painting, LLC for the years ending December 31, 2017, 2016, and 2015.

Our fiscal year end is December 31 of each year.

360 Painting, LLC is unconditionally guaranteeing our duties and obligations. Attached in Exhibit F is a copy of the guarantee agreement.

ITEM 22

CONTRACTS

The Pro-Lift Doors Franchise, LLC Franchise Agreement (with exhibits) is attached to this Disclosure Document as Exhibit C.

The Pro-Lift Doors Franchise, LLC General Release is attached to the Franchise Agreement as Schedule 1.

The Pro-Lift Doors Franchise, LLC General Covenants is attached to the Franchise Agreement as Exhibit C-2.

The Pro-Lift Doors Franchise, LLC Internet Websites and Listings Agreement is attached to the Franchise Agreement as Exhibit C-3.

The Pro-Lift Doors Franchise, LLC Telephone Listing Agreement is attached to the Franchise Agreement as Exhibit C-4.

The Pro-Lift Doors Franchise, LLC Guaranty Agreement is attached to the Franchise Agreement as Exhibit C-6.

The Pro-Lift Doors Franchise, LLC Nondisclosure Agreement is attached to this Disclosure Document as Exhibit E.

The Pro-Lift Doors Franchise, LLC Franchisee Disclosure Questionnaire is attached to this Disclosure Document as Exhibit H.

The Pro-Lift Doors Franchise, LLC Promissory Note is attached to this Disclosure Document as Exhibit J.

We provide no other contracts or agreements for your signature.

ITEM 23

RECEIPTS

Our copy and your copy of the Franchise Disclosure Document Receipt are located on the last two pages of this Disclosure Document. Please sign, date, and return one copy of the Receipt to us and keep the other copy for your records.

EXHIBITS A AND B
TO THE

PRO-LIFT DOORS FRANCHISE, LLC FRANCHISE DISCLOSURE DOCUMENT

STATE FRANCHISE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS

LIST OF STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws and for service of process. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we are not required to appoint an agent for service of process in that state in order to comply with the requirements of franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

Our agent for service of process for all states other than those listed below is Paul Flick, 630 Peter Jefferson Parkway, Suite 200, Charlottesville, Virginia 22911.

State	Franchise Administrator (Exhibit A)	Agent for Service of Process (Exhibit B)
California	Commissioner California Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, CA 90013-2344 866-275-2677 71 Stevenson Street, Suite 2100 San Francisco, CA 94105 415-972-8577	Commissioner California Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, CA 90013-2344 866-275-2677 1515 K. Street, Suite 200 Sacramento, CA 95814 866-275-2677
Hawaii	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2744	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2744
Illinois	Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, IL 62706 217-782-4465	Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465
Indiana	Secretary of State Securities Division 302 West Washington, Room E-111 Indianapolis, IN 46204 317-232-6681	Secretary of State Securities Division 302 West Washington, Room E-111 Indianapolis, IN 46204 317-232-6681
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020	Maryland Securities Commissioner Securities Division 200 St. Paul Place Baltimore, MD 21202-2020

	410-576-6360	410-576-6360
Michigan	Michigan Department of Attorney General Consumer Protection Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48933 517-373-7117	Paul Flick 630 Peter Jefferson Parkway Suite 200 Charlottesville, Virginia 22911
Minnesota	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500
New York	Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 212-416-8236	Secretary of State State of New York One Commerce Plaza 99 Washington Avenue Albany, NY 12231 518-473-2492
North Dakota	North Dakota Securities Department 600 East Boulevard Avenue, State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712	North Dakota Securities Department 600 Boulevard Avenue, State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712
Rhode Island	Department of Department of Business Regulation Securities Division 1511 Pontiac Avenue, Bldg. 68-2 Cranston, RI 02920 401-462-9527	Director of Department of Business Regulation Securities Division 1511 Pontiac Avenue, Bldg. 68-2 Cranston, RI 02920 401-462-9527
South Dakota	Director of Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501 605-773-4823	Director of Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501 605-773-4823
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 804-371-9733
Washington	Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W. Tumwater, WA 98501	Director of Dept. of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W.

	360-902-8760	Tumwater, WA 98501 360-902-8760
Wisconsin	Office of the Commissioner of Securities Department of Financial Institutions 345 West Washington Avenue, 4th Floor Madison, WI 53703 608-266-1064	Commissioner of Securities 345 West Washington Avenue, 4th Floor Madison, WI 53703 608-266-1064

Pro-Lift Doors Franchise, LLC

FRANCHISE AGREEMENT

EXHIBIT C TO THE FRANCHISE DISCLOSURE DOCUMENT

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PRO-LIFT DOORS FRANCHISE, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of the date set forth on **Exhibit A** attached hereto (the "**Effective Date**") (**Exhibit C-1** and all other exhibits hereto are incorporated herein by this reference) by and between **PRO-LIFT DOORS FRANCHISE, LLC**, a limited liability company organized under the laws of Delaware with its principal place of business at the address set forth on **Exhibit C-1** hereto ("**Franchisor**"), and the person or entity identified on **Exhibit C-1** as the franchisee ("**Franchisee**").

W I T N E S S E T H:

WHEREAS, Franchisor, through its expenditure of time, effort and money, has established a system of opening, operating and promoting businesses (the "**Pro-Lift Doors**" or the "**Business**") that provide garage door installation, maintenance and repair services for residences and "light commercial" buildings (the "**Authorized Services")**, under the name "Pro-Lift Doors," using equipment, tools, materials, methods, procedures, and the quality standards as specified in the Pro-Lift Doors Methods of Operation Manual as amended from time to time (the "**Pro-Lift Doors System**");

WHEREAS, the Pro-Lift Doors System is identified by certain trade names, trademarks, service marks, logos, emblems, insignia and signs developed for use, including the service mark "PROLIFT GARAGE DOORS" and the Pro-Lift Doors logo and design as Franchisor now designates and may hereafter designate in connection with the Pro-Lift Doors System (collectively, the "**Marks**");

WHEREAS, Franchisee recognizes the value and benefits to be derived from utilizing the Pro-Lift Doors System and desires to own and operate a Pro-Lift Doors franchise in a manner that is consistent with, and will promote, Pro-Lift Door's standards of quality and goodwill, and Pro-Lift Doors, in reliance on the representations made by Franchisee, is willing to provide certain training, materials, equipment and ongoing assistance relating to the Pro-Lift Doors System and to grant Franchisee the right to operate an Pro-Lift Doors Business under the terms and conditions hereinafter set forth, which terms are acceptable to Franchisee and are acknowledged by the parties to be material and reasonable.

NOW, THEREFORE, for and in consideration of the foregoing premises and the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Franchisor and Franchisee hereby agree as follows:

1. GRANT OF FRANCHISE

During the term of this Agreement, Franchisor hereby grants to Franchisee the non-exclusive right and license, and Franchisee undertakes the obligation, to develop and operate a Pro-Lift Doors Business and to use solely in connection therewith, the Marks and the Pro-Lift Doors

System in accordance with the terms and conditions of this Agreement only within the Protected Territory (as defined below). Franchisee agrees to use the Marks and Pro-Lift Doors System, as they are changed, improved and further developed by Franchisor from time to time. Unless otherwise agreed to by Franchisor, Franchisee has two months from the Effective Date to complete the initial training as required by **Section 14.1** and to commence operation of the Business. Franchisee must obtain Franchisor's written approval prior to commencing operation of the Business.

2. TERRITORY

2.1 Protected Territory. Franchisee shall only have the right to use the Marks and the Pro-Lift Doors System in the residential geographic area described on **Exhibit C-1** attached hereto (the "**Protected Territory**"). The Protected Territory shall include not less than one hundred thousand (100,000) people as of the date of this Agreement. The Protected Territory may be further defined or delineated in a writing, map or drawing attached to this Agreement and signed by Franchisee and Franchisor. Franchisee shall not promote the Business outside of the Protected Territory, except in cooperation with other franchisees of Franchisor as specified in **Section 11.4** herein, nor may Franchisee provide any Pro-Lift Doors services at any location outside the Protected Territory, except with the written permission of Franchisor. Franchisee agrees to open only one (1) Franchised Business within the Protected Territory, and further agrees not to relocate the Franchised Business within the Protected Territory without prior written consent from Franchisor. The location of the Franchised Business shall either be Franchisee's home office or an office location selected by Franchisee and approved by Franchisor.

2.2 Territorial Protection. Subject to **Sections 2.3** and **2.4**, during the term of this Agreement, Franchisor shall not, nor shall Franchisor license any person other than Franchisee to, operate a Business within the Protected Territory using the Marks or the Pro-Lift Doors System. Moreover, Franchisor agrees that, except with regard to actual or prospective customers designated as National Accounts (as defined and governed by **Section 2.4** herein), Franchisor will refer to Franchisee all requests for Pro-Lift Doors System services to be provided at physical locations within the Protected Territory. Except as provided herein, Franchisee has no exclusive territorial rights, protected territory or other right to exclude, control or impose conditions on Franchisor's activities or on the location, development or operation of other or future franchises under the Marks.

2.3 Reservation of Rights. Franchisor retains the right, in its sole discretion, to:

(i) own and operate, and license to others the right to own and operate Pro-Lift Doors Franchised Businesses outside of your Protected Territory using the Marks or any other marks we may designate;

(ii) own and operate and license to others the right to own and operate similar businesses under different names inside or outside of the Protected Territory under different marks;

(iii) use the Marks and System in connection with services and products, promotional and marketing efforts, or related items, or in alternative channels of distribution, including the sale of goods or services through wholesale and retail stores, via the Internet, through mail order catalog, and via direct marketing through telephone, television, or radio within or outside of your Protected Territory;

(iv) develop or become associated with other concepts (including dual branding and/or other franchise systems), whether or not using the Premium Service brands System and/or the Marks, and award franchises under other concepts for locations anywhere;

(v) acquire, be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere (these transactions may include © 2018 Pro-Lift Doors Franchise Disclosure Document arrangements involving competing outlets and brand conversions to or from the Pro-Lift Doors Marks and System); and

(vi) engage in any other activity, action or undertaking that Franchisor is not expressly prohibited from taking under this Agreement.

2.4 National Accounts.

(i) The term "**National Account**" means any customer which, on its own behalf or through agents, franchisees or other third parties, owns, manages, or controls buildings or dwellings in more than one (1) location, at least one of which is not situated within any one particular franchisee's Protected Territory. (In other words, if a customer controls two buildings, and one is in Franchisee's Protected Territory while the other is not, the customer qualifies as a National Account.) Any dispute as to whether a particular customer is a National Account shall be determined by Franchisor in its sole and absolute discretion.

(ii) Franchisor shall have the right, on behalf of itself, its affiliates, Franchisee, and/or other franchisees utilizing the Marks, to designate any client as a "National Account Customer"

and to negotiate and enter into agreements to provide Pro-Lift Doors products and/or services to multiple locations of such National Account Customers, including locations within the Protected Territory.

(iii) Following the execution of a contract with or the acceptance of a bid by a National Account Customer that contemplates the provision of Pro-Lift Doors services to one or more National Account Customer location(s) within the Protected Territory, Franchisor will, if Franchisee is in substantial compliance with the terms of this Agreement and any addendum, provide Franchisee with a copy of such contract or bid to Franchisee and offer Franchisee the option to perform such services pursuant to the terms and conditions of same, provided that Franchisee must accept such option within ten (10) days of its receipt of such notice.

(iv) If Franchisee elects not to provide services to a National Account Customer in conformity with the terms of the National Account contract, or fails to make an election within the time specified by Franchisor, Franchisor shall have the right, exercisable in its sole discretion, to (a) provide, directly, through its affiliates or any other franchisee utilizing the Marks, Pro-Lift Doors products and/or services to the National Account Customer location(s) within the Protected Territory on the terms and conditions contained in the bid or contract between Franchisor and the National Account Customer; and/or (b) contract with another party to provide such Pro-Lift Doors products and/or services to the National Account Customer location(s) within the Protected Territory on the terms and conditions contained in the bid or contract between Franchisor and the National Account Customer, utilizing the Marks or any other proprietary marks.

(v) Neither the direct provision by Franchisor (or a franchisee or agent of Franchisor) of Pro-Lift Doors products and/or services to National Account Customers as authorized in **Section 2.4(iv)(a)** above, nor Franchisor's contracting with another party to provide such services as authorized in **Section 2.4(iv)(b)** above, shall constitute a violation by Franchisor of **Section 2.2** above, even if such services are delivered within the Protected Territory.

3. TERM AND RENEWAL

3.1 Initial Term. Unless terminated earlier in accordance with the terms and conditions set forth herein, this Agreement and the franchise granted hereunder shall have an initial term of ten (10) years commencing as of the first date of January 1 following the Effective Date (the "**Initial Term**").

3.2 Renewal. Upon the expiration of the Initial Term, Franchisee shall have the right to renew the franchise granted hereunder for up to two (2) successive ten (10) - year periods provided that all of the following conditions are met:

(i) Franchisee gives Franchisor written notice of its election to renew the franchise not less than six (6) months prior to the expiration of the Initial Term;

(ii) Franchisee is not, when notice is given, and does not become prior to the expiration of the Initial Term, in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor or its subsidiaries or affiliates or with any other creditor or supplier of the Business, lessor of the Vehicles, or lessor or sublessor of any real property that Franchisee may lease in connection with the Business, and Franchisee shall have faithfully performed its obligations under this Agreement and all such other agreements throughout their terms;

(iii) Franchisee shall execute, at Franchisor's option, Franchisor's then-current form of Franchise Agreement, which Franchise Agreement shall supersede in all respects the terms and conditions of this Agreement and may contain terms and conditions substantially different from those set forth herein, including, without limitation, an increase in Royalties or Marketing Fund Contributions (as such terms are hereinafter defined) and/or a change in the size or composition of the Protected Territory; however, the renewal Franchise Agreement shall only provide for the number of additional renewal terms called for by this Agreement and shall contain mandatory Minimum Annual Royalties requirements that reflect the maturity of the Business and its record of Gross Sales during the prior term;

(iv) Franchisee shall pay a renewal fee equal to ten percent (10%) of the then-current Franchise Fee (as such term is hereinafter defined) if a renewal fee is charged by Franchisor;

(v) Franchisee shall complete, at its own expense and to Franchisor's satisfaction, all maintenance, updating, refurbishing and replacement of the Vehicles and all maintenance, refurnishing, renovation, modernizing and remodeling of the Business as Franchisor shall reasonably require (including, but not limited to, purchasing additional Vehicles and installation of new equipment or systems) so as to reflect the current image and standards of the Pro-Lift Doors Business and the Vehicles;

(vi) Franchisee shall be current in the payment of all obligations to Franchisor and to any of its affiliates and subsidiaries as well as lessors, vendors and suppliers of the Business;

(vii) Prior to renewal, Franchisee and/or Franchisee's supervisory and operational manager(s) shall at Franchisee's expense, attend and successfully complete to Franchisor's reasonable satisfaction any retraining program Franchisor may require; and

(viii) Franchisee and its owners shall execute a general release, in a form satisfactory to Franchisor, of any and all claims it may have against Franchisor, including any affiliates or subsidiaries, and its and their officers, directors, shareholders, managers, members, partners, employees and agents.

4. FEES

4.1 Franchise Fee. Upon signing the Franchise Agreement, Franchisee shall pay to Franchisor by wire transfer a franchise fee of $60,000 (the "**Franchise Fee**") for the License. The Franchise Fee shall be fully earned by Franchisor in consideration of Franchisor's execution of this Agreement and shall be nonrefundable. Notwithstanding the foregoing, if the Franchisee is a resident of the Virginia, the franchise fee and any other pre-opening obligation fees are not due and payable until the Franchisor has completed its pre-opening obligations. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the Franchisor until the Franchisor has completed its pre-opening obligations under this Franchise Agreement.

4.2 **Royalties**. During the term of this Agreement, Franchisee shall pay to Franchisor a non-refundable royalty (the "**Royalty" or "Royalties**") out of the Gross Sales (as herein defined) arising from or in connection with the operation of the Business, equal to the greater of six percent (6%) of Gross Sales or a minimum royalty fee of $800 per month. Royalties are payable throughout the entire term of this Agreement after Franchisee begins presales even if the franchised business has no

revenue. Franchisor has the right to change the payment due date or change the frequency of payment so long as we provide you at least sixty (60) days advance notice of such changes.

Royalties shall be due and payable by the fourth of each month, as provided in Section 5.1 below. If, at any time, a state or other governmental authority shall impose a tax on the Gross Sales or any other receipts of Franchisor (but excluding any tax based on Franchisor's net income), the Royalties rate shall be increased so that the net Royalties payable to Franchisor, after payment of such tax, shall equal to the applicable rate charged of Franchisee's Gross Sales. Moreover, if Franchisee breaches the Agreement and does not cure the breach within the time set forth in Franchisor's Notice of Default, Franchisee shall pay Franchisor royalties at the rate of Ten Percent (10%) of Gross Sales until such time as the default at issue is cured or Franchisor, at its sole discretion, chooses to terminate this Agreement. (The Royalties paid or owing to Franchisor with respect to the period in which Franchisee is in breach are referred to as "Breaching Royalties.")

4.3 Marketing Fund Contribution. Franchisor shall pay monthly to the marketing, advertising and promotion fund for the System ("Marketing Fund") an advertising fee in an amount specified by Franchisor ("Marketing Fund Contribution"), which shall not exceed two percent (2%) of the preceding week's Gross Sales. The Marketing Fund shall be maintained and administered by Franchisor or its designee in accordance with the provisions contained in Section 11.2, and Marketing Fund Contributions shall be due and payable monthly, as provided in Section 5.1 below.

4.4 Definition of Gross Sales. As used in this Agreement, "Gross Sales" means the total of all monies and receipts derived by Franchisee from the sale of products or services in connection with the Business, and from all other businesses using the Marks, whether evidenced by cash, credit, check, gift certificate, gift card, script or other property or services, including (without limitation) all proceeds received from any business interruption insurance policy. Moreover, Gross Sales shall include all commissions, finder's fees, referral fees, construction management fees or other compensation received by Franchisee arising in any way from the operations of the Business. (For purposes of this paragraph, the term "Franchisee" includes its owners and officers as well as any business entity through which the Business is operated.) Gross Sales does not include (i) promotional allowances or rebates paid to Franchisee in connection with its purchase of products or supplies; (ii) sales, use, merchants' or other taxes measured on the basis of the gross revenues of the Business imposed by governmental authorities directly on sales or use and collected from customers, provided that the taxes are added to the selling price of Franchisee's goods and services and are in fact paid by Franchisee to the appropriate governmental authorities; or (iii) the value of any coupons duly issued and approved by Franchisor, or any bona fide discounts or customer refunds approved by Franchisor. For purposes of reporting Gross Sales, all revenues must be recorded upon receipt and any approved refunds to customers shall be deducted from revenues when the refund is tendered.

4.5 Estimated Gross Sales If Franchisee Does Not Report. If Franchisee fails to submit to Franchisor, by 12:00 p.m. Eastern Time on Tuesday of each week, a Statement of Gross Sales for the prior week ending on Saturday (the "Business Week") as required by Section 6.2(i), Franchisee will be assessed a $100 late charge per delinquent operating statement per week, or part thereof, until each delinquent operating statement has been delivered. In addition, if the delinquent operating statement is not delivered by 12:00 p.m. Eastern Time on the Wednesday of the applicable week then the amount to be paid pursuant to Section 5.1 and drawn against Franchisee's bank account, pursuant to Section 5.2, for the Royalties, Call Center/Technology Fee and with respect to the prior Business Week will be the amount drawn the previous week plus 2%, as an estimate of the prior Business Week's Royalties, Call Center/ Technology Fee and Marketing Fund

Contributions. These provisions may not be enforced if the delay in providing the operating report was caused by Franchisor, and Franchisor will not unreasonably withhold its consent for extensions in submitting the Statement of Gross Sales as long as all Royalty Fees and other continuing fees are paid by their Due Date.

4.6 Call Center/Technology Fee. Franchisee shall pay Franchisor a monthly fee of $500 or 1% of Gross Sales, whichever is greater. The fee will be collected montly along with the Royalties.

4.7 Job Proposal/Estimating Sofware Fee.. Franchisee shall pay to the approved supplier designated by Franchisor the fee charged by the supplier for the software that will assist in estimating the cost of potential jobs, currently $35.00 per month.

5. PAYMENTS OF FEES; LATE PAYMENT

5.1 Payment of Fees. Franchisee shall pay to Franchisor, by 12:00 p.m. Eastern Time on the 4th of each month, the Royalties, Call Center/Technology Fee and Marketing Fund Contributions due to the Franchisor under this Agreement with respect to the prior month. Royalties, Call Center/Technology Fees and Marketing Fund Contributions shall be nonrefundable. If the date for any payment hereunder falls on a day on which commercial banks are authorized or required by law to close in the state where Franchisor maintains its principal place of business, such payment shall be made on the next day during which such commercial banks are open for business. We have the right to change the payment due date or change the frequency of payment so long as Franchisor provides Franchisee at least sixty (60) days advance notice of such changes.

5.2 Automated Bank Draft.

Franchisee understands and agrees that Franchisor reserves the right and may require, in its sole discretion, that all Royalties, Call Center/Technology Fees, Marketing Fund Contributions, Advertising Cooperative (as defined below) contributions and other fees or contributions required to be paid to Franchisor or any Advertising Cooperative hereunder must be paid by automated bank draft or other reasonable means necessary to ensure payment of such fees are received by Franchisor or the appropriate Advertising Cooperative. Franchisee agrees to comply with Franchisor's payment instructions and to execute such documents as Franchisor may request from time to time to provide Franchisee's unconditional and irrevocable authority and direction to its bank authorizing and directing Franchisee's bank to pay and deposit directly to the account designated by Franchisor all Royalties, Call Center/Technology Fees, Marketing Fund Contribution, Advertising Cooperative contributions and other fees or contributions due hereunder. Every week, Franchisee shall make deposits to the account sufficient to cover amounts owed to Franchisor for the preceding week just ended. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the automated bank draft system. Once such a system is established, Franchisee shall not close the account from which automated bank drafts are being withdrawn without Franchisor's written consent.

5.3 Late Payments and Insufficient Funds. All overdue payments for Royalties, Call Center/Technology Fees, Marketing Fund Contributions and other fees required to be paid hereunder shall bear interest from the date due at the rate of 1.5% per month, or the highest rate permitted by law, whichever is less. Interest shall accrue on all late payments regardless of whether Franchisor exercises its right to terminate this Agreement as provided for herein. In addition to its right to charge interest as provided herein, Franchisor may charge Franchisee a $100.00 late payment fee, or the maximum amount permitted by applicable law, for all such overdue payments and a $100.00 insufficient funds fee for each check, automated bank draft payment, or other payment method that

is not honored by Franchisee's financial institution. Franchisee acknowledges that Franchisor has the right to set-off amounts Franchisee owes Franchisor against any amounts Franchisor may owe Franchisee.

5.4 Application of Payments. Notwithstanding designation by Franchisee to the contrary, all payments made by Franchisee hereunder will be applied by Franchisor at its discretion to any of Franchisee's past due indebtedness.

6. RECORDS, REPORTS AND AUDITS

6.1 Bookkeeping and Accounting Records. Franchisee shall establish and maintain bookkeeping, accounting and financial records for the Business conforming to such requirements as are prescribed by Franchisor in the Operations Manual (as defined below) from time to time (the "Accounting Records"). In the event that Franchisor establishes a computerized bookkeeping or accounting system for its franchisees, Franchisee agrees to utilize such systems, pay all reasonable fees charged by Franchisors or others for the use of such systems, purchase or lease all computer hardware and software required for such systems, and permit Franchisor to access such records by computer from a remote location. Franchisee acknowledges and agrees that if Franchisor is required or permitted by statute, rule, regulation or any other legal requirement to disclose any information regarding Franchisee or the operation of the Business, including, without limitation, earnings or other financial information, Franchisor shall be entitled to disclose such information. In addition, Franchisee hereby expressly permits Franchisor to disclose any such information to potential purchasers (and their employees, agents, and representatives) of Franchisor or the Business in connection with the sale or transfer of any equity interests or assets of Franchisor, Franchisee or the Business, or any merger, reorganization or similar restructuring of Franchisor.

6.2 Business Records. Franchisee agrees to establish and maintain a record-keeping system for the Business conforming to such requirements as are prescribed by Franchisor in its Operations Manual from time to time (the "Business Records"). Among other things, such record-keeping system shall include a complete record of all work performed in connection with the Business (including copies of all estimates, proposals and contracts) and a complete listing of all worked performed by any sub-contractors engaged by Franchisee (including copies of all contracts, invoices or statements).

6.3 Financial Reports. Franchisee must provide Franchisor with those financial reports required by Franchisor from time to time (the "**Financial Reports**"). Franchisee's current reporting obligations include the following:

(i) A statement of Gross Sales for the prior Business Week, in the form required by Franchisor to be delivered with each payment of the Royalties, Marketing Fund Contribution, the Call Center Contribution and the Technology Fee by no later than by 12:00 p.m. Eastern Time on Tuesday of each week;

(ii) A monthly unaudited balance sheet and profit and loss statement in a form satisfactory to Franchisor covering Franchisee's business for the prior month and fiscal year to date, all of which shall be certified by Franchisee as true and correct and delivered to Franchisor no later than the 21st day of each month;

(iii) Annual financial statements compiled or reviewed by an independent certified public accountant in a form satisfactory to Franchisor no later than January 15th of the year after the

most recently completed fiscal year, which shall include a statement of income and retained earnings, a statement of cash flows, and a balance sheet of Franchisee, all for the fiscal year then ended. Franchisor shall have the right at any time to require audited annual statements to be provided to it; provided that Franchisor shall reimburse Franchisee for its increased accounting fees attributable to Franchisor's imposition of this requirement;

(iv) An annual copy of Franchisee's signed federal tax form and/or a Schedule C federal tax filing concerning the Business as filed with the Internal Revenue Service (or any forms which take the place of those forms), and all other federal, state and local sales, use and income tax reports Franchisee is required to file relating to the Business, all to be delivered within thirty (30) days after filing; and

(v) A statement of local advertising expenditures made pursuant to **Section 11.3** below for each calendar quarter and fiscal year to date, in a form satisfactory to Franchisor, to be delivered within thirty (30) days after the end of each calendar quarter.

All reports or other information required to be submitted under this **Section 6.3** shall be submitted to the attention of Franchisor's franchise department. If any of the reports or other information required to be given to Franchisor in accordance with this Section are not received by Franchisor by the required deadline, Franchisor may charge Franchisee a late submission fee equal to $50.00.

6.4 Audit. Franchisor, through its employees and any agents designated by Franchisor from time to time, may at any time during business hours, and without prior notice to Franchisee, enter and inspect the assets used in connection with the Business and examine the Accounting Records, Business Records, all Financial Reports that Franchisee is required to submit under **Section 6.3** (including, but not limited, to all tax returns concerning the Business), as well as all documents relating thereto, and any other information, records or properties relating to the ownership, management or operation of the Business, to determine whether Franchisee has complied with the terms of this Agreement. Franchisor shall also have the right to videotape, photograph or otherwise record the operation of the Business as part of any such inspection. Franchisee shall cooperate with Franchisor in any such inspection and shall make Franchisee's personnel and assets available to Franchisor as may be necessary to carry out such inspection.

(vi) Any such inspection shall be made at Franchisor's expense, provided that if such inspection is necessitated by Franchisee's repeated or continuing failure to comply with any provision of this Agreement, Franchisor may charge Franchisee for the costs of making such inspection, including without limitation the cost of travel, meals and lodging for, and compensation of, Franchisor's employees and agents.

(vii) Without limiting the foregoing, Franchisor may audit or cause to be audited any statement Franchisee is required to submit pursuant to **Section 6.3**, and Franchisor may review, or cause to be reviewed, the records maintained by any bank or other financial institution used by Franchisee in connection with the Business. If any such audit or review discloses an understatement of the Gross Sales for any period or periods, Franchisee shall pay to Franchisor, within fourteen (14) days after demand for payment is made, all additional Royalties, Marketing Fund Contributions, the Call Center Contribution, the Technology Fee or other amounts required to be paid based upon the results of such audit or review, plus interest from the date such amount was due until paid at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less.

(viii) In addition, if such understatement for any period or periods is three percent (3%) or more of the Gross Sales for such period or periods, Franchisee shall reimburse Franchisor for the cost of such audit or review, including without limitation the charges of any independent accountant and the cost of travel, meals and lodging for, and compensation of, such accountant and employees or other agents of Franchisor. Moreover, in addition to any other rights it may have, Franchisor may conduct such further periodic audits and/or examinations of Franchisee's books and records as Franchisor reasonably deems necessary for up to two years thereafter and the costs for such further audits and/or examination (as described herein) shall be at Franchisee's sole expense.

(ix) In order to verify the information supplied by the Franchisee, Franchisor may reconstruct Franchisee's sales through any reasonable method of analyzing and reconstructing sales. Franchisee agrees to accept any such reconstruction of sales unless Franchisee, within fourteen (14) days from the date of the notice of understatement or variance, provides evidence of Franchisee's sales during the relevant period in a form satisfactory to Franchisor.

(x) The foregoing remedies shall be in addition to any other remedies Franchisor may have, and this **Section 6.4** shall survive the expiration or any earlier termination of this Agreement.

6.5 Credit and Trade References. Franchisee hereby authorizes Franchisor to make inquiries of Franchisee's bankers, supplier and other trade creditors as to their dealings with Franchisee in relation to the Business, to discuss the affairs, finances and accounts of the Business and to obtain information and copies of invoices relating to sales or other dealings with all such persons and Franchisee in any way relating to the Business. By its execution hereof, Franchisee authorizes and directs such bankers, suppliers and other trade creditors to discuss with Franchisor the affairs, finances and accounts of the Business. Moreover, Franchisee agrees, upon the request of Franchisor, to execute and deliver such documents as are required to permit such bankers, suppliers or other trade creditors to release or disclose any such information and/or documents to Franchisor.

7. OPERATIONS MANUAL

During the term of this Agreement, Franchisor will loan to Franchisee one copy of, or provide Franchisee with electronic access to, Franchisor's confidential operations manual (the "**Operations Manual**"), which may consist of printed manuals, computerized documents or software, information provided on the internet or an extranet, audiotapes, videotapes, or any other medium Franchisor adopts periodically for use with the Pro-Lift Doors System and designates as part of the Operations Manual. The Operations Manual will contain information and specifications concerning the mandatory standards and specifications for the development and operation of the Business and any other information and advice Franchisor may periodically provide to its franchisees. Franchisor may update and change the Operations Manual periodically to reflect changes in the Pro-Lift Doors System and the operating requirements applicable to Pro-Lift Doors Businesses, and Franchisee expressly agrees to comply with each requirement within such reasonable time as Franchisor may require, or if no time is specified, within thirty (30) days after receiving notification of the requirement. The cost of implementing changes, updates or modifications to the System as called for in the Operations Manual shall be borne exclusively by Franchisee. Franchisee shall at all times ensure that its copy of the Operations Manual and any other confidential materials supplied by Franchisor to Franchisee are kept current and up-to-date. Franchisee must keep any printed Operations Manual in a secure location at the Business, and must restrict employee access to the Operations Manual on a need to know basis and take reasonable steps to prevent unauthorized disclosure or copying of any information in any printed or computerized Operations Manual. If

Franchisor and Franchisee have any disagreement about the most current contents of the Operations Manual, Franchisor's master copy of the Operations Manual will control. Upon the expiration or termination of this Agreement for any reason, Franchisee must return all copies of the Operations Manual to Franchisor, and upon Franchisor's request, certify to Franchisor that Franchisee has not kept any copies in any medium. The Operations Manual is confidential, copyrighted and Franchisor's exclusive property.

8. MODIFICATIONS OR IMPROVEMENTS TO THE PRO-LIFT DOORS SYSTEM

8.1 Modification by Franchisor. Franchisee recognizes and agrees that from time to time hereafter, Franchisor shall change, modify or improve aspects of the Pro-Lift Doors System, including, without limitation, modifications to the Operations Manual, the required Vehicle(s), equipment, tools, software, processes and systems to support the business, the products and services offered for sale, the signage, the presentation and usage of the Marks, and the adoption and use of new, modified or substituted Marks or other proprietary materials. Franchisee agrees to accept, use and/or display for the purposes of this Agreement any such changes, modifications or improvements to the Pro-Lift Doors System, including, without limitation the adoption of new, modified or substituted Marks, as if they were part of the Pro-Lift Doors System as of the Effective Date, and Franchisee agrees to make such expenditures as such changes, modifications or improvements to the Pro-Lift Doors System may require. For purposes of this Agreement, all references to the Pro-Lift Doors System shall include such future changes, modifications and improvements. Any required expenditure for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in this Agreement. However, Franchisor will not require Franchisee to replace any previously approved Vehicle for three (3) years after Franchisee places it into service unless Franchisee fails to properly maintain the Vehicle or there is a substantial safety or mechanical defect in the Vehicle.

8.2 Modification by Franchisee. If Franchisee develops any new modification, concept, process, improvement or slogan in the operation or promotion of the Business or to the Pro-Lift Doors System, the same shall be deemed a work made for hire, and Franchisee shall promptly notify Franchisor of, and provide Franchisor with all necessary information, regarding such modification, concept, process, improvement or slogan. Franchisee acknowledges that any such modification, concept, process, improvement or slogan shall become Franchisor's sole and exclusive property and that Franchisor may use or allow other franchisees to use the same in connection with the Pro-Lift Doors System or the operation of Pro-Lift Doors Businesses; provided, however, that Franchisor will provide Franchisee with reasonable compensation if Franchisor decides to incorporate into the Pro-Lift Doors System a substantial modification, concept, process, or improvement, or any slogan or derivative service mark, developed by Franchisee.

9. OBLIGATIONS OF FRANCHISEE

Franchisee recognizes the mutual benefit to Franchisee, Franchisor and other franchisees of the Pro-Lift Doors System of the uniformity of the appearance, services, products and advertising of the Pro-Lift Doors System and acknowledges and agrees that such uniformities are necessary for the successful operation of Pro-Lift Doors Businesses. To this end, Franchisee covenants and warrants with respect to the operation of the Business that Franchisee and its employees and agents will comply with all of the requirements of the Pro-Lift Doors System and the Operations Manual and will throughout the term of this Agreement:

9.1 Operate the Business and sell and offer all products and services sold or offered

thereby in accordance with the specifications, standards, business practices and policies of Franchisor now in effect or hereafter promulgated, and comply with all requirements of Franchisor, the Pro-Lift Doors System and the Operations Manual as they are now or hereafter established, including, without limitation, any environmental, safety and cleanliness standards and specifications. Franchisor and its duly authorized representatives shall have the right, if they so elect, at all reasonable times, to inspect the Business to ensure that Franchisee is complying with such specifications, standards, business practices and procedures, policies and requirements and to test and inspect any and all equipment, tools, systems and products used in connection with the operation of the Business, including, without limitation, the vehicle(s) used by Franchisee and its agents in operating the business ("Vehicles"). If Franchisee in any way shall fail to maintain the standards of quality for the products and services as established by Franchisor from time to time, Franchisor shall notify Franchisee in writing of the failure and give Franchisee ten (10) days in which to cure such failure. If Franchisee fails to cure such failure within such 10-day period, Franchisor shall, in addition to any other remedy available to it, have the right to assign to the Business such persons as it deems necessary for the training of Franchisee's employees to ensure that the standards of quality for the products and services are maintained. Franchisee shall reimburse Franchisor for all costs associated with providing such personnel, including costs of transportation, meals, lodging, salaries, wages and other compensation (including fringe benefits).

9.2 Offer and sell all products and services at the prices Franchisor may specify from time to time in its reasonable business judgment.

9.3 Maintain at all times, at its expense, the Business and the Vehicles, machinery, equipment and tools, and if Franchisee leases or owns any real property in connection with the Business, any fixtures, furnishings, furniture, décor, premises, parking areas, landscape areas, and interior and exterior signs, in an excellent, clean, attractive and safe condition in conformity with the Operations Manual and Franchisor's high standards and public image. Franchisee shall promptly make all repairs and replacements thereto as may be required to keep the Business and the Vehicles in the highest degree of safety, repair and condition and to maintain maximum efficiency and productivity, and to remain in compliance with Franchisor's standards. If Franchisor changes its image or standards of operation with respect to the Business or the Vehicles, Franchisee expressly agrees to comply with each change within such reasonable time as Franchisor may require, or if no time is specified, within thirty (30) days after receiving notification of the change. The cost of replacing the Vehicles, machinery, equipment and tools shall be borne exclusively by Franchisee.

9.4 Comply with all applicable laws, rules, ordinances and regulations that affect or otherwise concern the Business or the Vehicles, including, without limitation, vehicle registration, zoning, disability access, signage, fire and safety, security, fictitious name registrations, sales tax registration, environmental regulations, and health and sanitation. Franchisee will be solely responsible for obtaining any and all licenses and permits required to operate the Business and the Vehicles including, but not limited to, Home Improvement Contractor licenses and maintaining records demonstrating such compliance. Franchisee must immediately forward to Franchisor any inspection reports or correspondence stating that Franchisee is not in compliance with any such laws, rules, ordinances and regulations.

9.5 Franchisee will notify Franchisor in writing within ten (10) days of the commencement of any action, suit or proceedings and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, against Franchisee or any of Franchisee's properties, or of which Franchisee becomes aware, which may adversely affect the Franchisee's financial condition or ability to meet its obligations hereunder.

9.6 Maintain sufficient inventories and employ sufficient qualified employees to operate the Business at its maximum capacity and efficiency at such hours or days as Franchisor shall designate or approve in the Operations Manual or otherwise, and operate the Business for such hours or days so designated or approved by Franchisor.

9.7 Require all employees of the Business to wear apparel conforming to the specifications, design, and standards Franchisor may from time to time designate in the Operations Manual or otherwise.

9.8 Require all employees of the Business to conduct themselves at all times in a competent and courteous manner and use best efforts to ensure that its employees maintain a neat and clean appearance and render competent, sober and courteous service to customers of the Business. Franchisor shall have no control over Franchisee's employees, including, without limitation, work hours, wages, hiring or firing.

9.9 Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created hereby. Therefore, Franchisee shall endeavor to maintain high standards of quality and service in the operation of the Franchised Business. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business. The Franchised Business shall in all dealings with its customers, vendors and the general public adhere to the highest standards of honesty, fair dealing and ethical conduct. If Franchisor deems that Franchisee did not fairly handle a customer complaint, Franchisor has the right to intervene and satisfy the customer. Franchisor has the right to terminate this Agreement for repeated violation of this **Section 9.9**. Franchisee shall reimburse Franchisor for all costs incurred by Franchisor in providing or arranging service for a customer of the Franchised Business pursuant to this **Section 9.9**.

9.10 Use only those products, supplies, Vehicles, equipment and tools that conform to the standards and specifications designated by Franchisor in the Operations Manual or otherwise. From time to time, Franchisor may designate approved suppliers, including itself or its affiliates, whose enumerated products or services shall be deemed to satisfy Franchisor's standards. Unless otherwise required by Franchisor, or if Franchisor designates an exclusive designated supplier, Franchisee may purchase any and all products, supplies, Vehicles, equipment and tools from any available source, so long as such products, supplies, Vehicles, equipment and tools conform to the standards and specifications established by Franchisor. If Franchisor designates itself as a supplier, Franchisor has the right to earn a profit on any items it supplies. Franchisor and its affiliates may receive payments, discounts or other consideration from suppliers in consideration of such suppliers' dealings with Franchisee and/or the system of Pro-Lift Doors franchisees, and may use all amounts received by it without restriction. Franchisor is not required to give Franchisee an accounting of supplier payments or to share the benefit of supplier payments with Franchisee or other Pro-Lift Doors franchisees. Moreover, Franchisee acknowledges and agrees that Pro-Lift Doors will not be liable for any losses (financial or otherwise) or damages including consequential or special damages, resulting from any delay in delivery or availability of any of the products or services designated by Pro-Lift Doors.

9.11 Prominently display on the Vehicles or on any real property owned or leased by Franchisee in connection with the Business the name "Pro-Lift Doors" or "PROLIFT GARAGE DOORS" using signs, decals or paint patterns, of such nature, form, color, number, location and size, and containing such material as Franchisor may from time to time reasonably direct or approve in writing;

and not display on the Vehicles or in the Business or elsewhere any sign, decal or advertising media of any kind to which Franchisor reasonably objects. Franchisor or its authorized representatives may at any time during normal business hours inspect the Vehicles or enter the Business and remove any objectionable signs, decals or advertising media.

9.12 Use Franchisee's best and continuing efforts to fully promote and develop the Business and use the Vehicles only for the purposes designated in this Agreement and avoid any activities that would conflict or interfere with or be detrimental to such purposes.

9.13 Sell or offer only those products and services from the Vehicles or the Business specified by Franchisor from time to time in the Operations Manual or otherwise.

9.14 Ensure that an individual who has completed the initial training program described in **Section 14.1** below (the "Manager") devotes his or her full-time efforts to the management of the day-to-day operation of the Franchised Business. "Full-time" means the expenditure of at least thirty-five (35) hours per week, excluding vacation, sick leave and similar absences. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Manager.

9.15 Participate in all national, regional or local advertising and promotional activities Franchisor requires. Franchisee understands that Franchisor implements promotions such as discount coupons and other activities intended to enhance customer awareness for Pro-Lift Doors Businesses on a national, regional or local level. Franchisee understands that its participation in these programs is essential to its success and that its participation may entail some cost to Franchisee. Franchisee agrees that Franchisor has no obligation to reimburse Franchisee for any costs it incurs due to its mandatory participation in these special promotional programs.

9.16 Franchisee will pay on a timely basis for all supplies, materials and expenses incurred in the operation of the Franchised Business. Franchisee is aware that it is responsible for all operating, selling and general and administrative expenses of the Franchised Business, and that failure to make prompt payments to its suppliers, vendors, contractors or employees may cause irreparable harm to the reputation and credit of Franchisor and other franchisees.

9.17 The Franchisee will offer and honor a warranty as specified by the Fanchisor on all materials and workmanship performed by Franchisee for each of its customers, at its own cost, including all costs regarding Franchisee's obligations upon termination of this Agreement, as the terms of such warranty may be established by Franchisor from time to time. Franchisee shall cooperate with Pro-Lift Doors in all warranty claims and shall make no statements or admissions as to liability. Franchisee shall promptly report all warranty claims to Pro-Lift Doors and shall undertake all warranty workmanship under the Marks.

9.18 Purchase or lease a sufficient number of the Vehicles to service the Protected Territory and meet actual customer demand. Each Vehicle must comply with Franchisor's requirements as to make and model, as set forth in the Operations Manual or in other directives from Franchisor, and shall be painted in accordance with, and equipped with inventory, tools and supplies complying with, Franchisor's specifications, all at Franchisee's sole cost and expense. Franchisee shall, at its own cost and expense, make the Vehicles available for inspection by Franchisor at any place within the Protected Territory as the parties may reasonably agree. Franchisee shall not permit the Vehicles to be operated at any time other than in connection with performing Pro-Lift Doors services.

9.19 If a potential client outside the Protected Territory requests the services of Franchisee, Franchisee shall promptly refer such potential client to the Pro-Lift Doors franchisee that operates in the territory where such potential client's principal place of business is geographically located. If no Pro-Lift Doors franchisee operates in such territory, Franchisee must promptly refer such potential client to Franchisor. Following such referral, if Franchisor determines that no Pro-Lift Doors franchisee operates in the geographic area where such client's principal place of business is geographically located, Franchisor may (but is not obligated to) by written notice to Franchisee allow Franchisee to perform the requested services for such potential client.

9.20 Franchisee agrees to cause any third party sub-contractors engaged by Franchisee to perform work on behalf of Franchisee in respect of the Franchised Business to comply with all applicable requirements of this **Section 9**, including but not limited to the quality and performance standards required of Franchisee, as well as the insurance requirements set forth in **Section 18.2** herein.

10. POINT OF SALE SYSTEM AND INFORMATION TECHNOLOGY

Franchisee, at its expense, must purchase and use an estimating, computerized cash collection, and data processing system (the "**POS System**") that meets the standards and specifications provided by Franchisor from time to time in the Operations Manual or otherwise. Franchisee must enter all sales and other information Franchisor requires in the POS System. Franchisor may periodically require Franchisee, at its expense, to upgrade or update the POS System to remain in compliance with the standards and specifications required by Franchisor.

Franchisee, at its expense, must maintain the POS System in good working order and connected to any telephone system or computer network that Franchisor requires. Franchisor may require Franchisee, at its expense, to configure and connect the POS System to Franchisor's systems to provide Franchisor with continuous real-time access to all information and data stored on the POS System. Franchisor may require Franchisee to pay Franchisor or its designated third parties reasonable fees to support and upgrade the POS System and a reasonable fee to Franchisor or its designated third party for polling or collecting data from the POS System. In addition to the POS System, Franchisee, at its expense, must equip the Business with the computer hardware and software that Franchisor specifies periodically and maintain access to the Internet or other computer network(s) that Franchisor specifies. In addition, Franchisee, at its expense, must also apply for and maintain other credit card, debit card or other non-cash payment systems that Franchisor periodically requires.

11. ADVERTISING

11.1 Grand Opening. Franchisee, at its sole expense, must develop and implement a grand opening promotion approved by Franchisor to introduce or (if Franchisee is purchasing an existing Business) to re-introduce the Business to the public during the period that is thirty (30) days prior and sixty (60) days after the opening of the Business or sixty (60) days after the transfer of the Business (if Franchisee is purchasing an existing Business). Franchisee is required to spend a minimum of $5,000 for the grand opening promotion. To the extent Franchisor has developed or approved marketing or advertising programs and materials for the Business's grand opening, Franchisee must use such programs and materials. Franchisor will provide Franchisee with assistance in planning the Grand Opening promotional campaign; in addition, Franchisor retains

the option to collect $5,000 from Franchisee prior to the opening of the Franchised Business and implement the grand opening promotion on Franchisee's behalf.

11.2 Marketing Fund. Franchisee must pay to Franchisor, or such other entity designated by Franchisor, the Marketing Fund Contribution established under **Section 4.3** herein, which amount shall be used by the Marketing Fund (as such term is hereinafter defined). The Marketing Fund Contribution shall be the same for all Pro-Lift Doors franchisees.

The Marketing Fund Contribution will be expended for the benefit of Franchisor, Franchisee and all other franchisees or users of the Pro-Lift Doors System for the production or purchase of such radio, television, print and/or other advertising materials or services as Franchisor deems necessary or appropriate, in its sole discretion, on a national, regional or local basis (the "**Marketing Fund**"). The expenditure of such funds for advertising is to be under the control of, and in the discretion of, Franchisor at all times, or such other entities designated by Franchisor. Franchisee understands and acknowledges that the Marketing Fund is intended to maximize and support general public recognition, brand identity, sales and patronage of Pro-Lift Doors Businesses for the benefit of all Pro-Lift Doors Businesses and that Franchisor undertakes no obligation to ensure that the Marketing Fund benefits each Pro-Lift Doors Business in proportion to its respective contributions. Franchisor agrees that all funds contributed to the Marketing Fund may be used to meet any and all costs (including, without limitation, reasonable salaries and overhead incurred by Franchisor) of developing, maintaining, administering, directing and preparing national, regional or local advertising materials, programs and public relations activities including, without limitation, the costs of preparing and conducting television, radio, magazine, billboard, newspaper, direct response literature, direct mailings, brochures, collateral advertising material, implementing websites for Franchisor and/or its franchises, surveys of advertising effectiveness and other media programs and activities, employing advertising agencies to assist

therewith and providing promotional brochures, decals and other marketing materials. Notwithstanding the foregoing, Franchisor agrees that the Marketing Fund's assets shall not be used to create, design or disseminate advertising or promotional materials that are primarily intended, or whose principal effect is, to recruit new franchisees and develop new franchised businesses operating under the Marks.

The Marketing Fund shall be established as a separate banking account and monies received shall be accounted for separately from Franchisor's other funds and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration or direction of the Marketing Fund and its programs (including, without limitation, conducting market research, preparing advertising and promotional materials, collecting and accounting for contributions to the Marketing Fund, paying for the preparation and distribution of financial statements, legal and accounting fees and expenses, taxes, and other reasonable direct and indirect expenses incurred by Franchisor or its authorized representatives in connection with programs funded by the Marketing Fund). The Marketing Fund will not be Franchisor's asset. A financial statement of the operations of the Marketing Fund shall be prepared annually, and shall be made available to Franchisee upon request. Franchisor may spend in any fiscal year more or less than the aggregate contribution of all Pro-Lift Doors Businesses to the Marketing Fund in that year, and the Marketing Fund may borrow from Franchisor or others to cover deficits or invest any surplus for future use. Any lender loaning money to the Marketing Fund shall receive interest at a reasonable rate. All interest earned on monies contributed to the Marketing Fund will be used to pay advertising costs before other assets of the Marketing Fund are expended. Franchisor may cause the Marketing Fund to be incorporated or operated through a separate entity at such time as

Franchisor may deem appropriate, and such successor entity, if established, will have all rights and duties specified in this **Section 11.2**. Franchisor will not be liable for any act or omission with respect to the Marketing Fund that is consistent with this Agreement and done in good faith. Except as expressly provided in this **Section 11.2**, Franchisor assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Marketing Fund. Franchisee acknowledges and agrees that Franchisor is not operating or acting as a trustee or fiduciary with respect to the Marketing Fund Contributions collected. Franchisee agrees to participate in any promotion, marketing or advertising campaigns created by the Marketing Fund. Franchisor may reduce contributions of franchises to the Marketing Fund and upon notice to Franchisee, reduce the Marketing Fund's operation or terminate the Marketing Fund and distribute unspent monies to those contributing franchisees in proportion to their contributions in the past.

Once fifty (50)or more Franchised Businesses are established and operating, Franchisor may require its franchisees to form an advisory board (the "Council") to provide advice and counsel regarding Franchisor's use of Marketing Fund Contributions. Such Council shall function in an advisory capacity and shall not exercise any authority over the Marketing Fund or over Franchisor. When such a Council is formed, Franchisee must participate in council-related activities and meetings, pay any dues assessed for the administration of that program, and pay Franchisee's own expenses associated with participating in Council activities. Franchisor will pay its proportionate share of Council dues based on the number of Pro-Lift Doors Businesses it or its affiliates operate.

11.3 Local Advertising. Franchisee acknowledges and agrees that to effectively compete within the Protected Territory, Franchisee must undertake and execute an extensive marketing and advertising program designed to promote the Franchised Business within the Protected Territory. Therefore, in addition to making contributions to the Marketing Fund, Franchisee shall, at Franchisee's cost and expense, market, advertise and promote the Franchised Business in the Territory and shall:

(i) list separately, or participate in a listing, in the Yellow Pages of its local telephone directory containing such copy and be of such size as may reasonably be specified by Franchisor. The cost of such listing shall be paid by Franchisee, or by the Franchisee and other participating franchisees in the case of a joint listing. Franchisee must also maintain at least one white pages listing in the local telephone directory serving the Protected Territory;

(ii) market, advertise and promote the Franchised Business in the Territory only in a manner that will reflect favorably on Franchisor, Franchisee, the services and products offered by Franchisee, and the good name, goodwill and reputation of Franchisor and the Franchised Business; and

(iii) not use any advertising or other marketing or promotional materials furnished by Franchisor or any other materials containing therein, thereon or therewith any of the Marks, for any purpose other than to market and promote the Franchised Business. Franchisee shall furthermore not copy or otherwise duplicate any advertising or promotional materials prepared by or for, or furnished by, Franchisor without Franchisor's prior written consent.

In addition to contributions to the Marketing Fund, Franchisee shall spend on local advertising (either by way of direct promotion or participation in a local advertising cooperative with other Pro-Lift Doors franchisees) the following minimum amounts:

Time Frame	Contribution
Through end of 2nd Calendar Year (includes Grand Opening Advertising)	$5,000 in each quarter
Year 3 through Year 5	4% of Gross Sales annually

Such advertising shall be restricted to the Protected Territory or, in case of advertising cooperatives, Franchisee shall assure that such advertising shall directly benefit the Protected Territory. Franchisee shall provide Franchisor with evidence that such monies have been expended in reports as required under **Section 6.3** herein.

The amount of advertising funds expended by Franchisee for individual local market advertising shall be determined by Franchisee, subject to the foregoing minimum requirement. Local advertising expenditures shall not include incentive programs, including, without limitation, costs of honoring coupons or costs of honoring sales promotions, nor shall it include salaries, contributions, donations, press parties, or in-store fixtures or equipment, and exterior or interior signage. If Franchisee fails to make advertising expenditures in accordance with this **Section 11.3**, Franchisor shall have the right to spend an amount not to exceed the minimum amount stated above on local advertising on behalf of Franchisee, and Franchisee must reimburse Franchisor for such expenses.

11.4 Advertising Cooperatives. In connection with the Business and any and all other Pro-Lift Doors Businesses owned or operated by Franchisee, Franchisee shall participate, if required by Franchisor, in any local, regional or national cooperative advertising group, consisting of other franchisees of Pro-Lift Doors Businesses, when and if any such groups are created (each, an "**Advertising Cooperative**"). The particular Advertising Cooperative(s) in which Franchisee may be required to participate shall be designated by Franchisor in its sole discretion (which designations may be based upon, without limitation, the particular Designated Market Area or the Area of Dominant Influence, as those terms are used in the advertising industry, where the Pro-Lift Doors Businesses operated by Franchisee are located). Franchisee's payments to any Advertising Cooperative shall be determined by Franchisee and those other franchisees of the Pro-Lift Doors System and/or Franchisor, as the case may be, who are participants in such Advertising Cooperative, as set forth in the by-laws of that Advertising Cooperative or membership, dues, participation or other payment agreements of such Advertising Cooperative. Franchisee, however, may not be required to spend more than the greater of $10,000 or 2% of Gross Sales per annum in connection with any Advertising Cooperative. Amounts paid to an Advertising Cooperative shall be credited against payments Franchisee is otherwise required to make for local advertising as required by **Section 11.3** above. Any payments to an Advertising Cooperative shall be in addition to the amounts required to be paid or spent under **Sections 11.1** and **11.2** hereof. Franchisee shall enter into such formal agreements with such other franchisees of the Pro-Lift Doors System and/or Franchisor, as the case may be, as shall be necessary or appropriate to accomplish the foregoing. If Franchisee becomes delinquent in its dues or other payments to the Advertising Cooperative, such delinquency shall be deemed a failure to participate in the Advertising Cooperative and a material breach of this Agreement. Franchisor may upon thirty (30) days' written notice to Franchisee suspend or terminate an Advertising Cooperative's program or operations, or require an Advertising Cooperative to be changed or merged with other Advertising Cooperatives.

11.5 Approval of Advertising. Any and all advertising and marketing materials (whether developed in connection with an Advertising Cooperative or otherwise) not prepared or previously approved by Franchisor shall be submitted to Franchisor at least fourteen (14) days prior to any publication or run date for approval, which may be arbitrarily withheld. Franchisor may grant or withhold its approval, in its sole discretion. Franchisor will provide Franchisee with written notification of its approval or disapproval within a reasonable time. In the event Franchisor does not notify Franchisee of its approval or disapproval within ten (10) days of Franchisor's receipt of the materials, the materials shall be deemed approved. Franchisee must discontinue the use of any approved advertising within five (5) days of Franchisee's receipt of Franchisor's request to do so. No advertising or promotion by Franchisee shall be conducted on or through the Internet/world wide web or other electronic transmission via computer without express prior written approval by Franchisor. All advertising and promotion by Franchisee must be factually accurate and shall not detrimentally affect the Marks or the Pro-Lift Doors System, as determined in Franchisor's sole discretion.

11.6 Ownership of Advertising Materials. Franchisee acknowledges and agrees that Franchisor is the sole and exclusive owner of all copyrights in any and all marketing, advertising or promotional materials made available to Franchisee which have been prepared by or on behalf of Franchisor or contain any of the Marks and that such materials shall at all times remain the exclusive property of Franchisor. Franchisee shall not at any time transfer such materials to any third party, other than a licensee authorized to sell the depicted in such materials, without Franchisor's prior written consent.

12. COUNSELING AND ADVISORY SERVICES AND ONSITE ASSISTANCE

During the term of this Agreement, Franchisor will, upon the request of Franchisee, furnish a reasonable level of counseling and advisory services to Franchisee with respect to the opening and operation of the Business, including consultation and advice regarding the following: (i) the Vehicles; (ii) equipment selection and layout (including oil extraction and disposal equipment); (iii) selection and use of tools (including oil extraction and disposal tools); (iv) employee selection and training; (v) advertising and promotion; (vi) bookkeeping and accounting; (vii) purchasing and inventory control; (viii) operational problems and procedures; (ix) periodic inspections; and (x) new developments and improvements to the Pro-Lift Doors System. These counseling and advisory services shall occur at Franchisor's offices or via telephone or e-mail. Franchisor shall provide such assistance at no expense to Franchisee; provided, however, Franchisor reserves the right, in its sole discretion, to charge Franchisee a reasonable fee for unusual, extensive or extraordinary assistance requested by Franchisee and/or require Franchisee to reimburse Franchisor for expenses incurred by it in connection with providing such counseling and advisory services. In addition, if requested by Franchisee and Franchisor's personnel are available, Franchisor may provide onsite assistance and training at the Business; however, Franchisor reserves the right to charge a reasonable fee for this onsite assistance plus expenses and costs incurred by Franchisor in rendering such assistance. *Franchisor shall only be liable to Franchisee for acts of gross negligence or willful misconduct in connection with providing or failing to provide such services.*

13. OPENING ASSISTANCE

Franchisor shall provide Franchisee with an opening person(s) to assist in the opening of the Business and the training of Franchisee's employees. The opening person(s) will remain at the

Business for such length of time as Franchisor shall deem necessary, which shall not exceed five (5) business days, at no charge to Franchisee. In the event Franchisee needs and requests additional opening assistance from Franchisor's personnel, and Franchisor approves such request, Franchisee will pay all out of pocket expenses of such personnel, such as transportation, meals, and lodging, for as long as any such additional personnel assist at the Business, as well as a consulting fee at Franchisor's then-current daily rate as published in the Operations Manual, which is currently $250.00 per day. The costs and expenses associated with this assistance include, but are not limited to, wages, salary, transportation, meals, lodging and fringe benefits. All personnel provided under this Section shall be selected by Franchisor and is subject to change or removal by Franchisor in its sole discretion.

14. TRAINING

14.1 Initial Training. Franchisee (or its principal owner) and its Manager must attend, beginning no later than fifty (50) days after the Effective Date, and successfully complete to the satisfaction of Franchisor an initial management training program specified by Franchisor before the Franchised Business may open for business. No fee will be charged by Franchisor for the participation of up to two (2) individuals in the training program; however, the Franchisee shall be responsible for the costs and expenses (such as transportation, lodging, meals and compensation) of each person who attends the training. The Business must at all times be operated by a person who has successfully completed the initial training program. Franchisor reserves the right to waive all or a portion of the training program in its sole discretion.

14.2 Failure to Complete Initial Training Program. If Franchisor determines in its business judgment, that the Franchisee (or its principal owner) or its Manager is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement. If Franchisee is a business entity and the principal owner fails to complete the initial training program to Franchisor's reasonable satisfaction, or if the Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, in Franchisor's sole discretion, Franchisee may be permitted to select a substitute owner or Manager, as appropriate, and such substitute owner or Manager must complete the initial training to Franchisor's reasonable satisfaction. Franchisee may be required to pay Franchisor's then-current rates for additional training, if any, for providing the initial training program to a substitute manager.

14.3 Training of Employees. Franchisee shall implement a training program approved by Franchisor for employees of the Business and shall be responsible for the proper training of its employees. Franchisee agrees not to employ any person who fails or refuses to complete Franchisee's training program or is unqualified to perform his or her duties at the Business in accordance with the requirements established for the operation of an Pro-Lift Doors Business.

14.4 Additional Training. Franchisee may, upon payment of Franchisor's then-current initial training fee, have additional representatives attend Franchisor's initial training program, provided that reasonable notice is provided to Franchisor and that all travel, living, and related expenses incurred by Franchisee's representative during such training shall be at Franchisee's sole cost and expense. In addition, Franchisee and its Managers and employees shall attend and conduct such additional training programs as Franchisor may from time to time reasonably require relating to the operation of the Business and the Pro-Lift Doors System. Franchisee also may be required to purchase training films or other instructional materials as specified by Franchisor from time to time in the Operations Manual or otherwise.

14.5 Annual Convention and Conferences. Franchisor may require Franchisee

and/or one or more of the operating managers of the Business to attend an annual convention and conferences that may be offered by Franchisor from time to time. Franchisee will be responsible for the travel and living expenses of such persons, and Franchisor may charge a reasonable fee sufficient to cover the costs and expenses of such convention and conferences. Attendance at the annual convention shall be mandatory and the annual convention fee shall apply whether or not Franchisee attends the convention. The annual convention fee shall be the amount stated in the annual convention notice from Franchisor. Franchisees who do not attend are subject to a $1,000 annual convention fee.

15. MARKS

15.1 Ownership of the Marks. Franchisee acknowledges and agrees that Franchisor is the owner of the Marks and that nothing herein contained shall give Franchisee any right, title or interest in and to the Marks, except the non-exclusive right to use the Marks in connection with the operation of the Business under the Pro-Lift Doors System in accordance with the terms of this Agreement. Franchisee also acknowledges and agrees that the Marks and all goodwill now or in the future pertaining to the Marks are the sole and exclusive property of Franchisor and that it shall not raise or cause to be raised any questions concerning, or objections to, the validity or ownership of such Marks on any grounds whatsoever. Franchisee will not seek to register, re-register or assert claim to or ownership of, or otherwise appropriate to itself, any of the Marks or any marks or names confusingly similar to the Marks, or the goodwill symbolized by the Marks except insofar as such action inures to the benefit of and has the prior written approval of Franchisor. Upon theexpiration, termination or cancellation of this Agreement, whether by lapse of time, default or otherwise, Franchisee agrees immediately to discontinue all use of the Marks and to remove all copies, replicas, reproductions or simulations thereof from the Business and the Vehicles and to take all necessary steps to assign, transfer or surrender to Franchisor, as appropriate, or otherwise place in Franchisor or its designees title to all such names or marks (other than the Marks) that Franchisee may have used during the term of this Agreement in connection with the operation of the Business. Franchisee hereby acknowledges that Franchisor owns and controls the Pro-Lift Doors System and all of its components.

15.2 Use of the Marks. In order to protect the Marks, the Pro-Lift Doors System, and the goodwill associated therewith, Franchisee shall, unless Franchisor otherwise consents in writing:

(i) Only use the Marks designated by Franchisor, and only in the manner authorized and permitted by Franchisor. Franchisee shall not make any changes or substitutions whatsoever in or to the use of the Marks unless directed by Franchisor in writing. Franchisee's right to use the Marks is limited to such uses as are authorized under this Agreement, and only for the sale of services and products expressly authorized by Franchisor, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights and a breach of this Agreement.

(ii) Only use the Marks for the operation of the Business or in advertising for the Business. Franchisee may not use any of the Marks in any part of any domain name or electronic address.

(iii) Operate and advertise the Business only under the name "Pro-Lift Doors," "PROLIFT GARAGE DOORS" or such other Marks as Franchisor may designate from time to time, without prefix or suffix, except to describe the location of the Business.

(iv) If Franchisee is a corporation, limited liability company, partnership or other type of entity, not use any of the Marks, including, without limitation, the name "Pro-Lift Doors" or "PROLIFT

GARAGE DOORS" in its corporate or other legal name without the prior express written consent of Franchisor.

(v) Follow applicable state or local laws or ordinances if such state or local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise file a report or other certificate indicating that "Pro-Lift Doors," "PROLIFT GARAGE DOORS" or any similar name is being used as a fictitious or assumed name, include in such filing or application therefor an indication that the filing is made as a franchisee of Pro-Lift Doors Franchise, LLC, a Delaware limited liability company with its principal office address in Charlottesville, Virginia, and provide a copy of such filing to Franchisor.

(vi) Have the symbol TM, SM or R enclosed in a circle or such other symbols or words as Franchisor may designate to protect the Marks on all surfaces where the Marks appear.

(vii) Use the Marks on all materials representing the Franchised Business, including without limitation business cards, stationary, e-mail correspondence, yellow pages advertising, apparel, checks, proposals, contracts, signage, Vehicle advertising and marketing and promotional materials, provided Franchisee (1) accurately depicts the Marks on the materials, (2) includes a statement on the materials indicating that the business is independently owned and operated by Franchisee, (3) does not use the Marks in connection with any other trademarks, trade names or service marks unless specifically approved by Franchisor in writing prior to such use, and (4) makes available to Franchisor, upon its request, a copy of any materials depicting the Marks.

15.3 Internet Use. Franchisee will not establish a web site on the Internet using any domain name containing the Marks or anything similar to "Pro-Lift Doors" or "PROLIFT GARAGE DOORS" without Franchisor's prior written consent. Franchisor retains the right to pre-approve Franchisee's use of linking and framing between Franchisee's web pages and all other web sites.

15.4 Infringement. Franchisee shall promptly inform Franchisor in writing of any infringement or imitations of any Marks, the Pro-Lift Doors System, or any act of unfair competition against Franchisor or Franchisee as to which Franchisee has knowledge. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement or unfair competition without first obtaining Franchisor's written consent. Franchisor shall have the exclusive right to institute, negotiate, compromise, settle, dismiss, appeal or otherwise handle any such action and take such steps as it may deem advisable to prevent any such action and to join Franchisee and any other franchisees as a party to any such action to which Franchisor may be a party and to which Franchisee is or would be a necessary or proper party, but nothing herein shall be construed to obligate Franchisor to seek recovery of costs or damages of any kind in any such litigation, the assertion or waiver of such claims being within the sole discretion of Franchisor. The costs of any such action shall be paid by Franchisor, and any recovery obtained from such infringers shall be paid to Franchisor.

Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks. Provided Franchisee complies with the provisions of this **Section 15.4**, Franchisor will reimburse Franchisee for all expenses reasonably incurred in any legal proceeding disputing Franchisee's authorized use of any Mark(s). Such reimbursement does not include Franchisee's expenses for removing signage or

discontinuing use of any Mark(s). Franchisor will not reimburse Franchisee in any disputes where Franchisor challenges Franchisee's use of a Mark.

15.5 Substitute Marks. If Franchisor decides to change, add or discontinue use of any Mark, or Franchisor's license to use the same, or to introduce additional or substitute Marks, Franchisee, upon a reasonable period of time after receipt of written notice, shall take such action, at its sole expense, as is necessary to comply with such changes, alteration, discontinuation, addition or substitution. Franchisor shall not have any liability for any loss of revenue or goodwill due to any new Mark or discontinued Mark.

16. RELATIONSHIP OF THE PARTIES

16.1 Independent Contractor. Under this Agreement, Franchisee is an independent contractor with entire control and direction of the Franchised Business, subject only to the terms of this Agreement. Any subcontractors retained by Franchisee are independent contractors of Franchisee alone. This Agreement is not intended to, and does not create, a fiduciary or other special relationship between the parties, or make any party a principal, agent, legal representative, parent, affiliate, subsidiary, joint venturer, partner, employer, joint employer, employee or servant of any other party for any purpose. In that regard:

(i) With the exception of Franchisor's step-in rights in the event of a default under Section 22.4 below, Franchisor has no right or duty to operate the Franchised Business, and disclaims any liability under this Agreement from any damages arising out of the operation of the Franchised Business.

(ii) Franchisee is solely responsible for recruiting, interviewing, hiring, timekeeping, scheduling, payroll processing, supervising, disciplining and firing of its personnel, and Franchisee's personnel are not employees, independent contractors or agents of Franchisor. Franchisor has no right or duty to supervise, or to exercise control over, personnel of Franchisee in the operation of the Franchised Business, and disclaims any rights or responsibilities as to personnel of Franchisee. Franchisee is solely responsible for consulting with Franchisee's own third party human resources service provider and/or legal counsel concerning compliance with applicable personnel laws and regulations, and for complying with those laws and regulations.

(iii) Except as provided in this Agreement, Franchisee is solely responsible for training Franchisee's personnel. To the extent that Franchisor provides Franchisee with guidelines, recommendations, materials and other resources related to training Franchisee's management and non-management personnel, Franchisee may use those training resources, or may choose to use alternate training resources, so long as Franchisee's management and non-management personnel are trained to operate the Franchised Business in a safe manner compliant with the terms of this Agreement and all applicable legal requirements.

(iv) Franchisee is solely responsible for establishing and enforcing Franchisee's own policies related to personnel practices and labor relations policies. To the extent that Franchisor provides Franchisee with guidelines, recommendations, materials and other resources related to personnel practices and labor relations, Franchisee may use those resources, or may choose to use alternate resources. Franchisee is solely responsible for consulting with Franchisee's own third party human resources service provider and/or legal counsel concerning compliance with applicable personnel and labor relations laws and regulations, and for complying with those laws and regulations.

16.2 Public Notices. During the term of this Agreement, and any extension or renewal

hereof, Franchisee shall hold itself out to the public, public officials, its suppliers, its independent contractors, its employees, and others, as an independent contractor operating the Franchised Business pursuant to a franchise from Franchisor, but not jointly with Franchisor. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous manner at the Franchised Business and on all websites, customer contracts, forms, business cards, electronic communications, advertisements, stationery or other materials, the form and content of which Franchisor has the right to specify and change.

16.3 Employee Statements and Acknowledgments. During the term of this Agreement, Franchisee shall hold itself out to prospective employees, and to current employees, as an independent contractor operating the Franchised Business pursuant to a franchise from Franchisor, but not jointly with Franchisor. Franchisee shall take any reasonable action that Franchisor considers necessary to that end, including, without limitation: (i) stating conspicuously on each employment application that the prospective employee is applying to be an employee of Franchisee and not an employee of Franchisor; (ii) stating Franchisee's entire business name, rather than just using Franchisor's brand name and/or logo, on payroll checks and/or payroll-related communications to employees; and (iii) requiring employees to sign acknowledgements that they are not employees of Franchisor, even though they are selling services and/or products identified by Franchisor's brand name and/or logo, are receiving payroll checks and other communications that contain Franchisor's brand name and/or logo, may have applied for jobs through Franchisor's website, or may communicate with or receive non-mandatory feedback, coaching or recommendations from representatives of Franchisor in emails or other electronic or written communications, or during telephone calls, meetings or inspections. Franchisor reserves the right to specify and change the content and form of these statements and acknowledgements.

16.4 Contracts and Representations. Franchisee is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, Franchisor or in any way to bind Franchisor, or to make any representation to any third party tending to indicate a business relationship with Franchisor beyond that created under this Agreement. Franchisor disclaims any liability for, and shall not be held liable under this Agreement, for any claim or judgment arising as a result of, any such action. Franchisee further agrees not to incur or contract for any debt or obligation on behalf of the Franchisor, represent or imply to third parties that Franchisee is an agent of Franchisor, or commit any act, make any representation or advertise in any manner which may adversely affect any right of Franchisor, or be detrimental to the good name and reputation of Franchisor or any other franchisees of Franchisor.

17. MAINTENANCE OF CREDIT STANDING

The failure or repeated delay in making prompt payments in accordance with the terms of invoices and statements rendered to Franchisee for purchases or leases of the Vehicles, supplies, equipment, tools, and other items, whether purchased or leased from Franchisor or others, or defaults in making payments due hereunder or under any other agreement entered into in connection with the operation of the Business, will result in a loss of credit rating and standing which will be detrimental to Franchisor and other franchisees of the Pro-Lift Doors System. Franchisee agrees to pay when due all amounts which it owes to anyone for the Vehicles, supplies, equipment, tools, and other items used in connection with the Business and all payments owed hereunder or under any other agreement entered into in connection with the operation of the Business. Franchisee must notify Franchisor immediately when and if Franchisee becomes more than ninety (90) days delinquent in the payment of any of the obligations mentioned above.

18. INDEMNIFICATION INSURANCE AND TAXES

18.1 Indemnification. Franchisee agrees to indemnify, defend and hold harmless Franchisor and its affiliates, members, directors, officers, employees, agents, successors and assignees (the "**Indemnified Parties**") against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages described in this Section, any taxes described in **Section 18.3** below and any Claims incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon Franchisee's (a) ownership or operation of the Franchised Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or any of its Affiliates); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the Franchised Business, including any negligent or intentional acts; (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information; or (g) any "joint employer," "agency" or "ostensible agency" or similar claims based on the establishment or operation of the Franchised Business. For purposes of this indemnification provision:

(i) The term "Claims" includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigations and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses.

(ii) Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by any of the Indemnified Parties. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding.

(iii) In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred.

(iv) If Franchisor's exercise of its rights under this Section causes any of Franchisee's insurers to refuse to pay a third party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee.

(v) This indemnity will continue in effect after the expiration or termination of this Agreement.

18.2 Insurance. Franchisee agrees to secure and maintain during the term of this Agreement, at its own cost, an insurance policy or policies protecting Franchisee and Franchisor and its affiliates against any demand or claim with respect to personal injury, death, or property

damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the Business or the Vehicles, including, but not limited to, comprehensive general liability insurance, automobile liability insurance, products liability, property and casualty insurance, statutory workers' compensation insurance, umbrella insurance, and employers liability insurance. In connection with this obligation, Franchisee agrees that:

(i) Such policy or policies shall reflect industry standards, shall be written by a responsible carrier or carriers acceptable to Franchisor, shall name Franchisor and its affiliates as additional insureds (with the exception of any employer's liability or workers' compensation insurance), and shall provide at least the types and minimum amounts of coverage as are specified in the Operations Manual as modified by Franchisor from time to time. Franchisee understands and acknowledges that the amounts of coverage required by Franchisor are minimum amounts and do not represent a recommendation by Franchisor as to the amount of insurance coverage Franchisee should maintain for the Franchised Business. Franchisee further understands and acknowledges that it is Franchisee's sole responsibility to determine the proper insurance coverage that is appropriate to protect Franchisee's interests and that Franchisee should seek the consultation and advice of an independent insurance broker to assist Franchisee in making an informed determination.

(ii) Prior to the opening of the Business and, thereafter, at least thirty (30) days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder, and all such certificates shall expressly contain endorsements requiring the insurance company to give Franchisor at least thirty (30) days written notice in the event of material alteration to termination, non-renewal, or cancellation of, the coverages evidenced by such certificates and notice of any claim filed under such policy within thirty (30) days after the filing of such claim.

(iii) If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor or to furnish satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies hereunder, may, but need not, obtain such insurance coverage on behalf of Franchisee, and Franchisee shall pay to Franchisor on demand all costs incurred by Franchisor in connection with the placement of such insurance.

(iv) Franchisee's obligation to obtain and maintain, or cause to be obtained and maintained, the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance that may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in **Section 18.1** hereof. Notwithstanding the existence of such insurance, Franchisee, as agreed above, is and shall be responsible for all loss or damage and contractual liability to third persons originating from or in connection with the operation of the Business and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting therefrom.

(v) Franchisee shall not permit any third party sub-contractor to perform any work or offer any services on behalf of Franchisee in respect of the Franchised Business unless such sub-contractor maintains insurance coverage in such amounts and types as Franchisee is required to maintain under the provisions of this Section, and such insurance names Franchisor as an additional insured. Franchisee shall maintain evidence of such insurance by its subcontractors and provide such proof of insurance as Franchisor may require in its sole discretion from time to time.

18.3 Taxes. Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement including, but not limited to, if applicable, state employment tax, state sales tax (including any sales or use tax on equipment purchased or leased) and all other taxes and expenses of operating the Business. In no event shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant to occur against the Business, the Vehicles or any tangible personal property used in connection with the operation of the Business. However, Franchisee shall not be obligated to reimburse Franchisor for its income tax liability resulting from Franchisor's receipt of royalties or franchise fees paid by Franchisee.

19. ASSIGNMENT

19.1 Assignment by Franchisor. This Agreement may be unilaterally assigned by the Franchisor and shall inure to the benefit of its successors and assigns. Franchisee agrees and affirms that Franchisor may sell itself, its assets, the Marks and/or the Pro-Lift Doors System to a third-party; may go public, may engage in private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Franchisee further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities; however, following any such purchase, merger, acquisition or affiliation, neither Franchisor nor its successors or assigns under this Agreement shall license any third party to operate within the Protected Territory using the Marks. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Marks (or any variation thereof) and the Pro-Lift Doors System and/or the loss of association with or identification of Franchisor under this Agreement. If Franchisor assigns its rights in this Agreement, nothing in this Agreement shall be deemed to require Franchisor to remain in the Pro-Lift Doors business or to offer or sell any products or services to Franchisee. In the event of a sale, transfer or assignment by Franchisor of this Agreement or any interest therein, to the extent that the purchaser, transferee or assignee shall assume the covenants and obligations of Franchisor under this Agreement, Franchisor shall thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. The consent of Franchisee to such sale, transfer or assignment shall not be required and, notwithstanding any such sale, transfer or assignment, Franchisee shall continue to be fully bound by its obligations under this Agreement.

19.2 Assignment by Franchisee. Franchisee shall not subfranchise, sell, assign, transfer, merge, convey or encumber, in whole or in part (each, a "**Transfer**"), the Business, the Vehicles, this Agreement or any of its rights or obligations hereunder, or suffer or permit any such Transfer of the Business, the Vehicles, this Agreement or its rights or obligations hereunder to occur by operation of law or otherwise without the prior express written consent of Franchisor. In addition, if Franchisee is a corporation, limited liability company, partnership, business trust, or similar association or entity, the shareholders, members, partners, beneficiaries, investors or other equity holders, as the case may be, may not Transfer their equity interests in such corporation, limited liability company, partnership, business trust, or similar association or entity, without the prior written consent of Franchisor. Furthermore, in the event that any shareholder, member, partner, investor or other equity holder of Franchisee (the "**Equity Holder**") is a corporation, limited liability company, partnership, business trust, or similar association or entity, the interests of the shareholders, members, partners, beneficiaries, investors or other equity holders, as the case may

be, in such Equity Holder, may not be Transferred, without the prior written consent of Franchisor. Any Transfer in violation of this Section shall be void and of no force and effect. In the event Franchisee or an Equity Holder is a corporation, limited liability company, partnership, business trust, or similar association or entity with certificated equity interests, all stock or equity certificates of Franchisee or Equity Holder, as the case may be, shall have conspicuously endorsed upon them a legend in substantially the following form:

> "A transfer of this stock is subject to the terms and conditions of a Pro-Lift Doors Franchise, LLC FRANCHISE AGREEMENT dated the day of _____, _____."

Franchisor's consent to a Transfer of any interest in this Agreement, or of any ownership interest in the Franchisee, an Equity Holder or any owner thereof, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

19.3 Death or Disability of Franchisee. Upon Franchisee's death or Disability (as such term is hereinafter defined), this Agreement or the ownership interest of any deceased or disabled shareholder, partner, member or other equity holder of the Franchisee or an Equity Holder must be transferred to a party approved by Franchisor. Any Transfer, including, without limitation, transfers by devise or inheritance or trust provisions, shall be subject to the same conditions for Transfers set forth in **Section 19.4**. Franchisor shall not unreasonably withhold its consent to the Transfer of this Agreement or any ownership interest to the deceased or disabled Franchisee's or Equity Holder's spouse, heirs or members of his or her immediate family, provided all requirements of **Section 19.4** have been complied with (except payment of the transfer fee, which shall not apply to such Transfers). A "Disability" shall have occurred with respect to Franchisee if Franchisee, or, if Franchisee is a corporation, partnership or limited liability company, its controlling shareholder, partner, member or other equity holder, is unable to actively participate in its activities as Franchisee hereunder for any reason for a continuous period of three (3) months. As used in this **Section 19.3**, "Franchisee" may include a disabled or deceased controlling shareholder, partner or member where the context so requires.

19.4 Approval of Assignment. Franchisor agrees not to unreasonably withhold its consent to a transfer of any interest of Franchisee in this license; provided however, that prior to the time of transfer, Franchisee must fulfill the terms of the transfer policy of Franchisor which is then in effect. Franchisor may, as part of such policy and in its sole discretion require that:

(i) all monetary obligations (whether hereunder or not) of Franchisee to Franchisor or Franchisor's affiliates or subsidiaries, or other creditors of the business, be paid in full;

(ii) Franchisee not be in default hereunder or any other agreement between Franchisee and Franchisor;

(iii) Franchisee and its owners execute a general release, the same or similar to Franchisor's standard form of General Release, attached as Schedule 1, of any and all claims against Franchisor and its affiliates, subsidiaries, members, managers, officers, directors, employees and agents; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

(iv) Franchisee pay to Franchisor a transfer fee equal to Ten Thousand Dollars ($10,000.00);

(v) Franchisee first offer to sell such interest to Franchisor pursuant to Section 20 of this Agreement and the same having been declined in the manner therein set forth;

(vi) the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may reasonably require, to demonstrate ability to conduct the Franchised Business;

(vii) Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise, and the Franchisor determines that the terms and conditions of the proposed transfer (including, without limitation, the purchase price) are not so burdensome as to affect adversely operation of the Business by the transferee;

(viii) the transferee, or all holders of a legal or beneficial interest of greater than five percent (5%) in the transferee, has agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of its term;

(ix) If Franchisee receives a Promissory Note from the transferee or otherwise agrees to defer receipt of part of the sales price, then any such Promissory Note, Security Agreement and/or other document concerning that debt shall expressly provide that Franchisee's right to payment is subordinate to transferee's ongoing obligations to Franchisor under this Agreement;

(x) the transferee has obtained all necessary consents and approvals by third parties (such as the lessor of the Approved Location) and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;

(xi) the transferee has executed a general release, the same as or similar to Franchisor's standard form General Release, attached as Schedule 1, of any and all claims against Franchisor, including its officers, directors, members, managers, and employees, in their corporate and individual capacities including, without limitation, claims with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee; provided, however, that if a general release is prohibited, transferee shall give the maximum release allowed by law;

(xii) Franchisee agrees that it shall remain liable for all warranties granted by Franchisee during the operation of the Franchised Business and that it shall perform all such remedial work as may be necessary to comply with the terms of such warranties, or in the event that Franchisee is unable or otherwise fails to perform such warranty work, Franchisee agrees to pay to Franchisor the cost to perform such warranty work plus a fifteen percent (15%) administration charge;

(xiii) at Franchisor's request, the proposed transferee or assignee refurbishes the Vehicles or purchases additional Vehicles in accordance with the specifications provided in the Operations Manual; and

(xiv) at Franchisor's option and request, Franchisee execute Franchisor's then-current form of Franchise Agreement, which Franchise Agreement shall supersede in all respects the terms and conditions of this Agreement and may contain terms and conditions substantially different from those set forth herein, including, without limitation, an increase in Royalties or Marketing Fund Contributions (as such terms are hereinafter defined and/or a change in the size or composition of

the Protected Territory; however, the transfer Franchise Agreement shall only provide for the number of additional renewal terms called for by this Agreement and shall contain mandatory Minimum Annual Royalties requirements that reflect the maturity of the Business and its record of Gross Sales during the prior term.

19.5 Removal of General Partner. If Franchisee is a limited partnership, Franchisee may not remove or appoint, or permit the limited partners to remove or appoint, a new or successor general partner without the prior written consent of Franchisor (even if such appointment is due to the resignation, death or disability of the general partner).

19.6 Franchisor's Disclosure to Transferee. Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto, provided that the transferee enters into a non-disclosure agreement with Franchisor. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchise by an intended transferee identified by Franchisee.

19.7 For Sale Advertising. Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder.

19.8 Transfer to a Controlled Entity. If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company, or other entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer must be obtained in writing and shall be conditioned upon the satisfaction of the following requirements:

(i) the Controlled Entity is newly organized and its charter provides that its activities are confined exclusively to the operation of the Franchised Business;

(ii) Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

(iii) all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee, as required, pursuant to **Section 19.4(iv)**;

(iv) the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

(v) all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

(vi) each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof of a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement;

(vii) copies of the Controlled Entity's articles of incorporation, bylaws, operating agreement, and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption;

(viii) Franchisee has paid to Franchisor all reasonable legal expenses and other fees and charges incurred by Franchisor in connection with such assignment and the preparation, execution and filing of any of the documents referred to in this **Section 19.8**; and

(ix) Franchisee has satisfied all accrued monetary obligations of Franchisee to Franchisor and any governmental authority, prior to assignment or transfer.

The term of the transferred franchise shall be the unexpired term of this Agreement, including all rights to successor franchises, subject to any and all conditions applicable to Franchisee's right to operate successor franchises.

20. RIGHT OF FIRST REFUSAL

If during the term of this Agreement, Franchisee shall receive a bona fide offer from a prospective purchaser for any interest in Franchisee or the Business (whether by sale of assets, sale of equity interest, merger, consolidation or otherwise), it shall offer the same to Franchisor in writing at the same price and on the same terms or the monetary equivalent, which offer Franchisor may accept at any time within thirty (30) days after receipt thereof. If the parties cannot agree on a reasonable monetary equivalent, an independent appraiser designated and paid by Franchisor shall determine the monetary equivalent and the appraiser's determination will be final. If Franchisor declines, or does not within such 30-day period accept such offer, then Franchisee may make such Transfer to such purchaser (provided Franchisor approves of such purchaser in accordance with **Section 19.2** and subject to compliance with **Section 19.4**), but not at a lower price or on more favorable terms than have been offered to Franchisor. If Franchisee fails to complete such Transfer within ninety (90) days following the refusal or failure to act by Franchisor, or if there is any material change in the terms of the offer, then this right of first refusal by Franchisor shall again be applicable as in the case of an initial offer.

21. RESTRICTIVE COVENANTS AND CONFIDENTIALITY

21.1 Covenants Not to Compete.

(i) Non-Competition during Term. In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and Franchisee's spouse, and, if Franchisee is not an individual, its shareholders, members, partners and managers, as applicable, and their spouses (each, a "**Bound Party**"), agree that they will not, during the term of this Agreement, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, during the term of this Agreement, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business (as defined below), regardless of location or (b) perform services as a director,

officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(ii) Post-Term Non-Competition. In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and the Bound Parties agree that they will not, for two (2) years following the effective date of termination or expiration of this Agreement for any reason, or following the date of a Transfer by Franchisee, directly or indirectly, for and on behalf of itself, himself, herself or any other person or entity, (a) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (b) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating within the Protected Territory or within a radius of twenty (20) miles as the crow flies of the Protected Territory.

(iii) Competitive Business. For purposes of this Agreement, the term "**Competitive Business**" means any business operating, or granting franchises or licenses to others to operate, in any business which offers or sells the products or services of the type offered under the Pro-Lift Doors System (other than another Pro-Lift Doors Business operated by Franchisee under license from Franchisor). Neither Franchisee nor the other Bound Parties will be prohibited from owning securities in a Competitive Business if they are listed on a stock exchange or traded on the over-the-counter market and represent 3% or less of the number of shares of that class of securities which are issued and outstanding.

(iv) General. The parties acknowledge that the covenants contained in **Section 21.1** are based on the reason and understanding that Franchisee and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its other franchisees. Franchisee further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants, and agrees that, in the event of the actual or threatened breach of this **Section 21.1** by Franchisee or any of its partners, shareholders, members or any member of the immediate family of Franchisee or any of its partners, shareholders or members, Franchisor shall be entitled to an injunction, without bond, restraining such person from any such actual or threatened breach, in addition to any other relief to which Franchisor may be entitled in law or equity. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisee further acknowledges and agrees that the provisions of this **Section 21.1** shall be tolled during any default under this **Section 21.1**, and that the restriction shall be applicable for the greater of two years from termination or two years from a Court issuing an order restraining the Bound Party from violating this Section **21.1.**

21.2 Non-Solicitation. Franchisee and the Bound Parties agree that while this Agreement is in effect and for two (2) years after expiration or termination of this Agreement for any reason, or following the date of a Transfer by Franchisee, Franchisee will not, directly or indirectly, solicit or attempt to solicit, or otherwise interfere with or disrupt (i) the employment relationship between Franchisor and any of their respective employees or between any other Pro-Lift Doors franchisee and its employees, or (ii) the relationship that Franchisor has with any customers or suppliers.

The parties acknowledge that the covenants contained in **Section 21.2** are based on the reason and understanding that Franchisee and the Bound Parties will possess knowledge of Franchisor's business and operating methods and confidential information, disclosure and use of which would prejudice the interest of Franchisor and its other franchisees. Franchisee further

understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants, and agrees that, in the event of the actual or threatened breach of this **Section 21.2** by Franchisee or any of its partners, shareholders, members or any member of the immediate family of Franchisee or any of its partners, shareholders or members, Franchisor shall be entitled to an injunction, without bond, restraining such person from any such actual or threatened breach, in addition to any other relief to which Franchisor may be entitled in law or equity. If any part of this restriction is found to be unreasonable in time or distance, such time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisee further acknowledges and agrees that the provisions of this **Section 21.2** shall be tolled during any default under this **Section 21.2**, and that the restriction shall be applicable for the greater of two years from termination or two years from a Court issuing an order restraining the Bound Party from violating this Section **21.2.**

21.3 <u>Trade Secrets and Confidential Information</u>.

Franchisee acknowledges and agrees that in connection with the operation of Pro-Lift Doors Businesses and the Pro-Lift Doors System, Franchisor has developed competitively sensitive proprietary and confidential information which are not commonly known by or available to the public. This proprietary and confidential information does not include any information that (a) is commonly known by or available to the public; (b) has been voluntarily disclosed to the public by Franchisor; (c) has been independently developed or lawfully obtained by Franchisee; or (d) has otherwise entered the public domain through lawful means. All information which comprises the Pro-Lift Doors System including the information and data in the Operations Manual will be presumed to be confidential information of Franchisor, along with the identity and contact information of any customers of the Business.

Franchisee and each Bound Party agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any party, or copy or use for such party's own benefit, or for the benefit of any other party, any of Franchisor's proprietary or confidential information, except as required to carry out Franchisee's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. All proprietary and confidential information of Franchisor is the sole and exclusive property of Franchisor. Franchisee and each Bound Party agree that the restriction contained in the preceding sentence will remain in effect with respect to the confidential information for five (5) years following termination or expiration of this Agreement for any reason; provided, however, if the confidential information rises to the level of a trade secret, then such restriction shall remain in effect until such time as the information does not constitute a trade secret. Franchisee also agrees that it and all of its employees and agents will take appropriate steps to protect Franchisor's confidential information from any unauthorized disclosure, copying or use. At any time upon Franchisor's request, and in any event upon termination or expiration of this Agreement, Franchisee will immediately return any copies of documents where there are materials containing confidential information and will take appropriate steps to permanently delete and render unusable any confidential information stored electronically. Franchisor may, in its sole discretion, request that Franchisee provide a certificate attesting to such deletion.

21.4 Personal Covenants of Certain Bound Parties. As a condition to the effectiveness of this Agreement, and at the time Franchisee delivers this signed Agreement to Franchisor, each Bound Party of Franchisee must sign and deliver to Franchisor the Personal Covenants attached hereto as **Exhibit C-2** (the "**Personal Covenants**"), agreeing to be bound personally by all the provisions of **Sections 21.1**, **21.2** and **21.3** hereof. If there are any changes in the identity of any such Bound Party while this Agreement is in effect, Franchisee must notify Franchisor promptly and make sure the new Bound Party signs and delivers to Franchisor the Personal Covenants.

21.5 Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Franchisee, if requested by Franchisor, shall cause each of its management and supervisory employees to execute a noncompetition, nonsolicitation and/or nondisclosure agreement in the form(s) prescribed by Franchisor from time to time.

22. TERMINATION

22. 1 Termination by Franchisee. Franchisee may terminate this Agreement if:

(i) Franchisee is in compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such material breach within ninety (90) days after written notice thereof is delivered to Franchisor. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured with such ninety (90) day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional 60-day period to cure the same, and this Agreement shall not terminate; or

(ii) If Franchisee terminates this Agreement pursuant to this Section, all post-termination obligations of Franchisee described herein shall not be waived but shall be strictly adhered to by Franchisee, and Franchisee shall remain obligated to honor all other obligations set forth in this Agreement that, by their terms, apply subsequent to termination of the franchise relationship, including the payment of all outstanding Royalties and other fees due hereunder and compliance with the post-termination covenants in **Section 21**.

22.2 Termination by Franchisor without a Cure Period. Franchisor may immediately terminate this Agreement upon written notice to Franchisee, without opportunity to cure and without any prejudice to the enforcement of any other legal right or remedy, if:

(i) Franchisee fails to satisfactorily complete initial training pursuant to **Section 14.2**;

(ii) Franchisee fails to commence operation of the Business within the Protected Territory within four (4) months after execution of this Agreement, except for any delay that is agreed to in writing by the Franchisor, in its sole discretion;

(iii) Franchisee abandons, fails or refuses to actively operate the Franchised Business for five (5) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved in writing by Franchisor);

(iv) Franchisee files a petition under any bankruptcy or reorganization law, becomes insolvent, or has a trustee or receiver appointed by a court of competent jurisdiction for all or any part of its property;

(v) Franchisee is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Franchisee's business or property; or if a suit to foreclose any lien or mortgage against its Approved Location or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;

(vi) Franchisee seeks to effect a plan of liquidation, reorganization, composition or arrangement of its affairs, whether or not the same shall be subsequently approved by a court of competent jurisdiction; it being understood that in no event shall this Agreement or any right or interest hereunder be deemed an asset in any insolvency, receivership, bankruptcy, composition, liquidation, arrangement or reorganization proceeding;

(vii) Franchisee has an involuntary proceeding filed against it under any bankruptcy, reorganization, or similar law and such proceeding is not dismissed within sixty (60) days thereafter;

(viii) Franchisee makes a general assignment for the benefit of its creditors;

(ix) If Franchisee is a business entity of any type, if Franchisee is dissolved either voluntarily or involuntarily;

(x) Franchisee fails to pay when due any amount owed to any creditor, supplier or lessor of the Business or the Vehicles or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Franchisee does not correct such failure within ten (10) calendar days after written notice is delivered thereof to Franchisee;

(xi) Franchisee fails to satisfy the Minimum Royalty requirement as defined in **Section 4.3** in any year for which such requirements are defined;

(xii) Franchisee or any of Franchisee's owners are convicted of or plead no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect the reputation of the Pro-Lift Doors System and the goodwill associated with the Marks;

(xiii) Franchisee operates the Business or any phase of the franchised business in a manner that presents a substantial environmental, health or safety hazard to Franchisee's customers, employees or the public;

(xvi) Franchisee makes a material misrepresentation to Franchisor before or after being granted the franchise;

(xv) Franchisee makes an unauthorized Transfer of this Agreement, the franchise, the Business, or an ownership interest in Franchisee;

(xvi) Franchisee (a) misappropriates any Mark or challenges Franchisor's or Licensor's ownership of the Marks, (b) files a lawsuit involving the Marks without Franchisor's consent, or (c) fails to cooperate with Franchisor or Licensor in the defense of any Mark;

(xvii) Franchisee commits any act which can be reasonably expected to materially impair or detrimentally impact the goodwill associated with any Mark;

(xviii) Franchisee or any Bound Party breaches or fails to comply fully with **Section 21** above;

(xix) Franchisee makes or permits a third party to make any unauthorized use or disclosure of any confidential information or trade secret of Franchisor;

(xx) Franchisee fails to comply with any federal, state or local law or regulation applicable to the operation of the franchise, provided that if the failure to comply does not involve tax evasion or result in governmental proceedings then Franchisee will be given a reasonable period (not to exceed thirty (30) days) to come into compliance with the law or regulation;

(xxi) Franchisee knowingly maintains false books or records or denies Franchisor's authorized representatives immediate access to Franchisee's books and records during an audit or inspection;

(xxii) Franchisee submits to Franchisor a financial report or other data, information or supporting records which understate by more than three percent (3%) the Royalties and/or Marketing Fund Contributions due for any reporting period and is unable to demonstrate that such understatements resulted from an inadvertent error;

(xxiii) Franchisee has defaulted under the Agreement three (3) or more times within a 12-month period, even if such defaults were subject to a right to cure or is cured after notice is delivered to Franchisee; or

(xxiv) defaults under any other agreement between Franchisor and Franchisee, such that Franchisor has the right to terminate such agreement or such agreement automatically terminates.

The items listed in this **Section 22.2** are expressly excluded from the items subject to cure periods in **Section 22.3** below.

22.3 Termination by Franchisor with a Cure Period.

(i) Franchisor shall have the right to terminate this Agreement upon ten (10) days written notice if defaults remain uncured in Franchisor's sole discretion for the following reasons:

(a) Franchisee fails to pay when due any amount owed to Franchisor or its affiliates or subsidiaries, whether under this Agreement or not; or

(b) Franchisee fails to operate the Franchised Business under supervision of an approved Manager; or

(c) Franchisee misuses or makes an unauthorized use of any Mark.

(ii) Franchisor shall have the right to terminate this Agreement upon thirty (30) days written notice if any default under this Agreement remains uncured, in Franchisor's sole discretion and judgment. Notwithstanding the foregoing, if the breach is curable but is of a nature which cannot reasonably be cured within such 30-day period and Franchisee has commenced and is continuing to make good faith efforts to cure such breach, Franchisee shall be given an additional 30-day period to cure the same, and this Agreement shall not terminate. By way of example only, the following are some of the contract breaches for which Franchisee will be provided with notice and an opportunity to cure under this provision:

(a) Franchisee fails or refuses to submit financial statements, reports or other operating data, information or supporting records when due;

(b) Franchisee fails to relocate or commits a default (other than a monetary default which shall be subject to **Section 22.3(i)(a)** above) under the lease, sublease, purchase contract or other contract for the Business, the Vehicles or any equipment, tools or supplies utilized in the operation thereof;

(c) Franchisee fails to provide or maintain required insurance coverage;

(d) Franchisee fails to restore the Business to full operation within a reasonable period of time (not to exceed 90 days) after the Business is rendered inoperable by any casualty; or

(e) Franchisee fails to comply with any other provision of this Agreement or any mandatory specification, standard or operating procedure prescribed by Franchisor.

22.4 Management of Business by Franchisor. In addition to Franchisor's right to terminate this Agreement, and not in lieu thereof, Franchisor may exercise complete authority with respect to the management of the Business until such time as Franchisor shall determine that the default of Franchisee has been cured and that Franchisee is complying with the requirements of this Agreement. This option includes, but is not limited to, situations in which the Franchised Business is not under the supervision of an approved Manager. Franchisee specifically agrees that a designated representative of Franchisor may take control and manage the Business in the event of

any such default. If Franchisor assumes the management of the Business, Franchisee must pay Franchisor (in lieu of the Royalties) a management fee equal to ten percent (10%) of the Business's Gross Sales (the "**Management Fee**") plus reimburse Franchisor for the full compensation paid to such representative, including the cost of all fringe benefits plus any and all expenses reasonably incurred by such representative so long as such representative shall be necessary and in any event until the default has been cured and Franchisee is complying with the terms of this Agreement. Franchisee acknowledges that the Management Fee shall be in addition to the Marketing Fund Contribution and any other fees (except the Royalties) required under this Agreement and shall be paid in accordance with the methods of payment set forth in **Section 5**. If Franchisor assumes the Business's management, Franchisee acknowledges that Franchisor will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its owners for any debts, losses, or obligations the Business incurs, or to any of Franchisee's creditors for any supplies or services the Business purchases, while Franchisor manages it.

23. EFFECT OF AND OBLIGATIONS UPON TERMINATION

23.1 Obligations upon Termination or Expiration. Upon the expiration or termination of this Agreement, whether by reason of lapse of time, default in performance or other cause or contingency, Franchisee shall:

(i) forthwith return to Franchisor all material furnished by Franchisor containing confidential information, operating instructions, business practices, or methods or procedures, including, without limitation, the Operations Manual;

(ii) immediately cease to operate within the Protected Territory, and cease all use of the Marks, and the use of any and all signs, slogans, symbols, logos, advertising materials, forms, products and other items bearing the Marks, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

(iii) pay all sums owing to Franchisor which may include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees, unpaid Royalty Fees or other fees due hereunder, and any other amounts due to Franchisor; pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

(iv) if Franchisee retains possession of the Vehicles, at Franchisee's expense, make such reasonable modifications to the exterior and interior of the Vehicles as Franchisor requires to eliminate its identification as a Mobile Unit operated in connection with an Pro-Lift Doors Business and to avoid violation of the non-compete provision;

(v) upon demand by Franchisor, at Franchisor's sole discretion, immediately assign (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Approved Location to Franchisor and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement, and Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due;

(vi) if Franchisee retains possession of any real property used in connection with

the Business, and Franchisor does not take assignment of it under **Section 23.2(vi)** herein, at Franchisee's expense make such reasonable modifications to the exterior and interior décor of the real property as Franchisor requires to eliminate its identification as an Pro-Lift Doors Business and to avoid violation of the non-compete provision;

(vii) refrain from operating or doing business under any name or in any manner that may give the general public the impression that this Agreement is still in force or that Franchisee is connected in any way with Franchisor or that Franchisee has the right to use the Pro-Lift Doors System or the Marks;

(viii) refrain from making use of or availing itself to any of the Confidential Information, Operations Manual or other information received from Franchisor or disclosing or revealing any the same in violation of **Section 21.3** hereof, including (but not limited to) all data and information concerning any customers of the Pro-Lift Doors Business;

(ix) take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "Pro-Lift Doors" or any of the Marks, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;

(x) assign to Franchisor or its designee all of Franchisee's rights, title, and interest in the telephone numbers, telephone directory listings and advertisements, website URLs, e-mail addresses, store leases and governmental licenses or permits used for the operation of the Business. Simultaneously with Franchisee's execution of this Agreement, Franchisee will execute the Internet Web Sites and Listings Agreement attached hereto as **Exhibit C-3** and the Telephone Listing Agreement attached hereto as **Exhibit C-4**; and

(xi) fulfill all of Franchisee's obligations to customers under all outstanding contracts and any warranties provided for in this Agreement notwithstanding the expiration or termination of the same. In order to ensure that Franchisee honors these obligations, within fourteen (14) days after the effective date of expiration or termination, Franchisee shall post a bond in an amount equal to one half of one percent (0.5%) of Franchisee's gross sales for the last twenty-four (24) months or pay Franchisor a fee of ten thousand dollars ($10,000), whichever is greater. Franchisor shall return such monies, less any amount expended to satisfy Franchisee's outstanding obligations, upon Franchisor's satisfaction that Franchisee has satisfied all of its obligations pursuant to this subsection.

(xii) strictly comply with the terms and conditions of **Section 21** above.

23.2 Sale upon Expiration or Termination.

(i) Except in the case of a renewal under **Section 2**, if this Agreement expires or is terminated or canceled for any reason, Franchisor shall have the option to purchase the Business, the Vehicles, and/or a portion of the assets of the Business (including fixtures, furniture, vehicles, equipment, tools and improvements), and which may include at Franchisor's option, all of Franchisee's leasehold interest in and to any real estate upon which the Business is located, but not including real property (collectively, the "**Assets**"). If Franchisor desires to purchase any or all of the Assets but the parties are unable to agree as to a purchase price and terms of such sale, the fair market value of such Assets (to be determined without goodwill or going concern value) shall be

determined by three appraisers. Franchisee and Franchisor shall each select one appraiser, and the two appraisers so chosen shall select the third appraiser. The three appraisals shall be averaged to determine the purchase price. Franchisor shall have the right, at any time within fifteen (15) days after being advised in writing of the decision of the appraisers as aforesaid, to purchase the Assets at the purchase price as determined above. Each party shall be responsible for the costs and expenses of the appraiser it selected and the cost of the third appraiser shall be shared equally by the parties. Nothing contained in this Section shall be deemed to be a waiver by Franchisor of any default by Franchisee under this Agreement nor shall the exercise of the option to purchase the Assets contained in this Section affect any other rights or remedies granted to Franchisor hereunder or otherwise available to it.

(ii) Notwithstanding the provisions set forth in directly above, if, within forty-five (45) days following the expiration of this Agreement, Franchisee shall receive a bona fide offer for the purchase of the Assets, Franchisee shall offer the same in writing to Franchisor at the same price and on the same terms or the monetary equivalent; which offer Franchisor may accept at any time within fifteen (15) days after receipt thereof. If Franchisor declines, or does not within such fifteen (15) day period accept, such offer, then Franchisee may sell the Assets to such purchaser, but not at a lower price nor on more favorable terms than have been offered to Franchisor.

(iii) Any sale of the Assets hereunder shall close no later than sixty (60) days after delivery of written notice of Franchisor's exercise of its option is given to Franchisee. Franchisor has the right to assign its option hereunder and Franchisee must sign all documents of transfer reasonably necessary for the purchase of the Assets. All Assets transferred shall be free and clear of all liens and encumbrances, with all sales and transfer taxes paid by the Franchisee.

23.3 Effect of Expiration or Termination. Upon the expiration or termination of this Agreement for any reason, any and all rights granted to Franchisee hereunder shall be extinguished immediately, and Franchisee shall not be relieved of any of its obligations, debts or liabilities hereunder. The expiration or termination of this Agreement for any reason will be without prejudice to the rights of Franchisor against Franchisee and will not destroy or diminish the binding force and effect of any of the provisions of this Agreement that expressly, or by reasonable implication, come into or continue in effect on or after the expiration or termination hereof.

24. OTHER BUSINESS

Franchisee agrees not to carry on or conduct or permit others to carry on or conduct any other business, activity or operation at the Approved Location (other than the operation of the Franchised Business in conformity with this Agreement and the Operations Manual) without first obtaining the written consent of Franchisor.

25. OWNERSHIP OF FRANCHISEE

Attached hereto as **Exhibit C-5** is a description of the legal organization of Franchisee (whether a corporation, limited, liability company, partnership or otherwise), the names and addresses of each person or entity owning a 10% or greater interest in Franchisee (the "**Principal Owners**") and the percentage of such interest owned by such person or entity. Franchisee agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interest of Franchisee as set forth on **Exhibit C-5**. Franchisor may require each Principal Owner to execute the Guaranty Agreement attached hereto as **Exhibit C-6**.

26. SUCCESSORS AND THIRD PARTY BENEFICIARIES

This Agreement and the covenants, restrictions and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Franchisee and its permitted heirs, successors and assigns. Except as contemplated by **Section 18.1**, nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. This Agreement is, however, intended to bind the Bound Parties to the extent set forth in this Agreement.

27. CONSTRUCTION

All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Franchisee shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Franchisee, if more than one person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Franchisee's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed or effected actions that require Franchisor's approval.

28. INTERPRETATION AND HEADINGS

The parties agree that this Agreement should be interpreted according to its fair meaning. Franchisee waives to the fullest extent possible the application of any rule which would construe ambiguous language against Franchisor as the drafter of this Agreement. The words "include," "includes" and "including" when used in this Agreement will be interpreted as if they were followed by the words "without limitation". References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

29. NOTICES

All notices or other communications required or permitted to be given under the terms of this Agreement, shall be given in writing, and be delivered personally, by facsimile or email, by certified, express or registered mail, or by an overnight delivery service (e.g., Federal or Airborne Express), postage prepaid, addressed to the party to be notified at the respective address set forth on **Exhibit C-1**, or at such other address or addresses as the parties may from time to time designate in writing in accordance with this Section. Any notice shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by registered mail, return receipt requested. All notices shall be sent to Franchisee at the address listed on **Exhibit C-1** of this Agreement, or such other address as Franchisee may designate in writing to Franchisor. All notices, payments and reports required by this Agreement shall be sent to Franchisor at the following address:

Pro-Lift Doors Franchise, LLC
Attention: Paul Flick
630 Peter Jefferson Parkway, Suite 200
Charlottesville, Virginia 22911

30. DISPUTE RESOLUTION

30.1 Choice of Law. Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia (without reference to its conflict of laws principles), excluding any law regulating the sale of franchises or governing the relationship between a franchisor and franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this Section. References to any law refer also to any successor laws and to any published regulations for such law, as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

30.2 Consent to Jurisdiction and Venue for Disputes. Any action brought by either party shall be brought in the appropriate state or federal court located in or serving county and state in which Franchisor maintains its principal place of business at the time any dispute resolution proceeding is commenced by either party. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. The parties hereby submit to service of process by registered and return receipt requested, or by any other manner provided by law. Claims for injunctive relief may be brought by Franchisor where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction**.**

30.3 Cumulative Rights and Remedies. No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

30.4 [Intentionally Deleted.]

30.5 Limitation of Damages and Disclaimer. Franchisee and Franchisor each waive, to the fullest extent permitted by law, under any theory of liability, any right or claim for any punitive or exemplary damages against the other, and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees.

30.6 Waiver of Jury Trial. FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM.

30.7 Service of Process. The parties agree that service of process in any proceeding arising out of or relating to this Agreement or the performance thereof may be made as to Franchisee and/or the Principals by serving a person of suitable age and discretion (such as the person in charge of the office) at the notice address of Franchisee specified in Exhibit C-1 to this Agreement and as to Franchisor, by serving the Franchisor at the notice address specified in **Section 29**

above or by serving Franchisor's registered agent.

31. COSTS AND ATTORNEYS' FEES

If either party incurs any expenses in connection with the other party's failure to pay any amounts it owes when due, submit any requested reports when due or otherwise comply with this Agreement, the breaching party shall reimburse the non-breaching party for any of the costs and expenses which the non-breaching party incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. The duty to pay such costs and fees shall survive termination or expiration of this Agreement.

32. WAIVER

No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default. In addition, subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

33. SEVERABILITY

(i) Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable, and if any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement; provided, however, that if Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement. Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under of this Agreement.

(ii) Notwithstanding the above, each of the covenants contained in Section 21 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Confidential Information or on competition to the maximum extent provided or permitted by law.

34. FORCE MAJEURE

34.1 Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God (including tornadoes, tropical storms, hurricanes, and storm surges), war, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

34.2 Neither Franchisor nor Franchisee will be liable for loss or damage or deemed to be in breach of this Agreement if Franchisor's or Franchisee's breach is due to strikes, lockouts, casualties, acts of God, war or other causes beyond the reasonable control of the parties.

35. TIMING

Time is of the essence; except as set forth in **Section 34.1**, failure to perform any act within the time required or permitted by this Agreement shall be a material breach.

36. DELEGATION BY FRANCHISOR

Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Franchisee hereby agrees to such delegation. Franchisee may not delegate any of its responsibilities or duties hereunder.

37. WITHHOLDING PAYMENTS

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to any of its Affiliates. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

38. CUMULATIVE RIGHTS

The rights granted hereunder are cumulative, and no exercise or enforcement by either party of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy to which either Franchisor or Franchisee are entitled, either by this Agreement or by law.

39. FURTHER ASSURANCES

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

40. ENTIRE AGREEMENT

This Agreement and any addendum, schedule or exhibit attached hereto contains the entire agreement between the parties hereto relating to the operation of the Business and the franchised business and no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein or in Franchisor's Disclosure Document provided to Franchisee. No agreement altering, changing, waiving or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all interested parties. Nothing in this Agreement or any related agreement, however, is intended to disclaim the

representations Franchisor made in the Franchise Disclosure Document that the Franchisor furnished to the Franchisee.

41. COUNTERPARTS

This Agreement may be signed in multiple counterpart copies, each of which will be deemed an original.

42. DUTY OF REASONABLENESS AND GOOD FAITH

To honor the intent and purpose of this Agreement, and any of the documents referenced herein, both Franchisor and Franchisee shall act reasonably and in good faith. If the consent of either party is required or contemplated hereunder, the party whose consent is required shall not unreasonably delay, condition or withhold consent, unless such consent is expressly subject to such party's sole discretion pursuant to the terms of this Agreement.

43. [INTENTIONALLY DELETED.]

44. REVIEW OF AGREEMENT AND FRANCHISEE'S ACKNOWLEDGEMENTS

44.1 Receipt of this Agreement and the Franchise Disclosure Document. Franchisee represents and acknowledges that it has received, read and understands this Agreement and Franchisor's Disclosure Document; and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee further represents and acknowledges that it has had a copy of the Franchisor's Disclosure Document for not less than fourteen (14) calendar days and this Agreement in final complete form in its possession for not less than seven (7) business days.

44.2 Consultation by Franchisee. Franchisee represents and acknowledges that it has had the opportunity to have this Agreement and the Business offered hereunder reviewed by professionals of Franchisee's choosing prior to executing this Agreement, and has either consulted with such professionals or has deliberately declined to do so.

44.3 Acknowledgements. Franchisee assumes sole responsibility for the operation of the Business and acknowledges that, while Franchisor may furnish advice and assistance to Franchisee from time to time during the term of this Agreement, Franchisor has no legal or other obligation to do so except as specifically set forth herein. In addition, Franchisee acknowledges that Franchisor does not guarantee the success or profitability of the Business franchised hereunder in any manner whatsoever and shall not be liable therefor; in particular, Franchisee understands and acknowledges that the success and profitability of the Business franchised hereunder depends on many factors outside the control of either Franchisor or Franchisee (such as interest rates, unemployment rates, demographic trends and the general economic climate) and there are significant risks in any business venture, but principally depend on Franchisee's efforts in the operation of the Business and the primary factor in Franchisee's success or failure in the Business franchised hereunder will be Franchisee's own efforts. Franchisee represents that it has conducted an independent investigation of the Business contemplated by this Agreement and acknowledges that, like any other business, an investment in a Pro-Lift Doors franchise involves business risks and that the success of the venture is dependent in part upon the business abilities and efforts of Franchisee. IN ADDITION, FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR AND ITS REPRESENTATIVES HAVE MADE NO REPRESENTATIONS OR WARRANTIES TO FRANCHISEE

THAT ARE INCONSISTENT WITH THE MATTERS SET FORTH IN THIS AGREEMENT, AND THAT FRANCHISEE HAS UNDERTAKEN THIS VENTURE SOLELY IN RELIANCE UPON THE MATTERS SET FORTH HEREIN, THE CONTENTS OF FRANCHISOR'S DISCLOSURE DOCUMENT, AND FRANCHISEE'S OWN INDEPENDENT INVESTIGATION OF THE MERITS OF THIS VENTURE.

IN WITNESS WHEREOF, each of the undersigned has executed this Franchise Agreement under seal as of the Effective Date.

FRANCHISEE:

If a corporation or limited liability company:

_____

By: _____

Title: _____

If a partnership:

_____

[NAME OF PARTNERSHIP]

By: _____(SEAL)

General Partner

By: _____(SEAL)

General Partner

If an individual:

_____

NAME: _____

FRANCHISOR:

PRO-LIFT DOORS FRANCHISE, LLC

By: _____

Name: _____

Title: _____

Date of Acceptance:

_____

EXHIBIT C-1

TO FRANCHISE AGREEMENT

Miscellaneous

Effective Date: _____

Franchisee's Name:

Address and facsimile number of Franchisor:

Pro-Lift Doors Franchise, LLC
630 Peter Jefferson Parkway, Suite 200
Charlottesville, Virginia 22314
Attn: Paul Flick

Address and facsimile number of Franchisee:

_____
_____
_____
_____

Protected Territory: _____
_____
_____
_____

INITIALS: _____

INITIALS: _____

EXHIBIT C-2

TO FRANCHISE AGREEMENT

Personal Covenants

(See Attached)

PERSONAL COVENANTS

Each of the undersigned ("you") agrees that:

Section 1 All capitalized terms used but not defined in this Personal Covenants shall have the meaning set forth in that certain Pro-Lift Doors Franchise, LLC FRANCHISE AGREEMENT, dated as of the _ day of _ _, 20_ (the "Franchise Agreement"), by and between Pro-Lift Doors Franchise, LLC ("Franchisor"), and _ ("Franchisee").

Section 2 You are a Bound Party.

Section 3 As an inducement to Franchisor to enter into the Franchise Agreement, and in consideration of the direct and personal benefits you will derive from the Franchise Agreement, you agree that: (i) you have read and understand all the provisions of Sections 21.1, 21.2, 21.3 and 30.1 – 30.7 of the Franchise Agreement; (ii) you will be personally bound by all of the obligations and covenants of Franchisee contained in Sections 21.1, 21.2, 21.3 and 30.1 – 30.7 as if such obligations and covenants were made and given personally by you directly to Franchisor; and (iii) such obligations and covenants are fair and reasonable and will not deprive you of your livelihood.

Section 4 If any sentence, clause, paragraph, or combination of any of them in Sections 21.1, 21.2, 21.3 and 30.1 – 30.7of the Franchise Agreement is held by a court of competent jurisdiction to be unenforceable as applied to you, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 21.1, 21.2, 21.3 and 30.1 – 30.7 shall remain in full force and effect.

Section 5 These personal covenants shall be governed by the internal laws of the Commonwealth of Virginia, unless the law of your jurisdiction applies as provided for in Section 30.1 of the Franchise Agreement.

Section 6 Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Franchise Agreement.

_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____

_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____
_____	_____
Signature	Signature
_____	_____
Print Name	Print Name
Date: _____, 20____	Date: _____, 20____

EXHIBIT C-3

TO FRANCHISE AGREEMENT

Internet Web Sites and Listings Agreement

(See Attached)

INTERNET WEB SITES AND LISTINGS AGREEMENT

THIS INTERNET WEB SITES AND LISTINGS AGREEMENT (the "Internet Listing Agreement") is made and entered into as of the day of_____, 20_ (the "Effective Date"), by and between Pro-Lift Doors Franchise, LLC, a Delaware limited liability company (the "Franchisor"), and _____,_____(the "Franchisee").

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a Pro-Lift Doors Franchise, LLC Franchise Agreement (the "Franchise Agreement") to operate a Pro-Lift Doors garage door installation, maintenance, and repair business for residences and "light commercial" buildings (the "Business") ; and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Internet Listing Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

DEFINITIONS

All terms used but not otherwise defined in this Internet Listing Agreement shall have the meanings set forth in the Franchise Agreement. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

TRANSFER; APPOINTMENT

Interest in Internet Web Sites and Listings. Franchisee has, or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to certain domain names, hypertext markup language, uniform resource locator addresses, and access to corresponding Internet web sites, and the right to hyperlink to certain web sites and listings on various Internet search engines (collectively, the "Internet Web Sites and Listings") related to the Business or the Marks (all of which right, title, and interest is referred to herein as "Franchisee's Interest").

Transfer. On Termination of the Franchise Agreement, if Franchisor directs Franchisee to do so, Franchisee will immediately direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the "Internet Companies") with which Franchisee has Internet Web Sites and Listings: (i) to transfer all of Franchisee's Interest in such Internet Web Sites and Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Internet Web Sites and Listings, Franchisee will immediately direct the Internet Companies to terminate such Internet Web Sites and Listings or will take such other actions with respect to the Internet Web Sites and Listings as Franchisor directs.

Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Internet Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and

lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, on Termination of the Franchise Agreement, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Internet Listing Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Internet Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

Direct the Internet Companies to transfer all Franchisee's Interest in and to the Internet Web Sites and Listings to Franchisor;

Direct the Internet Companies to terminate any or all of the Internet Web Sites and Listings; and

Execute the Internet Companies' standard assignment forms or other documents in order to affect such transfer or termination of Franchisee's Interest.

Certification of Termination. Franchisee hereby directs the Internet Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has Terminated.

Cessation of Obligations. After the Internet Companies have duly transferred all of Franchisee's Interest in such Internet Web Sites and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations under, such Internet Web Sites and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet Companies for the sums Franchisee is obligated to pay such Internet Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Internet Listing Agreement.

MISCELLANEOUS

Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Internet Listing Agreement.

Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agree that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Internet Listing Agreement.

No Duty. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's Interest in any or all such Internet Web Sites and Listings.

Further Assurances. Franchisee agrees that at any time after the date of this Internet Listing Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Internet Listing Agreement.

Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Internet Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Internet Listing Agreement.

Effect on Other Agreements. Except as otherwise provided in this Internet Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

Survival. This Internet Listing Agreement shall survive the Termination of the Franchise Agreement.

Joint and Several Obligations. All Franchisee's obligations under this Internet Listing Agreement shall be joint and several.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Internet Web Sites and Listings Agreement as of the Effective Date.

FRANCHISOR:

PRO-LIFT DOORS FRANCHISE, LLC

By:_____

Name:_____

Title:_____

FRANCHISEE:

If an Individual:

Signature:_____

Printed Name:_____

If other than an Individual:

[INSERT ENTITY NAME]

By:_____

Name:_____

Title:_____

EXHIBIT C-4

TO FRANCHISE AGREEMENT

Telephone Listing Agreement

(See Attached)

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the "Telephone Listing Agreement") is made and entered into as of the day of_____, 20_ (the "Effective Date"), by and between Pro-Lift Doors Franchise, LLC , a Delaware limited liability company (hereinafter the "Franchisor"), and _____,_____(the "Franchisee").

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a Pro-Lift Doors Franchise, LLC Franchise Agreement (the "Franchise Agreement") to operate a Pro-Lift Doors garage door installation, maintenance, and repair business for residences and "light commercial" buildings (the "Business"); and

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Telephone Listing Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

All terms used but not otherwise defined in this Telephone Listing Agreement shall have the meanings set forth in the Franchise Agreement. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. TRANSFER; APPOINTMENT

2.1 Interest in Telephone Numbers and Listings. Franchisee has, or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, yellow-page, and other telephone directory listings (collectively, the "Telephone Numbers and Listings") related to the Business or the Marks (all of which right, title, and interest is referred to herein as Franchisee's "Interest").

2.2 Transfer. On Termination of the Franchise Agreement, if Franchisor directs Franchisee to do so, Franchisee will immediately direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which Franchisee has Telephone Numbers and Listings: (i) to transfer all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Numbers and Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings or will take such other actions with respect to the Telephone Numbers and Listings as Franchisor directs.

2.3 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and

this Telephone Listing Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, on Termination of the Franchise Agreement, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Telephone Listing Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including, without limitation, this Telephone Listing Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.3.1 Direct the Telephone Companies to transfer all Franchisee's Interest in and to the Telephone Numbers and Listings to Franchisor;

2.3.2 Direct the Telephone Companies to terminate any or all of the Telephone Numbers and Listings; and

2.3.3 Execute the Telephone Companies' standard assignment forms or other documents in order to effect such transfer or termination of Franchisee's Interest.

2.4 Certification of Termination. Franchisee hereby directs the Telephone Companies that they shall accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has Terminated.

2.5 Cessation of Obligations. After the Telephone Companies have duly transferred all Franchisee's Interest in such Telephone Numbers and Listings to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further Interest in, or obligations under, such Telephone Numbers and Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Telephone Companies for the sums Franchisee is obligated to pay such Telephone Companies for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such Interest, or for any other obligations not subject to the Franchise Agreement or this Telephone Listing Agreement.

3. MISCELLANEOUS

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertable in, or in any way related to this Telephone Listing Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to Franchisee's performance, Franchisee's nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and the directors, officers, shareholders, partners, members, employees, agents,

and attorneys of Franchisor and its affiliates, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, claims, demands, or obligations that are related to or are based on this Telephone Listing Agreement.

3.3 No Duty. The powers conferred on Franchisor under this Telephone Listing Agreement are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's Interest in any or all such Telephone Numbers and Listings.

3.4 Further Assurances. Franchisee agrees that at any time after the date hereof, it will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Telephone Listing Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Telephone Listing Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Telephone Listing Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Telephone Listing Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

3.7 Survival. This Telephone Listing Agreement shall survive the Termination of the Franchise Agreement.

3.8 Joint and Several Obligations. All Franchisee's obligations under this Telephone Listing Agreement shall be joint and several.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Telephone Listing Agreement as of the Effective Date.

FRANCHISOR:

PRO-LIFT DOORS FRANCHISE, LLC

By:_____

Name:_____

Title:_____

FRANCHISEE:

If an Individual:

Signature:_____

Printed Name:_____

If other than an Individual:

[INSERT ENTITY NAME]

By:_____

Name:_____

Title:_____

EXHIBIT C-5

TO FRANCHISE AGREEMENT

Franchisee Information

1. Franchisee's legal organization (circle one): (a) sole proprietorship; (b) partnership; (c) corporation; (d) limited liability company; or (e) other.

2. If Franchisee is not a sole proprietor, list of all its partners, members or shareholders or others holding any ownership interest in Franchisee:

	Name and address	% interest	Active in Operation of Business? (yes/no)
(a)	_____	____	____
	_____		
	_____		
(b)	_____	____	____
	_____		
	_____		
(c)	_____	____	____
	_____		
	_____		

(d) _____ ____ ____

_____

_____

3. If Franchisee is not a sole proprietor, list of Franchisee's officers, directors, managers and/or general partners:

	Name	Title
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

[Signature Appears on Following Page]

The undersigned certifies that all information contained in this Exhibit C-5 is accurate and complete, and agrees to notify Franchisor promptly (and in any case within 15 days) upon any change in the information required to be disclosed in this Exhibit C-5.

FRANCHISEE:

If an Individual:

Signature:_____

Printed Name:_____

If other than an Individual:

[INSERT ENTITY NAME]

By:_____

Name:_____

Title:_____

EXHIBIT C-6

TO FRANCHISE AGREEMENT

Guaranty Agreement

(See Attached)

GUARANTY AGREEMENT

In consideration of, and as an inducement to, the execution by Pro-Lift Doors Franchise, LLC ("Franchisor") of that certain Pro-Lift Doors Franchise, LLC Franchise Agreement, dated_____, 20_ (as the same from time to time may be amended, modified, extended or renewed, the "Franchise Agreement"), by and between ("Franchisee") and Franchisor, the undersigned, for the term of the Franchise Agreement and any extension or renewal thereof, and thereafter until all obligations of Franchisee to Franchisor have been satisfied, jointly and severally, do hereby personally, absolutely, and unconditionally guarantee that Franchisee shall punctually pay and perform each and every undertaking, condition, and covenant set forth in the Franchise Agreement.

Each of the undersigned further waives acceptance and notice of acceptance of the foregoing obligations of Franchisee, and any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition to the liability of the undersigned.

This Guaranty is a guarantee of payment and performance not merely one of collection. Each of the undersigned further consents and agrees that its liability under this Guaranty shall be direct and immediate and joint and several; that the undersigned shall render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so; that such liability shall not be contingent or conditioned upon the pursuit of any remedies against Franchisee or any other person; and that such liability shall not be diminished, relieved or otherwise affected by the extension of time, credit or any other indulgence which Franchisor, its affiliates, successors or assigns may, from time to time, grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, or the release of any one or more of the undersigned hereunder, or the consent to assignment of any interest in Franchisee, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable until all obligations of Franchisee to Franchisor have been satisfied.

Until all obligations of Franchisee to Franchisor have been satisfied, the obligations of the undersigned under this Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or in any way modified or affected by, any circumstance or condition (whether or not the undersigned shall have any knowledge or notice thereof), including, without limitation, any bankruptcy, insolvency, reorganization, composition, liquidation or similar proceeding, with respect to Franchisee or its properties or creditors, or any action taken by any trustee or receiver or by any court in any such proceeding. The undersigned's liability will not be contingent or conditioned on our pursuit of any remedies against Franchisee or any other person. The remedies provided herein shall be nonexclusive and cumulative of all other rights, powers and remedies provided under the Franchise Agreement or by law or in equity.

Each of the undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder, any term, covenant or condition of the Franchise Agreement may be amended, compromised, released or otherwise altered by Franchisor and the Franchisee and the undersigned do guarantee and promise to perform all of the obligations of the Franchisee under the Franchise Agreement as so amended, compromised, released or altered.

Upon notice from Franchisor that Franchisee has failed to pay monies due and owing to Franchisor under the Franchise Agreement, any and each of the undersigned agree to cure the monetary default within five (5) business days from such notice.

Upon the death of an undersigned, the estate of such undersigned shall be bound by this Guaranty but only for defaults and obligations hereunder existing at the time of death. The obligations of the surviving undersigned shall continue in full force and effect.

The undersigned expressly acknowledge that the obligations hereunder survive the termination of the Franchise Agreement.

Franchisor's failure to enforce all or any portion of its rights under this Guaranty shall not constitute a waiver of its ability to do so at any point in the future.

No delay or failure of Franchisor in the exercise of any right, power, or remedy shall operate as a waiver thereof, and no partial exercise by Franchisor shall preclude any further exercise thereof or the exercise of any other right, power or remedy.

This Guaranty shall be governed by and construed in accordance with the internal laws of the Commonwealth of Virginia, without recourse that state's (or any other's) choice of law or conflicts of law principles. If, however, any provision of this Guaranty would not be enforceable under the laws of that state, and if the business franchised under the Franchise Agreement is located outside of that state and the provision would be enforceable under the laws of the state in which the franchised business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Guaranty is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or other doctrine of law of the Commonwealth of Virginia or any other state, which would not otherwise apply. Any litigation initiated under this Guaranty shall be instituted exclusively at Franchisor's discretion in the most immediate state judicial district and court encompassing Franchisor's headquarters and having subject matter jurisdiction thereof or the United States District Court encompassing Franchisor's headquarters. Each of the undersigned expressly agrees that the undersigned is subject to the jurisdiction and venue of those courts for purposes of such litigation. Each of the undersigned hereby waive and covenant never to assert any claim that the undersigned is not subject to personal jurisdiction in those courts or that venue in those courts is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

If Franchisor chooses to proceed against the undersigned under this Guaranty, and Franchisor prevails, the undersigned shall reimburse Franchisor its costs and expenses associated with the proceeding, including but not limited to its reasonable attorneys' fees, court costs and expenses.

Each paragraph, provision and term of this Agreement shall be considered severable, and if any paragraph, provision or term herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Guaranty, and the latter shall continue to be given full force and effect and bind the parties; and such

unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Guaranty.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed its signature this_____day of _____, 20____.

GUARANTORS:

Agreed:

Pro-Lift Doors Franchise, LLC

_____(SEAL)

Signature

By: _____

Address:

Name: _____

_____

Its: _____

_____

Social Security No.:_____

_____(SEAL)

Signature

Address:

_____

_____

Social Security No.:_____

_____(SEAL)

Signature

Address:

_____

_____

Social Security No.:_____

EXHIBIT C-7
TO FRANCHISE AGREEMENT
GENERAL RELEASE

GENERAL RELEASE

This General Release is made effective this ____ day of _____, 20__. In consideration for the grant by Pro-Lift Doors Franchise, LLC, a Delaware limited liability company, to the undersigned of certain rights in connection with the operation of a Pro-Lift Doors Business and/or the transfer, termination or renewal thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, individually and collectively, hereby unconditionally release, discharge, and acquit Franchisor, its past and present subsidiaries and affiliates, and its and their shareholders, owners, directors, officers, managers, members, partners, employees, agents, representatives, successors and assigns, from any and all liabilities, damages, claims, demands, costs, expenses, debts, indemnities, suits, disputes, controversies, actions and causes of action of any kind whatsoever, whether known or unknown, fixed or contingent, regarding or arising out of any prior or existing franchise relationship, development agreement, franchise agreement or any other agreement executed by any of the undersigned and Pro-Lift Doors Franchise, LLC (or any subsidiary or affiliate of Pro-Lift Doors Franchise, LLC), any Pro-Lift Doors Business (whether currently or previously owned or operated by the undersigned or any of them), or any other prior or existing business relationship between any of the undersigned and Pro-Lift Doors Franchise, LLC (or any subsidiary or affiliate of Pro-Lift Doors Franchise, LLC), which the undersigned or any of them individually or collectively has asserted, may have asserted or could have asserted against Pro-Lift Doors Franchise, LLC (or any of the aforementioned related parties) at any time up to the date of this General Release, including specifically, without limitation, claims arising from contract, written or oral communications, alleged misrepresentations, and acts of negligence, whether active or passive. This General Release shall survive the assignment or termination of any of the franchise agreements or other documents entered into by and between Pro-Lift Doors Franchise, LLC and any of the undersigned. This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws. This General Release shall be governed by and construed in accordance with the laws of the state in which Franchisor maintains its principal place of business at the time any dispute resolution proceeding is commenced by either party without regard to its conflicts of law provisions.

WITNESS:

_____

By:_____
Name:_____
Title:_____
_____, Individually
_____, Individually

PRO-LIFT DOORS FRANCHISE, LLC

OPERATIONS MANUAL TABLE OF CONTENTS
EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT

Pro Lift Garage Doors
Franchise Operations Manual

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PRO-LIFT DOORS FRANCHISE, LLC

NONDISCLOSURE AGREEMENT

EXHIBIT E TO THE FRANCHISE DISCLOSURE DOCUMENT

Non-Disclosure Agreement

DATED:

By signing this Agreement (name)

Of (address) (**Recipient**)

acknowledges and assumes all of the benefits and obligations contained in the Operative Part of this Agreement and agrees to be bound by it; and, acknowledges that this Agreement is intended to benefit Pro-Lift Doors Franchise, LLC ("**Pro-Lift Doors")**

BACKGROUND

A At the **Recipient's** request, Pro-Lift Doors has agreed to:

(1) disclose certain **Confidential Information** for the Approved Purpose; or,

(2) allow the **Recipient** access to the **Confidential Information** during which the **Recipient** will be exposed to or may learn certain **Confidential Information**.

B In consideration of Pro-Lift Doors agreeing to disclose the **Confidential Information** to the **Recipient**, or allow the **Recipient** access to it, the **Recipient** agrees to:

(1) ensure that all **Confidential Information** is kept confidential; and

(2) abide by the terms and conditions of this document.

OPERATIVE PART

1 Definitions and Interpretation

1.1 Definitions

In this document, unless the context otherwise requires:

Approved Purpose means any and all acts and things relating in any way to the businesses of Pro-Lift Doors, its constituent members and persons or entities related to those constituent members.

Confidential Information means (and ***Information*** has a corresponding meaning), all information concerning Pro-Lift Doors' business model, plans, procedures and practices, as disclosed in all Pro-Lift Doors' operations manuals, regardless of whether or not the information is marked as confidential.
"***Confidential Information***" does not include information that is available in the public domain or is useless or trivial at the time the information is imparted to the **Recipient** or when the **Recipient** acquires the information.

Information does not stop being "***Confidential Information***" merely because, at a time after the Recipient became aware of it, the Information; (1) becomes public knowledge because of an act of the Recipient contrary to this Agreement; (2) is placed into the public domain by or with the consent of Pro-Lift Doors.

Recipient includes the person named in this Agreement as the **Recipient** and its directors, officers, agents, representatives, advisers and any other person having access to the **Confidential Information** through the **Recipient**.

2 General Acknowledgments

The **Recipient** acknowledges and agrees that:

(a) no right, license, proprietary right, entitlement or interest in the **Confidential Information** is extended to or conveyed to it except as set out in this document;

(b) the **Confidential Information** is valuable to Pro-Lift Doors;

(c) if there is any actual or threatened breach or default by any person under this document, damages will not be an adequate remedy and Pro-Lift Doors may seek injunctive relief to prevent or end any such breach or default;

(d) Pro-Lift Doors is entitled to an injunction, specific performance or any other relief or remedy available at law or equity without proof of special damage;

(e) the **Confidential Information** may be incomplete, inaccurate and may contain errors, and the **Recipient** uses and relies on the **Confidential Information** at its own risk;

3 Confidentiality

3.1 Non-disclosure

(a) The **Recipient** undertakes that for the longer of: (a) five (5) years from the date of this Agreement; or, (b) the time it has any business association with Pro-Lift Doors and for three (3) years after the business association ends, **Recipient** will:

(i) keep confidential, preserve and protect the **Confidential Information**;

(ii) comply with any request made by Pro-Lift Doors in relation to the protection or preservation of the **Confidential Information**;

(iii) not use (including disclose in any way) the **Confidential Information** for any purpose other than the Approved Purpose, including:

(A) to obtain any commercial advantage or benefit for itself or any other person; or

(B) where the use or disclosure may or does cause detriment to Pro-Lift Doors or Pro-Lift Doors' unit franchisees.

(b) The **Recipient** undertakes that unless permitted under clause 4 it will not disclose the **Confidential Information** to anyone except:

(i) where an agent, representative, professional adviser or other person (being a person being approved of in writing by Pro-Lift Doors) of the **Recipient** needs to know, and:

(A) the disclosure is strictly necessary to assist the **Recipient** in using the **Confidential Information** for the **Approved Purpose**; and

(B) only so much of the **Confidential Information** as is necessary to achieve provide sufficient information to the third party recipient is disclosed; and

(C) **Recipient** has obtained the agreement of the third party recipient to be bound by and comply with the terms of this document by entering into a non-

disclosure document or Agreement approved by Pro-Lift Doors and containing as a minimum each obligation imposed on **Recipient** by this Agreement from each of those persons.

3.2 Destruction or return of materials

If Pro-Lift Doors asks to do so, the **Recipient** must immediately return or destroy the **Confidential Information** in compliance with Pro-Lift Doors' request.

4 Exceptions To Confidentiality

4.1 When restrictions do not apply

The obligations of the **Recipient** under clause 3 do not apply:

(a) to any portion of any **Confidential Information** which is required to be disclosed by any law, judicial or governmental body;

(b) to any portion of any **Confidential Information** which is or becomes generally available to the public, through no fault, act or omission of the **Recipient** or its Recipients, agents, representatives, professional advisers or other persons authorised under clause 3.1(b)(i);

(c) Disclosures by the Recipient to any governmental or law enforcement agency concerning any alleged violation by Pro-Lift Doors of the Federal Trade Commission's franchise sales rule or any state's franchise sales law; or

(d) Disclosures by the Recipient in connection with pursuing any potential case against Pro-Lift Doors alleging violation of any franchise sales law.

4.2 Notice and other obligations

(a) If clause 4.1(a) applies, before making any disclosure the **Recipient** must:

(i) notify Pro-Lift Doors in writing of the requirement to make the disclosure;

(ii) assist and co-operate with Pro-Lift Doors in taking any action Pro-Lift Doors considers appropriate to challenge or oppose the required disclosure;

(iii) follow any direction of Pro-Lift Doors in relation to any aspect of the disclosure or proposed disclosure; and

(iv) discuss the form and content of the disclosure with Pro-Lift Doors.

(b) If clause 4.1(a) applies, the **Recipient** must only disclose so much of the **Confidential Information** as is necessary to comply with the lawful request.

5 Indemnity

The **Recipient** indemnifies and will hold Pro-Lift Doors harmless from any action or claim by, or liability to any person for any loss, damage, cost or expense (including any consequential loss, damage, cost or expense), whether direct or indirect, arising from or caused by:

(a) any breach of the **Recipient's** obligations under this document; or

(b) any act or omission of the **Recipient's** directors, officers, employees, agents, representatives, advisers, or any other person authorised under clause 3.1(b)(i) which would constitute a breach of **Recipient's** obligations under this document if such act or omission was the act or omission of **Recipient**.

6 Governing Law and Jurisdiction

The laws of the United States and the Commonwealth of Virginia govern this Agreement. Each party irrevocably submits to the non-exclusive jurisdiction of the Virginia courts (including if necessary Courts exercising Federal jurisdiction) and courts of appeal of those courts. In addition, Recipient agrees that, if Pro-Lift Doors prevails in any action arising from or related to this Agreement, Recipient shall be obligated to pay Pro-Lift Doors all of its reasonable costs incurred in connection with that action, including (but not limited to) attorneys' fees and court costs.

7 Waiver

A waiver of any breach or non-performance of this document will only be effective if it is written and signed by Pro-Lift Doors, and only to the extent specified.

8 Severance

Any clause of this document that is found to be void, voidable or unenforceable shall be severable, and have no effect on the other clauses of this document.

EXECUTED AS AN AGREEMENT AT (place)

BY (name)

Signature

WITNESS (name)

Signature

360 PAINTING, LLC

(GUARANTOR)

FINANCIAL STATEMENTS

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

360 PAINTING, LLC

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2017, 2016 AND 2015

360 PAINTING, LLC

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ERIC H. LAMPL, CPA, INC.
991 LIGORIO AVENUE
CINCINNATI, OHIO 45218
513-521-2379
ericlampl@fuse.net

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
360 Painting, LLC

I have audited the accompanying financial statements of 360 Painting, LLC, which comprise the balance sheets as of December 31, 2017, 2016, and 2015, and the related statements of income, retained earnings, and cash flows for the years then ended 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements referred to above present fairly in all material respects, the financial position of 360 Painting, LLC as of December 31, 2017, 2016, and 2015, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

E H Lampl

March 20, 2018

360 PAINTING, LLC
BALANCE SHEET
DECEMBER 31, 2017, 2016 AND 2015

ASSETS

	2017	2016	2015
CURRENT ASSETS			
Cash	$ 18,228	$ -	$ 2,165
Accounts Receivable - Franchisees/Royalties	221,710	145,901	205,366
Due from Others	1,706,851	1,239,310	595,312
TOTAL CURRENT ASSETS	1,946,789	1,385,211	802,843
FIXED ASSETS			
Equipment	5,075	5,075	5,075
	5,075	5,075	5,075
Accumulated Depreciation	(5,075)	(4,634)	(4,456)
TOTAL FIXED ASSETS	-	441	619
	$ 1,946,789	$ 1,385,652	$ 803,462

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES			
Accounts Payable	$ 214,540	$ 138,187	$ 1,411
Payroll Taxes	-	-	30,479
Due to Others	115,228	31,007	89,438
TOTAL CURRENT LIABILITIES	329,768	169,194	121,328
MEMBER'S EQUITY	1,617,021	1,216,458	682,134
	$ 1,946,789	$ 1,385,652	$ 803,462

See auditor's report and accompanying information.

360 PAINTING, LLC
STATEMENT OF INCOME
DECEMBER 31, 2017, 2016 AND 2015

	2017	2016	2015
REVENUE	$ 2,963,707	$ 1,831,587	$ 1,652,534
EXPENSES			
Advertising and Marketing	158,831	62,678	99,787
Auto	323	1,813	2,029
Bank and Payroll Fees	7,044	9,377	5,214
Bad Debt	57,043	-	-
Commissions	601,500	360,622	454,307
Computer and Internet	6,115	8,255	13,315
Depreciation	441	177	248
Dues and Subscriptions	3,792	249	2,369
Employee Benefits	-	-	5,255
Filing Fees	5,987	600	-
Franchisee Related	295,598	200,063	218,170
Insurance	23,617	-	-
Interest	23	-	-
Leased Employees	488,110	269,211	-
Office and Supplies	11,437	17,800	16,997
Payroll	-	-	77,061
Payroll Taxes	-	-	3,981
Professional Fees	812,562	90,204	37,013
Rent	7,328	6,170	8,272
Repairs and Maintenance	157	-	-
Travel	239,870	333,636	62,397
Utilities	14,349	10,937	17,724
TOTAL EXPENSES	2,734,127	1,371,792	1,024,139
OPERATING PROFIT	229,580	459,795	628,395
OTHER INCOME (EXPENSES)			
Donations	-	-	(800)
TOTAL OTHER INCOME (EXPENSES)	-	-	(800)
NET INCOME	229,580	459,795	627,595
MEMBER'S EQUITY, BEGINNING	1,216,458	682,134	24,733
CONTRIBUTIONS/DISTRIBUTIONS	170,983	74,529	29,806
RETAINED EARNINGS , ENDING	$ 1,617,021	$ 1,216,458	$ 682,134

See auditor's report and accompanying information.

360 PAINTING, LLC
STATEMENTS OF CASH FLOWS
DECEMBER 31, 2017, 2016 AND 2015

	2017	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	$ 229,580	$ 459,795	$ 627,595
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities			
Depreciation	441	177	248
Change In			
Accounts Receivable - Franchisees/Royalties	(75,809)	59,465	59,921
Due from Others	(467,541)	(643,998)	(593,312)
Accounts Payable	76,353	136,776	(155,189)
Payroll Taxes	-	(30,479)	30,479
Due to Others	84,221	(58,430)	(2,229)
CASH PROVIDED BY OPERATIONS	(152,755)	(76,694)	(32,487)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets	-	-	-
CASH USED BY INVESTING ACTIVITIES	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributions/Distributions	170,983	74,529	29,806
CASH USED FROM FINANCING ACTIVITIES	170,983	74,529	29,806
CHANGE IN CASH	18,228	(2,165)	(2,681)
CASH AT BEGINNING OF YEAR	-	2,165	4,846
CASH AT END OF YEAR	$ 18,228	$ -	$ 2,165

See auditor's report and accompanying information.

360 PAINTING, LLC
NOTES TO FINANCIAL STATEMENTS
AT DECEMBER 31, 2017, 2016 AND
2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business and Trade Name

360 Painting, LLC (the Company) is a corporation organized under the laws of the State of Delaware. The Company was organized to promote, sell and support franchises. The Company's Franchisees offer painting services.

As of December 31, 2017, 2016 and 2015, 360 Painting, LLC had ninety one (91), seventy three (73), and sixty four (64) franchises operating in North America.

Use of Estimates

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain assets, liabilities, revenues, and expenses. Certain estimates relate to unsettled transactions and events as of the date of the financial statements and relate to assumptions about the ongoing operations and may impact future periods. Accordingly, upon settlement, actual results may differ from estimated amounts.

Income Tax Status

The Company is a single member LLC for tax purposes. Accordingly, taxable income and losses of the Company arc reported on the income tax returns of the Company's member, and no provision for income taxes has been recorded in the accompanying financial statements.

Advertising Expense

Advertising costs arc charged to operations when incurred.

Fixed Assets

The cost of fixed assets is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the accelerated methods for both financial reporting and income tax purposes. Maintenance and repairs costs are charged to operations when incurred.

NOTE B - CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the Company's cash in bank. The Company has no other assets that would be classified as a cash equivalent.

The Federal Deposit Insurance Corporation (FDIC) insures account balances up to $250,000 for each business depositor through December 31, 2017. The FDIC had insured 100% of all non-interest bearing accounts through both December 31, 2017. Using this criteria, the company may have had cash in certain financial institutions in excess of insured limits. At December 31, 2017, 2016, and 2015, the Company did not have cash in excess of insured limits.

NOTE C - MARKETING FUND - FRANCHISEES

The company administers a national marketing fund (the Fund) on behalf of its franchisees. Each franchisee is required to contribute per month to the Fund, which is used to develop advertising and marketing materials, and promote the Company's service marks and franchisee's services on a local, regional, and national basis. Neither receipts nor expenditures of the marketing fund are recorded on the Company's income statement.

NOTE D - DUE FROM OTHERS

The Company has lent to their holding company, Premium Service Brands, funds to purchase other franchising opportunity. If not paid back within a year, the amount loaned will be converted to a note payable.

NOTE E – UNCERTAIN TAX POSITION

The Company files income tax returns in the U. S. federal jurisdiction and local jurisdiction. As of December 31, 2017, no authorities have commenced tax examinations. The Company's U. S. federal income tax returns prior to 2010 are closed. U. S. and local jurisdiction have statutes of limitations that generally range from three to five years.

The Company follows the provisions of uncertain tax provisions as addressed in FASB Accounting Standards Codification 740-10-65-1. The Company recognized no increase in the liability for unrecognized tax benefits. The Company has no tax position at December 31, 2017 for which the ultimate deductibility is highly certain but for there is uncertainty about the timing of such deductibility. The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. No such interest or penalties were recognized during the periods presented. The Company had no accruals for interest and penalties at December 31, 2017, 2016, and 2015. The Company does not expect the balance of unrecognized tax benefits to change by a material amount in the next twelve months.

NOTE F – SUBSEQUENT EVENTS

Management has evaluated events through March 20, 2018, the date on which the financial statements were available for issue. The Company did not have any events subsequent to December 31, 2017 through March 20, 2018 to disclose.

ERIC H LAMPL, CPA, INC.
991 UGORIO AVENUE
CINCINNATI, OHIO 45218
513-921-2279
ericlampl@fuse.net

CONSENT OF ACCOUNTANT

ERIC H LAMPL, CPA, INC., consents to the use in the Franchise Disclosure Document issued by 360 Painting, LLC ("Franchisor") on March 20, 2018, to be distributed to prospective franchisees, of my report dated March 20, 2018 related to the financial statements of Franchisor for the periods ending December 31, 2017, 2016 and 2015.

ERIC H LAMPL, CPA, INC.

By: _____

Date: 3/20/18

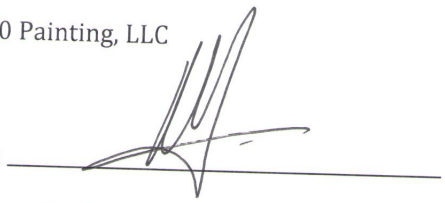
GUARANTEE OF PERFORMANCE

For value received, 360 Painting, LLC, a Delaware limited liability company (the "Guarantor"), located at 630 Peter Jefferson Parkway, Suite 200, Charlottesville, VA 22911, unconditionally guarantees to assume the duties and obligations of Pro-Lift Doors Franchise, LLC, located at 630 Peter Jefferson Parkway, Suite 200, Charlottesville, VA 22911 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2018 Franchise Disclosure Document, as may be further amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Charlottesville, VA on the 8th day of April, 2018.

Guarantor:

360 Painting, LLC

By: 

Name: Paul E. Flick

Title: Chief Executive Officer

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

PRO-LIFT DOORS FRANCHISE, LLC

EXHIBIT G-1 LIST OF CURRENT FRANCHISEES AND EXHIBIT G-2 FRANCHISEES WHO LEFT SYSTEM 1/1/17 -12/31/17

Exhibit G-1

CURRENT FRANCHISEES					
NAME	**ADDRESS**	**CITY**	**STATE**	**ZIP**	**PHONE**
James Barber	1801 Precinct Lane Road Ste B	Hurst	TX	76054	817.796.9259
Erech Gallatin	5775 Wayzata Blvd Suite 700	St. Louis Park	MN	55416	763.307.8721
Jesus Gonzalez	2756 SE 120th Terrace	Miramar	FL	33025	954.281.4578
Joseph Guido	15 Brassie Cir	Reading	PA	19067	610.628.9997
Steve Huggins	409 Alfred Road	Kirkwood	MO	63122	636.735.3505
Milton Johnson	41343 Edwards Court	Indio	CA	92203	760.298.5158
Jeff Micheloni	3449 Farm Lane	Perris	CA	92571	951.395.0185
Kim Micheloni	16337 E. Phillips Lane	Englewood	CO	80112	720.287.5177
Christopher Petersen	772 Chastain Circle	Richmond Hill	GA	31324	912.328.5446
Patrick Smith	1304 38th Ave Ct NW	Gig Harbor	WA	98335	253.693.2214
Robert Wells	186 East Main Street Ste 4	Fernley	NV	89408	775.237.3686

Exhibit G-2

Franchisees Who Left System from 1/1/17 - 12/31/17 with last known address					
NAME	**ADDRESS**	**CITY**	**STATE**	**ZIP**	**PHONE**
Miguel Corso	4884 NW 97 Pl	Doral	FL	33178	305.239.9059
Johnson Zeledon	PO Box 64207	Lubbock	TX	79416	806.749.7990

PRO-LIFT DOORS FRANCHISE, LLC

FRANCHISEE DISCLOSURE QUESTIONNAIRE

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, Pro-Lift Doors Franchise, LLC and you are preparing to enter into a Franchise Agreement for the operation of a Franchised Business. In this Franchisee Disclosure Questionnaire, Pro-Lift Doors Franchise, LLC, will be referred to as "we" or "us." The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

1.) Have you received and personally reviewed the Pro-Lift Doors Franchise, LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?

Yes or No

2.) Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

Yes or No

If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

_____
_____
_____
_____
_____
_____
_____

3.) Have you received and personally reviewed our Franchise Disclosure Document we provided to you?

Yes or No

4.) Do you understand all of the information contained in the Franchise Disclosure Document?

Yes or No

If "No", what parts of the Franchise Diclosure Document do you not understand? (Attach additional pages, if necessary.)

_____
_____
_____

5.) Have you discussed the benefits and risks of operating a Pro-Lift Doors Business with an attorney, accountant or other professional advisor and do you understand those risks?

Yes or No

6.) Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes or No

7.) Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Pro-Lift Doors Business that we or our franchisees operate?

Yes or No

8.) Has any employee or other person speaking on our behalf made any statement or promise concerning a Pro-Lift Doors Business that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes or No

9.) Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Pro-Lift Doors Business?

Yes or No

10.) Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes or No

11.) If you have answered "Yes" to any of questions 7 through 10, 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 such questions, please leave the following lines blank.

_____
_____
_____
_____
_____

12.) Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and us?

Yes or No

You understand that your answers are important to us and that we will rely on them.

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

_____

Name of Franchisee/Applicant

Date:_____, 20___

_____

Signature

_____

Name and Title of Person Signing

PRO-LIFT DOORS FRANCHISE, LLC

MULTI-STATE ADDENDA

EXHIBIT I TO THE FRANCHISE DISCLOSURE DOCUMENT

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR CALIFORNIA FRANCHISEES

The California Franchise Relations Act (Business and Professions Code Section 20000 through 20043) (the "Act") contains certain laws governing the relationship between a Franchisor and Franchisee. Certain of these laws conflict with provisions contained in our customary Franchise Agreement and related documents. Set forth below is an overview of certain disclosures contained in the attached Franchise Disclosure Document which are amended by virtue of the Act.

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

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

3. The Act provides additional rights to you concerning termination and nonrenewal. No Franchise may be terminated except for good cause, and you must be given a notice of default and a reasonable opportunity to cure the defects (except that for certain defects as specified in the statute, no opportunity to cure is required by law). The statute also requires that notice of any intention by us not to renew your Franchise Agreement be given at least 180 days before expiration of the Franchise Agreement. If any of the provisions of the Franchise Agreement conflict with the Act, the offending provisions will be considered invalid.

4. The Franchise Agreement requires application of the laws of the Commonwealth of Virginia. This provision may not be enforceable under the Act.

5. Section 31125 of the Franchise Investment law requires us to give you a disclosure document approved by the Commissioner of the Corporations before we ask you to consider a material modification of your Franchise Agreement.

6. 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.

7. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law.

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

9. OUR WEBSITE AT www.proliftdoors.com 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 AT www.dbo.ca.gov.

10. Any litigation must be pursued in courts located in the county and state in which we maintain our principal place of business (currently Albemarle County, Virginia). Each party will bear its own expenses, including attorneys' fees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281 and the Federal Arbitration Act) to any provision of a franchise agreement restricting venue to a forum outside the State of California.

11. California Business and Professions Code 20000 through 200043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

12. The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your (franchised business). Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR ILLINOIS FRANCHISEES

The Illinois Franchise Disclosure Act contains certain laws governing the relationship between a Franchisor and Franchisee. Certain of these laws conflict with provisions contained in our customary Franchise Agreement and related documents. Set forth below is an overview of certain disclosures contained in the attached Franchise Disclosure Document which are amended by virtue of Illinois law.

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

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

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

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

AMENDMENT TO PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF ILLINOIS

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the addition of the following language, which should be considered an integral part of the Franchise Agreement (the "Amendment").

Illinois Law Modification

The Illinois Franchise Disclosure Act requires that certain provisions contained in franchise documents, including the Franchise Agreement, be amended to be consistent with Illinois law. Therefore, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, the modification set forth below shall be controlling:

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

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

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

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

Franchisee:

_____
Signature

_____
Print Name

_____
Title (if any)

Franchisor:

Pro-Lift Doors Franchise, LLC

By:_____

Name:_____

Title:_____

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of Illinois]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR INDIANA FRANCHISEES

The Indiana Deceptive Franchise Practices Law (Indiana Code 23-2-2.7) contains certain laws governing the relationship between a Franchisor and Franchisee. Certain of these laws conflict with provisions contained in our customary Franchise Agreement and related documents. Set forth below is an overview of certain disclosures contained in the attached Franchise Disclosure Document which are amended by virtue of the Indiana law.

1. The Franchise Agreement and related documents by and between us and you, as an Indiana franchisee, will be governed by Indiana law and not the law of the Commonwealth of Virginia.

2. You, as an Indiana franchisee, have the right to litigate in Indiana and are not restricted to the requirements in the Franchise Agreement to sue only in Albemarle Virginia.

3. The covenants of non-competition with respect to you, as an Indiana franchisee, will be limited to an area equal to the protected area granted to you and other Franchisees.

4. Indiana law prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

5. The reservation of rights to any specified remedy or limitation of remedies available to you, as an Indiana franchise, contained in Sections 21.1(iv) and 30.5 of the Franchise Agreement is subject to the provisions of the Indiana Deceptive Franchise Practices Law [IC 23-2-2.7-1(10)].

6. The Sections in the Franchise Agreement that relate to termination, non-renewal, governing law, venue for litigation, modification, covenants not to compete and any limitations period for bringing claims are only applicable to the extent they are not inconsistent with or prohibited by Indiana law. Indiana law will control to the extent of any inconsistency or prohibition.

AMENDMENT TO PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF INDIANA

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the following, which should be considered an integral part of the Franchise Agreement (the "Amendment").

Indiana Law Modification

In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51, the parties to the Franchise Agreement agree as follows:

1. If any of the provisions of the Franchise Agreement concerning termination and non-renewal, governing law, venue for litigation or arbitration, modification, covenants not to compete or any limitations period on the time in which claims may be brought are inconsistent with either the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law, then such laws will apply to the extent inconsistent with the terms of the Franchise Agreement.

2. Sections 3.2(viii) and 19.4(iii) of the Franchise Agreement each contain a provision requiring a general release as a condition to renewal or transfer of the franchise. Each provision is inapplicable to the extent inconsistent with the Indiana Deceptive Franchise Practices Law, IC § 23-2-2.7-1(5).

3. No representation or acknowledgment by the Franchisee in the Franchise Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel to deprive the Franchisee of the rights and protections provided in the Indiana Franchise Disclosure Law or to relieve any person of any liability under the Indiana Deceptive Franchise Practices Law.

4. Each of the provisions of this Amendment will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act are met independently without reference to this Amendment.

5. Except as otherwise provided in this Amendment, all the other terms, covenants and agreements in the Franchise Agreement shall remain the same, and the Franchise Agreement, as amended, shall continue in full force and effect. To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement or the attachments to the Franchise Agreement, the terms of this Amendment shall govern.

[Signature Page Follows]

Franchisee:

_____
Signature

_____
Print Name

_____
Title (if any)

Franchisor:

Pro-Lift Doors Franchise, LLC

By:_____

Name:_____

Title:_____

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of Indiana]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR MARYLAND FRANCHISEES

Item 17 has been amended.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

In addition, notwithstanding any provisions in the Franchise Agreement, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Item 5 has been amended.

AMENDMENT PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF MARYLAND

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the addition of the following language, which should be considered an integral part of the Franchise Agreement (the "Amendment").

Maryland Law Modification

The Maryland Franchise Registration and Disclosure Law requires that certain provisions contained in franchise documents, including the Franchise Agreement, be amended to be consistent with Maryland law. Therefore, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, the modifications set forth below shall be controlling:

1. While the Franchise Agreement requires you to disclaim the occurrence and/or acknowledge the nonoccurrence of acts which would constitute a violation of franchise laws, such representation and acknowledgments are not intended to nor shall they act as a release, estoppel or waiver of any liability or claims arising under the Maryland Franchise Registration and Disclosure Law.

2. While the Franchise Agreement requires litigation to be conducted only in a court in the Commonwealth of Virginia, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. If you are required to sign a general release of claims pursuant to the Franchise Agreement as a condition of renewal, sale and/or assignment/transfer of your franchise, such release will not apply with respect to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.

5. Each provision of this Amendment will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

6. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

7. Except as otherwise provided in this Amendment, all of the other terms, covenants and agreements in the Franchise Agreement shall remain the same, and the Franchise Agreement, as amended, shall continue in full force and effect. To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement or any attachments thereto, the terms of this Amendment shall govern and control.

[Signature Page Follows]

Franchisee:

_____
Signature

_____
Print Name

_____
Title (if any)

Franchisor:

Pro-Lift Doors Franchise, LLC

By:_____

Name:_____

Title:_____

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of Maryland]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR MINNESOTA FRANCHISEES

The following applies to prospective franchisees governed by Minnesota law and supplement the Items to which they refer and supersede anything inconsistent with them in the text of this Disclosure Document.

A. Item 13. Per Minnesota Statutes, Section 80C.12, Subdivision 1(g), Minnesota considers it unfair for us not to protect your right to use the trademarks listed in Item. 13. We will protect your rights to use those trademarks, and any other trademarks, service marks, trade names, logo types or other commercial symbols we may license you to use, or indemnify you from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of those marks.

B. Item 17. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes Section 80C.14, Subdivisions 3, 4 and 5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

C. State Cover Page and Item 17. Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation or arbitration to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or any agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

D. Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22. The Franchise Agreement contains provisions requiring a general release as a condition of renewal or transfer of a franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22. In addition, no representation or acknowledgment by you in the Franchise Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

E. You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. (Minnesota Rule 2860.4400J). Also, a court will determine if a bond is required.

F. Any limitations of claims sections must comply with Minnesota Statutes, Section 80.17, Subdivision 5.

AMENDMENT TO PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF MINNESOTA

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the addition of the following language, which should be considered an integral part of the Franchise Agreement (the "Amendment").

Minnesota Law Modification

1. This Amendment is made a part of the Franchise Agreement.

2. Section 3.2 of the Franchise Agreement is hereby amended by adding the following: "With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 4, which requires, except in certain specified cases, that a franchisee be given one hundred eighty (180) days' notice for non-renewal of the Franchise Agreement."

3. Section 22 of the Franchise Agreement is hereby amended by adding the following: "With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subd. 3, which requires, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure)."

4. Section 15.4 of the Franchise Agreement is hereby amended by adding the following: "The Minnesota Department of Commerce requires that the Franchisor indemnify Minnesota franchisees against any losses, costs or expenses resulting from claims by third parties that the franchisee's use of the Franchisor's trademark infringes trademark rights of the third party. Franchisor does not indemnify against the consequences of franchisee's use of the Franchisor's trademark except in accordance with the requirements of the franchise, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claim within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim."

5. Sections 30.1 and 30.2 of the Franchise Agreement are hereby amended by adding the following:

   "Under Minn. Stat. Sec. 80C.21 and Minnesota Rule 2860.4400J, nothing in this paragraph or in this Agreement shall in any way abrogate or reduce (1) any rights of the Franchisee as provided for in Minnesota Statutes, Chapter 80C, including, but not limited to, the right to submit matters to the jurisdiction of the courts of Minnesota, or (2) Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

6. Sections 3.2(viii) and 19.4(iii) of the Franchise Agreement each contain a provision requiring a general release as a condition of renewal or transfer of the franchise. Such release will exclude claims arising under Minnesota Statutes 80C.01 through 80C.22.

7. No representation or acknowledgment by the Franchisee in the Franchise Agreement is intended to or shall act as a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes 80C.01 through 80C.22.

8. Minnesota Statutes, Section 80C.14, Subd. 5, requires that consent to the transfer of the Franchised Business will not be unreasonably withheld. The Sections in the Franchise Agreement that relate to transfer are applicable to the extent they are not inconsistent with Minnesota law. In the event of any inconsistency, Minnesota law will control.

9. Minnesota Rule 2860.4400J prohibits Franchisor from requiring Franchisee to waive its rights to a jury trial or to consent to liquidated damages. Section 30.6 of the Franchise Agreement that relates to waiver of jury trial and Section 23.1 of the Franchise Agreement as it relates to consent to liquidated damages shall not apply to franchises governed by Minnesota law.

10. Franchisor acknowledges that Minnesota Rule 2860.4400J provides that Franchisee cannot consent to Franchisor obtaining injunctive relief, but that Franchisor may seek injunctive relief, and that a court will determine if a bond is required.

11. Franchisor acknowledges that no action may be commenced under Minnesota Statutes, Section 80C.17, Subd. 5, more than 3 years after the cause of action accrues.

12. Each provision of this Amendment will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law (Minnesota Statutes, Chapter 80C, Sections 80C.01 through 80C.22) are met independently without reference to this Amendment.

13. Except as otherwise provided in this Amendment, all the other terms, covenants and agreements in the Franchise Agreement shall remain the same, and the Franchise Agreement, as amended, shall continue in full force and effect. To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement or the Attachments to the Franchise Agreement, the terms of this Amendment shall govern.

[Signature Page Follows]

Franchisee:	Franchisor:
	Pro-Lift Doors Franchise, LLC
_____	By: _____
Signature	
	Name: _____
_____	
Print Name	Title: _____
_____	
Title (if any)	

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of Minnesota]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR NEW YORK FRANCHISEES

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:
A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

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

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

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

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

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

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

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

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

AMENDMENT TO PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF NEW YORK

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the addition of the following language, which should be considered an integral part of the Franchise Agreement (the "Amendment").

New York Law Modification

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the Franchise Agreement agree as follows:

1. Section 19.1, "Assignment by Franchisor," of the Franchise Agreement shall be supplemented with the following paragraph:

> No assignment shall be made except to an assignee, who, in the good faith judgment of Franchisor, is willing and possesses the economic resources to fulfill Franchisor's obligations under such Franchise Agreement.

2. Section 18.1, "Indemnification," of the Franchise Agreement shall be amended by the addition of the following:

> Notwithstanding anything to the contrary in this Section 18.1, Franchisee shall not be required to indemnify for any claims arising out of a breach of the Franchise Agreement by Franchisor or other civil wrongs of the Franchisor.

3. Section 33, "SEVERABILITY," paragraph one, of the Franchise Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu of the first paragraph of Section 33:

> **33. SEVERABILITY.** Except as expressly provided to the contrary in this Agreement, each section, part, term, and/or provision of this Agreement shall be considered severable; and if, for any reason, determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of provisions of this Agreement as may remain otherwise intelligible; and, the latter shall continue to be given full force and effect and bind the parties to this Agreement; and said invalid sections, parts, terms, and/or provisions shall be deemed not to be a part of this Agreement.

4. Section 30.1, "Choice of Law," of the Franchise Agreement shall be deleted in its entirety and shall have no force or effect and the following shall be substituted in lieu of Section 30.1 of the Franchise Agreement:

> **30.1 Choice of Law.** Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia (without reference to its conflict of laws principles), excluding any law regulating the sale of franchises or governing the relationship between a franchisor and franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this Section. The foregoing choice of law should not be considered a waiver

of any right conferred upon Franchisee by the General Business Law of New York State, Article 33. References to any law refer also to any successor laws and to any published regulations for such law, as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

5. Sections 3.2(viii) and 19.4(iii) of the Franchise Agreement each contain a provision requiring a general release as a condition of renewal or transfer of the franchise. Such release will exclude claims arising under the General Business Law of New York State, Article 33, Sections 680 through 695, and the regulations issued thereunder.

6. No representation or acknowledgment by the Franchisee in the Franchise Agreement is intended to or shall act as a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by Article 33, Sections 680 through 695, of the General Business Law of the State of New York and the regulations issued thereunder.

7. Each provision of this Amendment will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Amendment.

8. Except as otherwise provided in this Amendment, all the other terms, covenants and agreements in the Franchise Agreement shall remain the same, and the Franchise Agreement, as amended, shall continue in full force and effect. To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement or the Attachments to the Franchise Agreement, the terms of this Amendment shall govern.

[Signature Page Follows]

Franchisee:	Franchisor:
	Pro-Lift Doors Franchise, LLC
_____	By: _____
Signature	
	Name: _____
_____	
Print Name	Title: _____
_____	
Title (if any)	

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of New York]

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR VIRGINIA FRANCHISEES

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Pro-Lift Doors Franchise, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17.g. and Item 17.h.

Section 13.1-564 of the Virginia Retail Franchising Act makes it unlawful for a franchisor to cancel a franchise agreement without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR WASHINGTON FRANCHISEES

The State of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

The Franchise Agreement establishes a liquidated damages clause totaling $50,000 in the event the Franchisor terminates the franchise agreement based upon a Franchisee's default. For the State of Washington, the $50,000 payment will be pro-rated based upon the number of months left in the Franchisee's agreement.

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

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

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 201_.

PRO-LIFT DOORS FRANCHISE, LLC

By:_____

Its:_____

FRANCHISEE:

_____
Signature

_____
Print Name

_____
Title (if any)

AMENDMENT TO PRO-LIFT DOORS FRANCHISE, LLC
FRANCHISE AGREEMENT FOR THE STATE OF WASHINGTON

The Pro-Lift Doors Franchise, LLC Franchise Agreement between _____ ("Franchisee" or "you") and Pro-Lift Doors Franchise, LLC ("Franchisor"), dated _____ (the "Franchise Agreement") shall be amended by the addition of the following language, which should be considered an integral part of the Franchise Agreement (the "Amendment").

Washington Law Modification

IN RECOGNITION OF THE REQUIREMENTS OF THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, WASH. REV. CODE §§ 19.100.010 THROUGH 19.100.940, THE PARTIES TO THE FRANCHISE AGREEMENT AGREE AS FOLLOWS:

1. The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in Franchisee's relationship with Franchisor including the areas of termination and renewal of the Franchise Agreement. There may also be court decisions which may supersede the Franchise Agreement in Franchisee's relationship with the Franchisor including the areas of termination and renewal of the Franchise Agreement.

2. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

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

5. The Franchise Agreement establishes a liquidated damages clause totaling $50,000 in the event the Franchisor terminates the franchise agreement based upon a Franchisee's default. For the State of Washington, the $50,000 payment will be pro-rated based upon the number of months left in the Franchisee's agreement.

6. Transfer fees are collectible to the extent they reflect Franchisor's reasonable estimated or actual costs in effecting the transfer.

7. Each provision of this Amendment will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

8. Except as otherwise provided in this Amendment, all the other terms, covenants and agreements in the Franchise Agreement shall remain the same, and the Franchise Agreement, as amended, shall continue in full force and effect. To the extent this Amendment is inconsistent with any terms or conditions of the Franchise Agreement or the attachments to the Franchise Agreement, the terms of this Amendment shall govern.

Franchisee:

_____
Signature

_____
Print Name

_____
Title (if any)

Franchisor:

Pro-Lift Doors Franchise, LLC

By:_____

Name:_____

Title:_____

[Signature Page to Amendment to Pro-Lift Doors Franchise, LLC Franchise Agreement for the State of Washington]

PRO-LIFT DOORS FRANCHISE, LLC

PROMISSORY NOTE

EXHIBIT J TO THE FRANCHISE DISCLOSURE DOCUMENT

PROMISSORY NOTE

Amount

Date
Charlottesville, Virginia

FOR VALUE RECEIVED, the undersigned _____ ("Maker"), promises to pay to the order of Pro-Lift Doors Franchise, LLC ("Payee"), the principal sum of XXXXX Dollars ($XX,XXX) which sum shall be paid in equal monthly payments of $XXX including interest of 10% over 36 months, on the first of every month starting date.

The Maker hereby further promises to pay to the order of the Payee interest from the date hereof on the principal balance of this Note from time to time outstanding at a interest rate of 10%, simple interest. Interest shall be payable with principal monthly. After maturity or in the event of default, interest shall continue to accrue on this Note at the rate of 10% and shall be payable on demand of the Payee.

Payments of the principal sum and the interest shall be made at the place which the holder of this Note from time to time shall direct in writing.

This note is negotiable.

Privilege is reserved to prepay, at any time, without premium or fee, the entire indebtedness or any part thereof; the amount of the prepayment to be applied first to accrued interest and the remainder to such unpaid principal installments as the undersigned shall designate in a written prepayment notice delivered to the holder of this Note concurrently with the making of the prepayment.

It is expressly agreed that if default be made in the performance or compliance with any of the terms or conditions hereof, then in all such events, the holder of this Note shall have the right, upon ten (10) days' prior written notice to the undersigned, to cure, to declare the entire unpaid balance of this indebtedness, including interest charges, expenses, advances, attorneys' fees and all court costs, immediately due and payable, and failure to exercise such right shall not constitute a waiver of the right to exercise the same upon any subsequent failure. Notwithstanding the foregoing, a late payment charge equal to five percent (5%) of each installment due shall be applied to any installment due under this Note which is more than seven (7) days overdue.

The undersigned waives presentment, protest and notice, and the benefit of the homestead exemption, and further agrees to pay reasonable attorneys' fees and all court costs should it become necessary to place this Note in the hands of an attorney for collection or to protect the interest of the holder hereof as provided in this Note.

MAKER:

By: _____
Individually

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If **Pro-Lift Doors Franchise, LLC** offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York 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 before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If **Pro-Lift Doors Franchise, LLC** does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the state administrator listed in Exhibit A.

The franchisor is Pro-Lift Doors Franchise, LLC, located at 630 Peter Jefferson Parkway, Suite 200, Charlottesville, Virginia 22911. Its telephone number is 1-434-995-5582.

Issuance Date: March 20, 2018

See Exhibit B for our agents authorized to receive service of process.

I have received a disclosure document dated March 20, 2018 (See state registration page for state registration effective dates) that included the following exhibits:

(A) List of State Franchise Administrators; (B) List of Agents for Service of Process; (C) Franchise Agreement and Franchise Agreement Exhibits; (D) Operations Manual Table of Contents; (E) Nondisclosure Agreement; (F) Financial Statements; (G) List of Current Franchisees; (H) Franchisee Disclosure Questionnaire; (I) Multi-State Addenda; and (J) Promissory Note.

Paul Flick acts as our franchise seller and his address is 101 Peter Jefferson Parkway, Suite 200, Charlottesville, VA 22911 and his telephone number is (434) 955-5582.

Date of Receipt: _____

Prospective Franchisee

_____, individually,
as an officer, member or agent of
a [_____ corporation / limited liability company]

KEEP THIS COPY FOR YOUR RECORDS.

RECEIPT

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Date of Receipt: _____

Prospective Franchisee

_____, individually,
as an officer, member or agent of
a [_____ corporation / limited liability company]

SIGN THIS COPY AND RETURN TO US.