FRANCHISE DISCLOSURE DOCUMENT

ShelfGenie Franchise Systems, LLC
A Georgia limited liability company
5500 Interstate North Parkway
Suite 250
Atlanta, GA 30328
Telephone (678) 626-5315
Email address: franchise@shelfgenie.com
www.shelfgenie.com

The franchise offered by ShelfGenie Franchise Systems, LLC is for the operation of a business that designs and installs customized solutions for new and existing cabinets, pantries and other structures identified by the trade name and service mark "SHELFGENIE". A separate franchise agreement must be entered into for each SHELFGENIE® Business operated by a franchisee.

The initial investment necessary to begin operation of an Executive Franchise SHELFGENIE Business is from $62,100 to $113,000. This includes $40,800 to $41,300 that must be paid to franchisor and/or its affiliate. The total investment necessary to begin operation of an Owner/Operator franchise SHELFGENIE business is from $35,675 to $76,575. This includes the $19,800 to $20,300 that must be paid to the franchisor and/or affiliate. If you enter into an Option Amendment for the future purchase of one or more additional Assigned Territories, you will pay an Option Fee equal to $10,000 for each Option Assigned Territory included under the Option Amendment. This amount will be applied toward the initial franchise fee payable under any franchise agreement executed for each Option Assigned Territory.

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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact our Franchise Development Department at 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328 and (404) 260-0273.

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

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

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

Issuance date: July 2, 2020, as amended October 16, 2020

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit H includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only SHELFGENIE business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a SHELFGENIE franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Mandatory Minimum Payments.** You must make minimum royalty payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

MICHIGAN ADDENDUM

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

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

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

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice 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. The subsection applies only if: (i) the term of the franchise is less than five 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 the franchisor's intent not to renew the franchise.

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

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

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide

third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (C).

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

* * * *

The fact that there is a notice of this offering on file with the Attorney General does not constitute approval, recommendation, or enforcement by the Attorney General.

* * * *

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

* * * *

Any questions regarding the notice should be directed to the Office of the Attorney General, Consumer Protection Division, G. Mennen Williams Building, 7th Floor, 525 West Ottawa St., Lansing, MI 48909, (517)373-7117.

SHELFGENIE FRANCHISE SYSTEMS, LLC
FRANCHISE DISCLOSURE DOCUMENT

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EXHIBITS
A. Franchise Agreement
B. List of State Administrators
C. Agents for Service of Process
D. Operations Manual Tables of Contents (including Field Guide)
E. General Release [Sample]
F. List of Franchisees
G. ProTradeNet Agreement
H. Financial Statements
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K. State Specific Addenda
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M. Receipt

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT, AND MIGHT REQUIRE AN ADDENDUM TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES AND ADDENDA, IF ANY, APPEAR IN EXHIBIT K.

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

For ease of reference, ShelfGenie Franchise Systems, LLC, the Franchisor, will be referred to as "**us**," "**we**", "**our**", or "**SHELFGENIE**." When we use "**you**" or "**your**" in this Disclosure Document, it means the person, partnership, limited liability company or corporation who buys the Franchise. If you are a corporation, partnership, or limited liability company, this Disclosure Document also applies to your shareholders, partners, members and owners and their spouses. If you are an individual, this Disclosure Document also applies to your spouse under certain circumstances.

Franchisor

The Franchisor is ShelfGenie Franchise Systems, LLC, a Georgia limited liability company formed on November 29, 2007. We do business only under our corporate name. Our principal place of business is 5500 Interstate North Parkway, Suite 250, Atlanta, Georgia 30328 and our agents for service of process are listed in Exhibit C to this Disclosure Document. We have no predecessors. We have not operated businesses of the type described in this Disclosure Document, and do not conduct any other business activities other than offering and supporting SHELFGENIE® Businesses. We have offered franchises for SHELFGENIE Businesses since May 2008 and have never offered franchises in any other line of business. We have, however, offered SHELFGENIE franchises in Canada under a separate form of disclosure document and franchise agreement.

Parent and Affiliates

Since September 25, 2020, we are a wholly-owned subsidiary of ShelfGenie Holdings LLC, a Delaware limited liability company ("**SG Holdings**"), which, since September 30, 2020, is a wholly-owned subsidiary of Dwyer Franchising LLC d/b/a Neighborly (f/k/a The Dwyer Group, Inc.) ("**Parent**"). The name and principal business address of each of the companies that directly or indirectly control us (i.e., SG Holdings, Parent and its parent companies) are as follows:

Name of Company	Principal Business Address	Ownership or Control of Company
TDG Investment Holdings, LP	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Controlled by Harvest Partners VII, L.P.
Balcones Holdco, Inc. ("**Balcones Holdco**")	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Wholly owned by TDG Investment Holdings, LP
TDG Intermediate, LLC ("**Intermediate**")	c/o Harvest Partners, LP 280 Park Avenue, 26th Floor New York, New York 10017	Wholly owned by Balcones Holdco
TDG Group Holding Company ("**TDG Group Holding**")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by Intermediate
Dwyer Acquisition Parent, Inc. ("**DAP**")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDG Group Holding

Name of Company	Principal Business Address	Ownership or Control of Company
TDG Holding Company ("**TDGHC**")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by DAP
The Dwyer Group, Inc. ("**TDG**")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDGHC
The Dwyer Group LLC ("**Dwyer**")	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by TDG
Dwyer Franchising LLC	1010-1020 North University Parks Drive Waco, Texas 76707	Wholly owned by Dwyer
ShelfGenie Holdings LLC	5500 Interstate North Parkway, Suite 250 Atlanta, Georgia 30328	Wholly owned by Parent

Harvest Partners VII, L.P., a New York-based private equity fund, controls TDG Investment Holdings, LP. Harvest Partners, founded in 1981, is an established private equity firm with a history of investing in middle-market companies across 4 industry verticals. For 35 years, through 7 funds, Harvest Partners has invested in over 50 companies.

We currently have no affiliates required to be included in this item except as provided below:

G-O Manufacturing, LLC ("**Manufacturing**"), a Georgia limited liability company formed on November 8, 2019, merged with its predecessor G-O Manufacturing, L.L.C., a Virginia limited liability company, and is the surviving entity of the merger, is a fully owned subsidiary of CEG, and an affiliate of SHELFGENIE. Manufacturing does business under the name "G-O Manufacturing, LLC" and "SimpleShelf." Manufacturing's principal business address is 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328. Manufacturing has never offered franchises in any line of business. Manufacturing sells and distributes customized shelving solutions and other products. Manufacturing also sells some of these products on its SimpleShelf.com website ("**SSWebsite**"). See Item 12 regarding the SSWebsite. Manufacturing's products include customized shelving solutions and other products such as strip mounts and accessories that will be used by our franchisees ("**Core Products**"). Each of our franchisees will be required to enter into a supply agreement with Manufacturing. Manufacturing does not grant any franchises, although it is permitted to sell certain products (including the Core Products) directly to third parties.

The below entities became our affiliates on September 30, 2020:

Since 1992, Aire Serv LLC ("Aire Serv") has offered franchises which provide installation, maintenance and repair of residential and commercial heating, ventilating and air-conditioning equipment under the name AIRE SERV®. At various times since 1992, Aire Serv had also offered regional or area franchises which solicited prospective franchisees in selected areas and/or provided services to its franchisees in selected areas. There are no Aire Serv franchisees with regional or area franchise rights, and Aire Serv has not offered or sold any regional or area franchises since at least 2012. Aire Serv maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707.

As of December 31, 2019, Aire Serv had 177 franchises in operation in the U.S. Aire Serv has never conducted business of the type described in this disclosure document.

Since 1993, Mr. Rooter LLC ("Rooter") has offered franchises which provide plumbing and plumbing repair services; sewer, drain and pipe cleaning services; septic tank pumping; water heater replacement; TV pipe inspection; line and leak detection; hydronics; excavation and replacement of sewer lines and other related services and products in homes and commercial buildings under the names MR. ROOTER® and AMERICA'S TROUBLE SHOOTER®. At various times since 1990, Rooter or a predecessor of Rooter also had offered area franchises which solicited prospective franchisees and/or provided services to its franchisees in selected areas. There are no Rooter franchisees with regional or area franchise rights, and Rooter no longer offers any regional or area franchises. Rooter maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, TX 76707. As of December 31, 2019, Rooter had 207 franchises in operation in the U.S. Rooter has never conducted business of the type described in this disclosure document.

Since 1981, Rainbow International LLC ("Rainbow International") has offered franchises which provide carpet cleaning, dyeing, repair, reinstallation and related services; upholstery, drapery and ceiling cleaning and related services; and deodorization services under the names RAINBOW INTERNATIONAL®, RAINBOW INTERNATIONAL CARPET CARE & RESTORATION SPECIALIST®, RAINBOW INTERNATIONAL RESTORATION & CLEANING® and RAINBOW INTERNATIONAL RESTORATION®. In 1997, Rainbow International added an option to perform air duct cleaning services. In 2000, Rainbow International added water, smoke and disaster restoration services. In 2001, Rainbow International added an option to perform mold remediation services. At various times since 1993, Rainbow International had also offered regional or area franchises which solicited prospective franchisees and/or provided services to its franchisees in selected areas. There are no Rainbow International franchisees with regional or area franchise rights, and Rainbow International has not offered or sold any regional or area franchises since at least 2012. Rainbow International maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Rainbow International had 294 franchises in operation in the U.S. In addition, Rainbow International offers Rainbow franchises in the UK (through a master franchise relationship), with 63 franchises in operation in the UK as of December 31, 2019. Rainbow International has never conducted business of the type described in this disclosure document.

Since 1994, Mr. Electric LLC ("Electric") has offered franchises which perform electrical services and repairs under the name MR. ELECTRIC®. At various times since 1995, Electric had also offered regional or area franchises which solicited prospective franchisees and/or provided services to its franchisees in selected areas. There have been no Electric franchisees with regional or area franchise rights since 2014 and Electric has not offered or sold any regional or area franchises for at least the last decade. Electric maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Electric had 147 franchises in operation in the U.S. In addition, as of December 31, 2019, there were a total of 10 Electric franchises in operation in Portugal, Australia and South Africa (through a master franchise relationship), and one Electric franchise in operation in Grand Cayman (through a master franchise relationship). Electric has never conducted business of the type described in this disclosure document.

Since August 1996, Mr. Appliance LLC ("Appliance") has offered franchises which perform and provide service and repair on all major appliances for residential and commercial customers under the name MR. APPLIANCE®. Appliance maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Appliance had 277 franchises in operation in the U.S. Appliance has never conducted business of the type described in this disclosure document.

Since March 2004, Synergistic International, LLC d/b/a Glass Doctor ("Glass Doctor") has offered franchises that repair and replace auto and flat glass under the name GLASS DOCTOR®. From 1977 to March 2004, Glass Doctor's predecessors offered similar franchises. Glass Doctor maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Glass Doctor had 162 franchises in operation in the U.S. Glass Doctor has never conducted business of the type described in this disclosure document.

Since April, 2010, The Grounds Guys LLC ("Grounds Guys") has offered franchises which perform and provide summer and winter commercial, residential, and municipal property maintenance and landscaping services and other related products and services under the name Grounds Guys®. Grounds Guys maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Grounds Guys had 160 franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document.

A wholly-owned subsidiary of our Parent since January 2015, Five Star Painting, LLC (formerly Five Star Painting, Inc., a Nevada corporation) ("Five Star Painting") has, since September 2007, offered franchises which perform and provide residential and commercial painting services and other related products and services under the name Five Star Painting®. Five Star Painting maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Five Star Painting had 197 Five Star Painting franchises in operation in the U.S. and has never conducted business of the type described in this disclosure document. In connection with the January 2015 transaction in which Five Star Painting was acquired by our parent, the Canadian franchise agreement that was entered into with a former affiliate of Five Star Painting and all of the other 7 Canadian franchise agreements were assigned to Five Star Painting (collectively, the "Pre-Existing Franchise Agreements"). On December 30, 2015, the Pre-Existing Franchise Agreements were assigned by Five Star Painting to The Dwyer Group Canada Inc., which is the franchisor for Five Star Painting in Canada, as noted below. In addition, on March 25, 2016, our affiliate since June 2015, ProTect Painters International, LLC ("ProTect Painters"), a Michigan limited liability company, merged with and into Five Star Painting, with Five Star Painting being the surviving entity in the merger (the "Merger"). As a result of the Merger, Five Star Painting now offers franchises under both, the Five Star Painting marks and the ProTect Painters marks. As of December 31, 2019, Five Star Painting had two ProTect Painters franchises.

A wholly owned subsidiary of our Parent since June 2015, Molly Maid LLC, formerly Molly Maid, Inc. ("Molly Maid"), is a limited liability company formed May 8, 1984 for the purpose of franchising the Molly Maid system, which offers professional residential housekeeping services, as well as a carpet cleaning program under the name Molly Maid®. Molly Maid maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, MOLLY MAID had 492 franchises in operation in the United States and Puerto Rico. Molly Maid has never conducted business or offered franchises of the type described in this disclosure document

A wholly owned subsidiary of our Parent since June 2015, Mr. Handyman International, L.L.C. ("Mr. Handyman"), a Michigan limited liability company formed on January 6, 2000, is franchising companies dedicated to performing business and residential maintenance and repair services under the name Mr. Handyman®. It maintains its principal business address at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, Mr. Handyman had 234 franchises in the U.S. Mr. Handyman has never conducted business or offered franchises of the type described in this disclosure document

A wholly-owned subsidiary of our Parent since November 10, 2016, FOR Franchising, LLC ("FOR") is an Ohio limited liability company formed on December 12, 1997. Since 1998, FOR has offered franchises for the operation of a residential and commercial window cleaning, window tinting and pressure washing business operated under the Window Genie® name. It maintains its principal business address at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, it had 130 unit franchises in operation in the U.S. FOR has never conducted business or offered franchises of the type described in this disclosure document.

On February 26, 2018, our Parent acquired all of the equity interests of (a) Property Management Business Solutions, LLC, a Utah limited liability company ("PMBS"), (b) BOI BackOffice, LLC, a Utah limited liability company, and (c) Real Property Management Canada, LLC, a Utah limited liability company. PMBS was formed on April 21, 2004 and for the past twelve years, it has been offering franchises for the operating of businesses providing property management services, including management of maintenance and repair services and rent collection under the Real Property Management name ("RPM Business"). PMBS maintains its principal business address at 1010-1020 North University Parks Drive, Waco, Texas 76707.

As of December 31, 2019, PMBS had 315 unit franchises in operation. PMBS has not previously offered franchises in any other line of business.

Real Property Management Canada, LLC, f/k/a Real Property Management Canada, Inc. ("RPMC"), was incorporated on September 5, 2008 and is located at 1010-1020 North University Parks Drive, Waco, Texas 76707. RPMC was formed to be the franchisor of RPM Businesses in Canada, and it is currently operating in that capacity. RPMC has offered and sold one RPM Business master franchise in Canada under the name Real Canadian Property Management Limited Partnership, with 22 franchises in operation in Canada as of December 31, 2019. RPMC does not offer franchises in any other line of business. Additionally, RPMC does not and has not previously conducted business of the type operated by RPM Businesses.

On August 9, 2018, our Parent acquired all of the equity interests of Mosquito Joe Franchising, LLC ("MoJo") and certain of its affiliates that offer services to MoJo franchisees. MoJo was organized on August 6, 2012, and since 2012 it has been offering franchises for the operation of businesses providing services and equipment to both residential and commercial customers to control undesirable outdoor insects, such as mosquitoes, ticks and fleas, under the Mosquito Joe® name. MoJo maintains its principal business address at 4490 Holland Office Park, Suite 100, Virginia Beach, VA 23452. As of December 31, 2019, MoJo had 319 unit franchises in operation and 3 affiliate operated units. MoJo has not offered franchises in any other line of business.

On February 21, 2020, our Parent acquired all of the equity interests of Dryer Vent Wizard International LLC ("DVW"), a Delaware limited liability company. DVW was organized on February 28, 2011 as a Michigan limited liability company, and immediately prior to the closing of the acquisition by Parent, it was converted to a Delaware limited liability company. Since April 2011 DVW has been offering franchises for the operation of businesses providing installation and repair of, and cleaning products and services for: dryer vents, bathroom vents, kitchen vents, appliances, exhaust vents, air movement systems and washing machine filters and hoses to enhance the performance and safety of clothes dryers and other household appliances to residential and commercial customers, under the Dryer Vent Wizard® name. DVW maintains its principal business address at 1010-1020 North University Parks Drive, Waco, Texas 76707. As of December 31, 2019, DVW had 88 unit franchises in operation in the U.S. and five unit franchises in Canada. DVW has not offered franchises in any other line of business.

On June 30, 2020, our Parent acquired all of the equity interests of Master Companies, Inc., a Delaware corporation and the indirect parent of HM Services, LLC, a Delaware limited liability company doing business under the name "HouseMaster" ("HMS"). HMS was organized on December 16, 2016. Since March 2017, HMS has been offering franchises for the operation of a building inspection and related services business under the HouseMaster™ trademark. HMS's predecessors-in-interest have been offering such franchises since 1979. HMS maintains its principal business address at 92 East Main Street, Ste 201, Somerville, NJ 08876. As of December 31, 2019, HMS had 279 unit franchises in operation in the U.S. and 32 unit franchises in Canada. HMS has not offered franchises in any other line of business.

To the extent the affiliates named above are identified as offering franchises, they offer such franchises using separate franchise disclosure documents. We will make any of those disclosure documents available to you upon request.

The Dwyer Group Canada, Inc. ("TDGC"), a wholly owned subsidiary of our Parent since January 1998, was incorporated in the Province of Ontario, Canada on January 21, 1998. TDGC has the right to offer and sell Mr. Handyman, Rooter, Rainbow International, Glass Doctor, Appliance, Electric, Aire Serv, Five Star Painting and Grounds Guys franchises in Canada under 3-party agreements between TDGC, us or the applicable affiliate-franchisor, and the franchisee. TDGC, in cooperation with us or such affiliate-franchisor, provides support and supervision and, at times, assistance or guidance, to Canadian franchisees operating under our or the affiliate's trademarks and systems. TDGC maintains its principal place of business in Ontario, Canada at 250 Dundas Street West, Toronto, Ontario M5T 2Z5. As of December 31, 2019, TDGC had 15 Mr. Handyman franchises, 24 Rooter franchises, 19 Rainbow International franchises, 11 Glass Doctor franchises, 19 Appliance franchises, 16 Electric franchises, 10

Aire Serv franchises, 6 Five Star Painting franchises and 28 Grounds Guys franchises in operation in Canada.

Dwyer (UK Franchising) Limited ("Dwyer UK"), a wholly-owned subsidiary of our Parent since March 9, 2012, was incorporated in England and Wales on March 9, 2012. Dwyer UK has the right to offer and sell Aire Serv and Electric franchises in the United Kingdom using agreements between Dwyer UK and the franchisee. Dwyer UK, in cooperation with Aire Serv and Electric, provides support and supervision and, at times, assistance or guidance, to franchisees operating under those trademarks and systems in the United Kingdom. Dwyer UK maintains its principal place of business in Five Mile House, 128 Hanbury Rd., Stroke Prior, Bromsgrove, Worcester EG B60 4JZ, United Kingdom. As of December 31, 2019, Dwyer UK had 8 Electric franchises and 2 Aire Serv franchises. Dwyer UK has the right to offer franchises in the United Kingdom for the same type of business as Aire Serv and Electric offer in the U.S. under separate franchise disclosure documents.

In October 2015, a wholly-owned subsidiary of our Parent, Drain Doctor Holdings Limited (f/k/a Dwyer DD UK Limited), a private limited company registered in England and Wales, acquired ownership of Rooter's UK master licensee that had been offering Rooter franchises in the U.K. under the name Drain Doctor® and had 59 franchises in the UK as of December 31, 2019.

Rainbow International Systemzentrale Deutschland GmbH ("Rainbow Germany"), a wholly-owned subsidiary of our Parent since September 18, 2014, was incorporated in Germany on September 18, 2014. Rainbow Germany has the right to offer and sell Rainbow franchises in Germany using agreements between Rainbow Germany and the franchisee. Rainbow Germany, in cooperation with Rainbow International, provides support and supervision and, at times, assistance or guidance, to franchisees operating under the Rainbow marks and system in Germany. Rainbow Germany maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. As of December 31, 2019, Rainbow Germany had 32 Rainbow International franchises in Germany. Rainbow Germany has the right to offer franchises in Germany for the same type of business as Rainbow International offers in the U.S. under a separate franchise disclosure document.

Locatec Ortungstechnik GmbH ("Locatec") is a wholly-owned subsidiary of our Parent since April 27, 2016. Locatec has the right to offer and sell Locatec franchises in Austria and Germany using agreements between Locatec and the franchisee. Locatec, in cooperation with our affiliates, provides support and supervision and, at times, assistance or guidance to franchisees operating under Locatec trademarks and systems in Germany and Austria. Locatec maintains its principal place of business at Flözstraße 18, 73433 Aalen, Germany. Locatec franchisees offer non-destructive detection of all types of leaks in pipe systems (indoor and outdoor including pipes for gas, water, sewage, and district heat) and flat roofs as well as emergency repair services. As of December 31, 2019, Locatec had 54 franchises in Germany and 8 in Austria.

Bright and Beautiful UK Limited ("Bright and Beautiful") is a wholly owned subsidiary of our Parent since April 13, 2017. Bright and Beautiful has the right to offer and sell Bright and Beautiful franchises in the United Kingdom using agreements between Bright and Beautiful and the franchisee. Bright and Beautiful provides support and supervision and, at times, assistance or guidance to franchisees operating under Bright and Beautiful trademarks and systems in the United Kingdom. Bright and Beautiful franchisees offer domestic cleaning services. As of December 31, 2019, Bright and Beautiful had 71 franchises in the United Kingdom.

Countrywide Garden Maintenance Services Limited ("Countrywide") is a wholly owned subsidiary of our Parent since May 2, 2017. Countrywide has the right to offer and sell Countrywide franchises in the United Kingdom using agreements between Countrywide and the franchisee. Countrywide provides support and supervision and, at times, assistance or guidance to franchisees operating under Countrywide trademarks and systems in the United Kingdom. Countrywide franchisees offer commercial grass cutting, landscape maintenance, grounds maintenance and winter gritting services. As of December 31, 2019, Countrywide had 52 franchises in the United Kingdom.

Dream Doors Holdings Limited ("Dream Doors") is a wholly owned subsidiary of our Parent since February 26, 2019. Dream Doors has the right to offer and sell Dream Doors franchises in the United Kingdom using agreements between Dream Doors and the franchisee. Dream Doors provides support and supervision and, at times, assistance or guidance to franchisees operating under Dream Doors trademarks and systems in the United Kingdom. Dream Doors franchisees offer fully-fitted kitchen makeovers, replacement doors and countertops and the installation of new appliances. As of December 31, 2019, Dream Doors had 92 franchises in the United Kingdom and has never conducted business or offered franchises of the type described in this disclosure document

ZorWare LLC, a Texas limited liability company and a wholly-owned subsidiary of our Parent ("ZorWare"), provides software to our affiliates and may in the future provide software and technical support to franchisees and may collect fees from franchisees for certain software programs. ZorWare maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ZorWare does not own or operate any franchises nor has it offered franchises in any line of business.

FranTech, L.L.C., a Michigan limited liability company and a wholly-owned subsidiary of our Parent ("FranTech"), provides software to our affiliates and may in the future provide software and technical support to franchisees and may collect fees from franchisees for certain software programs. FranTech maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. FranTech does not own or operate any franchises nor has it offered franchises in any line of business.

ProTradeNet, LLC, a Delaware limited liability company ("ProTradeNet"), negotiates, and sometimes enters into contracts, with some of the vendors, suppliers and others who do business or propose to do business with our and our affiliates' franchisees with the goal of obtaining better terms and conditions on which franchisees purchase goods and services for their businesses. ProTradeNet maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. ProTradeNet does not own or operate any franchises nor has it offered franchises in any line of business.

Neighborly Service Solutions, LLC f/k/a Handled.com LLC, a Delaware limited liability company and a wholly-owned subsidiary of our Parent, d/b/a Dwyer Service Solutions ("Neighborly Service Solutions") was formed in 2011 to, among other things, negotiate, and sometimes enter into contracts with some of the Key Accounts. Neighborly Service Solutions also currently offers certain marketing and other services. Neighborly Service Solutions maintains its principal place of business at 1010-1020 North University Parks Drive, Waco, Texas 76707. Neighborly Service Solutions does not own or operate any franchises nor has it offered franchises in any line of business.

Except as noted above, none of our affiliates have offered franchises in the same line of business as offered in this disclosure document or in any other line of business.

The Franchise

The franchise being offered is for a mobile business that markets, designs, sells and installs customized solutions for new and existing cabinets identified by the trade name and service mark "SHELFGENIE" as well as other trademarks, logos, designs, and indicia of origin we may designate from time to time for use in connection with the SHELFGENIE Business ("**Proprietary Marks**").

SHELFGENIE, as the result of the expenditure of time, skill, effort and money, has developed and owns a unique system relating to the management and operation of a business that markets, sells and installs products customized and built around homeowners' and business owners' needs for moving shelving, drawer, storage, and organization systems, under the trade name and service mark "SHELFGENIE®", for cabinets, counters, closets, garages, or other structures, under the Proprietary Marks (the "**System**"). The distinguishing characteristics of the System include, but are not limited to the following: uniform standards and procedures for business operations; training in operations and management; advertising and promotional programs; customer development and service techniques; centralized business support center; web based proprietary business system and other technical assistance, all of

which may be changed, improved or otherwise developed by us from time to time. You will use a vehicle approved by us in the operation of your SHELFGENIE Business.

Each SHELFGENIE Business will be operated in accordance with the terms and conditions of the Franchise Agreement which you will be required to sign if you qualify as a franchisee and decide to become one of our franchisees. A copy of the Franchise Agreement is attached as Exhibit A to this Disclosure Document. A separate Franchise Agreement must be entered into for each Assigned Territory in which you operate a SHELFGENIE Business and each Franchise Agreement. Currently, we categorize the franchise offered by the size of the Assigned Territory granted under your Franchise Agreement as either the Executive franchise or the Owner/Operator franchise, as further described in Item 12 of this disclosure document. If your Assigned Territory size places the franchise you purchase in our Owner/Operator Franchies category, you will execute our form of Franchise Agreement as well as the Owner/Operator Franchise Addendum attached as Exhibit 10 to the Franchise Agreement, which modifies the applicable fees. Throughout this Disclosure Document, if a term, fee, or obligation is not applied expressly to either the Executive Franchise or Owner/Operator Franchise model, the term, fee, or obligation applies equally to both models.

You may also sign an Option Amendment to Franchise Agreement, a copy of which is attached as Exhibit 9 of the Franchise Agreement, under which we will agree to hold and to not sell to other franchisees the Option Assigned Territories set out in Attachment 1 of the Option Amendment for a period of 12 months. You will enter into a separate Franchise Agreement for each Option Assigned Territory you elect to purchase and acquire franchise rights in, as set out under the terms of the Option Amendment. We grant option rights as set out in the Option Amendment for Assigned Territories whose size falls under our standard Executive Franchise model.

Regulatory Matters

It is your obligation to comply with all laws and regulations which are currently in existence and which may later be adopted. Franchisees will be subject to local, city, county and state regulations and local, city, county and state licensing regulations for the operation of businesses generally. There may also be local, city, county, and state business, home improvement and/or contractor licenses that you need to obtain to operate your SHELFGENIE Business in your Assigned Territory. You should research the required licenses that apply to your SHELFGENIE Business and consult with your legal counsel to determine the applicability of licensing and other laws and regulations applicable to the operation of your SHELFGENIE Business.

You must comply with all zoning or other laws or regulations regarding the parking of commercial vehicles in residential areas and operating businesses from residences. If you plan to use independent contractors instead of employees, you will need to consult with legal counsel on independent contractor classification issues. You are also required to consult with your own legal counsel or accountant regarding your obligations to collect sales or use tax and the practices or systems you must have in place for this purpose.

Competition

The general market will primarily include owners of existing homes. The market is established but is still developing as more and more individuals come to desire organizational solutions such as moving shelving. There are numerous direct and indirect competitors in this market. Your competitors will include (a) other regional and local chains, which provide similar services, (b) kits provided at hardware stores for the do-it-yourself homeowners, (c) other businesses operated or franchised by us which do not use any of the Proprietary Marks (if we choose to open any in the future), and (d) other businesses or franchises operated or franchised by us using the Proprietary Marks, but only outside of your Assigned Territory. We believe that competition will continue in this industry. The franchisees of our Affiliate, Mr. Handyman, provide maintenance and repair services for residential and commercial customers, and you may compete in your territory with a Mr. Handyman franchisee when you open for business or sometime in the future as the Mr. Handyman system expands. The franchisees of our Affiliate, Dream Doors, offer fully-fitted kitchen

makeovers in the UK and you may compete in your territory with a Dream Doors franchisee sometime in the future if the Dream Doors system expands to the United States.

ITEM 2
BUSINESS EXPERIENCE

President: Andy Pittman

Andy has served as our President since October 2020 and served as our Chief Executive Officer from January 2018 until October 2020. Previously, from December 2016 until December 2017, Andy served as our Chief Operating Officer. Additionally, Andy currently serves as both the Managing Member of Home Improvement Solutions NC, LLC, located in Raleigh, North Carolina, and Partner of Top Shelf Ventures, LLC, located in Raleigh, North Carolina, and has held these positions since January 2015.

Chief Financial Officer: Adam Holzhauer

Adam has served as our Chief Financial Officer since July 2019. Previously, from January 2017 until June 2019, Adam served as director of Operations Finance for D4C Dental Brands, Inc. located in Atlanta, GA, from February 2016 until December 2016 served as Chief Financial Officer for Liberty House Restaurant Group located in Atlanta, GA, from May 2015 until January 2016 served as Vice President of Client Accounting for Quatrro FPO, Inc. located in Marietta, GA and from April 2007 until April 2015 served as CAO, Vice President of Finance and Controller at different points during the time period for Springtime House Inc. d/b/a Atlanta Bread Company and Bake One located in Smyrna, GA. Additionally, Adam currently serves as the Sole Member and President of ARH Business Consulting, LLC, located in Atlanta, GA, and has held this position since January 2017.

Treasurer and Parent Chief Financial Officer: Jon Shell

Mr. Shell has been our Treasurer since October 2020]. He has also been Chief Financial Officer of our Parent since September 2015. From June 2012 to September 2015 he was the Chief Financial Officer for Barbecue Integrated, Inc. in Orlando, Florida.

Chief Marketing Officer: Lisa Zoellner

Ms. Zoellner has been the Chief Marketing Officer for us since October 2020 and for a number of our affiliates, including our Parent, since January 2016. From October 2015 to December 2015 she was self-employed in Austin, Texas. From June 2012 to September 2015 she was Chief Marketing Officer for Golfsmith International in Austin, Texas.

Senior Vice President of Marketing: Cody Pierce

Mr. Pierce has been the Senior Vice President of Marketing for us since October 2020 and for a number of our affiliates since March 2016. From January 2012 to March 2016, Mr. Pierce was the Vice President of Marketing for Pizza Ranch Inc. in Orange City, Iowa.

Parent Chief Executive Officer: Michael B. Bidwell

Mr. Bidwell has been the Chief Executive Officer of our Parent since February 2014. Since June 2018, he has also been a Vice President and a Director of TDG Intermediate, LLC, Balcones Holdco, Inc. and TDG Investment Holdings, LLC. He is also the President and a Director of a number of our other parent companies and affiliates.

Parent Chief Operating Officer: Mary Kennedy Thompson

Ms. Thompson has been Chief Operating Officer of our Parent since August 2015 and was Executive Vice President of our Parent from February of 2014 to July 2015. In 2013 she was named the Director of Veteran Affairs for our Parent. She was President of Rooter from October 2006 to July 2015.

Parent Chief Development Officer: Bradley Stevenson

Mr. Stevenson has been Chief Development Officer for Parent since October 2019. From November 2013 to October 2019, Mr. Stevenson was Vice President of Sales - Grocery of MillerCoors LLC in Chicago, Illinois.

Parent Executive Vice President, Neighborly General Manager: Douglas C. Rogers

Mr. Rogers has been the Executive Vice President, Neighborly General Manager for our Parent since April 2019. From October 2016 until March 2019, Mr. Rogers was the Senior Vice President of Franchising Operations for our Parent. From March 2006 until March 2019, he was also the President of Appliance.

Parent Senior Vice President of Franchise Development: Brandon Haire

Mr. Haire has been Senior Vice President of Franchise Development for Parent since January 2017. From April 2015 to January 2018, Mr. Haire was the Vice President of Franchise Development for Appliance and Aire Serv. From May 2013 to March 2015, he was the Franchise Development Leader for Appliance and Air Serv. From October 2011 to May 2013, he was a Franchise Developer for Aire Serv.

Parent Senior Vice President of Brand Management Marketing: Lori Johnson

Ms. Johnson has been Senior Vice President of Brand Management Marketing for Parent since February 2019. From May 2016 to February 2019, she was the Vice President of Brand Management Marketing for Parent. From January 2013 until April 2016, Ms. Johnson was the Director of Marketing Strategy and Planning for ALSAC – the fundraising and awareness organization for St. Jude Children's Research Hospital in Memphis, Tennessee.

Vice President of Franchise Development: Patrick Hyland

Mr. Hyland has been our Vice President of Franchise Development since October 2020. Mr. Hyland has been Vice President of Franchise Development for Grounds Guys since April 1, 2015 and Vice President of Franchise Development for Rainbow International since May 2015. From August 2011 to April 2015, he was Franchise Development Leader for Grounds Guys.

Except as otherwise stated above, the location of each of the positions described above was 1010-1020 North University Parks Drive, Waco, Texas 76707.

* * *

We may offer incentives or referral fees to our franchisees or their independent contractor designers or installers to refer prospective franchisees to us. See Item 20 below.

ITEM 3
LITIGATION

Concluded Action

Cabinet Essentials Group, LLC, ShelfGenie Franchise Systems, LLC and G-O Manufacturing, LLC v. Lee Anne Daniels, Frank Daniels, Marianna Keselman, Eric Gelman, Gliding Shelf Solutions, Inc., Complete Solutions, and Rydan Manufacturing, Inc., Superior Court of Justice, Ontario, Case No. CV-15-124463-SR, Filed October 28, 2015.

This case pertains to our attempts to enforce a judgment and an award of damages against a former dealer of our affiliate G-O Manufacturing in Canada. Our parent, Cabinet Essentials Group, LLC, our affiliate, G-O Manufacturing, LLC and us ("Plaintiffs" or "we") originally filed an action for injunctive relief against the above-named defendants ("Defendants") in Cabinet Essentials Group, LLC, ShelfGenie Franchise Systems, LLC and G-O Manufacturing, LLC v. Lee Anne Daniels, Frank Daniels, Marianna Keselman, Eric Gelman, Gliding Shelf Solutions, Inc., Complete Solutions, Complete Water Solutions, and Rydan Manufacturing, Inc., Superior Court of Justice, Ontario, Case No. 150/13, Filed August 6, 2013. We alleged that defendants Lee Anne and Frank Daniels, who had signed a Dealer Agreement with G-O Manufacturing in 2009, had committed numerous breaches of their Dealer Agreement by way of operating competing business in Canada (Gliding Shelf Solutions, Complete Solutions, and Rydan Manufacturing), which included violations of their restrictive covenants and unauthorized use of confidential information and trade secrets. The complaint also alleged that defendants Keselman and Gelman, both of whom worked for the Daniels, and who also received specialized training, were in breach of their confidentiality agreements that they signed with G-O Manufacturing. The Ontario Court required that the case be re-filed in Virginia and on February 28, 2014, we filed our Complaint against Defendants in Cabinet Essentials Group, LLC, ShelfGenie Franchise Systems, LLC and G-O Manufacturing, LLC v. Lee Anne Daniels, Frank Daniels, Marianna Keselman, Eric Gelman, Gliding Shelf Solutions, Inc., Complete Solutions, and Rydan Manufacturing, Inc., Circuit Court of Hanover County, Virginia, Case No. CL14-578, Filed February 28, 2014. (the "Complaint"). The Complaint alleged (1) Breach of Contract - Dealer Agreement, (2) Breach of Contract – Confidentiality Agreements, (3) Fraudulent Inducement, (4) Passing Off, (5) Breach of Duty of Good Faith, (6) Breach of Confidence, (7) Misappropriation of Business, (8) Unjust Enrichment, and (9) Waiver of Tort. Following a hearing, on July 24, 2015 the Virginia Court ruled in favor of Plaintiffs on all counts, and issued a Final Order Awarding Injunctive and Monetary Relief on Summary Judgment (the "Order"). The Order permanently enjoined various of the Defendants from breaching their agreements with Defendants, permanently enjoined Defendants Lee Anne Daniels, Frank Daniels, Marianna Keselman, and Eric Gelman from operating, engaging in, or being employed by competing businesses or engaging in competing activities, and permanently enjoined all Defendants from establishing, operating, being employed by, or otherwise participating in the operation of any dealership or other business, including but not limited to Gliding Shelf Solutions, Inc., Complete Solutions, Rydan Manufacturing, Inc., that manufactures, produces, sells, and/or installs glide-out and/or roll-out shelving products, regardless of the corporate and/or trade name of such dealership or other business. The Order also (a) awarded G-O Manufacturing $2,000,000.00 in damages from the Defendants; and (b) awarded G-O Manufacturing $83,000.00 for reimbursement of attorneys' fees and costs. The Court also ordered that Defendants pay the sum of $350,000.00 in punitive damages to each of Plaintiffs. On October 28, 2015, we filed a Statement of Claim to enforce the Order against the Defendants in Canada, Cabinet Essentials Group, LLC, ShelfGenie Franchise Systems, LLC and G-O Manufacturing, LLC v. Lee Anne Daniels, Frank Daniels, Marianna Keselman, Eric Gelman, Gliding Shelf Solutions, Inc., Complete Solutions, and Rydan Manufacturing, Inc., Superior Court of Justice, Ontario, Case No. CV-15-124463-SR, Filed October 28, 2015. On December 11, 2015, Defendants filed their Answer and Defendants Gliding Shelf Solutions, Inc. ("GSS") and Lee Anne Daniels ("Daniels") filed a counterclaim against the Plaintiffs. The counterclaim alleges that Plaintiffs have damaged GSS and Daniels by having allegedly unlawfully interfered with their economic interests, slandered them contrary to common law, made slanderous comments disparaging their trade and business and created confusion amongst the parties' wares services and businesses, contrary to the *Libel and Slander Act* and the *Canadian Trade-Marks Act*, engaged in other conduct and initiated and engaged in unlawful predatory and anti-competitive sham litigation against them. GSS and Daniels seek injunctive relief, a declaratory order that the Plaintiffs' Order is null and void and not enforceable in

Ontario and in Canada, $500,000.00 for the alleged violations of the *Libel and Slander Act* and the *Canadian Trade-Marks Act*, $4,250,000.00 for allegedly engaging in unlawful predatory and anti-competitive sham litigation, and punitive damaged of $10,000,000.00, along with pre and post judgment interest and costs. Plaintiffs intend to enforce their Order against Defendants, and to defend vigorously against GSS and Daniels' counterclaim. The parties entered into a settlement agreement on September 29, 2020, which settlement agreement included mutual releases of all claims, including all claims arising out of the Superior Court of Justice, Ontario litigation and the Circuit Court of Hanover County, Virginia litigation, including the Order issued by the Virginia Court. In the settlement agreement, the parties agreed (i) not to enforce the Order and that the Order shall be deemed fully satisfied and of no force and effect as against each other, (ii) that the settlement agreement is made without any admission of liability and (iii) that an order dismissing the action, with prejudice, shall be issued.

Administrative Orders involving Affiliates and not involving the Franchisor

The Commissioner of Business Oversight of the State of California v. For Franchising LLC d/b/a Window Genie and Richard Nonelle. On November 14, 2017, our affiliate FOR, which offers Window Genie franchises, and Richard Nonelle, president of FOR, entered into a Consent Order with the Commissioner of Business Oversight of the State of California (the "Consent Order"). The Commissioner alleged that FOR and Mr. Nonelle had violated Section 31156 of the California Franchise Investment Law by failing to submit to the Commissioner copies of two advertisements offering a Window Genie franchise before such documents were provided to California residents in 2013. In an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, FOR and Mr. Nonelle entered into the Consent Order and agreed, in full, final and complete resolution of the matter, that (a) FOR and Mr. Nonelle would desist and refrain from violations of section 31156 of the California Franchise Investment Law; (b) FOR would pay an administrative penalty in the total amount of $5,000 (which amount FOR paid) and (c) within 90 days of the date of the Consent Order, Mr. Nonelle and all persons employed by FOR who assist in preparing franchise registrations or who assist in franchise selling would attend remedial education of eight hours of franchise law training courses per person (which requirement has been completed).

State of Kansas vs. Molly Maid, Inc. (18th Judicial District, Sedgwick County, Kansas, Case No. 10CV4719). On November 29, 2010, our affiliate Molly Maid, Inc. entered into a Journal Entry of Consent Judgment and Permanent Injunction (the "Consent Judgment"). The District Attorney for the Eighteenth Judicial District alleged that Molly Maid had violated the Kansas Consumer Protection Act ("KCPA") as a result of one Molly Maid franchisee being unable to document that background checks were performed on certain of its employees and the sale of gift certificates after the franchise was terminated. Molly Maid vigorously denied any violation of the KCPA, however in an effort to resolve the matter in the most economical manner, and without admitting any liability or wrongdoing, Molly Maid entered into the Consent Judgment and agreed to pay a civil penalty of $25,000 and to reimburse the District Attorneys' office $25,175 for its costs associated with the investigation, and to be enjoined from engaging in any act or practice, as alleged to have violated the KCPA. The Consent Judgment was marked satisfied on April 29, 2011 and Molly Maid is in full compliance with the Consent Judgment.

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

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

Executive Franchise

If you are entering into a Franchise Agreement with us for the operation of an Executive Franchise SHELFGENIE Business, then, at the time you sign the Franchise Agreement, you will pay to us an initial franchise fee ("Initial Franchise Fee") equal to $39,500. If you request to add, and we approve the addition, of more area to your Assigned Territory, your Initial Franchise Fee will increase by $200 per 1,000 houses or households added to your Assigned Territory. This additional amount applies to any approved request to add more area to your Assigned Territory, whether this is for your first, or any subsequent, Franchise Agreement.

If, at the same time you enter into your first Franchise Agreement with us you wish to purchase the franchise rights to additional Assigned Territories, the Initial Franchise Fee under your first, and each additional Franchise Agreement will equal:

- $39,500 for your first Assigned Territory;
- $30,000 for your second Assigned Territory;
- $30,000 for your third Assigned Territory;
- $20,000 for your fourth and any additional Assigned Territories (for a total Initial Franchise Fee of $119,500 if you purchase four Assigned Territories at once).

The above-described discount to additional Assigned Territories applies only if all Assigned Territories are purchased and related Franchise Agreements are signed at the same time. Existing franchisees that are approved by us for the purchase of additional franchises, must pay an Initial Franchise Fee of $39,500 under their next Franchise Agreement with us. If such existing franchisees wish to purchase more than one additional franchise, the above fee scale will apply. Approval as a franchisee for your first SHELFGENIE Business does not guarantee that you will be approved as a franchisee for an additional SHELFGENIE Businesses.

Owner/Operator Franchise

If you are entering into a Franchise Agreement with us for the operation of an Owner/Operator Franchise SHELFGENIE Business, then, at the time you sign the Franchise Agreement you will pay to us an Initial Franchise Fee equal to $18,500. As we do not anticipate that there will be contiguous Assigned Territories under the Owner/Operator Franchise model, we do not have a graduated Initial Franchise Fee scale as outlined under the Executive Franchise model.

If you qualify for the VetFran program sponsored by the International Franchise Association and were honorably discharged, the Initial Franchise Fee you pay under your first Franchise Agreement will be reduced by 15%. If you qualify for the VetFran program, were honorably discharged and have a disability that was incurred or aggravated in the line of duty in the active military, the Initial Franchise Fee you pay under your first Franchise Agreement will be reduced by 25%. The Initial Franchise Fee is due at the time you sign the Franchise Agreement.

Additional Purchases and Technology Fee

In addition, before opening your SHELFGENIE Business, you must purchase from us or our affiliate demonstration materials for what we call our "Demo Kit" for approximately $300. You are also required to license certain software or technology from us under the Software Agreement (defined below). The initial technology fee is $1,000. However, at this time we are waiving this fee. You may, but are not required to,

purchase certain stationary, forms, labels and similar materials from us. If you purchase a package of these materials from us before opening, it will cost approximately $500.

Option Fee

Under our Option Amendment to Franchise Agreement, we will agree to hold and not sell to any other franchisee for a period of 12 months, the one or more agreed-upon Option Assigned Territories included in Attachment 1 of the Option Amendment. The Option Fee due on execution of the Option Amendment is $10,000 for each Option Assigned Territory you ask us to hold. The Option fee is uniform for all franchisees and is not refundable under any circumstance, regardless of whether you exercise any option, as compensation to us for our lost or deferred opportunity to franchise the Option Assigned Territory to others.

If you qualify for the VetFran program sponsored by the International Franchise Association and were honorably discharged, the Initial Franchise Fee you pay under your first Franchise Agreement will be reduced by 15%. If you qualify for the VetFran program, were honorably discharged and have a disability that was incurred or aggravated in the line of duty in the active military, the Initial Franchise Fee you pay under your first Franchise Agreement will be reduced by 25%. The Initial Franchise Fee is due at the time you sign the Franchise Agreement.

All fees disclosed in this Item 5 are uniformly imposed, fully-earned when paid, and non-refundable.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	Executive Franchise— The greater of $400 per month or 5% of Gross Revenues[2] Owner/Operator Franchise— The greater of $200 per month or 5% of Gross Revenues[2]	Due on Wednesday of each week for the previous week by ACH draft. 50% of the Royalty Fee for a sale is payable via an ACH transaction the week following the week in which that sales agreement is uploaded into our business system and the remaining 50% will be paid by ACH the week following the week in which the installation occurred. If installation is not complete within 30 days of product shipment by Manufacturing, we may collect the balance due via ACH. Any installations not completed by franchisee must be	No minimum Royalty Fee will be imposed until the first calendar day of your fourth full month in operation. Payable every Wednesday during the term of the Franchise Agreement as well as the Wednesday immediately following the expiration or termination of the term of the Franchise Agreement. After the close of each calendar month, we will calculate the total amount equal to 5% of your Gross Revenues, and if this amount falls short the minimum monthly Royalty Fee, the difference will be due to on the next Royalty Fee payment date. If more than 15% of your Gross Revenue in any given year are from outside Assigned Territory sales, then, in the next calendar year, per the terms of the outside

Type of Fee[1]	Amount	Due Date	Remarks
		reported to franchisor and a refund requested.	Assigned Territory Amendment attached to the Franchise Agreement as Exhibit 8, you will pay a Royalty Fee on all outside Assigned Territory sales equal to 10% of Gross Revenues.
Marketing Contribution	Executive Franchise and Owner/Operator Franchise— 2% of Gross Revenues	Due on Wednesday of each week for the previous week by ACH draft. 50% of the Marketing Contribution for a sale is payable via an ACH transaction the week following the week in which that sales agreement is uploaded into our business system and the remaining 50% will be paid by ACH the week following the week in which the installation occurred. If installation is not complete within 30 days of product shipment by Manufacturing, we may collect the balance due via ACH. Any installations not completed by franchisee must be reported to franchisor and a refund requested.	The Marketing Contribution (defined in Item 11) is used for creative development and is administered by us.[3] If franchisee is permitted to operate outside of its Assigned Territory under the terms of the Outside Assigned Territory Amendment to Franchise Agreement, sales under the Outside Assigned Territory Amendment to Franchise Agreement will be subject to the Marketing Contribution requirement.
Local Advertising	Executive Franchise— Under each Franchise Agreement, during the first year, you must spend a minimum of $10,000 during the first two months in operation, then $2,500 per month (on a rolling 3-month average) for the remainder of the first year. Thereafter, you must spend a minimum of $1,625 per month (on a rolling 3-month average)	As incurred	This is the minimum amount which you will be required to pay to third party suppliers every month on local advertising (including direct mail, home shows, promotions, newspaper advertisements, magazine advertisements, Yellow Pages listings, internet web sites, etc.). All advertising needs to be preapproved by us. You must submit receipts upon request. "**Rolling 3-month average**" means the monthly average for

Type of Fee[1]	Amount	Due Date	Remarks
	through the remainder of the term. <u>Owner/Operator Franchise—</u> Under each Franchise Agreement, during the first year, you must spend a minimum of $5,000 during the first two months in operation, then $1,250 per month (on a rolling 3-month average) for the remainder of the first year. Thereafter, you must spend a minimum of $625 per month (on a rolling 3-month average) through the remainder of the term.		the three-month period including the month then ended and the 2 preceding months. If franchisee is permitted to operate outside of its Assigned Territory under the terms of the Outside Assigned Territory Amendment to Franchise Agreement, any amount franchisee spends on advertising outside of its Assigned Territory will not count towards the local advertising requirements included in the Franchise Agreement.
Call Center Program	Currently, $200 per month (per franchisee and not per territory), and $32 per sales appointment booked, the total of which is paid weekly.	The monthly fee is due on the first Wednesday of each calendar month by ACH draft. The weekly fee is due on the Wednesday of each week for the previous week by ACH draft	This monthly fee is payable to our designated call center service provider, which is currently a third-party, for the services that it provides to our franchisees. This fee is payable once per month per franchisee. This weekly fee is payable to our call center service provider for each booked sales appointment. We reserve the right to change this fee.
Product Purchases from Affiliates	Based on a price list (which may be changed upon 30 days' notice) under the Manufacturing Agreement.[4] There are no minimum product purchase requirements.	As incurred. Payment by ACH draft with 30% paid as a down payment when the product is ordered and ACH draft net 30 day terms once the product is shipped.	Payment must include cost of goods, packaging, shipping, handling and taxes, if applicable. In some cases, you will pay freight companies directly for shipping.
Digital Marketing Expenditure	Currently, $750 per month per market as determined by us, plus either $150 per month per territory or a percentage of digital sales as negotiated between us and our designated vendor.	Monthly, as incurred.	You are required to spend this amount on digital media and digital marketing services that we may specify or approve and with such vendors we may designate. We reserve the right to modify the Digital Marketing Expenditure, the related service

Type of Fee[1]	Amount	Due Date	Remarks
			providers, and associated services on 30 days written notice.
Bookkeeping Services	Currently, $275 per month.	Monthly	This fee is imposed by our designated third party bookkeeping service which you are required to engage.
Media Placement	At your option, you may engage our designated third party service provider to handle the placement of media for the SHELFGENIE Business. For each placement of media our designated third party service provider handles, you must pay to them the gross publication cost plus their then-current media placement service fee ("**Media Placement Service Fee**")	As incurred. Payment by ACH draft to our designated third party service provider.	Our designated third party service provider's then-current Media Placement Service Fee is currently 10% to 15% of the gross publication cost. See Note 8.
SHELFGENIE Training Fee for Additional Attendees	Out-of-pocket expenses plus $200 per additional person(s) per day	Payable within 10 days of receipt of invoice, but before attending training.	All out-of-pocket expenses incurred to attend training as well as a $200 fee per person to have more than 2 people attend the SHELFGENIE Training.
Transfer Fee	50% of the then current Initial Franchise Fee, unless the transferee is a current franchisee that has been approved for an additional location, in which case the Transfer Fee will be 25% of the then current Initial Franchise Fee	Before consummation of the transfer	If broker fees or commissions are incurred, these must be paid by you or the transferee. This amount is in lieu of the Initial Franchise Fee.
Renewal Fee	Executive Franchise— $1,750 Owner/Operator Franchise— $875	Upon the execution of a successor Franchise Agreement	The initial term of your Franchise Agreement is 5 years, with 3 subsequent renewal options of 5 years each.
Indemnification	Varies under circumstances	As incurred	You must reimburse us for, or pay for our counsel to defend us against, claims caused by or related to your operation of your SHELFGENIE Business.

Type of Fee[1]	Amount	Due Date	Remarks
Additional Training	We reserve the right to charge you a reasonable fee for additional training; you will also pay out-of-pocket costs of attendance. Our fee is currently $500 per day (plus expenses if at your location).	Upon request or as required	You will be required to pay a reasonable fee for additional training; you will also be required to pay all out-of-pocket expenses incurred to attend these training programs. Additional training may be required for up to 5 days each year.
Costs and Attorneys' Fees	Vary depending on nature of your default	As incurred	Payable upon your default or breach of your Franchise Agreement.
Late Charges and Collection Costs[5]	The lesser of 18% per annum or the maximum rate of interest allowed by law	Payable upon receipt of invoice	Only payable if you fail to make payments to us when due.
Taxes	Our cost	Payable within 10 days of receipt of invoice	You must pay us all taxes (except our income taxes) we pay for products or services we furnish to you, or on our collection of the Initial Franchise Fee, Royalty Fees, Business Services Fees, Marketing Contributions and other fees from you.
Returned Check or Insufficient Funds for Electronic Transfer	$250 per occurrence	As incurred	Payable upon a returned check or the failure to keep enough funds in your operating or specified account for SHELFGENIE to make its pre-authorized withdrawals.
Software License Fee	At this time, there is an ongoing fee of $250 per month, plus $100 per month for each additional user over 3 users. We may change the monthly fees. We are currently waiving these fees for franchisees in good standing (i.e. franchisee's that pay fees timely and are not in default under their Franchise Agreement), but we reserve the right to discontinue, at any point, waiving the ongoing fees and start charging the ongoing fees in the future.	As incurred	These costs are under the Software Agreement. Payable upon demand by us or our affiliate. We and our affiliates reserve the right to charge you upfront and ongoing fees for technology licensing and support which they are charged by their third party vendor to add and keep you as a user on their system. Or, you may be required to pay these fees directly to the vendor.

Type of Fee[1]	Amount	Due Date	Remarks
Technology Fee	$60 per year per email address for email address services.	Monthly	We reserve the right to charge both upfront and ongoing fees for technology licensing, development, implementation, and support. We reserve the right to increase this fee and change the services offered or provided.
Online Presence and Customer Experience Management Platform	Currently, $75 per month	Monthly	This technology platform integrates with our business management software and call center to enhance your SHELFGENIE Business's online presence, manage reputation, and improve the customer experience. This fee is subject to change.
Audit	Our cost for an audit of your books and records. We estimate this cost at $1,000 per day, plus travel expenses.	Payable upon receipt of invoice	Triggered by an understatement of any reported amount in any report to us of 2% or more of Gross Revenues.[6]
Advertising Cooperative	Up to 2% of Gross Revenues (unless otherwise determined by the members of the cooperative.	As determined by officers of the Advertising Cooperative	See Item 11 for discussion about Advertising Cooperatives.
National Business Meeting or Annual Convention and Year End Meeting	Reasonable fee under the circumstances, if any	Payable upon receipt of invoice	We require you to attend up to two national business meetings or annual conferences per year, for up to 3 days each. You may have to pay a reasonable fee, which we expect will be up to $1,500 per person but this does not include your travel or lodging.
Failure to Maintain Insurance[1]	Our actual cost for insurance premiums and a reasonable fee for expenses we incur	On demand	If you fail to maintain the required insurance coverage on your franchise, we may acquire and pay for the insurance coverage and charge you

Explanatory Notes:

1. All fees are non-refundable. Unless otherwise noted, all fees are uniformly imposed by and payable to us, however, we have increased and modified the structure of the Royalty Fee over the period since we started franchising. At our request, you must authorize electronic fund transfers from your operating or specified account or specified bank account for the payment of any of our fees. See Items 7 and 8 for additional information concerning your purchases from third party suppliers.

2. The term "**Gross Revenues**" means the total amount received or receivable by or in connection with your SHELFGENIE Business from, connected with or related to the sale of any services, products, goods or merchandise and all business transacted by you related, directly or indirectly, to your SHELFGENIE Business, excluding only (a) the amount of any federal, state or local sales or excise taxes or other similar taxes, separately stated, which are required by law to be collected and paid by your SHELFGENIE Business to any governmental agency or authority, and (b) the amount of any refunds to customers for bona fide returns or cancellations.

3. The Marketing Contributions will be deposited into a fund maintained and operated by us (the "**Marketing Fund**"). The Marketing Fund will be used to meet the costs of maintaining, administering, directing and conducting advertising and promotional activities on a local, regional or national scale, including the cost of television, radio, magazine, Internet and newspaper advertising campaigns, website and digital marketing, test marketing, marketing surveys and public relations activities, employing a director and agencies to provide assistance in these areas, providing marketing and other materials to our franchisees, defraying salaries, administrative costs and overhead we may incur and other purposes we deem beneficial to our franchisees. We may terminate the Marketing Fund at any time in our sole discretion, and upon termination, we will spend the remaining balance in the Marketing Fund for the purposes described above.

4. You must purchase certain items such as the Core Products and any other approved products from us or our affiliate. You may decide to purchase certain other products from us or our affiliates. (See Item 8) The price and terms and conditions for these purchases are contained on a price list (which may be revised, amended or replaced upon 30 days' notice) (the "**Price List**") under the Manufacturing Agreement. The terms and conditions for these purchases may be changed by us or its affiliates at any time on 30 days' notice. All of the individuals who guaranteed the Franchise Agreement must also guarantee all of your purchases of products and equipment. If you fail to pay for any products or equipment when payment is due, we or our affiliates can require you to pay for future products and/or equipment in advance or withhold shipment of products and/or equipment in addition to requiring you to pay late fees and interest.

5. Interest begins from the date payment was due.

6. We estimate current audit costs at $1,000 per day, plus travel to and from your SHELFGENIE Business. If any inspection by us of your books and records discloses an understatement of any reported amount of any type, in any report, of 2% or more of Gross Revenues or of the amount owed to us for the period of the report, you must, in addition to paying us the amount of the understatement and applicable late fees and interest, to reimburse us for all costs and expenses connected with the inspection (including reasonable accounting and attorneys' fees). All of these amounts due are payable upon receipt of an invoice from us.

7. Training, meeting and conference fees do not include travel, lodging, meal and wage expenses for trainees/attendees.

We may change or modify the System as we deem appropriate from time to time, including, for example, to reflect the changing market and/or to meet new and changing customer demands. Our changes to the System may include, for instance, the adoption and use of new or modified products, services, equipment and furnishings and new techniques and methodologies relating to the sale, promotion, delivery, installation and marketing of products and services, and new trademarks, service marks and copyright materials. You must, upon reasonable notice, accept, implement, use and display in the operation of the SHELFGENIE Business any of these changes in the System at your sole expense. In addition, we reserve the right to charge additional, supplemental and/or temporary fees, charges or assessments for any of these modifications.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Executive Franchise

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee[2]	$39,500	Lump sum	Upon execution of the Franchise Agreement	SHELFGENIE
Option Fee[3]	$0 to $10,000	Lump Sum	Upon execution of the Option Amendment	SHELFGENIE
Leasehold Improvements[4]	$0 to $1,000	As needed	Before opening	Vendors
Vehicles[5]	$0 to $1,500	Financed by third party	Before opening and/or under lease agreement	Vehicle credit provider or lessor
Furniture, Home Show Display, and Fixtures[6]	$0 to $20,000	Lump sum	Before opening	Vendors
Technology and Office Equipment/ Supplies[7]	$500 to $2,000	Lump sum	Before Opening	Vendors or SHELFGENIE
Business Licenses and Permits[8]	$100 to $1,000	Lump sum	Before Opening	Agencies or organizations
Professional Fees[9]	$500 to $1,000	Lump sum	As invoiced	Attorneys, accountants and/or other advisors
Insurance[10]	$3,000 to $6,000	Lump sum	Before Opening	Insurance agent
Training Expense[11]	$1,000 to $3,500	As incurred	Before Opening	Airlines, hotels, etc.
Initial Marketing[12]	$12,500	As incurred	Before Opening and within 90 days of opening	Vendors, SHELFGENIE, and Manufacturing
Additional Funds – 3 months[13]	$5,000 to $15,000	As incurred	As needed during start-up period, first 90 days of business	Employees, vendors, utilities, etc.
Total[14]	$62,100 to $113,000			

Owner/Operator Franchise

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee[2]	$18,500	Lump sum	Upon execution of the Franchise Agreement	SHELFGENIE
Option Fee[3]	N/A	Lump Sum	Upon execution of the Option Amendment	SHELFGENIE
Leasehold Improvements[4]	$0 to $1,000	As needed	Before opening	Vendors
Vehicles[5]	$0 to $1,500	Financed by third party	Before opening and/or under lease agreement	Vehicle credit provider or lessor
Furniture, Home Show Display, and Fixtures[6]	$0 to $20,000	Lump sum	Before opening	Vendors
Technology and Office Equipment/ Supplies[7]	$500 to $2,000	Lump sum	Before Opening	Vendors or SHELFGENIE
Business Licenses and Permits[8]	$100 to $1,000	Lump sum	Before Opening	Agencies or organizations
Professional Fees[9]	$500 to $1,000	Lump sum	As invoiced	Attorneys, accountants and/or other advisors
Insurance[10]	$3,000 to $6,000	Lump sum	Before Opening	Insurance agent
Training Expense[11]	$1,000 to $3,500	As incurred	Before Opening	Airlines, hotels, etc.
Initial Marketing[12]	$6,250	As incurred	Before Opening and within 90 days of opening	Vendors, SHELFGENIE, and Manufacturing
Additional Funds – 3 months[13]	$5,825 to $15,825	As incurred	As needed during start-up period, first 90 days of business	Employees, vendors, utilities, etc.
Total[14]	$35,675 to $76,575			

Explanatory Notes:

1. All expenditures that are paid to us are non-refundable, except as specifically noted within this document. Unless specifically agreed to by third parties to whom you make payments, all expenditures with third parties are non-refundable. We do not offer direct or indirect financing to franchisees for any items.

2. The Initial Franchise Fee listed is for your first SHELFGENIE Business under each applicable model, whether the Executive Franchise model or Owner/Operator Franchise model. If this is your first SHELFGENIE Business and you qualify for the International Franchise Association's VetFran program, then the Initial Franchise Fee you pay will be reduced by 15%. If this is your first SHELFGENIE Business, you qualify for the International Franchise Association's VetFran program, were honorably discharged and have a disability that was incurred or aggravated in the line of duty in active military, then the Initial Franchise Fee you pay will be reduced by 25%.

3. If you elect, and we grant you, an option to purchase additional Assigned Territories under our Option Amendment you will be required to pay the Option Fee defined in Item 5. Under the Executive Franchise chart, the low end assumes you do not opt to enter into an Option Amendment, and the high end assumes you execute an Option Amendment for one Option Assigned Territory. As there are typically no adjacent Assigned Territories under the Owner Operator Franchise model, entering into an Option Amendment and therefore payment of a corresponding Option Fee is not applicable.

4. It is assumed that you will work from a home office. The amount listed is to make some improvements to your home office, if needed.

5. Within the 60 days of the Opening Date, you will be required to purchase, lease or have an approved vehicle for your SHELFGENIE Business. The vehicle will need to be branded according to SHELFGENIE's guidelines and the cost to brand the vehicle will count toward your minimum advertising requirement discussed in Note 12 below. The low end of the estimate assumes you already fully own the vehicle. The high end of the estimate assumes the vehicle is purchased through financing or leased. Our estimate is for the payments during the first 3 months of operation on a financed vehicle with no down payment on a 36 month lease for a standard vehicle that meets our requirements.

6. Includes furniture for your home office, your initial home show display and the demonstration materials described in Item 5, "Additional Purchases and Technology Fee." Under the Executive Franchise model, the low end assumes that you already have a furnished home office and that your territory is within a market that already has a home show display that you can use. You are required, however, to obtain a home show display under the Executive Franchise model. Under the Owner/Operator Franchise model, you may, but are not required to purchase a home show display.

7. This estimate includes the computer laptop and mobile printer which you are required to have for the SHELFGENIE Business. If you have computer equipment that satisfies our requirements, you may not need to purchase the computer equipment. This also includes certain stationary, forms, labels and similar materials, which you may purchase from us (see Item 5).

8. You can obtain information from your local, county and state authorities about the required licenses and related types of expenses in your local area.

9. This is an estimate of fees paid to professionals such as attorneys and accountants. This amount will depend on the fees charged by the professionals you choose.

10. This is an estimate on the down payment against your annual premiums to acquire the minimum insurance required under the Franchise Agreement. This estimate is for general liability insurance, workers' compensation insurance, motor vehicle insurance, and errors & omissions insurance.

11. Training will be provided for up to 8 days for up to 2 individuals (simultaneously) at our location. You will be required to pay all expenses, including travel, lodging, meal and wage expenses for these individuals during training. If you decide to send more than 2 people to the initial training program, we will charge you a fee (see Item 6) and you will be required to pay their expenses. The

estimate is based on you sending only 2 individuals (including someone who will take installer training). You will also need a trained installer. Generally, installers are independent contractors that pay their own expenses to attend our installer training, however under the Owner/Operator Franchise we expect that you will likely act as the installer and so undergo installer training as well. In the alternative, one of your trainees may take our installer training. If you decided to hire an installer and the installer will not be one of the two individuals that will attend SHELFGENIE Training, your cost may exceed this estimate.

12. Under the Executive Franchise model, during the first three months of operations, you must spend at least $12,500 on local advertising, divided as a minimum of $10,000 during the first two months of operations, and $2,500 in the third month of operations. Under the Owner/Operator Franchise model, during the first three months of operations, you must spend at least $6,250 on local advertising, divided as a minimum of $5,000 during the first two months of operations, and $1,250 in the third month of operations. If you open your SHELFGENIE Business during what we consider low sales months, we may allow you to delay the full expenditure of advertising amounts to months of higher sales volume. If we allow a delay, we will only do so in a writing signed by us. A portion of the minimum advertising requirement must be used on a vehicle wrap to brand an approved vehicle according to SHELFGENIE's guidelines. You must also purchase an initial inventory of spare parts, printed marketing materials, and/or demonstration materials for presentations. These parts or materials may be purchased from our affiliate, Manufacturing, and other approved suppliers. We will count the purchase of the initial inventory package toward your minimum advertising requirement.

13. This is an estimate of other expenses you will incur before operations begin and during the first 3 months of operations. These expenses include estimated payroll costs, benefits, utilities, additional inventory and supplies, fees for bookkeeping services, but do not include any fees listed in Item 6 and do not include the owner's salary or draw or any expenses in the above chart. In estimating this amount, we relied upon prior experience by our affiliates in operating businesses similar to a SHELFGENIE Business and our management's general business experience. The stated range is merely an estimate and we cannot guarantee that the upper range amount is sufficient or that you will not have additional expenses starting your SHELFGENIE Business. The actual amount of funds required and the times when they are required depend on many factors. These factors include whether the SHELFGENIE Business is owner-operated, how closely you follow our methods and procedures, the prevailing wage rate, the rate of growth of your business, your management skill, economic conditions and competition in your area and the sales level you reach during this period. We cannot estimate or promise how much additional funds any particular franchisee requires, nor estimate when or for how long additional funds are needed to operate any SHELFGENIE Business.

14. You should review these figures carefully with your business advisor before making any decision to purchase a franchise. These estimates are subject to variations according to geographical location and other factors.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase the Core Products from Manufacturing. The Core Products include customized shelving solutions and other products such as strip mounts and accessories. The Core Products and services are an integral part of the System and constitute valuable trade secrets of us, our parent, and our affiliates. You must also use our Business Support Service Center for business support services and license certain software from us.

To maintain the integrity of the Proprietary Marks, we may, but do not currently, require that all signs, stationery, forms, labels and similar materials used in the operation of your SHELFGENIE Business be purchased from us, our affiliates, or our designated suppliers. You must (i) purchase or lease, and maintain, such computer and communication hardware and point of sale system hardware, handheld

computer devices or accessories, required dedicated telephone, broadband and/or other internet and communication access services and power lines, modems, printers, facsimile and other computer related accessories or peripheral equipment as we specify in the Operations Manual which, at our option, we may require to be purchased or obtained from suppliers or vendors we designate, and (ii) acquire computer and communication software in compliance with the Operations Manual which, at our option, we may require to be purchased or obtained from suppliers or vendors we designate. Currently, we are the only approved supplier for the WishPortal™ software you must license by entering into a Software Agreement with us (the "**Software Agreement**"), we provide the Business Support Services and you must purchase Core Products from Manufacturing. Except as disclosed in this Item 8, there are currently no other items for which we or our affiliates are currently approved suppliers or the only approved suppliers. However, we or our affiliates may become the approved or only approved suppliers for other items in the future. In the future, you may be required to submit purchases through us or our affiliates for certain items being purchased from third party suppliers. Currently there are no other approved, recommended or required suppliers in which any of our officers own an interest.

We may also train your installers and your installers will pay us a training fee in connection with that training.

We have the right to require that supplies, equipment and services (i) meet specifications that we establish periodically; (ii) be a specific brand, kind or model; (iii) be purchased only from suppliers or service providers that we have expressly approved; and/or (iv) be purchased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates). We may change the authorized supplies, equipment and services at our discretion, and we may designate specific supplies, equipment and services as optional or mandatory. You must use all items and sources of supply that we designate as mandatory. You must comply with any terms, conditions, or other restrictions imposed by suppliers or service providers relating to the purchase or use of their products or services.

We have implemented phone answering services for franchisees (the "Call Center Program") in which you are required to participate, as it exists from time to time. Participation in the Call Center Program may include, without limitation, using and publishing a telephone number we designate; engaging a designated service provider (which may be us, our affiliate, or a third party) to answer calls, set customer appointments, and provide other related services; and acquiring, installing and using related technology. You agree to pay all reasonable fees imposed by the service provider for these services and to enter into any user or service agreements required.

For the fiscal year ended December 31, 2019, we received revenue of $416,919.35, or 12.27% of our total revenue of $3,398,975 from all required purchases and leases of products and services, including the purchase of sales promotional materials and training fees paid by franchisees and independent installers for training independent installers. The source of this information is SHELFGENIE's audited financial statements. Our affiliate, Manufacturing, received revenue of $8,545,273 from franchisees' purchases of Core Products. The source of this information is Manufacturing's unaudited financial statements.

In order to maintain a consistent image throughout the System, we regulate, among other things, the types, models and brands of equipment, signs, materials and supplies used in operating your SHELFGENIE Business. All products and items must conform to those standards and specifications as may periodically be established by us.

You must purchase or lease some of the products, equipment and other items used in your SHELFGENIE Business from or through approved suppliers.

Suppliers shall be ones who demonstrate to us their ability to meet our minimum standards for quality, price and reliability. Requirements and specifications for products and other items and lists of approved suppliers may be listed in one of our operations manuals (the "**Operations Manual**"). By written notice to you and/or through changes in the Operations Manual, we may revise our requirements and

specifications, add or delete approved suppliers, terminate existing purchase arrangements and suppliers and/or enter into new purchase arrangements with additional suppliers.

If you desire to purchase any item not authorized by us or to purchase items from a supplier not expressly approved by us in writing, you must first submit all information we may request, including specifications and samples, to enable us to determine whether the item complies with our standards and whether the supplier meets our approved supplier criteria. Approval of a supplier may be conditioned, among other things, on requirements for product quality, price, cost, frequency of delivery, standards of service, brand recognition and concentration of purchases and may be temporary, pending our evaluation of the supplier. We may charge you a reasonable fee to cover the costs we incur in making our determination. We will notify you, in writing, within 30 calendar days, of our decision. We periodically establish procedures for submitting requests for approval of items and suppliers and may impose limits on the number of approved items and suppliers. We do not maintain written criteria for approving suppliers, and thus these criteria are not available to you or your proposed supplier. We may revoke our approval of a supplier at any time in our sole discretion.

We or our affiliates may be approved suppliers. Neither we nor our affiliates are currently suppliers for any items other than the Core Products and the business support center services. In the future designated vendors may offer and sell products or services to franchisees, or franchisees may be required to purchase products or services from one or more of these vendors or utilize shared services from one or more of these vendors. In addition, we may in the future (i) establish a separate company or utilize an existing company from which franchisees will be required to purchase equipment, inventory, products and other items or supplies, or (ii) to defray our expenses incurred in operating and compensate ourselves for operating our purchasing department or other purchasing function, retain monies rebated or receive commissions from suppliers based on the purchases made by our franchisees. Purchases from any company we establish to provide you equipment and monies retained by us from suppliers as a result of your purchases may provide us additional revenue.

We do not provide you with any material benefits based on your purchase of particular products or services, or your use of designated or approved sources. Our affiliate, ProTradeNet, negotiates and enters into purchase arrangements, which may include discounted pricing, special terms, rebates or other incentives with suppliers for the benefit of our franchisees. We may also negotiate or enter into these types of arrangements directly. ProTradeNet has and may enter into relationships with other buying groups, which may include competitors, for the purpose of improving negotiating strength and purchase volume for the entire group. We or an affiliate (including ProTradeNet) may make available to you the opportunity to participate from time to time in certain discounts, rebates or other benefits in connection with approved suppliers (collectively, “Rebates”), if you meet certain conditions, such as supplier terms and conditions and attendance at annual meetings. All Rebates not returned to franchisees may be retained by us or our affiliate (including ProTradeNet) and used to cover administrative costs or to promote our system and brands. In most instances, but subject to change and vendor relationships, ProTradeNet will retain 25% of all Rebates, pay 25% of all Rebates to us and pay 50% of all Rebates to you, the franchisee, based on qualifying purchases. Some suppliers may also pay additional fees for advertising, which fees range from $200 to $15,000; for marketing, which fees range from .1% to .3% of total qualified purchases by franchisees from the supplier; and for sponsorships, and tradeshow space, which fees range from $500 to $200,000, for the purpose of promoting their product or service to franchisees. All of the foregoing amounts and percentages, including the percentages of Rebates retained by ProTradeNet and paid to us and to you and all additional fees, may change in the future at our sole discretion. Rebates are typically paid on net sales for qualified purchases and ProTradeNet may or may not from time to time include purchases made by the Marketing Fund in our rebate program. If Marketing Fund purchases are included as qualified purchases ProTradeNet will allocate 100% of the rebates from those purchases to the Marketing Fund. The agreement you are required to sign with ProTradeNet to participate is included as Exhibit G hereto, and additional terms and conditions, which may change from time to time, are included on the ProTradeNet website, www.protradenet.com. While you are required to enter inot the ProTradeNet Agreement, you are not required to purchase any items under the ProTradeNet Program, except as otherwise stated in this disclosure document or required by your Franchise Agreement, our Operations Manual or our policies and

procedures. However, certain benefits, Rebates and special pricing will be available to you only if you participate on the terms required by ProTradeNet or each individual supplier.

Some Rebates may be received and the portion of any that are disbursed may be held until the next national meeting before being disbursed. Not all suppliers provide Rebates. A complete listing of suppliers providing Rebates and their rates is available from ProTradeNet. We or our affiliates may receive a commission from the brokerage of a capital lease or other equipment finance, should you require financial assistance from third parties.

You must comply with all terms and conditions applicable to these programs to receive the discount or Rebate. Additional information is available by contacting us. These programs may be changed or discontinued at any time. We or our affiliate(s) may from time to time negotiate purchase arrangements with suppliers (including price terms to the extent permitted by law) for the items and services described in this Item 8 that you may obtain only from designated sources.

You must have your own laptop and travel printer.

It is estimated that the purchases we require you to make from approved suppliers are approximately 25-55% of the cost for you to establish a franchise and approximately 90-95% of your overall purchases in operating the franchise.

In addition to the purchases or leases described above, you must buy and maintain, at your own expense, the minimum insurance coverage that we require. Currently, our minimum insurance requirements include (i) comprehensive general liability insurance, with a combined single limit in the amount we specify, currently $1,000,000 per occurrence and at least $2,000,000 in the aggregate (Including Products/Completed Operations and Personal Injury and Advertising Injury); (ii) motor vehicle liability coverage, combined single limit in the amount we specify, up to $2,000,000 but no less than $1,000,000, on each owned, non-owned or hired vehicle used in connection with the Business; (iii) workers' compensation coverage, regardless of whether required by state law, but with minimum coverage as required by state law (if applicable); (iv) errors and omissions liability insurance on a claims-made basis with a minimum limit of $1,000,000 per claim and $2,000,000 in the aggregate, which includes cyber insurance for financial losses arising from unauthorized access, loss or corruption of data, including but not limited to privacy and data security breaches, misdirected funds, virus transmission, denial of service and loss of income from network security failures; and (iv) such other insurance as from time to time required by us, under applicable law and under other agreements applicable to your Business. We may from time to time require additional or different insurance and you will be required to comply with such additional or different insurance requirements. You may desire to obtain a greater amount of insurance than what we require. All insurance policies must name us as an additional insured party.

You may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. If you fail to purchase or maintain required insurance, we may, but are not obliged to, obtain such insurance for you and keep the same in force and effect, and you must pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so. We also have the right to terminate your Franchise Agreement for cause if you fail to comply with our insurance requirements. You must deliver to us at commencement and thereafter annually or at our request a proper certificate of insurance evidencing the existence of the required insurance coverage. We also may request copies of all insurance policies. We may modify the required minimum limits and types of coverage, by written notice to you. Upon such notification, you must immediately implement the modification of the policy, and provide evidence thereof, in accordance with our request.

We may negotiate and establish optional and mandatory programs and strategic relationships with franchise systems and other companies to service the System, including providing marketing, sales, design and/or installation assistance ("**Programs**"). We have the right to specify the mandatory and/or optional Programs and your required level of participation in each Program. The terms related to each Program will be specified in the Operations Manual. In connection with Programs, you must (i) become a member of

any mandatory Programs established by us and (ii) comply with the terms of the mandatory Programs and the optional Programs you elect.

Other than the ProTradeNet program described above, there are currently no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including pricing terms), for the benefit of the franchise system. We do not provide material benefits to you based on your purchase of particular products or services or use of particular suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Not applicable	Not applicable
b.	Pre-opening purchases/leases	Sections 5.3, 5.4 and 5.5(C)	Item 5, 7, 8 and 11
c.	Site development and other pre-opening requirements	Sections 5.1-5.4	Items 7 and 11
d.	Initial and ongoing training	Sections 3.1(F), 4.2, 4.4 and 5.1	Items 6, 7 and 11
e.	Opening	Sections 3.4(B), 4.2(A), 4.3, 5.1 and 10.1	Items 5, 7 and 11
f.	Fees	Sections 1.2(B), 2.2(G), 3.1, 3.3, 3.4, 3.5, 4.2(A), 4.4(D), 5.1, 5.5, 8.2, 9.5(B), 11.3(J), 17.7 and 17.17	Items 5, 6 and 7
g.	Compliance with standards and policies/Operations Manual	Sections 3.4, 4.1, 4.3, 4.5, 5.3-5.7, 5.11, 5.12, 5.13, 6.2, 7.1-7.3, 8.1, 9.1, 10.1, 11.3, 11.9, 12.1(F), 12.2 and 17.21	Item 8, 11, 14, 15 and 16
h.	Trademarks and proprietary information	Sections 1.1, 1.2(C), 1.3, 4.3, 4.4, 5.14, 5.15, 6.1-6.7, 7.1,-7.3, 8.1(B), 8.2(B), 12.1(H), 13.1, 13.4, 13.5, 14.1, 14.2 and 15.3	Items 11, 13 and 14
i.	Restrictions on products/services offered	Sections 1.2(B), 5.5 and 5.7	Items 8, 11, 12 and 16
j.	Warranty and customer service requirements	Sections 5.5(F), 5.11 and 12.2(H)	Not Applicable

Obligation		Section in Franchise Agreement	Disclosure Document Item
k.	Territorial development and sales quotas	Section 1.2 and 5.7(C)	Item 12
l.	Ongoing product/service purchases	Sections 1.2(B), 4.4(D), 4.5, 5.7(A) and 5.7(C)	Item 6, 8 and 12
m.	Maintenance, appearance and remodeling requirements	Sections 2.2(B), 5.3, 5.4, 5.6, 5.12, 5.13, 6.2, 7.3, 11.3(F) and 12.2(I)	Item 11
n.	Insurance	Sections 5.1, 5.2 and 10.1-10.5	Items 7 and 8
o.	Advertising	Sections 2.2(D), 3.1(C), 4.4(B), 4.4(C), 5.5(B) and 8.1-8.7	Items 6, 7 and 11
p.	Indemnification	Sections 15.4 and 17.18	Items 6 and 13
q.	Owner's participation/ management/ staffing	Sections 5.5 and 5.8	Items 11 and 15
r.	Records and reports	Sections 3.3, 3.4(C), 8.1(C), 9.1-9.5 and 12.1(G)	Not applicable
s.	Inspections and audits	Sections 4.4, 5.4, 5.12, 9.4, 9.5, 11.3(B) and 12.2(F)	Item 6
t.	Transfer	Sections 3.1(E), 11.1-11.9, 12.2(D) and 13.1(E)	Items 6 and 17
u.	Renewal	Sections 2.2 and 3.1(D)	Items 6 and 17
v.	Post-termination obligations	Sections 13.1-13.5, 14.1 and 14.2	Item 17
w.	Non-competition covenants	Sections 14.1-14.4	Item 17
x.	Dispute resolution	Sections 17.8, 17.9, 17.13, 17.18 and 17.23	Item 17

ITEM 10
FINANCING

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

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

Except as listed below, SHELFGENIE is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your SHELFGENIE Business we will:

1. Grant you the non-exclusive right to operate a single SHELFGENIE Business in an assigned territory. We do not provide you with any assistance locating a site or negotiating the purchase or lease of a site, and we do not approve your site or any lease or purchase agreement for your site. (Franchise Agreement, Section 1.1.)

2. Grant you a non-transferable, non-exclusive license to use the Proprietary Marks now owned or later adopted, acquired, developed or required by us, in the operation of your SHELFGENIE Business. (Franchise Agreement, Sections 1.1 and 6.1.)

3. Supply you with a list of all required equipment, supplies, materials, items and inventory and other items necessary to operate your SHELFGENIE Business and a list of approved suppliers or required specifications for all required items. (Franchise Agreement, Section 4.1.) You will be required to purchase the customized shelving solutions from our affiliate Manufacturing and the business support center services from us. (Franchise Agreement, Sections 4.5 and 5.7(C).) You will also be required to sign the Software Agreement granting you the right to use certain computer software we provide. (Franchise Agreement, Section 5.7(D).) Neither SHELFGENIE nor any of its affiliates deliver or install any equipment, supplies, materials, items or inventory.

4. Make available a schedule of items, if any, which you are currently required to purchase from us. (Franchise Agreement, Section 4.1.)

5. Provide up to 8 days of training ("**SHELFGENIE Training**") for up to 2 persons at our corporate headquarters and/or at other location(s) as we may specify in writing. Your 2 trainees must attend the same SHELFGENIE Training session. (Franchise Agreement, Section 4.2(A).)

6. Make available on loan our confidential, proprietary Operations Manual in a form we designate. We may provide the Operations Manual (i) in a paper copy, (ii) in a digital form and/or (iii) through electronic, computerized or some other form of access. (Franchise Agreement, Section 4.3). The table of contents of the Operations Manual (including the Field Manual) is attached as Exhibit D.

Time to Open

You and your trainees must successfully complete SHELFGENIE Training within 90 days after we sign the Franchise Agreement and you must open the SHELFGENIE Business within 60 days of completing the SHELFGENIE Training. We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of a SHELFGENIE Business will be between 30 and 90 days after signing the Franchise Agreement. Factors affecting the length of time it takes for you to open your SHELFGENIE Business include complying with local laws and ordinances, procuring opening materials, and attending and successfully completing the SHELFGENIE Training. You must notify us of any delays you incur in opening your SHELFGENIE Business. If you do not complete SHELFGENIE Training within 90 days after we sign the Franchise Agreement or you do not open your SHELFGENIE Business within 60 days of completing SHELFGENIE Training, we have the option to terminate the Term of the Franchise Agreement.

Obligations After Opening

During the operation of your SHELFGENIE Business, we will:

1. Periodically visit your SHELFGENIE Business as we deem necessary. (Franchise Agreement, Section 4.4(A).)

2. Make ourselves reasonably available for consultation on matters such as operations, advertising and promotion and business methods, on terms and for additional compensation as you and we may agree on, the amount of which is contingent upon your request and cannot be estimated at this time. (Franchise Agreement, Section 4.4(A).)

3. May provide you advice on local advertising and direction regarding the proper usage of our Proprietary Marks. (Franchise Agreement, Section 4.4(B).)

4. May provide you with examples of any promotional methods and materials that we may develop. (Franchise Agreement, Section 4.4(B).)

5. Provide your SHELFGENIE Business with representation on our corporate website at URL www.shelfgenie.com, while we or our affiliates maintain this website (Franchise Agreement, Section 4.4(C).)

6. Although we are not obligated to, we may provide refresher training programs, seminars or advanced management training at locations designated by us, which you may be required to attend. (Franchise Agreement, Section 4.4(D).)

Advertising

We assist you by seeking to increase the recognition of the Proprietary Marks and the patronage of SHELFGENIE Businesses in 3 ways: (1) providing advice on grand opening advertising; (2) providing standards and reviewing your local advertising; and (3) administering the contribution that each SHELFGENIE franchisee will be required to make for the creative development of advertising, marketing and public relations programs and materials and related expenditures (collectively, the "**Marketing Contributions**"). We must approve all of your advertising before its use.

Unless approved by us, you may not advertise or use any of the Proprietary Marks on the Internet. We may approve your use of the Proprietary Marks in connection with social media conducted in accordance with the Operations Manual. We maintain the website www.shelfgenie.com. As long as we maintain the website, and you are not in default under your Franchise Agreement, we will provide contact information for your SHELFGENIE Business on our website. Further, you shall not use the Proprietary Marks (or any marks or names confusingly similar to the Proprietary Marks) as an Internet domain name or in the content of any World Wide Website.

Marketing Fund

As described in Item 6 of this Disclosure Document, you will be required to pay 2% of your SHELFGENIE Business's Gross Revenues as Marketing Contributions. SHELFGENIE Business that we or our other affiliates own will make Marketing Contributions on the same basis as franchise owners.

We will prepare and produce advertising, marketing and public relations programs and administer local, regional, multi-regional and/or national advertising programs using the Marketing Contributions.

The Marketing Contributions may be used to meet the costs of maintaining, administrating, directing and conducting advertising and promotional activities on a local, regional or national scale, including the cost of television, radio, magazine, Internet, website and digital marketing, social media, and newspaper

advertising campaigns, test marketing, marketing surveys, and public relations activities, employing a director and agencies to assist with these activities, providing marketing and other materials to our franchisees, defraying salaries for these activities, administrative costs and overhead as we may incur in connection with these activities and other purposes deemed beneficial by us. We may perform the advertising and marketing functions in house or we may hire one or more local, regional or national advertising agencies. We are not required to spend any amount (from the Marketing Contributions or other monies of ours) on advertising in your Assigned Territory or in any other area.

Marketing Contributions will be accounted for in the Marketing Fund separate from our other funds and will not be used to defray any of our general operating expenses, except for salaries, administrative costs, travel expenses and other overhead that we may incur in the administration of the Marketing Contributions and the Marketing Fund, including conducting marketing research, preparing advertising, promotion and marketing materials and collecting and accounting for the Marketing Contributions.

We will prepare an annual unaudited financial statement reflecting the Marketing Contributions collected and costs incurred by the Marketing Fund and, once you become a franchisee, we will furnish that statement to you upon your written request. We anticipate spending all of the Marketing Contributions collected in any fiscal year in that particular fiscal year. However, in any fiscal year, an amount greater or less than the actual aggregate of the Marketing Contributions contributed may be spent, and we may loan monies to cover deficits or invest any surplus for future use. All interest earned on Marketing Contributions is used to further the work of the Marketing Fund. We will endeavor to spend the Marketing Contributions to develop advertising and marketing materials and programs and to place advertising beneficial to our franchisees generally. However, we will undertake no obligation to ensure that expenditures of the Marketing Contributions in or affecting any geographic area are proportionate or equivalent to the Marketing Contributions by franchisees operating in that geographic area or that any SHELFGENIE Business or franchisee will benefit directly or in proportion to its Marketing Contributions from the development of advertising and marketing materials or the placement of advertising. We will not use Marketing Contributions for advertising that principally is a solicitation for the sale of franchises. We assume no other direct or indirect liability or obligation to you for collecting, maintaining, directing or administering the Marketing Contributions. We do not have an advertising council composed of franchisees that advise us on advertising policies at this time. The materials that are produced and advertisements placed using these contributions may contain language indicating that franchises are available and contact information for inquiries into purchasing a franchise. We may require all of your advertisements (including your home show or trade show displays) to contain this information.

During our past fiscal year ending December 31, 2019, Marketing Contributions were spent as follows: (i) 100% on production of advertising and other promotional materials, (ii) 0% on media placement, (iii) 0% on administrative expenses, and (iv) 0% on other expenses.

Your Own Advertising

Executive Franchise

During the first year you operate your Executive Franchise model SHELFGENIE Business, you must spend a minimum of $10,000 during your first two months of operation, and then $2,500 per month, on a 3-month rolling average, on advertising and marketing within your Assigned Territory. During your second year of operations through the end of the term of the Franchise Agreement, you have to spend $1,625 per month, on a rolling 3-month average, on advertising and marketing within your Assigned Territory.

Owner/Operator Franchise

During the first year you operate your Owner/Operator Franchise model SHELFGENIE Business, you must spend a minimum of $5,000 during your first two months of operation, and then $1,250 per month, on a 3-month rolling average, on advertising and marketing within your Assigned Territory. During your

second year of operations through the end of the term of the Franchise Agreement, you have to spend $625 per month, on a rolling 3-month average, on advertising and marketing within your Assigned Territory.

If you open your SHELFGENIE Business during what we consider low sales months (summer months), we may allow you to delay the full initial expenditure of advertising amounts to months of higher sales volume. If we allow a delay, we will only do so in a writing signed by us. If requested, you must submit receipts and/or other adequate proof of these purchases and expenditures. You must submit to SHELFGENIE for SHELFGENIE's approval, all designs, signs, promotional materials and advertising items, unless it has been approved on a prior occasion (and that approval has not been revoked) or it consists solely of materials provided to you by SHELFGENIE. We may require you to advertise the availability of SHELFGENIE franchise opportunities at any home show or other convention event. SHELFGENIE may require you to withdraw or discontinue the use of any promotional materials or advertising. Any amounts spent on advertising outside of your Assigned Territory will not count towards this minimum required local advertising expenditure.

Digital Media and Marketing

In addition to the requirements for local advertising (and any pre-opening or grand opening advertising or marketing expenditures), you are required to spend monies on a monthly basis for digital media and digital marketing services, in the amounts, from such service providers, and in the manner we specify. Currently, we expect that all franchisees will engage in, and utilize, and will share the cost to support, the "**Core Digital Services**" which may include, one or more of the following: website management, search engine optimization, newsletters, automation, and social networking posting and optimization. These Core Digital Services may be modified over time at our direction, and at our discretion. We also reserve the right to supplement or eliminate the Core Digital Services at any time, in our discretion. To support these services, beginning on the calendar month immediately preceding the calendar month that you are scheduled to commence operations, and continuing for each month during the term the Franchise Agreement, for the digital media and digital marketing services that we may specify or approve, you must spend $750 per market, as determined by us, plus either $150 per month per Assigned Territory or a percentage of digital sales as negotiated between us and our designated vendor (the "**Digital Marketing Expenditure**"). We reserve the right to specify the nature, type and/or vendor or vendors for such digital media and marketing services, including vendors who are or may be affiliated with us. You must comply with our policies and procedures regarding the submission for review or approval of the digital media and marketing programs, services or campaigns, that we may specify in the Manuals or otherwise from time to time. You must not engage in any digital media or marketing programs without our prior written consent or approval. You must submit to us all reports of expenditures and details regarding the digital media and marketing campaigns as we may require. We reserve the right to modify the Digital Marketing Expenditure, effective not less than 30 days following written or electronic notice by us. If we eliminate the Core Digital Services altogether, you will not be required to pay the Digital Marketing Expenditure.

In addition, we and/or our franchisees may engage in other digital media services, which may be implemented System-wide, regionally, territorially, or on a franchisee-market-specific basis. These other digital media services, referred to as "**Managed Digital Services**," may include digital advertising (such as campaign management, large ad network coverage, and re-targeting), website custom campaign landing page creation, custom e-mail campaigns, social media campaigns, and full campaign management. If you engage in, utilize, or implement Managed Digital Services, you must pay the fees and costs associated with the Managed Digital Services, which are currently set by our designated third party service provided, however, in the future may be charged by us, our affiliate, or a third-party vendor.

Advertising Cooperative

We designate areas to establish cooperatives to execute regional and national media "advertising buys" (each an "**Advertising Cooperative**") and our franchisees must establish Advertising Cooperatives in the areas designated by us. Each Advertising Cooperative (i) must operate from written governing documents prepared by the members of the Advertising Cooperative and approved by SHELFGENIE, (ii) must obtain our approval of all advertising, marketing or promotional materials it intends to use, and (iii)

shall be administered by franchisees who are members of this Advertising Cooperative and who are duly elected (the "**Cooperative Officers**") by all of the SHELFGENIE franchisees who are members of this Advertising Cooperative. Each SHELFGENIE franchisee in the Advertising Cooperative shall receive 1 vote (if our affiliate owned SHELFGENIE Businesses are within an Advertising Cooperative, each affiliate owned SHELFGENIE Business shall have one vote as if they were a franchisee and not an affiliate). If there is a tie vote, SHELFGENIE will cast the deciding vote. Each Advertising Cooperative will have the right to require its members to make contributions to the Advertising Cooperative in an amount determined by the Cooperative Officers; provided that if this amount exceeds 2% of gross revenues, it must be approved by a majority of the members of this Advertising Cooperative. Each Advertising Cooperative will prepare annual, unaudited financial statements and will make these statements available for inspection by all franchisees who are members of the Advertising Cooperative and by us. We may designate any standard metropolitan area or designated metropolitan area for purposes of establishing an Advertising Cooperative and determine whether we will require you to participate in any Advertising Cooperative. All franchisees located within the geographical boundaries of an Advertising Cooperative will contribute to that Advertising Cooperative, including those stores that we or our affiliates own and operate. However, we may, in our sole discretion, grant any franchisee an exemption for any length of time from the requirement to become a member of, or make contributions to, an Advertising Cooperative. We may require an existing Advertising Cooperative be changed, dissolved, or merged with or into another Advertising Cooperative.

Computer Systems

You must purchase a laptop computer and mobile printer that meets our specifications that we periodically designate in the Operations Manuals, or otherwise in writing, for the efficient management and operation of the SHELFGENIE Business and the transmission of data between us and you. We estimate that the cost of the laptop computer and mobile printer is between $750 and $1,000. You must maintain this equipment in working condition at all times. We currently do not require that you purchase a maintenance, repair, upgrade or update service contract for your computer system, but we reserve the right to do so in the future. You may be required to update, replace upgrade or modify this computer, printer and/or any of the software at your own expense, as required by SHELFGENIE. There are no contractual limitations on the frequency or cost of these updates. We estimate that an annual service and support agreement would cost approximately $300 to $500 per year, but you will need to contact a vendor to determine the scope of the services they offer and the actual cost of those services.

In addition, you may be required to pay the initial and ongoing costs incurred by SHELFGENIE or one of its affiliates (or you may be required to pay these amounts directly to the third party provider) for the licensing and support of technology used in our franchise system. At this time, the only such cost you will incur shall be related to the Software Agreement. At the time you sign the Franchise Agreement, you must also sign the Software Agreement (attached as Exhibit 7 to the Franchise Agreement), which provides you with the right to use our WishPortal software (proprietary, Internet based, customer relations management software program). The contract requires you to pay us an initial fee of $1,000 and on-going Software License Fees of $250 per month, plus $100 per month for each additional use over 3 users. However, we are currently waiving both of these fees for franchisees in good standing (but we reserve the right to discontinue, at any point, waiving the ongoing fees and start charging the ongoing fees in the future). The Software Agreement also requires you to keep certain information confidential. The term of the Software Agreement will coincide with the term of the Franchise Agreement unless it is terminated before the expiration or termination of the Franchise Agreement. We retain all rights to the information stored on and accessed through our WishPortal software, including all customer contact information.

SHELFGENIE shall have independent access to information or data in the laptop and will have access to all information maintained by the business support center and there are no contractual limitations on SHELFGENIE's right to access the information. The types of information which SHELFGENIE may collect include sales, inventory, customer and prospect contacts, scheduled meetings for sales, measuring or installation, and home show schedules.

You also are required to comply with our standards for processing electronic payments and all other standards, laws, rules and regulations applicable to electronic payments that may be published from time

to time by payment card companies and applicable to electronic payments, including the Payment Card Industry ("PCI") Data Security Standards, Fair and Accurate Credit Transactions Act. All costs of complying with such electronic payment requirements are at your expense.

Operations Manual

The Operations Manual is confidential and remains our property. You will operate your business in strict compliance with those operational systems, procedures, policies, methods and requirements found in the Operations Manual which are designated as mandatory and in any supplemental bulletins and notices, revisions, modifications, or amendments, either in document or electronic form (the "**Supplements**") all of which are a part of the Operations Manual. (See Item 14). See Item 14 for further details regarding the Operations Manual. The table of contents of the Operations Manual is attached as Exhibit D to this Disclosure Document. There are approximately 224 pages in the Operations Manual. We will supplement and revise the Operations Manual through our business system (e.g. WishPortal).

Training

SHELFGENIE or its representatives or agents will provide the following SHELFGENIE Training for up to 2 individuals (the "**Trainees**") one of whom must be the manager. The Trainees must attend the same training sessions on the same day. SHELFGENIE Training must be satisfactorily completed to our satisfaction within 90 days of our signing the Franchise Agreement and before you may open your SHELFGENIE Business.

SHELFGENIE Training begins with 8 hours of remote training done online through ShelfGenie University. This online training must be completed prior to attending in-person training which will most likely take place at SHELFGENIE's corporate headquarters. SHELFGENIE, however, reserves the right to designate an alternate location for training. The SHELFGENIE Training lasts for up to 8 days. The SHELFGENIE Training shall be completed by you after the Franchise Agreement is signed, within 90 days of our signing the Franchise Agreement and before opening your SHELFGENIE Business. At this time, SHELFGENIE does not have a fixed (i.e. monthly or bi-monthly) training schedule.

We will provide, at our expense, instructors, facilities and training materials in connection with the SHELFGENIE Training. You will be responsible for all expenses of your Trainees in attending the SHELFGENIE Training including all travel, lodging, meal and wage expenses for your Trainees and workers' compensation insurance for your Trainees. All costs and expenses incurred to have additional employees or agents attend the SHELFGENIE Training, including reasonable training fees, will be borne by you. Attendance by any additional employees or agents is subject to our prior written approval. See Item 6 for information regarding costs related to sending additional trainees.

Unless we determine that you are able to train successor managers, each successor manager must attend and successfully complete the SHELFGENIE Training. The cost for successor managers to attend the SHELFGENIE Training, including reasonable training fees; travel, lodging, meal and wage expenses; and workers' compensation insurance, which shall be borne by you.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
History/Philosophy/Core Values of SHELFGENIE/Expectations	1	0	Atlanta, GA
Use of WishPortal	9	0	Atlanta, GA
Marketing and Advertising	6	0	Atlanta, GA
Management Procedures/Business System	10	0	Atlanta, GA

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Franchise Reporting Requirements	1	0	Atlanta, GA
Accounting/Record Keeping	1	0	Atlanta, GA
Customer Service Procedures	1	0	Atlanta, GA
Sales Procedures	16	0	Atlanta, GA
Product Knowledge	2	0	Atlanta, GA
Installation Procedures	24	0	Atlanta, GA
Summary/Test/Survey	1	0	Atlanta, GA
Totals	72	0	

Note A: Some subjects may be intermingled and time periods and subject matter may be subject to change. The above are merely estimates.

Note B: The training programs are supervised by Andy Pittman. As listed in Item 2, Andy Pittman has ten years of industry experience focused in the areas of leadership, financial and organizational development, system software, marketing, sales and installation training. The training staff generally has at least 2 years of experience training franchisees for us and at least 2 years of experience in the industry.

At our option, we may provide additional training programs or seminars or advanced management training at locations designated by us, which you, your employees and/or your manager may be required to attend. These additional training programs will not be required for more than 5 days each year. You will be responsible for all costs and expenses associated with these additional training programs, including our then prevailing standard training fees and all travel, meal, lodging and wage expenses and workers' compensation insurance for your attendees.

At your request, we will furnish additional guidance and assistance to deal with unusual or unique operating problems at reasonable per diem fees, charges and out-of-pocket expenses established or incurred by us or our designees.

Under the Software Agreement, we may provide you with training on the use of our WishPortal software. At our discretion and your request, we may also provide training to your employees on the use of the WishPortal software. We reserve the right to charge reasonable fees for any WishPortal software training we provide to your employees.

ITEM 12
TERRITORY

Your Franchise Agreement grants you the right to operate a SHELFGENIE Business within an assigned territory (the "**Assigned Territory**"). Your Assigned Territory shall be determined by us using statistical information from various sources or databases that are current as of the date we assign the Assigned Territory, including information from the United States Census Bureau, based on number of houses or households. The size of your Assigned Territory will depend on the density of the population in your area. We divide the two different categories of Assigned Territories granted as follows:

Executive Franchise

The Executive Franchise model is our standard franchise offer under our standard form of Franchise Agreement. Each Assigned Territory under the Executive Franchise model is approximately 125,000 houses or households. The Assigned Territories under the Executive Franchise model are typically found and granted in more populated areas.

Owner/Operator Franchise

The Owner/Operator Franchise model is tailored for more sparsely populated areas. Each Assigned Territory under the Owner/Operator Franchise model consists of approximately 75,000 houses or households. Typically, although not always, areas adjacent to Assigned Territories under the Owner/Operator Franchise model do not contain a sufficient number of houses and households to form additional Assigned Territories.

The Assigned Territory under both models will be identified in ZIP Codes shown on an exhibit (including a map) attached to your Franchise Agreement when finalized. The map containing the exact geographic boundaries of your Assigned Territory will be finalized by us either before or after you sign the Franchise Agreement. It is possible that the population of the Assigned Territory may change after we assign your Assigned Territory. In very limited circumstances, we may grant a franchise for a SHELFGENIE Business with a modified Assigned Territory. We have no obligation to consider any request to relocate your SHELFGENIE Business.

Your rights in your Assigned Territory is not dependent on your sales volume, market penetration or any other similar contingency.

Provided you are not (and have not been within the preceding 6 months) in default of any provision of your Franchise Agreement or any other agreement between you and us or any of our affiliates, during the term of the Franchise Agreement, we will not operate, or license anyone other than you to operate a SHELFGENIE Business in your Assigned Territory, except we have the right to establish a National Account Program (defined below) as discussed below. While we will not establish or franchise other SHELFGENIE Businesses within your Assigned Territory, we and our affiliates or designees may (i) operate, franchise or license others to operate SHELFGENIE Businesses immediately outside your Assigned Territory; (ii) open and operate or license or franchise others to open and operate business within the Assigned Territory and outside of the Assigned Territory which operate under trademarks or services marks different from the Proprietary Marks or operate under a system that is different from the System; and (iii) sell products under any trademark, including any of the Proprietary Marks, within and outside of your Assigned Territory through other channels of distribution, such as the Internet, through dealers, hardware stores or other retail outlets or other home improvement businesses. These businesses may compete with your SHELFGENIE Business without payment of any compensation to you.

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

We will periodically evaluate national account opportunities to be administered through us, an affiliate of ours or a third party (the "**National Account Program**"). A "**National Account**" is generally a large organization (i) with multiple locations that need products and services provided by multiple franchisees in the System and/or has relationships with customers that need products and services provide by the System and (ii) who has entered into a formal or informal agreement to have the products and services offered by the System delivered to certain locations in multiple franchisees' assigned territories. To promote uniformity and consistency, we may set the prices to be charged to each National Account and other program terms for the National Account. If we obtain a National Account with a service location in you Assigned Territory, we will refer that business to you. If you refuse to provide products or services to a National Account in the Assigned Territory, are unable to provide all of the products and services requested by the National Account or refuse to service the National Account at the prices and according to our program terms, to protect the reputation of the System and preserve the National Account, we may service that National Account in the Assigned Territory and/or may license or appoint another person to service that National Account in the Assigned Territory (including another franchisee or a company that is or is not affiliated with us), with no compensation to you.

You may not solicit business from persons that reside outside of your Assigned Territory without our prior written consent; and, if we do consent to your solicitation of persons outside of your Assigned Territory, those persons may not be within a territory assigned to another SHELFGENIE franchisee and

your sales to persons outside your Assigned Territory must not constitute 15% or more of your total monthly sales. You may receive customers who do not reside within your Assigned Territory while (i) those persons did not become your customers as a result of your direct marketing efforts outside of your Assigned Territory, (ii) those persons are not located in a territory that has been assigned to one of our other franchisees, (iii) your sales to persons outside of your Assigned Territory do not constitute 15% or more of your total monthly sales; (iv) you follow all policies, rules and regulations in the Operations Manual related to operating in an unassigned territory; and (v) you immediately cease to operate outside the Assigned Territory when directed by us. Upon our approval, you may advertise using methods that are generally circulated or broadcast throughout your Assigned Territory, but that extend beyond your Assigned Territory (for example magazine or newspaper advertisements, use of mail zones, or radio or television broadcasts) while these generally circulated advertisements or broadcasts are not specifically targeted to reach areas or customers outside of your Assigned Territory. If we approve your use of any of these types of advertisements or broadcasts, then for any month in which you are running these types of advertisements or broadcasts, sales outside of your Assigned Territory may constitute more than 15% of your total monthly sales. However, these sales may not be to individuals that reside in the Assigned Territory of another SHELFGENIE franchisee without written consent.

If there are areas surrounding your Assigned Territory that other franchisees have not been granted rights to, you may request temporary permission to advertise and sell in designated areas outside your Assigned Territory ("**Temporary Area**") and if we grant such request, you may advertise and sell in such Temporary Area only pursuant to the terms of an Outside Assigned Territory Amendment to Franchise Agreement (attached as Exhibit 8 to the Franchise Agreement) ("**OOA Amendment**"). The royalty fee under the OOA Amendment will be different from the standard fee due from sales within your Assigned Territory, and we reserve the right to modify or terminate the OOA Amendment and related rights at any time, for any or no reason. You will not receive an exclusive Temporary Area. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

If you would like the right to reserve additional territories, and we agree, we may grant you an option to apply to us for the purchase of an additional territory outside your assigned territory ("**Option Assigned Territory**") if you enter into an Option Amendment to Franchise Agreement (attached as Exhibit 9 to the Franchise Agreement) ("**Option Amendment**") and pay us the required Option Fee. During the 12-month term of the Option Amendment, we will agree not to enter into a franchise agreement for the grant of the Option Assigned Territory unless it is a franchise agreement with you or an entity controlled by you. You will be required to sign a separate Franchise Agreement for each Option Assigned Territory you purchase under the terms of your Option Amendment. Your rights under the Option Amendment can be terminated if any other franchise agreement with us is terminated, or you default under your obligations under the Option Amendment.

Except as disclosed in this Item 12, there are no circumstances under which the Assigned Territory may be altered prior to expiration or termination of the Franchise Agreement.

ITEM 13
TRADEMARKS

We grant you a non-transferable, non-exclusive license to use the Proprietary Marks. You must follow our rules when you use the Proprietary Marks. You cannot use the Proprietary Marks as part of a corporate name or with modifying words, designs, or symbols except for those which we license to you. You may not use the Proprietary Marks in any manner that we have not authorized in writing.

We have registered the following Proprietary Marks on the Principal Register of the United States Patent and Trademark Office ("**USPTO**"):

Trademark	Registration Number	Registration Date	International Class
SHELFGENIE (standard character)	3,546,185	December 16, 2008	037, 042
SHELFGENIE (standard character)	4,537,493	May 27, 2014	020
SHELFGENIE EVERYTHING WITHIN REACH (standard character)	4,787,239	August 4, 2015	037, 042
EVERYTHING WITHIN REACH (standard character)	4,823,802	September 29, 2015	037, 042

Our parent, Dwyer Franchising, LLC, owns the following Marks, which are registered on the Principal Register of the USPTO, and we license from our parent the right to use and to allow our franchisees to use these Marks pursuant to a Trademark License Agreement (the "License Agreement"). The License Agreement grants us a worldwide, non-exclusive, nontransferable license to use and to license others to use the Marks. Our parent may terminate the License Agreement due to our material breach, ownership change or for any reason upon 90 days' notice. Upon any termination of the License Agreement, we will be required to cease all use of these Marks and we will require you to do the same.

Trademark	Registration Number	Registration Date
NEIGHBORLY	5,365,894	December 26, 2017
NEIGHBORLY (Stylized) neighborly	5,365,895	December 26, 2017

There are no currently effective agreements that significantly limit our rights to use or license others to use the Proprietary Marks in a manner material to the franchise. We are not aware of any prior rights or infringing uses which could materially affect your use of the Proprietary Marks.

All required affidavits for the Proprietary Marks have been filed. No affidavits or renewal filings are yet due in connection with the registrations for the Proprietary Marks listed above. There are no currently effective determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court; nor is there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the Proprietary Marks listed above.

If you become aware of any apparent infringement, unfair competition or other challenge to your right to use any Proprietary Mark, or if you become aware of any use of or claim to any mark, name, logo or any other commercial symbol identical to or confusingly similar with any Proprietary Mark, you must immediately notify us in writing. We shall have the sole discretion to take any action as we deem appropriate and the right to exclusively control any litigation or administrative proceedings arising out of this infringement, challenge or claim. The Franchise Agreement does not require us to participate in your

defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a Proprietary Mark or if the proceeding is resolved unfavorably to you.

We reserve the right to modify or discontinue the use of any names, trademarks, service marks or copyrights or to add additional names, trademarks, service marks or copyrights at our discretion. You must make any additions, deletions, and modifications to all interior and exterior signs, business cards, printed material, displays, paper products, advertising and anywhere else any of the Proprietary Marks may appear as we direct at your sole cost and expense and without compensation or reimbursement from us. You must, at your sole cost and expense and without compensation or reimbursement from us, discontinue your use of any name, trademark, service mark or copyright, as we may direct you to discontinue at any time. We are not responsible for any expenses, losses or damages sustained by you as a result of any addition, discontinuance, or modification and you are prohibited to join in any litigation against us if any of these expenses, losses or damages are incurred.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We will loan you access to and use of the Operations Manual containing certain detailed information, forms and systems pertaining to the operation of your SHELFGENIE Business, including proprietary supplier lists, supplies and other trade secrets. Although these materials have not been registered with the United States Registrar of Copyrights, they are considered proprietary and confidential and we claim copyright protection of these materials. You may not use this confidential information in any unauthorized manner. You must use your best efforts to maintain the confidentiality of and to prevent the disclosure of the Operations Manual to others. Your Franchise Agreement does not require us to protect these copyrights or to indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving these copyrights.

There are currently no effective determinations of the Copyright Office or any court regarding any of the copyrighted materials. No agreements are in effect which significantly limit our right to use or license the copyrighted materials. Finally, we are not aware of infringing uses which could materially affect a franchisee's use of the copyrighted materials in any state. The Franchise Agreement does not require us to protect or defend copyrights or confidential information, although we intend to do so when it is in our best interests. We do not have any ownership rights or licenses to patents that are material to the franchise.

You may never – during the term, any renewal term, or after the term of the Franchise Agreement expires or is terminated – reveal any of our confidential information to another person or entity or use it for personal use or any other use or for use in any other business. You may not copy any of our confidential information or give it to a third party except as authorized by us. You and all persons affiliated with you must sign the Nondisclosure and Noninterference Agreement (Exhibit 3 to the Franchise Agreement) which prohibits directly or indirectly engaging in activities that compete with our franchisees, disclosing our confidential and proprietary information and trade secrets, and soliciting our employees and employees of our franchisees.

Our confidential information includes manuals, processes, methods, techniques, contracts, projected results, supplier lists (including existing and potential supplier information), pricing, marketing, computer programs, skills, performance specifications, technical and other data, designs, schematics, equipment, billing, products and services information (including information regarding all existing products and services and any future planned products or services), financial information and results and other information and know-how relating to or useful in the business or operations of SHELFGENIE, its affiliates, or the SHELFGENIE Businesses.

You may not implement any change to the system without our prior written consent. You should notify us, in writing, of any proposed change, modification or addition (each a "**Proposal**") and provide us with all of the information we may request. We will have the right to incorporate any Proposal into the system, or any of our affiliates, including Manufacturing, will have the right to incorporate the Proposal into its product line or for any other purpose, and we or our affiliate shall obtain all rights, title and interest in the

Proposal without compensation to you. Upon our request, or our affiliate's request, you must provide documentation (including signing assignments) and take other actions as are reasonably necessary to confirm or perfect our rights in any Proposal. A Proposal may include, but not be limited to, a new product, service, method, marketing material, slogan, trade name, service mark, trademark, invention, technique, supplier, process, marketing plan, computer program, performance specifications, design, or any other information or know-how created, developed or discovered by you (or your agents or employees) which may aid or enhance the System.

In addition to the paragraph above, all ideas, concepts, techniques, or materials concerning a SHELFGENIE Business, the System, the SHELFGENIE brand, or the business of a SHELFGENIE affiliate such as Manufacturing, 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 to be ours or our affiliate's sole and exclusive property, we have the right to make them part of our franchise system and works made-for-hire by us. To the extent any item does not qualify as a "work made-for-hire" for us, you must assign ownership of that item, and all related rights to that item, to us or our designee and you must take whatever action (including signing an assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in this item.

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

We consider your personal participation (if you are an individual) or the participation of an owner (if you are a legal entity) and supervision essential to the success of your SHELFGENIE Business. If the Franchise Agreement is signed by an individual, you must complete SHELFGENIE Training and actively participate in the management of your SHELFGENIE Business. For all corporate, partnership, limited liability company or other entity franchisees, we require an individual that owns at least 5% of the ownership interests in the franchisee, to participate personally in the management and direct operation of the SHELFGENIE Business. If you are an individual, you must satisfactorily complete the SHELFGENIE Training. If you are an entity, your manager must satisfactorily complete the SHELFGENIE Training.

Your officers, directors, shareholders, partners, members, owners, and their respective spouses and your supervisory employees, or individuals who are granted access to the Operations Manual must sign the Nondisclosure and Noninterference Agreement attached to the Franchise Agreement as Exhibit 3. If the franchisee is an entity, all owners of franchisee must sign a Guaranty and Subordination Agreement in the form attached to the Franchise Agreement as Exhibit 2 assuming and agreeing to discharge all of franchisee's obligations under the Franchise Agreement. If the franchisee entity and owner(s) of the franchisee entity do not satisfy the financial or management qualifications to become a franchisee based on their qualifications, we may require the spouse(s) of the owner(s) to sign the Guaranty and Subordination Agreement in order to satisfy our qualifications. If a franchisee is an individual or group of individuals and he/she/they do not satisfy the financial or management qualifications to become a franchisee based on his/her/their qualifications, we may require the spouse(s) of the individual(s) to sign the Guaranty and Subordination Agreement in order to satisfy our qualifications.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only offer those goods or services specifically approved or directed by us. We may periodically establish specifications for goods and services in the Operations Manual or otherwise advise you of new specifications in writing. These requirements are imposed to maintain our uniform image and uniform marketing strategy, as well as to assure protection of our Proprietary Marks and the maintenance of the quality standards associated with them (see Item 8).

Unless we give you our prior, written consent to do so, you may not solicit business from persons who reside outside your Assigned Territory. With our prior, written consent, you may sell products to

individuals located outside of your Assigned Territory, but only if they are not located in a territory that is assigned to one of our other franchisees and provided further, that sales outside of your Assigned Territory do not constitute 15% or more of your total monthly sales. Upon our approval, you may advertise using methods that are generally circulated or broadcast throughout your Assigned Territory, but that extend beyond your Assigned Territory (for example, magazine or newspaper advertisements, use of mail zones, or radio or television broadcasts) while these generally circulated advertisements or broadcasts are not specifically targeted to reach areas or customers outside of your Assigned Territory. If we approve your use of any of these types of advertisements or broadcasts, then for any month in which you are running these types of advertisements or broadcasts, sales outside of your Assigned Territory may constitute more than 15% of your total monthly sales. However, these sales may not be to individuals that reside in the Assigned Territory of another SHELFGENIE franchisee.

For qualified existing franchisees, we provide the ability to offer and sell designated shelving, drawer, storage and organization systems for closets and garages. If the qualifying franchisee elects to offer and sell such products, they will sign our form of New Product Offerings Addendum attached as Exhibit 11 to the Franchise Agreement.

You must operate your SHELFGENIE Business in strict conformity with all applicable federal, state, and local laws, ordinances and regulations. It is your responsibility to keep yourself advised of the existence and the then-current requirements of all laws, ordinances, and regulations applicable to your SHELFGENIE Business, and to adhere to them, as well as to any new laws, ordinances and regulations that may be adopted in the future.

You must offer all goods and services that we designate as required goods and services. These goods and services include the sale and installation of the Core Products sold and distributed by Manufacturing and may include associated products and related services that we may designate in the future. We may require you to offer installation warranties to your customers on terms and conditions described in the Operations Manual or otherwise in writing from us. Although we do not presently plan to change the types of authorized goods and services that all franchisees must offer, there are no limits on our right to do so.

Except for the reservations of rights described in this Item 16, you have sole discretion as to the prices to be charged customers for the sale of any goods or services. Subject to the requirements of applicable law, we reserve the right to specify in writing a retail price and/or to establish in writing minimum and/or maximum prices for goods and services. In such event, you will sell or offer for sale goods and services at the specified retail price or, if applicable, per the minimum and/or maximum retail prices established by us or our affiliate from time to time. Where no retail price or maximum or minimum price has been specified or established by us or our affiliate with respect to a particular good or service, you may sell such good or service at any reasonable price you choose. You will offer and participate in any retail program advertised by us to the public as available at SHELFGENIE Businesses, including without limitation, those retail programs which specify one or more goods or services at a particular price. Advertised retail prices and specified maximum and minimum prices for goods or services may vary from region to region to the extent deemed necessary by us or our affiliate in order to reflect differences in costs and other factors applicable to such regions. You may not sell goods for redistribution or resale. There are no other restrictions on the people or companies to which you may sell goods or services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise term	Franchise Ag: Section 2.1	Franchise Ag: Initial term is 5 years
b. Renewal or extension of the term	Franchise Ag: Section 2.2 and 2.3	Franchise Ag: Provided the conditions listed in the Franchise Agreement are met, you may renew for up to 3 additional 5 year renewal terms.
c. Requirements for franchisee to renew or extend	Franchise Ag: Section 2.2 and 2.3	Franchise Ag: Give necessary notice; complete all maintenance, refurbishing, renovating and upgrading required by us; not be in default of your Franchise Agreement or any other agreement between you and us or between you and any of our affiliates; sign the then-current Franchise Agreement that may contain terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements; meet current qualifications and training requirements, sign a general release; you may be required to sign early renewals for other then-effective franchise agreements; and pay the renewal fee.
d. Termination by franchisee	Franchise Ag: Not applicable	Franchise Ag: You have no contractual right to terminate the Franchise Agreement. These provisions are subject to state law.
e. Termination by franchisor without cause	Franchise Ag: Not applicable	Franchise Ag: Not applicable
f. Termination by franchisor with cause	Franchise Ag: Sections 3.1(i), 12.1 and 12.2	Franchise Ag: We can terminate you only if you commit any one of several listed breaches or defaults (these are listed under the definition of “Cause” in g and h below), or an insufficient funds transaction.
g. “Cause” defined – curable defaults	Franchise Ag: Section 12.2	Franchise Ag: You have 15 days to cure for not paying outstanding amounts, failing to observe our standards, failing to obtain our prior written consent when required, improperly transferring rights or obligations, failing to comply with covenants, failing to permit an inspection or audit, internal franchisee disputes adversely affecting us,

Provision	Section in Franchise Agreement	Summary
		excessive customer complaints, public danger, and failure to immediately begin a remedy to cure a default.
h. "Cause" defined – non-curable defaults	Franchise Ag: Section 12.1	Franchise Ag: We may terminate you after we give you notice for the following: Insolvency or bankruptcy, an outstanding judgment, dissolution, material misrepresentations, failure to operate your SHELFGENIE Business, conviction of a felony or misdemeanor or enter into a settlement or plea bargain accepted on a felony or misdemeanor involving a crime of moral turpitude, any physical offense (including assault or battery), robbery or burglary or any other crime or offense SHELFGENIE reasonably believes is likely to have an adverse effect upon the SHELFGENIE Business, the Proprietary marks, breach of your confidentiality obligations, breach of your obligation not to compete, false books or records, improper use of the Proprietary Marks, failure to meet our performance standards, repetitive defaults, or un-cured or non-curable defaults under other agreements.* *Subject to state law, see Exhibit K.
i. Franchisee's obligations on termination/non-renewal	Franchise Ag: Sections 13.1 and 13.4	Franchise Ag: You must cease operations, cease use of our System and methods, comply with post-term covenants, cease use of the Proprietary Marks, completely and effectively transfer your SHELFGENIE Business, return your Operations Manual, transfer your business-related telephone numbers, websites, social media accounts, licenses and permits, return all requested materials, pay all sums and debts owed and modify your equipment, vehicles, signage and business.
j. Assignment of contract by franchisor	Franchise Ag: Sections 4.6, 14.2(D) and 11.1	Franchise Ag: No restriction on our right to assign our rights or delegate our duties. Upon assignment and delegation, we will be released of all of our obligations under the Franchise Agreement.

Provision	Section in Franchise Agreement	Summary
k. "Transfer" by franchisee – defined	Franchise Ag: Section 11.2	Franchise Ag: You shall be considered to have made a Transfer if you sell, assign, transfer, convey, give away, pledge, mortgage, restrict or otherwise encumber any interest in you, your SHELFGENIE Business or your rights or duties under the Franchise Agreement.
l. Franchisor approval of transfer by franchisee	Franchise Ag: Sections 11.2 and 11.7	Franchise Ag: You must obtain our prior written approval for any transfer and we have a right of first refusal.
m. Conditions for franchisor approval of transfer	Franchise Ag: Section 11.3	Franchise Ag: We do not exercise our right of first refusal, your accrued monetary and non-monetary obligations to us are satisfied, you have provided all required reports, you sign a general release, you cure all defaults and breaches, transferee is qualified and completes our application procedure, transferee agrees to renovate the SHELFGENIE Business, we agree to the terms of transfer, the transferee signs an acceptable assignment agreement or new Franchise Agreement and the Transfer Fee shall have been paid to us.
n. Franchisor's right of first refusal to acquire franchisee's business	Franchise Ag: Section 11.7	Franchise Ag: We can match any bona fide offer you receive.
o. Franchisor's option to purchase franchisee's business	Franchise Ag: Section 13.5	Franchise Ag: Upon your termination, expiration or nonrenewal, we may purchase any of your assets which bear any of the Proprietary Marks for either (i) the amount you paid for the applicable asset reduced by its estimated value at the end of its life and divided by the time period it is expected to be used (as determined by SHELFGENIE using reasonable estimates), or (ii) its fair market value, whichever is less.
p. Death or disability of franchisee	Franchise Ag: Section 11.4	Franchise Ag: Your franchise may be transferred provided certain conditions are met, the transfer is applied for in writing within 2 months and effectuated within 6 months. In the case of disability, you must furnish us a

Provision	Section in Franchise Agreement	Summary
		certification of disability from a physician designated by us.
q. Non-competition covenants during the term of the franchise	Franchise Ag: Sections 14.2 to 14.4	Franchise Ag: No involvement with competing business in (I) the Assigned Territory, or (ii) within a twenty five (25) mile radius of the borders of the Assigned Territory (whether or not franchised), or (iii) within an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses) in operation and existence during the Term, or (iv) within a twenty five (25) mile radius of the borders of an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses)(whether or not franchised) in operation and existence during the Term, or (v) within the United States. There are similar provisions in the Nondisclosure and Noninterference Agreement. No solicitation of or attempted influence over suppliers, employees or other business contacts; there are similar provisions in the Nondisclosure and Noninterference Agreement. Non-competition provisions are subject to state law.

Provision	Section in Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Franchise Ag: Sections 14.2 to 14.4	Franchise Ag: For 2 years after the expiration, transfer or termination, you cannot be involved, in any manner, with a competing business in (i) the Assigned Territory, or (ii) within a 25 mile radius of the borders of the Assigned Territory, or (iii) within an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses) in operation and existence as of the end of the Term, or (iv) within a twenty five (25) mile radius of the borders of an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses)(whether or not franchised) in operation and existence as of the end of the Term. There are similar provisions in the Nondisclosure and Noninterference Agreement. Non-competition provisions are subject to state law.
s. Modification of the agreement	Franchise Ag: Sections 6.8, 13.4, 17.1 and 17.21	Franchise Ag: No modifications generally, but the Proprietary Marks and Operations Manual are subject to change, and we may reduce the scope of your non-competition covenants to comply with any applicable state law.
t. Integration/merger clause	Franchise Ag: Section 17.22	Franchise Ag: Only the terms of the Franchise Agreement are binding (subject to state law). Any representation or promises made outside the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Franchise Ag: Section 17.23	Franchise Ag: You must mediate any dispute you have with us. These provisions are subject to state law.
v. Choice of forum	Franchise Ag: Section 17.9	Franchise Ag: Mediation of any claim you have against us must be in the state and county in which SHELFGENIE's principal place of business is located. Any action permitted to be brought in court must be brought in the state or federal

Provision	Section in Franchise Agreement	Summary
		courts in the state and county or district in which SHELFGENIE's principal place of business is located.* *Subject to state law, see Exhibit K.
w. Choice of law	Franchise Ag: Section 17.13	Franchise Ag: To the extent that the United States Trademark Act and other federal laws do not apply to the Franchise Agreement, all transaction or enforcement shall be governed by and construed under the laws of the State of Georgia.* *Subject to state law, see Exhibit K.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

The following tables present information regarding the (a) average order for certain franchise outlets in the System in 2019 and 2018, (b) closed order rates for certain franchise outlets in the System in 2019 and 2018 and (c) average cost of goods during 2019 calculated using Franchisee Cost (defined below). The data has been generated using sales and order information submitted by franchisees. We have not audited or verified the sales and order information nor have we asked questions of the submitting franchisees to determine whether they are in fact accurate and complete, although we have no information or other reason to believe that they are unreliable. For purposes of this Item 19, (i) the "2019 **Summary Period**" means the 12-month period from January 1, 2019 to December 31, 2019 and (ii) the "2018 **Summary Period**" means the 12-month period from January 1, 2018 to December 31, 2018.

AVERAGE ORDER FOR SYSTEM DURING 2019 SUMMARY PERIOD				
Group	Number of Franchisees in the Group (note that Franchisees that operate multiple SHELFGENIE Businesses are counted once)	Number of SHELFGENIE Business owned by the Franchisees in the Group	Average (Avg) and Median (Med) Order (not including Excluded Orders)	Total Number of Orders for the System that achieved or surpassed Average Order for the System (not including Excluded Orders)
All SHELFGENIE Franchisees operating under the System for all of 2019that had orders that were not Excluded Orders	**28**	**98**	**Avg: $3,703 Med: $3,669**	**1,984 (33%)**
				Number of Franchisees in the Quintile that Achieved or Surpassed that Quintile's Average Order
1st Quintile	**6**	**21**	**Avg: $4,336 Med:$4,304**	**(2) (33%)**
2nd Quintile	**6**	**22**	**Avg: $3,751 Med: $4,102**	**(4) (66%)**
3rd Quintile	**5**	**15**	**Avg: $3,669 Med: $3,653**	**(2) (40 %)**
4th Quintile	**6**	**24**	**Avg: $3,493 Med: $3,564**	**(2) (33 %)**
5th Quintile	**5**	**16**	**Avg: $3,703 Med: $3,145**	**(2) (40 %)**

AVERAGE ORDER FOR SYSTEM DURING 2018 SUMMARY PERIOD				
Group	Number of Franchisees in the Group (note that Franchisees that operate multiple SHELFGENIE Businesses are counted once)	Number of SHELFGENIE Business owned by the Franchisees in the Group	Average (Avg) and Median (Med) Order (not including Excluded Orders)	Total Number of Orders for the System that achieved or surpassed Average Order for the System (not including Excluded Orders)
All SHELFGENIE Franchisees operating under the System for all of 2018 that had orders that were not Excluded Orders	**25**	**97**	**Avg: $3,426 Med: $3,369**	**1,978 (31%)**
				Number of Franchisees in the Quintile that Achieved or Surpassed that Quintile's Average Order
1st Quintile	**5**	**22**	**Avg: $3,633 Med:$3,433**	**(3) (60%)**
2nd Quintile	**5**	**24**	**Avg: $3,553 Med: $3,430**	**(3) (60%)**
3rd Quintile	**5**	**26**	**Avg: $3,369 Med: $3,332**	**(1) (20%)**
4th Quintile	**5**	**14**	**Avg: $3,164 Med: $3,239**	**(3) (60%)**
5th Quintile	**5**	**11**	**Avg: $2,988 Med: $3,058**	**(3) (60%)**

Notes for two charts above:

1. "**Franchisee**" refers to an individual or entity that is our franchisee that operated at least one SHELFGENIE Business for the entire year. As shown by the list of our current franchisees in Exhibit F-1 of this Disclosure Document, several of our Franchisees own and operate multiple SHELFGENIE Businesses which are typically for multiple territories that share common borders in the same region. Therefore, included in the column **"Number of SHELFGENIE Businesses owned by the Franchisees in the Group"**, are the total number of SHELFGENIE Businesses that were owned and operated by the applicable Franchisees in that group during the applicable year. The Chart reflects Franchisees that were

open for a full 12 months throughout the relevant year (2019 or 2018). However, for some Franchisees with multiple Businesses or territories, some of the multiple businesses or territories may not have been open for the entire year.

2. "**Average Order for the System**" was calculated by dividing the total amount of System sales (in dollars) reported by Franchisees by the total number of orders for the System during the summary period. In calculating the Average Order for the System, we excluded all Excluded Orders (as defined in Note 4 below). An order having a discount of 80% or more off the Franchisee's suggested retail price indicates or suggests (a) the order was a reorder of products, (b) the order was for personal or display usage, and/or (c) the order was not an arms-length sales transactions. Average Order for the System does not include any sales taxes that were collected or paid in connection with orders.

3. The **"Total Number of Orders for the System that Achieved or Surpassed the Average Order"** was the absolute number of orders for which the gross revenue volume was equal to or greater than the system-wide Average Order.

4. "**Excluded Orders"** refers to orders that are for friends or family, charitable events and employees involving a discount of 80% or more off the franchisee's suggested retail price and are not a true representation of an actual customer order.

5. "**Quintile**" refers to the relative performance of the Franchisees in the sample. Each quintile represents approximately 20% of the sample. The 1st Quintile refers to the top 20% performing Franchisees operating SHELFGENIE Businesses (based on Average Order for all of the SHELFGENIE Businesses owned and operated by Franchisees in that Quintile), the 2nd Quintile refers to the next highest 20% performing Franchisees operating SHELFGENIE Businesses, and so on. We have provided the Quintile information to show you the performance of the Franchisees on a revenue per order basis, not each of their SHELFGENIE Businesses. Therefore, a Franchisee's placement in a quintile does not mean that all of their SHELFGENIE Businesses met or surpassed the Average Order for that Quintile. The Quintile measures, and reflects, the Average Order (by dollar) for each Franchisee in the sample, and then groups them based on performance. Each Franchisee in the sample reported the total number of orders in the reporting year, along with the total revenue for those orders. Each franchisee has its own Average Order (in dollars). Then those Average Order figures for the franchisees in the Quintile (five franchisees per Quintile for 2018 or five or six franchisees per Quintile for 2019) are added together and divided by the number of franchisees to arrive at an Average Order (in dollars) for the Quintile. The tables reflect the Average Order, by Quintile, as well as the "Number of Franchisees in the Quintile that Achieved or Surpassed that Quintile's the Average Order."

5. The orders included in each Summary Period are for sales orders placed during the Summary Period.

6. For repeat customers, each order for a project placed by a customer is treated as a separate order.

7. The information is based on data reported by Franchisees for their SHELFGENIE Businesses.

PERCENTAGE OF APPOINTMENTS THAT RESULTED IN A CLOSED ORDER DURING 2019 SUMMARY PERIOD					
Group	Number of Franchisees in the Group (note that Franchisees that operate multiple SHELFGENIE Businesses are counted once)	Number of SHELFGENIE Business owned by the Franchisees in the Group	Percentage of Appointments Resulting in a Closed Order (not including Excluded Orders)	Total Number of Appointments for the System (not including Excluded Orders)	Total Number of Closed Orders for the System Resulting from Appointments (not including Excluded Orders)
All SHELFGENIE Franchisees operating under the System for all of 2019 that had orders that were not Excluded Orders	**28**	**98**	**49%**	**12,515**	**6,137**
				Number of Franchisees in the Quintile that Achieved or Surpassed the Quintile Average	
1st Quintile	**6**	**23**	**55%**	**(3) (50%)**	
2nd Quintile	**6**	**25**	**51%**	**(4) (66%)**	
3rd Quintile	**5**	**21**	**48%**	**(2) (40%)**	
4th Quintile	**6**	**16**	**47%**	**(3) (50%)**	
5th Quintile	**5**	**13**	**37%**	**(3) (60%)**	

PERCENTAGE OF APPOINTMENTS THAT RESULTED IN A CLOSED ORDER DURING 2018 SUMMARY PERIOD					
Group	Number of Franchisees in the Group (note that Franchisees that operate multiple SHELFGENIE Businesses are counted once)	Number of SHELFGENIE Business owned by the Franchisees in the Group	Percentage of Appointments Resulting in a Closed Order (not including Excluded Orders)	Total Number of Appointments for the System (not including Excluded Orders)	Total Number of Closed Orders for the System Resulting from Appointments (not including Excluded Orders)
All SHELFGENIE Franchisees operating under the System for all of 2018 that had orders that were not Excluded Orders	**25**	**97**	**48.3%**	**13,614**	**6,574**
				Number of Franchisees in the Quintile that Achieved or Surpassed the Quintile Average	
1st Quintile	**5**	**20**	**59%**	**(1) (20%)**	
2nd Quintile	**5**	**22**	**51%**	**(3) (60%)**	
3rd Quintile	**5**	**14**	**48%**	**(4) (80%)**	
4th Quintile	**5**	**23**	**43%**	**(1) (20%)**	
5th Quintile	**5**	**18**	**43%**	**(2) (40%)**	

Notes for two charts above:

1. "**Franchisee**" refers to an individual or entity that is our franchisee that operated at least one SHELFGENIE Business for the entire applicable year. As shown by the list of our current franchisees in Exhibit F-1 of this Disclosure Document, several of our Franchisees own and operate multiple SHELFGENIE Businesses which are typically for territories that share common borders in the same region. Therefore, included in the column "**Number of SHELFGENIE Businesses owned by the Franchisees in the Group**", are the total number of SHELFGENIE Businesses that were owned and/or operated by the applicable Franchisees in that group during the applicable year. The Chart reflects Franchisees that were open for a full 12 months throughout the relevant year (2018 or 2019). However, for some Franchisees

with multiple Businesses or territories, some of the multiple businesses or territories may not have been open for the entire year. A SHELFGENIE Business did not have to be in operation by the applicable Franchisee for the entire applicable year to be included in the chart.

2. The "**Percentage of Appointments Resulting in a Closed Order**" was calculated by dividing the total number of Closed Orders for the System during the Summary Period by the total number of Appointments for the System (whether or not the Appointment was booked by the Business Center) and multiplying the result by 100. In calculating the Percentage of Appointments Resulting in a Closed Order, we did not include Excluded Orders.

3. The Appointments included in each Summary Period are for sales orders placed during or after the Summary Period. The Closed Order information reflects orders information as of April 1, 2019 for the 2018 Summary Period. The Closed Order information reflects orders information as of April 1, 2020 for the 2019 Summary Period.

4. An "**Appointment**" is viewed as an initial meeting at a customer's home or business where the work will be performed. A "**Closed Order**" is an order where a Franchisee reported a sale to a customer. A Closed Order may involve more than one meeting with the same customer to close the sale.

5. "**Quintile**" refers to the relative performance of the Franchisees in the sample. Each Quintile represents approximately 20% of the sample. The 1st Quintile refers to the top 20% performing Franchisees operating SHELFGENIE Businesses (based on the Percentage of Appointments leading to a Closed Order for all of the SHELFGENIE Businesses owned and operated by Franchisees in that Quintile), the 2nd Quintile refers to the next highest 20% performing Franchisees operating SHELFGENIE Businesses, and so on. We have provided the Quintile information to show you the performance of the Franchisees, not each of their SHELFGENIE Businesses. Therefore, a Franchisee's placement in a quintile does not mean that all of their SHELFGENIE Businesses met or surpassed the percentage of closed appointments resulting in a closed order for that Quintile. The Quintile measures, and reflects, the Percentage of Appointments Resulting in Closed Orders, for those Franchisees in the Quintile, and groups them by performance. Each Franchisee reported the number of Appointments it performed, and the number of Closed Orders. Those figures were used to create a Percentage of Appointments Closed for each Franchisee. The Franchisees were then grouped by performance, highest (65% Closed) to lowest (37% closed) and grouped in Quintiles (five Franchisees per Quintile in 2018, and five or six Franchisees per Quintile in 2019). Then an average closure percentage for each Quintile was calculated. The figures in the two charts reflect the average Percentage of Appointments Resulting in Closed Orders for each Quintile, and the number of Franchisees within each Quintile that achieved or surpassed that result.

6. In the event of a new order by a customer, the new order is treated as an additional Closed Order with an additional Appointment.

7. The information is based on data reported by Franchisees SHELFGENIE Businesses.

8. We do not have access to data related to any referral appointments or self-generated appointments ("**Referral Leads**") that do not result in a Closed Order. We do not require franchisees to track Referral Leads or provide to us information on Referral Leads that do not result in Closed Orders.

AVERAGE COST OF GOODS SOLD DURING 2019 SUMMARY PERIOD
24.9%

9. Cost of Goods Sold ("**COGS**") means the cost of the products (e.g., shelving, cabinets, etc.) sold by the franchisee to the consumer as well as freight costs. COGS is a figure which reflects the cost of Core Products you will order from Manufacturing to install for your customers. COGS does not

include (i) miscellaneous items like clips, spacers and other supplies that may be necessary to install the Core Products, (ii) insurance, shipping, freight, and delivery charges for the Core Products, and (iii) any sales tax, use tax or other taxes that may be due in connection with your purchases of Core Products. "**Franchisee Cost**" means the actual amounts billed by Manufacturing to the Franchisees for Core Products in 2019. "**Pre-Discount Retail Sales**" means the actual retail sales total charged by Franchisees to customers before any customer discount. The Average COGS was calculated by taking the total Franchise Cost of all goods purchased by Franchisees, divided by Pre-Discount Retail Sales for all Franchisees in 2019.

10. COGS does not include any additional manufacturing rebates that Manufacturing may offer.

11. The information in the above chart for the 2019 Summary Period is based on data from 28 "Franchisees" that had at least one SHELFGENIE Business open and operating for all of 2019 (operating 98 franchised SHELFGENIE Businesses). A SHELFGENIE Business did not have to be in operation by the applicable Franchisee for the entire applicable year to be included in the chart. Out of the 28 Franchisees included in the chart, 12 Franchisees had COGS equal to or lower than the Average COGS and 16 Franchisees had COGS higher than the Average COGS.

2019 FRANCHISEE GROSS REVENUE, COST OF GOODS, NET REVENUE, GROSS MARGIN, AND ANNUAL REBATE AMOUNT

As of the end of the 2019 calendar year, we had 43 franchisees who owned and operated 143 SHELFGENIE Businesses. Those included in the chart below, however, are the 28 SHELFGENIE franchisees whose 98 Businesses, in total, were in operation during the full 2019 calendar year, excluding Businesses where there was a transfer to a new franchisee owner.

Franchisee	No. of Territories	Year 1st Territory Opened	Gross Revenue	Cost of Goods Sold (COGS)	Net Revenue	Gross Margin	Annual Rebates	Total No. of Households	Territory Name
Sarasota/ Tampa/ Orlando, FL	8	2011	$2,045,192	$502,422	$1,542,770	75.43%	$33,213	174,556	Cape Coral #1
								314,039	Orlando #2
								307,464	Orlando #3
								333,128	Orlando #4
								293,693	Sarasota #1
								358,500	Tampa #1
								493,895	Tampa #2
								255,242	Tampa #3
Houston, TX	7	2018	$1,047,974	$268,890	$779,084	74.34%	$10,475	404,258	Houston #1
								375,574	Houston #2
								406,131	Houston #3
								303,274	Houston #4
								307,991	Houston #5
								284,689	Houston #6
								317,780	Houston #7
Cincinnati/ Columbus, OH	6	2011	$2,117,961	$538,918	$1,579,043	74.55%	$33,123	274,842	Cincinnati #1
								284,284	Cincinnati #2
								290,783	Cincinnati #3
								324,999	Columbus #1
								315,322	Columbus #2
								300,000	Dayton (estimate)
Charlotte/ Raleigh, NC	6	2009	$1,756,169	$469,494	$1,286,675	73.27%	$21,038	322,113	Charlotte #1
								328,257	Charlotte #2
								328,201	Charlotte #3
								653,012	Greensboro #1
								328,425	Raleigh #1
								389,171	Raleigh #2

Franchisee	No. of Territories	Year 1st Territory Opened	Gross Revenue	Cost of Goods Sold (COGS)	Net Revenue	Gross Margin	Annual Rebates	Total No. of Households	Territory Name
Boston, MA	6	2010	$1,115,264	$269,256	$846,008	75.86%	$23,914	282,634	Boston #1
								326,476	Boston #2
								346,231	Boston #3
								310,876	Boston #4
								288,442	Boston #6
								317,523	Cape Cod
Seattle, WA	5	2010	$2,810,662	$621,749	$2,188,913	77.88%	$63,213	300,481	Seattle #1
								316,561	Seattle #2
								334,138	Seattle #3
								328,251	Seattle #4
								304,361	Seattle #5
Ft. Myers/West Palm, FL	5	2011	$2,226,374	$552,002	$1,674,372	75.21%	$36,655	146,127	Cape Coral #2
								305,819	Ft. Myers #1
								281,045	Miami #7
								273,772	Miami #8
								281,514	Port St Lucie
Atlanta, GA	4	2010	$1,034,718	$257,696	$777,022	75.1%	$8,335	300,384	Atlanta #1
								290,398	Atlanta #2
								295,053	Atlanta #3
								288,905	Atlanta #4
Chicago North, IL	4	2015	$631,283	$146,128	$485,155	76.85%	$3,362	266,062	Chicago #1
								277,254	Chicago #3
								260,029	Chicago #4
								259,943	Chicago #5
Norwalk, CT	4	2009	$703,607	$184,129	$519,478	73.83%	$5,000	306,761	Connecticut #1
								265,090	Connecticut #3
								267,451	Peekskill
								287,123	Yonkers
Chicago, IL	4	2016	$403,991	$92,523	$311,468	77.10%	$0	264,631	Chicago #2
								282,584	Chicago #6
								262,756	Chicago #7
								267,574	Chicago #8
Chicago South, IL	4	2017	$370,206	$82,774	$287,432	77.64%	$0	308,609	Chicago #10
								271,418	Chicago #11
								260,774	Chicago #12
								387,878	Chicago #9
Philadelphia, PA	4	2018	$694,237	$178,710	$515,527	74.26%	$1,979	286,614	Philly #1
								299,411	Philly #4
								274,152	Philly #5
								260,054	NJ #10
Portland, OR	3	2012	$931,750	$229,637	$702,113	75.35%	$8,994	309,158	Portland #1
								336,377	Portland #2
								291,500	Portland #3
Nashville, TN	3	2009	$726,858	$199,154	$527,704	72.60%	$9,502	301,369	Huntsville
								384,979	Nashville #1
								406,145	Nashville #2
Milwaukee, WI	3	2018	$540,071	$123,781	$416,290	77.08%	$1,590	299,086	Milwaukee #1
								272,009	Milwaukee #2
								306,057	Milwaukee #3
San Diego, CA	2	2015	$635,312	$167,266	$468,046	73.67%	$3,769	301,280	San Diego #2
								281,830	San Diego #4
San Antonio, TX	2	2009	$532,401	$130,781	$401,620	75.44%	$1,932	324,443	San Antonio #1
								348,229	San Antonio #2
Tulsa/ Oklahoma City	2	2009	$250,372	$67,375	$182,997	73.09%	$0	513,449	Oklahoma #1
								376,971	Tulsa #1
Kansas City, KS	2	2014	$425,719	$99,313	$326,406	76.67%	$0	301,855	Kansas City #1
								304,305	Kansas City #2

Franchisee	No. of Territories	Year 1st Territory Opened	Gross Revenue	Cost of Goods Sold (COGS)	Net Revenue	Gross Margin	Annual Rebates	Total No. of Households	Territory Name
East Tennessee	2	2017	$308,781	$81,961	$226,820	73.46%	$0	285,223	Chattanooga
								301,233	Knoxville
New Jersey	2	2010	$194,272	$49,338	$144,934	74.60%	$0	393,810	New Jersey #6
								265,188	New Jersey #8
Long Island, NY	2	2017	$385,145	$99,972	$285,173	74.04%	$1,499	278,971	Long Island #4
								260,996	Long Island #5
Indianapolis, IN	2	2018	$582,479	$144,362	$438,117	75.22%	$1,544	299,568	Indianapolis #1
								338,221	Indianapolis #2
Austin, TX	2	2018	$427,146	$117,623	$309,523	72.46%	$1,453	347,115	Austin #1
								391,965	Austin #2
Orange County, CA	2	2018	$120,562	$34,518	$86,044	71.37%	$0	263,469	Orange County #1
								293,172	Orange County #2
Omaha, NE	5/1	2014	$777,387	$200,372	$577,015	74.22%	$1,712	330,803	Omaha
Wilmington, NC	1	2018	$752,709	$196,954	$555,755	73.83%	$5,826	299,552	Wilmington

Notes for the above chart:

12. The term "**Gross Revenues**" means the total amount received or receivable by or in connection with your SHELFGENIE Business from, connected with or related to the sale of any services, products, goods or merchandise and all business transacted by you related, directly or indirectly, to your SHELFGENIE Business, excluding only (a) the amount of any federal, state or local sales or excise taxes or other similar taxes, separately stated, which are required by law to be collected and paid by your SHELFGENIE Business to any governmental agency or authority, and (b) the amount of any refunds to customers for bona fide returns or cancellations.

13. The term Cost of Goods Sold ("**COGS**") has the same meaning as that in note 9 above.

14. "**Net Revenue**" is calculated by subtracting COGS from Gross Revenues.

15. "**Gross Margin**" is the percent of each franchisee's total Gross Revenues, as defined in Note 12 above, excluding the COGS.

16. The Rebate amounts included in the above chart are rebates franchisees received in 2019 from supplier G-O Manufacturing, L.L.C. based on purchase franchisee made from G-O Manufacturing, L.L.C. Rebates begin only after a franchisee meets a minimum quarterly purchase threshold, imposed per Territory.

17. The total number of households in each Territory is extracted from our mapping software which is periodically updated and, therefore, includes information that is likely to be more current than the household number available and used as of the date each franchise agreement was entered into.

2019 VS. 2020 COMPARISON OF FIRST 5 MONTHS OF GROSS REVENUES

Beginning in March of 2020, the COVID-19 virus had spread across the United States and various state and local government authorities ordered that individuals shelter-in-place and leave only for essentials or for limited circumstances. These orders also imposed operational restrictions on certain non-essential businesses and Businesses were, in certain jurisdictions, deemed to be non-essential. As a result of these orders, as well as due to public caution regarding the spread of COVID-19, Businesses generally experienced a decline in Gross Revenues. No state, county, or city in which our franchisees are located imposed exactly the same shut-down requirements or operational restrictions, however, and as a result,

each Business in the System may have shut down entirely or operated only to the extent permitted by law, and each for varying time periods. As a result, then, of the COVID-19 virus, related government orders, and resulting public behavior, Gross Revenues of franchisee Businesses were impacted. The chart below shows each Franchisee's total Gross Revenues during the first five months of 2019 as compared with the first five months of 2020. The Franchisees included in the list below are the 27 SHELFGENIE franchisees whose 96 Businesses, in total, were in operation during the full 2019 calendar year, excluding Businesses where there was a transfer to a new franchisee owner, and who were also in operation as of the issuance of this Disclosure Document:

Franchisee	Month/2019	Gross Revenues	Month/2020	Gross Revenues
Sarasota/ Tampa/ Orlando, FL	01/2019	$ 138,496	01/2020	$ 198,690
	02/2019	$ 229,728	02/2020	$ 200,154
	03/2019	$ 158,905	03/2020	$ 123,118
	04/2019	$ 159,522	04/2020	$ 62,404
	05/2019	$ 159,817	05/2020	$ 160,448
Houston, TX	01/2019	$ 49,323	01/2020	$ 95,225
	02/2019	$ 93,156	02/2020	$ 104,596
	03/2019	$ 84,764	03/2020	$ 62,389
	04/2019	$ 48,696	04/2020	$ 48,015
	05/2019	$ 55,589	05/2020	$ 91,773
Cincinnati/ Columbus, OH	01/2019	$ 211,166	01/2020	$ 227,170
	02/2019	$ 216,042	02/2020	$ 200,337
	03/2019	$ 268,149	03/2020	$ 211,112
	04/2019	$ 189,690	04/2020	$ 14,778
	05/2019	$ 119,440	05/2020	$ 243,349
Charlotte/ Raleigh, NC	01/2019	$ 147,972	01/2020	$ 222,876
	02/2019	$ 196,395	02/2020	$ 165,848
	03/2019	$ 162,647	03/2020	$ 95,448
	04/2019	$ 130,220	04/2020	$ 54,799
	05/2019	$ 154,322	05/2020	$ 87,015
Boston, MA	01/2019	$ 64,380	01/2020	$ 122,919
	02/2019	$ 60,509	02/2020	$ 129,414
	03/2019	$ 102,779	03/2020	$ 89,113
	04/2019	$ 119,614	04/2020	$ 5,064
	05/2019	$ 129,630	05/2020	$ 45,668
Seattle, WA	01/2019	$ 247,006	01/2020	$ 269,677
	02/2019	$ 189,413	02/2020	$ 294,544
	03/2019	$ 272,221	03/2020	$ 229,349
	04/2019	$ 258,615	04/2020	$ 19,926
	05/2019	$ 235,906	05/2020	$ 134,924
Ft. Myers/ West Palm, FL	01/2019	$ 212,702	01/2020	$ 224,830
	02/2019	$ 167,259	02/2020	$ 221,974
	03/2019	$ 213,010	03/2020	$ 198,291
	04/2019	$ 194,133	04/2020	$ 16,184
	05/2019	$ 126,015	05/2020	$ 160,999
Atlanta, GA	01/2019	$ 68,323	01/2020	$ 70,381
	02/2019	$ 87,178	02/2020	$ 58,812
	03/2019	$ 91,211	03/2020	$ 51,985
	04/2019	$ 53,361	04/2020	$ 34,404
	05/2019	$ 96,566	05/2020	$ 50,023
Chicago North, IL	01/2019	$ 15,216	01/2020	$ 57,621
	02/2019	$ 35,207	02/2020	$ 36,061
	03/2019	$ 45,723	03/2020	$ 22,373

Franchisee	Month/2019	Gross Revenues	Month/2020	Gross Revenues
	04/2019	$ 77,699	04/2020	$ 8,077
	05/2019	$ 59,395	05/2020	$ 24,827
Norwalk, CT	01/2019	$ 73,544	01/2020	$ 35,805
	02/2019	$ 61,443	02/2020	$ 42,312
	03/2019	$ 40,637	03/2020	$ 21,407
	04/2019	$ 91,004	04/2020	$ 3,646
	05/2019	$ 32,678	05/2020	$ 9,980
Chicago, IL	01/2019	$ 19,684	01/2020	$ 15,513
	02/2019	$ 24,244	02/2020	$ 53,989
	03/2019	$ 45,641	03/2020	$ 17,734
	04/2019	$ 37,671	04/2020	$ -
	05/2019	$ 41,923	05/2020	$ 5,360
Chicago South, IL	01/2019	$ 16,916	01/2020	$ 36,803
	02/2019	$ 44,745	02/2020	$ 39,252
	03/2019	$ 59,314	03/2020	$ 27,678
	04/2019	$ 28,298	04/2020	$ -
	05/2019	$ 24,985	05/2020	$ 23,172
Philadelphia, PA	01/2019	$ 54,453	01/2020	$ 27,438
	02/2019	$ 56,601	02/2020	$ 56,565
	03/2019	$ 60,470	03/2020	$ 7,306
	04/2019	$ 40,032	04/2020	$ -
	05/2019	$ 46,464	05/2020	$ 37,425
Portland, OR	01/2019	$ 54,796	01/2020	$ 71,332
	02/2019	$ 73,345	02/2020	$ 141,237
	03/2019	$ 87,514	03/2020	$ 60,597
	04/2019	$ 89,301	04/2020	$ 36,411
	05/2019	$ 41,683	05/2020	$ 41,927
Nashville, TN	01/2019	$ 73,157	01/2020	$ 52,764
	02/2019	$ 37,369	02/2020	$ 87,233
	03/2019	$ 88,422	03/2020	$ 73,689
	04/2019	$ 33,172	04/2020	$ 17,557
	05/2019	$ 26,126	05/2020	$ 24,388
Milwaukee, WI	01/2019	$ 21,487	01/2020	$ 46,582
	02/2019	$ 34,631	02/2020	$ 27,357
	03/2019	$ 36,036	03/2020	$ 41,967
	04/2019	$ 55,189	04/2020	$ 6,011
	05/2019	$ 38,221	05/2020	$ 13,225
San Diego, CA	01/2019	$ 48,931	01/2020	$ 35,870
	02/2019	$ 26,656	02/2020	$ 14,509
	03/2019	$ 56,551	03/2020	$ 21,063
	04/2019	$ 38,505	04/2020	$ 3,909
	05/2019	$ 24,429	05/2020	$ 1,840
San Antonio, TX	01/2019	$ 45,451	01/2020	$ 68,855
	02/2019	$ 32,893	02/2020	$ 38,610
	03/2019	$ 73,735	03/2020	$ 73,968
	04/2019	$ 26,210	04/2020	$ 13,569
	05/2019	$ 40,459	05/2020	$ 42,017
Tulsa/ Oklahoma City, OK	01/2019	$ 13,024	01/2020	$ 25,710
	02/2019	$ 38,870	02/2020	$ 34,430
	03/2019	$ 27,452	03/2020	$ 13,893
	04/2019	$ 48,878	04/2020	$ -

Franchisee	Month/2019	Gross Revenues	Month/2020	Gross Revenues
	05/2019	$ 24,195	05/2020	$ 10,369
Kansas City, MO	01/2019	$ 65,052	01/2020	$ 35,139
	02/2019	$ 17,272	02/2020	$ 17,286
	03/2019	$ 52,743	03/2020	$ 18,522
	04/2019	$ 36,369	04/2020	$ 20,662
	05/2019	$ 25,327	05/2020	$ 24,540
East Tennessee	01/2019	$ 32,524	01/2020	$ 14,484
	02/2019	$ 24,054	02/2020	$ 25,632
	03/2019	$ 49,187	03/2020	$ 28,558
	04/2019	$ 12,782	04/2020	$ 8,831
	05/2019	$ 4,247	05/2020	$ 24,963
New Jersey	01/2019	$ 19,663	01/2020	$ 19,002
	02/2019	$ 19,251	02/2020	$ 22,493
	03/2019	$ 12,503	03/2020	$ 10,114
	04/2019	$ 28,605	04/2020	$ 3,909
	05/2019	$ 3,199	05/2020	$ 16,849
Long Island, NY	01/2019	$ 10,074	01/2020	$ 29,580
	02/2019	$ 8,176	02/2020	$ 50,293
	03/2019	$ 16,486	03/2020	$ 34,833
	04/2019	$ 25,734	04/2020	$ 7,637
	05/2019	$ 31,073	05/2020	$ 6,610
Indianapolis, IN	01/2019	$ 37,880	01/2020	$ 40,091
	02/2019	$ 108,692	02/2020	$ 40,907
	03/2019	$ 76,453	03/2020	$ 30,790
	04/2019	$ 49,419	04/2020	$ 364
	05/2019	$ 24,983	05/2020	$ 22,026
Austin, TX	01/2019	$ 33,036	01/2020	$ 110,795
	02/2019	$ 1,707	02/2020	$ 81,256
	03/2019	$ 25,309	03/2020	$ 23,224
	04/2019	$ 33,809	04/2020	$ 30,070
	05/2019	$ 31,758	05/2020	$ 27,110
Omaha, NE	01/2019	$ 40,182	01/2020	$ 69,045
	02/2019	$ 97,617	02/2020	$ 111,462
	03/2019	$ 96,990	03/2020	$ 84,442
	04/2019	$ 56,407	04/2020	$ 53,078
	05/2019	$ 72,280	05/2020	$ 58,526
Wilmington, NC	01/2019	$ 58,503	01/2020	$ 31,044
	02/2019	$ 116,365	02/2020	$ 109,165
	03/2019	$ 93,486	03/2020	$ 79,789
	04/2019	$ 38,042	04/2020	$ 31,165
	05/2019	$ 26,487	05/2020	$ 66,725

* * *

Above, we include the number of SHELFGENIE businesses owned by those franchisees included in the data for each applicable chart; however, the average Order amounts and the average Percentage of Appointments Resulting in a Closed Order include orders and appointments from adjacent Territories operated by the franchisees included in the data under an "Out of Area Amendment" where a franchisee does not own the Territory but has the right to offer and provide services in the additional Territory. Not all franchisees operate in additional Territories under Out of Area Amendment, however those that do report order and appointment information to us which is included in the financial disclosures in this Item 19.

Some have sold this amount. Your individual results may differ. There is no assurance that you'll earn as much.

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

Except for the information stated in this Item or any information we may provide in a FTC Supplemental Financial Performance Representation Disclosure Document, we do not furnish or authorize our salespersons to furnish any oral or written information on the actual, average, projected or forecasted sales, costs, income or profits (the "Earnings Capability") of a SHELFGENIE Business. We specifically instruct our sales personnel, agents and other employees that they are not permitted to make any claims or statements concerning a specific franchisee's Earnings Capability or chances for success. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Andy Pittman, 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328, (PH) (678) 626-5315, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
Systemwide Outlet Summary
For Years 2017 to 2019

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2017	109	96	-13
	2018	96	120	+24
	2019	120	143*	+23
Company-Owned**	2017	52	48	-4
	2018	48	54	+6
	2019	54	21	-33
Total Outlets	2017	161	144	-17
	2018	144	174	+30
	2019	174	164	-10

*Franchised Outlets in 2017 and 2018 each represent the number of franchise agreements entered into with franchisees, where each franchise agreement is for the operation of the Franchised Business within an Assigned Territory. Under the 2017 and 2018 form of franchise agreement, Assigned Territories had at least 250,000 houses or households. Beginning with the 2019 form of franchise agreement, however, Assigned Territories included at least 125,000 houses or households for the Executive Franchise model franchises and 75,000 houses or households for the Owner/Operator Franchise model. Franchised Outlets in 2019 for Table Nos. 1 and 3, therefore represent: 1) the number of franchise agreements entered into with existing or new franchisees for new Assigned Territories, and 2) the number of franchise agreements renewed by existing franchisees for existing Assigned Territories, regardless of the number of franchise agreements those existing Assigned Territories were split into in order to conform to the new household threshold. For example, if an existing franchisee had one Outlet at the beginning of 2018 for an Assigned Territory consisting of 260,000 houses or households, and this franchisee renewed their franchise agreement by executing two 2019 franchise agreements, each for an Assigned Territory of just over 125,000 houses or households, because the Outlet at the beginning of 2019 is fundamentally the same as the Outlet as of the end of 2019, the number of Outlets did not increase because of the additional franchise agreement signed for the same Assigned Territory renewed.

**Company-owned outlets are owned by one of our affiliates and have not signed franchise agreements. Starting in fiscal year 2014, company-owned outlets began to pay Royalty Fees, and make Marketing Contributions.

TABLE NO. 2
Transfer of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2017 to 2019

State	Year	Number of Transfers
Florida	2017	0
	2018	0
	2019	2
Indiana	2017	0
	2018	2
	2019	0
Iowa	2017	0
	2018	0
	2019	1
Kansas	2017	2
	2018	0
	2019	0
Minnesota	2017	0
	2018	0
	2019	4
New Jersey	2017	0
	2018	1
	2019	0
Pennsylvania	2017	0
	2018	3
	2019	0
South Carolina	2017	0
	2018	0
	2019	1
Virginia	2017	0
	2018	0
	2019	4
Total	2017	2
	2018	6
	2019	13

TABLE NO. 3
Status of Franchised Outlets
For years 2017 to 2019

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Alabama	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Arizona	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	12	0	0	0	0	12
California	2017	3	1	0	0	0	0	4
	2018	4	2	0	0	0	0	6
	2019	6	0	0	1	1	0	4
Colorado	2017	1	0	0	0	1	0	0
	2018	0	1	0	0	0	0	1
	2019	1	2	0	0	3	0	0
Connecticut	2017	4	0	0	0	2	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Florida	2017	18	0	0	0	6	0	12
	2018	12	3	0	0	0	0	15
	2019	15	3	0	0	0	0	18
Georgia	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	4	0	0	0	0	9
Idaho	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	2	0	0	0	0	2
Illinois	2017	5	6	0	0	0	0	11
	2018	11	1	0	0	0	0	12
	2019	12	0	0	0	0	0	12
Indiana	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Iowa	2017	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Kansas	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Kentucky	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Massachusetts	2017	6	0	0	0	0	0	6
	2018	6	0	0	0	0	0	6
	2019	6	0	0	0	0	0	6
Michigan	2017	3	0	0	0	3	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Minnesota	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
Nebraska	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
New Hampshire	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
New Jersey	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
New York	2017	2	2	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
North Carolina	2017	6	0	0	0	0	0	6
	2018	6	1	0	0	0	0	7
	2019	7	0	0	0	0	0	7
Ohio	2017	2	0	0	0	0	0	2
	2018	2	3	0	0	0	0	5
	2019	5	3	0	0	0	0	8

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Oklahoma	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Oregon	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Pennsylvania	2017	7	0	0	0	4	0	3
	2018	3	0	0	0	0	0	3
	2019	3	1	0	0	0	0	4
South Carolina	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Tennessee	2017	2	2	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
Texas	2017	16	0	0	0	8	0	8
	2018	8	9	0	0	0	0	17
	2019	17	6	0	6	0	0	17
Utah	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	1	0	0	0	0	2
Virginia	2017	4	0	0	0	0	0	4
	2018	4	0	0	0	0	0	4
	2019	4	0	0	0	0	0	4
Washington	2017	5	0	0	0	0	0	5
	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
Wisconsin	2017	0	0	0	0	0	0	0
	2018	0	3	0	0	0	0	3
	2019	3	0	0	0	0	0	3
Totals	2017	109	11	0	0	24	0	96
	2018	96	24	0	0	0	0	120
	2019	120	34	0	7	4	0	143

TABLE NO. 4
Status of Company-Owned Outlets
For years 2017 to 2019

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Alabama	2017	2	0	0	0	0	2
	2018	2	0	0	0	0	2
	2019	2	0	0	0	0	2
California	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Connecticut	2017	0	0	2	2	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
DC	2017	4	0	0	0	0	4
	2018	4	0	0	0	0	4
	2019	4	0	0	0	0	4
Florida	2017	1	0	6	3	0	4
	2018	4	4	0	0	0	8
	2019	8	0	0	2	3	3
Georgia	2017	6	0	0	0	0	6
	2018	6	0	0	0	0	6
	2019	6	0	0	2	4	0
Illinois	2017	7	0	0	3	4	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Indiana	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Iowa	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Kentucky	2017	2	0	0	2	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Maryland	2017	8	0	0	0	0	8
	2018	8	0	0	0	0	8
	2019	8	0	0	0	0	8

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Michigan	2017	0	0	3	0	0	3
	2018	3	10	0	0	0	13
	2019	13	0	0	13	0	0
Missouri	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
New Hampshire	2017	1	0	0	0	0	1
	2018	1	0	0	1	0	0
	2019	0	0	0	0	0	0
New Jersey	2017	3	1	0	0	0	4
	2018	4	0	0	0	0	4
	2019	4	0	0	4	0	0
New York	2017	13	0	0	11	2	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
North Carolina	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Ohio	2017	1	0	0	1	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Pennsylvania	2017	1	0	4	0	0	5
	2018	5	4	0	0	0	9
	2019	9	0	0	5	0	4
South Carolina	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Tennessee	2017	2	0	0	0	2	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Texas	2017	0	0	8	0	0	8
	2018	8	0	0	0	8	0
	2019	0	0	0	0	0	0
Virginia	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Wisconsin	2017	1	2	0	0	0	3
	2018	3	0	0	0	3	0
	2019	0	0	0	0	0	0
Totals	2017	52	3	23	22	8	48
	2018	48	18	0	1	11	54
	2019	54	0	0	26	7	21

TABLE NO. 5
Projected Openings
As of December 31, 2019

State	Franchise Agreement Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Alabama	0	2	0
Arizona	0	0	2
Colorado	0	0	2
Connecticut	0	4	0
D.C.	0	2	0
Maryland	0	4	0
Michigan	0	3	0
North Carolina	0	2	0
South Carolina	0	3	0
Tennessee	0	0	3
Texas	8	0	0
Virginia	0	5	0
Total	8	25	7

Exhibit F-1 lists the names of all of our current operating franchisees and their business telephone numbers. Exhibit F-2 lists the franchisees who have signed Franchise Agreements for SHELFGENIE Businesses which are not yet operational. Exhibit F-3 lists the name, city and state and business telephone number (or, if known, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during our last fiscal year, or who have not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We have instituted a franchisee referral program under which we may offer incentives or referral fees to our existing franchisees, or their independent contractor designers or installers, to refer prospective candidates to us. We have sole discretion with respect to offering and granting franchises, and we are not bound by any comments or statements.

Our franchisees have signed confidentiality clauses during the last three fiscal years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the 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.

Historically, we offered a multi-unit development franchise, and Exhibit F-4 lists those individuals who are currently under our old form of Multi-Unit Development Agreement. Exhibit F-5 lists the names, cities and states of every Developer, in the previous fiscal year, who had their Multi-Unit Development Agreement terminated or cancelled, whose territory was reacquired by us or who has otherwise voluntarily or involuntarily ceased to do business.

There is no trademark-specific franchisee organization associated with SHELFGENIE.

ITEM 21
FINANCIAL STATEMENTS

Included as Exhibit H are our audited financial statements as of and for the years ended December 31, 2019, December 31, 2018 and December 31, 2017.

Also included in Exhibit H are our unaudited financial statements as of and for the period ended August 31, 2020.

Additionally, our fiscal year end is December 31st.

ITEM 22
CONTRACTS

The following agreements related to a SHELFGENIE franchise are attached as Exhibits to this Disclosure Document:

Franchise Agreement	Exhibit A
General Release	Exhibit E
ProTradeNet Agreement	Exhibit G
Assignment and Consent Agreement	Exhibit I
Renewal Addendum	Exhibit J
Confidentiality Agreement	Exhibit 3 to the Franchise Agreement
Personal Guaranty	Exhibit 2 to the Franchise Agreement
Manufacturing Agreement	Exhibit 6 to the Franchise Agreement
Software Agreement	Exhibit 7 to the Franchise Agreement
Outside Assigned Territory Amendment to Franchise Agreement	Exhibit 8 to the Franchise Agreement
Option Amendment to Franchise Agreement	Exhibit 9 to the Franchise Agreement
Owner/Operator Amendment to Franchise Agreement	Exhibit 10 to the Franchise Agreement
Additional Product Offerings Addendum	Exhibit 11 to the Franchise Agreement

ITEM 23
RECEIPTS

Exhibit M of this Disclosure Document has 2 detachable receipts attached. Please sign and date each of them as of the date you received this Disclosure Document and return one copy to us.

EXHIBIT A

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

between

ShelfGenie Franchise Systems, LLC
a Georgia limited liability company
5500 Interstate North Parkway, Suite 250
Atlanta, GA 30328

and

_____

Effective Date: _____

Territory Name: _____

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SHELFGENIE FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("**Agreement**") is executed as of _____ (the "**Effective Date**"), by and between SHELFGENIE FRANCHISE SYSTEMS, LLC, a Georgia limited liability company ("**SHELFGENIE**"), and _____ ("**Franchisee**").

INTRODUCTION

1. SHELFGENIE, as the result of the expenditure of time, skill, effort and money, has developed and owns a unique system relating to the management and operation of a business that markets, sells and installs products and accessories customized and built around homeowners' and business owners' needs for moving shelving, drawer, storage, and organization systems for cabinets, counters, closets, garages, or other structures, under the trade name and service mark "SHELFGENIE®" (the "**System**").

2. The distinguishing characteristics of the System include, but are not limited to, the following: uniform standards and procedures for business operations; training in operation and management; advertising and promotional programs; customer development and service techniques; and other technical assistance, all of which may be changed, improved or otherwise developed by SHELFGENIE from time to time.

3. Franchisee recognizes the benefits to be derived from being identified with and receiving a franchise from SHELFGENIE and desires to obtain a nonexclusive right from SHELFGENIE to operate a SHELFGENIE Business, to use the System and to enter into this Agreement for that purpose.

4. SHELFGENIE has acquired certain rights to the SHELFGENIE® trademark and any other trade names, service marks, trademarks and logos, as are now designated (and as may hereafter be designated) by SHELFGENIE in writing (the "**Proprietary Marks**").

5. It is the intention of Franchisee and SHELFGENIE to preserve continuing customer confidence in the reliability and quality of all products and services sold or provided in connection with any of the Proprietary Marks.

6. SHELFGENIE may, from time to time, add and delete certain products and services promoted by SHELFGENIE as part of the service line to which the System applies.

7. Franchisee has read carefully and has had sufficient opportunity to be advised thoroughly of the terms and conditions of this Agreement by advisors of Franchisee's own choosing and by receipt and review of SHELFGENIE's current Franchise Disclosure Document and has made an independent investigation of SHELFGENIE's operations and Franchisee and SHELFGENIE wish to enter into this Agreement so as to fully set forth all of the understandings, agreements, representations and warranties made between them.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, SHELFGENIE and Franchisee hereby agree as follows:

ARTICLE 1

APPOINTMENT

Section 1.1 Grant.

(A) SHELFGENIE grants to Franchisee, subject to the terms and conditions contained in this Agreement, the right to operate one (1) SHELFGENIE® Business (the "**Franchised Business**") in the Assigned Territory (as defined in Section 1.2). As hereinafter used in this Agreement, the term "SHELFGENIE Business" includes the Franchised Business and/or any other business operated under the System and Proprietary Marks whether owned by SHELFGENIE, an affiliate of SHELFGENIE or a licensee or franchisee of SHELFGENIE or one of its affiliates. The term "person" includes any natural person and any entity. As used in this Agreement, the term "Franchisee" shall be deemed to include (a) those persons owning any interest in a corporate or limited liability company franchisee; (b) all partners owning any interest in a partnership Franchisee; (c) the individual who owns a sole proprietorship Franchisee; and (d) the guarantors of this Agreement.

(B) Franchisee accepts the obligation to operate the Franchised Business pursuant to the terms and conditions of this Agreement and agrees that Franchisee will, at all times, faithfully, honestly and diligently perform its obligations hereunder, will continuously exert Franchisee's best efforts to promote and enhance the business of the Franchised Business and will not engage in any other business or activity that may conflict with the terms or conditions of this Agreement

Section 1.2 Assigned Territory.

(A) Provided Franchisee is not currently in default and a default has not occurred within the previous six (6) months of any provision of this Agreement or any other agreement between Franchisee and SHELFGENIE or its affiliates, SHELFGENIE shall not operate a SHELFGENIE Business or offer to franchise another SHELFGENIE Business to any other person, within the Assigned Territory as described on Exhibit 1 attached to this Agreement ("**Assigned Territory**"); provided, however, SHELFGENIE shall have the right to establish a National Account Program (defined below) in accordance with Section 1.4 below. In SHELFGENIE's discretion, Exhibit 1 may be completed after the execution of this Agreement with an Assigned Territory designated by SHELFGENIE.

(B) Unless Franchisee receives consent from SHELFGENIE to advertise and sell outside of the Assigned Territory and Franchisee enters into the Outside Territory Amendment to Franchise Agreement, attached to this Agreement as Exhibit 8, Franchisee may not solicit business from persons who reside outside the Assigned Territory. Notwithstanding the foregoing, upon SHELFGENIE's approval, Franchisee may advertise using methods that are generally circulated or broadcast throughout Franchisee's Assigned Territory, but that extend beyond Franchisee's Assigned Territory, such as, but not limited to magazine or newspaper advertisements, use of mail zones, or radio or television broadcasts, so long as such generally circulated advertisements or broadcasts are not specifically targeted to reach areas or customers outside of Franchisee's Assigned Territory. If SHELFGENIE approves Franchisee's use of any of these types of advertisements or broadcasts, then for any month in which Franchisee is running these types of advertisements or broadcasts, sales outside of Franchisee's Assigned Territory may constitute more than fifteen percent (15%) of Franchisee's total monthly sales; provided further, that under no circumstances shall these sales be to individuals that reside in the Assigned Territory of another SHELFGENIE franchisee. From time to time, Franchisee may provide services and sell products to customers who reside outside the Assigned Territory so long as (i) those persons did not become customers of Franchisee as a result of Franchisee's direct marketing efforts outside of the Assigned Territory; (ii) such persons are not located in a territory that is assigned to another franchisee or affiliate of SHELFGENIE, in SHELFGENIE's determination; (iii) such sales do not, at any time, constitute fifteen percent (15%) or more of Franchisee's total sales during any month; (iv) Franchisee follows all policies, rules and regulations in the Operations Manual related to operating in an unassigned territory; and (v) Franchisee immediately ceases to operate outside the Assigned Territory when directed by SHELFGENIE; provided, however,

Franchisee's operations in an unassigned territory with SHELFGENIE's consent shall not in any way extend the Assigned Territory.

Section 1.3 **Rights Reserved by SHELFGENIE**. Except to the extent contemplated in Section 1.2, SHELFGENIE (on behalf of itself and affiliates) retains the right, in its sole and absolute discretion, to:

(A) operate, franchise or license others to operate SHELFGENIE Businesses immediately outside of the Assigned Territory regardless of its proximity to the Assigned Territory;

(B) operate, franchise or license others to operate similar businesses under any trade name other than the Proprietary Marks, at any location within or outside of the Assigned Territory;

(C) operate, franchise or license others to operate different businesses under any trade name, including the Proprietary Marks, at any location within or outside of the Assigned Territory;

(D) sell products or services under any trademark including the Proprietary Marks at any location, including within or outside of the Assigned Territory through other channels of distribution, including but not limited to, the Internet, through dealers, hardware stores or other retail outlets or other home improvement businesses;

(E) purchase, merge, acquire or affiliate with an existing competitive or non-competitive, franchise network, chain, entity or any other business regardless of the locations or territories of such other franchise, chain, entity or other business, and to operate, franchise or license those businesses and/or be operated, franchised or licensed by those businesses under the Proprietary Marks or any other marks following such purchase, merger, acquisition or affiliations, regardless of location or proximity of locations or territories (which Franchisee acknowledges may be within or proximate to its Assigned Territory);

(F) sell itself or themselves, their assets, the Proprietary Marks, the System, any other marks or any other system to a third party;

(G) go public or may engage in a private placement of some or all of any of their securities; and

(H) undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring.

With regard to any of the above rights reserved to SHELFGENIE, Franchisee expressly and specifically waives any claims, demands or damages arising or related to the loss of any of the Proprietary Marks or any portion of the System and/or the loss of association with or identification of SHELFGENIE as a franchisee under this Agreement or related to the locations and territories of the newly acquired or added locations.

Section 1.4 **National Accounts**. SHELFGENIE will periodically evaluate national account opportunities to be administered through SHELFGENIE, an affiliate of SHELFGENIE or a third party (the "**National Account Program**"). A "**National Account**" is generally a large organization (i) with multiple locations that need products and services provided by the System and/or has relationships with customers that need products and services provide by the System, and (ii) who has entered into a formal or informal agreement with SHELFGENIE to have such products and services offered by the System delivered to certain locations in multiple franchisees' assigned territories. A National Account does not have to extend throughout the entire United States, and may include regional account opportunities. To promote uniformity and consistency, SHELFGENIE may set the prices to be charged to each National Account and other program terms for the National Account. If SHELFGENIE obtains a National Account with a service location in Franchisee's Assigned Territory, SHELFGENIE will refer that business to Franchisee. If Franchisee refuses to provide products or services to a National Account in the Assigned Territory, is unable to provide all of the products and services requested by the National Account or refuses to service the National Account at the prices and according to SHELFGENIE's program terms (including the rules for National

Accounts in the Operations Manual), to protect the reputation of the System and preserve the National Account, SHELFGENIE may service that National Account in the Assigned Territory and/or may license or appoint another person to service that National Account in the Assigned Territory (including another SHELFGENIE franchisee or a company that is or is not affiliated with SHELFGENIE), with no compensation to Franchisee.

ARTICLE 2

TERM

Section 2.1 **Term**. Unless sooner terminated pursuant to Article 12, the term of this Agreement shall extend for five (5) years from the date of this Agreement (the "**Term**"). Franchisee accepts the grant under this Agreement with the full and complete understanding that such grant hereby contains no promise or assurance of renewal at the end of the Term. The sole and entire conditions under which Franchisee will have the opportunity of obtaining a Renewal SHELFGENIE Franchise Agreement (as defined below in Section 2.2(D)) at the expiration of the Term are those set forth in Section 2.2.

Section 2.2 **Renewal Term**. Franchisee may, at its option, renew the franchise for three (3) additional five (5) year periods,(the "**Renewal Term**") provided that the following conditions are met:

(A) Advance Notice. Franchisee shall give SHELFGENIE written notice of its intention to renew not less than nine (9) months nor more than twelve (12) months prior to the end of the Term or the current Renewal Term, as the case may be;

(B) Completion of Upgrading and Updating. At least four (4) months prior to the expiration of the Term, as the case may be, SHELFGENIE may give notice to Franchisee of all required upgrading and updating, which shall be completed no later than sixty (60) days prior to the expiration of the Term;

(C) No Default. Franchisee shall not be in default of any provision of this Agreement or any other agreement between Franchisee and SHELFGENIE or its affiliates and Franchisee shall have substantially complied, in SHELFGENIE's determination, with all the terms and conditions of such agreements during their respective terms;

(D) Execute the Current Franchise Agreement. Franchisee shall execute and deliver to SHELFGENIE, the then current form of the SHELFGENIE Franchise Agreement ("**Renewal Franchise Agreement**"), which agreement shall, solely upon execution and delivery by SHELFGENIE and expiration of the Term supersede in all respects this Agreement, and the terms of which may materially differ from the terms of this Agreement, including without limitation, an increase in the Royalty Fee and/or Marketing Contributions (as such terms are defined in Article 3) provided, however, that any higher Royalty Fee and/or Marketing Contributions shall not exceed the Royalty Fee and/or Marketing Contributions then being charged for new franchisees of SHELFGENIE;

(E) Meet Current Qualifications and Training Requirements. Franchisee shall have complied with SHELFGENIE's then current qualification and training requirements;

(F) Execute General Release. Franchisee shall execute a general release, in a form prescribed by SHELFGENIE, releasing SHELFGENIE and its affiliates and parent, and their respective officers, directors, members, owners, agents, attorneys and employees of all claims except for claims which cannot legally be released under applicable law;

(G) Renew Other Franchise Agreements. In the event that Franchisee (or entities owned or controlled by Franchisee) owns and operates other SHELFGENIE Businesses under other franchise agreements with SHELFGENIE, and those other franchised SHELFGENIE Businesses have assigned territories that are contiguous to the Assigned Territory, SHELFGENIE shall have the right to require that Franchisee (or other entities owned or controlled by Franchisee) enter into a new Franchise Agreement for those additional franchised SHELFGENIE Businesses, as a form of early renewal, at the same time

Franchisee executes the Renewal Franchise Agreement described in Section 2.2(D). Such additional renewal(s) shall be subject to the terms of the applicable franchise agreement(s), and Franchisee (or entities owned or controlled by Franchisee) must comply with the terms and conditions of such other franchise agreement(s). Franchisee acknowledges and agrees that such additional renewal(s) may occur prior to the expiration of the then-current term of the applicable franchise agreement(s). SHELFGENIE will modify the renewal term so that the early renewal Renewal Franchise Agreement does not reduce the total number of potential years in the term and renewal term that was originally granted; and

(H) Renewal Fee. Franchisee shall pay SHELFGENIE a renewal fee (in lieu of the otherwise required Initial Franchise Fee described in the Renewal Franchise Agreement) in the amount of one thousand seven hundred and fifty dollars ($1,750) (the "**Renewal Fee**") at the time of execution of the Renewal Franchise Agreement.

If SHELFGENIE determines that all of the conditions specified above have not been satisfied, it shall notify Franchisee in writing that the Renewal Franchise Agreement has not been accepted and that the renewal is not effective and shall specify the reasons therefor.

Section 2.3 Reinstatements and Extensions. In the event any termination or expiration of the franchise would violate any applicable laws, SHELFGENIE may, in its sole and absolute discretion, reinstate or extend the franchise for the purpose of complying with such laws, for the duration provided by SHELFGENIE in a written notice to Franchisee, without waiving any of SHELFGENIE's rights under this Agreement or otherwise modifying this Agreement.

ARTICLE 3

FEES AND PAYMENTS

Section 3.1 Types of Fees. Franchisee shall pay SHELFGENIE the following fees in United States currency:

(A) Initial Franchise Fee. The initial franchise fee is $_____ (the "**Initial Franchise Fee**") and is payable simultaneously with the execution of this Agreement. The Initial Franchise Fee shall be deemed fully earned by SHELFGENIE and is non-refundable upon execution of this Agreement. SHELFGENIE is a participant in the VetFran program. If SHELFGENIE agrees that Franchisee qualifies for the VetFran program, Franchisee's Initial Franchise Fee for Franchisee's first Franchised Business shall be reduced by fifteen percent (15%). If SHELFGENIE agrees that Franchisee qualifies for the VetFran program and Franchisee was honorably discharged and has a disability that was incurred or aggravated in the line of duty in the active military, naval or air service, Franchisee's Initial Franchise Fee for Franchisee's first Franchised Business shall be reduced by twenty five percent (25%). Franchisee shall only qualify for either the fifteen percent (15%) or twenty-five percent (25%) discount. A VetFran participant who purchases additional SHELFGENIE Businesses shall not receive the fifteen percent (15%) or twenty-five percent (25%) discount on the Initial Franchise Fee under such additional franchise agreements.

(B) Royalty Fee. On every Wednesday of every week partially or wholly contained within the Term (and the Wednesday immediately following the expiration or termination of the Term), Franchisee shall pay to SHELFGENIE a non-refundable royalty fee (the "**Royalty Fee**") in an amount equal to the greater of four hundred dollars ($400) per month or five percent (5%) of Franchisee's Gross Revenues (as defined in Section 3.2). Royalty Fees will be assessed and collected on Franchisee's weekly Gross Revenues for the calendar week (i.e., Monday through Sunday). After the close of each calendar month, SHELFGENIE will calculate the total amount equal to five percent (5%) of Franchisee's Gross Revenues, and if this amount falls short of four hundred dollars ($400), the difference will be due to SHELFGENIE on the next Royalty Fee payment date. No minimum Royalty Fee will be imposed until the first calendar day of Franchisee's fourth full month in operation.

(C) Marketing Contribution. On every Wednesday of every week partially or wholly contained within the Term (and the Wednesday immediately following the expiration or termination of the Term), Franchisee shall pay SHELFGENIE a non-refundable weekly contribution for use in connection with the Marketing Fund (as defined in Section 8.2) in an amount equal to up to two percent (2%) of weekly Gross Revenues (as defined in Section 3.2) for the calendar week immediately preceding such Wednesday (the "**Marketing Contributions**"). SHELFGENIE may terminate and reinstate the Marketing Contribution and the Marketing Fund at any time, in its sole and absolute discretion.

(D) Call Center Program Fees. Franchisee shall pay the Call Center Program fees as they are set, from time to time. Franchisee agrees to pay all fees imposed by the service provider for these services and to enter into any related user or service agreements. The Call Center Program fees will not change more than once in any calendar year.

(E) Renewal Fee. In the event the franchise is renewed pursuant to Section 2.2, Franchisee shall pay the Renewal Fee as set forth in Section 2.2(G).

(F) Transfer Fee. In the event of a transfer of Franchisee's interest in the Franchised Business or any other transfer requiring SHELFGENIE's consent under Article 11, Franchisee must, in addition to meeting all other requirements set forth in this Agreement, pay a Transfer Fee as set forth in Section 11.3(J).

(G) Training Fee. Franchisee is required to pay SHELFGENIE's standard training fees for any training such as refresher training or advanced management training as described in Section 4.4(D), other than the SHELFGENIE Training (as defined and limited in Section 4.2), and Franchisee shall be solely responsible for all its costs and expenses associated therewith, including but not limited to, all travel, meals and lodging costs and compensation of and workers compensation insurance for all of its attendees. In the event SHELFGENIE requires or agrees to provide any training such as refresher training or advanced management training at a location other than SHELFGENIE's corporate headquarters (such as in Franchisee's location), Franchisee is required to pay SHELFGENIE's standard training fees and shall be solely responsible for all of SHELFGENIE's costs and expenses associated therewith, including travel, meals and lodging costs for SHELFGENIE representatives.

(H) Technology Fees. SHELFGENIE reserves the right to charge both upfront and ongoing fees for technology licensing, development, implementation, and support. SHELFGENIE further reserves the right to increase this fee and change the services offered or provided.

(I) Insufficient Funds. SHELFGENIE reserves the right to charge Franchisee for returned checks or insufficient funds within Franchisee's operating or specified account for any pre-authorized transfer. SHELFGENIE shall charge and Franchisee shall pay to SHELFGENIE a fee of two hundred and fifty dollars ($250) per occurrence for returned checks or insufficient funds transactions. Three (3) or more occurrences of returned checks or insufficient fund transactions shall be deemed a default of this Agreement and upon the third occurrence, SHELFGENIE may terminate the Term of this Agreement.

(J) Additional Payments. Franchisee must pay SHELFGENIE or its affiliate(s) within ten (10) days after demand: (i) all sales taxes, corporate taxes, trademark license taxes, and any like taxes imposed on, required to be collected by, or paid by SHELFGENIE or its affiliate(s) on account of products or services SHELFGENIE or its affiliate(s) furnish to Franchisee, through sale, lease, or otherwise, or on account of SHELFGENIE's or its affiliate(s) collection of any fee related to this Agreement; (ii) all franchise or like taxes, whether based on gross receipts, gross revenues, Royalty Fees, Marketing Contributions, Business Services Fees, or otherwise, imposed on, required to be collected by, or paid by SHELFGENIE or its affiliate(s); and (iii) all other amounts SHELFGENIE or its affiliate(s) pay or must pay for Franchisee for any reason.

Section 3.2 Gross Revenues.

(A) The term "**Gross Revenues**" as used in this Agreement shall mean the total amount received or receivable by or in connection with the Franchised Business from, connected with or related to

the sale of any services, products, goods or merchandise and all business transacted by Franchisee related, directly or indirectly, to the Franchised Business, excluding only the following:

(i) the amount of any federal, state, or local sales or excise taxes or other similar taxes, separately stated, which are required by law to be collected and paid by Franchisee to any governmental agency or authority; and

(ii) the amount of any refunds to customers for bona fide returns of goods sold or cancellations.

(B) The full amount for any products or services which was not previously paid, shall be receivable on the date of installation for purposes of computing Gross Revenues.

Section 3.3 **Payment Schedule**. The Royalty Fee, Marketing Contributions and any other required fee must be paid to SHELFGENIE, together with any required reports, no later than every Wednesday of every week wholly or partially contained within the Term (and the Wednesday immediately following the expiration or termination of the Term) with respect to the immediately preceding week. SHELFGENIE or its affiliates may automatically withdraw these amounts and/or any other amounts due SHELFGENIE or any of its affiliates from Franchisee directly from Franchisee's operating or specified account pursuant to Section 3.4 below. All other amounts due to SHELFGENIE or any of its affiliates from Franchisee shall be paid as specified in this Agreement or, if no time is specified, such amounts shall be due within ten (10) days of receipt of an invoice from SHELFGENIE or may be withdrawn from Franchisee's operating or specified account by SHELFGENIE or its affiliates pursuant to Section 3.4(A). Any payment or report not actually received by SHELFGENIE or its applicable affiliate on or before the due date will be deemed past due and subject to the charges described in Section 3.5. Franchisee shall pay its final Royalty Fee, Marketing Contributions and any other required fees no later than ten (10) days after the termination or expiration of the Term. If any payment date falls on a legal holiday, then the payment shall be made on the next business day thereafter. SHELFGENIE and its affiliates shall have the right and discretion to apply and/or allocate payments made by or on behalf of Franchisee, in any manner, to any amounts due and owing SHELFGENIE and/or its affiliates, regardless of any instruction, direction, requirement or proposed allocation set forth by Franchisee.

Section 3.4 **Payment System**.

(A) Pre-Authorized Transfers. Franchisee must sign an electronic ACH Form, attached as Exhibit 12, to authorize and direct Franchisee's bank or financial institution to allow SHELFGENIE to initiate a transfer of funds electronically directly to SHELFGENIE's account and to charge to Franchisee's account all amounts due to us or any affiliate (the "**Payment System**"). Franchisee must maintain a balance in your account sufficient to allow SHELFGENIE and SHELFGENIE's affiliates to collect the amounts owed when due.

(B) Franchisee's Cooperation In Establishing Payment System. Franchisee shall cooperate with SHELFGENIE in all respects to implement the Payment System at least fifteen (15) days prior to the Opening Date (defined below) or within fifteen (15) days of SHELFGENIE's designation of such Payment System. Franchisee agrees to cooperate with SHELFGENIE in all respects in maintaining the efficient operation of the Payment System. The ACH Form may not be withdrawn or modified without the prior written approval of SHELFGENIE, which approval shall be within SHELFGENIE's sole and absolute discretion. Franchisee shall also execute such other forms relating to the Payment System as SHELFGENIE may request from time to time. Franchisee shall pay all the charges imposed by Franchisee's financial institution relating to the Payment System.

(C) SHELFGENIE May Receive Banking Statements. SHELFGENIE may require Franchisee's financial institution to send to SHELFGENIE a monthly statement of all activity in the operating or specified account accessed by the Payment System at the same time as such financial institution sends such statements to Franchisee, and such other reports of the activity in such operating and/or specified account as SHELFGENIE may reasonably request. If Franchisee maintains any other accounts of any type

relating to the Franchised Business, Franchisee shall identify such accounts to SHELFGENIE and provide to SHELFGENIE copies of the monthly statements for all such accounts and the details of all deposits to and withdrawals from them.

(D) Franchisee's Payment Obligations Absolute. Franchisee agrees that its obligations to make any payments as specified in this Agreement and any other agreement entered into with SHELFGENIE or any of its affiliates with respect to the Franchised Business and the rights of SHELFGENIE and its affiliates to receive such payments are absolute and unconditional and are not subject to any abatement, reduction, setoff, defense, counterclaim or recoupment due or alleged to be due to, or by reason of, any past, present or future claims which Franchisee has or may have against SHELFGENIE, any of its affiliates or against any other person for any reason whatsoever.

Section 3.5 Late Charges. Although each failure to pay amounts due to SHELFGENIE when due will be a material breach of this Agreement, to encourage prompt payment and to cover the costs and expenses involved in handling and processing late payments, without limiting any other rights or remedies of SHELFGENIE, if any payment under this Agreement or any other agreement between SHELFGENIE and Franchisee relating to the Franchised Business becomes overdue for any reason, except for banking errors or malfunctions outside Franchisee's reasonable control, late charges will be imposed on such overdue amount, equal to the lesser of: (A) eighteen percent (18%) per annum; or (B) the maximum rate of interest permitted by applicable law, and such interest will be payable on demand.

Section 3.6 Guarantee of Franchisee's Obligations. As security for all monetary and other obligations of Franchisee to SHELFGENIE, the shareholders of a corporate Franchisee; the general partners of a general partnership or limited partnership Franchisee; or the beneficial owners of the equity interests of any other entity constituting Franchisee shall execute and deliver to SHELFGENIE their personal, absolute and continuing, joint and several guarantee of Franchisee's obligations hereunder in the form of the Guaranty and Subordination Agreement attached hereto as Exhibit 2.

ARTICLE 4

DUTIES OF SHELFGENIE

During the Term, provided that Franchisee is not in default under this Agreement, SHELFGENIE shall provide Franchisee, from time to time, with the following assistance and services:

Section 4.1 Lists and Schedules. SHELFGENIE shall supply to Franchisee (A) a list of all required equipment, supplies, materials, inventory and other items necessary to operate the Franchised Business and a list of approved suppliers or required specifications for all such items, if any, and (B) a schedule of items, if any, which Franchisee is currently required to purchase from SHELFGENIE or one of its affiliates. Franchisee may purchase a Tool Kit from SHELFGENIE's affiliate prior to attending the SHELFGENIE Training (defined below). The Tool Kit consists of the tools necessary to complete an installation except for hardware items. The current cost of the Tool Kit is $1,195.

Section 4.2 SHELFGENIE Training.

(A) Pre-Opening SHELFGENIE Training. SHELFGENIE shall provide up to eight (8) days of pre-opening training, without additional fee, to Franchisee for up to two (2) persons ("**Trainees**") at SHELFGENIE's corporate headquarters and/or at such other location as SHELFGENIE may designate (the "**SHELFGENIE Training**"). The two (2) Trainees that will attend SHELFGENIE Training at no additional fee must attend the same training sessions on the same days. If Franchisee has more than two (2) Trainees attend the SHELFGENIE Training, then Franchisee shall pay to SHELFGENIE Two Hundred Dollars ($200) per day for each additional Trainee. Each Trainee must, prior to the Opening Date and within ninety (90) days of the Effective Date, at a time scheduled by SHELFGENIE, complete to SHELFGENIE's satisfaction, the then current SHELFGENIE Training. If Franchisee already owns a SHELFGENIE Business, preopening training will not be offered except at Franchisee's expense. In no event shall SHELFGENIE, its parent or affiliates or any of their representatives who conduct the SHELFGENIE Training be liable to Franchisee in

connection with providing or failing to provide the SHELFGENIE Training and Franchisee's sole remedy with respect to any failure to provide the SHELFGENIE Training shall be the right to receive the SHELFGENIE Training.

(B) Expenses Paid by Franchisee. Franchisee shall be responsible, in addition to the training fees described above, for all expenses of all Trainees in attending the SHELFGENIE Training including all travel, lodging and meal expenses and compensation of, and workers' compensation for such Trainees. All costs and expenses incurred to have additional employees or agents of Franchisee attend the SHELFGENIE Training, including training fees, shall be paid by Franchisee. Notwithstanding anything to the contrary contained in this Agreement, attendance by any additional employees or agents is conditioned upon SHELFGENIE's prior written approval.

Section 4.3 Loan of Operations Manual. During the Term, SHELFGENIE shall make available on loan to Franchisee SHELFGENIE's confidential, proprietary operations manual (the "**Operations Manual**"). SHELFGENIE may provide the Operations Manual (i) through WishPortal (defined below) and/or other electronic, computerized or forms of access (the "**Operations Manual Access Point**"), (ii) in a paper copy, or (iii) in a digital form. The Operations Manual shall remain the exclusive property of SHELFGENIE at all times. Any passwords or other digital identifications necessary to access the Operations Manual Access Point will be deemed to be part of Confidential Information (as defined below).

Section 4.4 Continued Assistance and Support.

(A) Periodic Visits. SHELFGENIE may provide assistance and support to Franchisee in the development and operation of the Franchised Business by means of periodic visits by a field representative of SHELFGENIE. If requested by Franchisee, SHELFGENIE will make its representatives reasonably available by phone, e-mail or other methods of communication, for consultation on matters such as operations, advertising and promotion, and business methods, on terms and for such additional compensation as SHELFGENIE and Franchisee may agree. In addition, at Franchisee's request, SHELFGENIE will furnish additional guidance and assistance to deal with unusual or unique operating problems at reasonable per diem fees, charges and out-of-pocket expenses as may be established by SHELFGENIE from time-to-time. SHELFGENIE may make suggestions or give Franchisee mandatory instructions related to any visit by one of SHELFGENIE's field representatives and Franchisee shall take all necessary steps to correct any deficiency.

(B) Advertising. SHELFGENIE may promote the Franchised Business through advertising and public relation campaigns using Marketing Contributions paid by franchisees, if any. SHELFGENIE may provide Franchisee advice on local advertising. SHELFGENIE shall provide Franchisee direction regarding the proper usage of the Proprietary Marks. SHELFGENIE may also provide Franchisee with examples of promotional methods and materials SHELFGENIE may develop for use from time to time. SHELFGENIE may issue standards and procedures for Franchisee and Franchisee's employees' and other representatives' authorization to use, and use of, blogs, common social networks like Facebook and Instagram, professional networks like Linked-In, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites, and other similar social networking media or tools ("**Social Media**") that in anyway reference the Proprietary Marks or involve the Franchised Business.

(C) Website Representation. So long as SHELFGENIE or one of its affiliates maintains the Website (defined below) for marketing and sales purposes (which shall be in SHELFGENIE's sole and absolute discretion), and Franchisee is not in default under this Agreement, SHELFGENIE shall list the Franchised Business on the Website. SHELFGENIE shall have sole and absolute discretion over the design, layout, and content of the Website. The "**Website**" shall mean that website located at URL www.shelfgenie.com or such other website as SHELFGENIE may designate, which is owned and developed by or on behalf of SHELFGENIE. Franchisee is prohibited from advertising the Franchised Business on the Internet unless it is through the Website.

(D) Additional Training; National Meeting. SHELFGENIE, from time to time, may, but is under no obligation to, provide refresher training programs, seminars or advanced management training at such

locations as may be designated by SHELFGENIE, which may be required for Franchisee and/or Franchisee's owners or employees, at the sole option of SHELFGENIE. Such mandatory training may be required for up to five (5) days each year. Franchisee shall be solely responsible for all costs and expenses associated with attending such mandatory training, including, but not limited to SHELFGENIE's then prevailing training fees plus, if applicable, the reasonable and actual costs associated with the living expenses of the trainers, including travel, hotel, and meals, and all travel, meals and lodging costs and compensation of, and workers' compensation insurance for Franchisee's attendees. In addition to such mandatory training, SHELFGENIE may also require Franchisee to attend up to two national business meetings or annual conventions per year for up to three (3) days each meeting or conference and Franchisee shall pay any fee assessed by SHELFGENIE for such national business meeting or annual convention regardless of whether Franchisee attends and/or SHELFGENIE waives Franchisee's attendance.

Section 4.5 **Call Center Program**. If SHELFGENIE requires Franchisee to, Franchisee will participate in the Call Center Program, as it exists from time to time. Participation in the program may include, without limitation, using and publishing a telephone number SHELFGENIE designates; engaging a designated service provider (which may be SHELFGENIE, SHELFGENIE's affiliate, or a third party) to answer calls, set customer appointments, and provide other related services; acquiring, installing, and using related technology; entering into any required related user or service agreements; and paying all related costs and fees imposed by the service provider (the "**Call Center Program**"). SHELFGENIE may, or a third party Call Center Program service provider may, cancel or modify the Call Center Program from time to time within its discretion. Such modifications may include, but are in no way limited to, changes to the types of services provided, the Call Center Program fees (and timing and method of payment), technologies and equipment to be used, and process and procedures related to the Call Center Program, and Franchisee agrees to abide by such modifications.

Section 4.6 **Right to Delegate Duties**. Franchisee acknowledges SHELFGENIE's right to delegate any or all of the aforementioned duties or any other duties of SHELFGENIE hereunder to a designee. Franchisee shall be required to discharge its duties in all respects with such designee to the extent requested by SHELFGENIE, from time to time, in the same manner with which Franchisee is otherwise required to do so with SHELFGENIE.

ARTICLE 5

GENERAL DUTIES OF FRANCHISEE

Franchisee understands and acknowledges that every detail of the operation of the Franchised Business is important to Franchisee, SHELFGENIE and the other SHELFGENIE franchisees in order to develop and maintain high and uniform operating standards, increase the demand for the services rendered by SHELFGENIE and SHELFGENIE Businesses and to protect SHELFGENIE's Proprietary Marks, reputation and goodwill.

Section 5.1 **Opening Requirements**. The "**Opening Date**" shall be the date that Franchisee opens the Franchised Business for business to the general public and commences (i) advertising the Franchised Business in the Assigned Territory, and (ii) accepting appointments for the Franchised Business. The Opening Date shall occur within sixty (60) days after SHELFGENIE Training has been completed by Franchisee and/or its representatives. Franchisee agrees not to open the Franchised Business for business until: (A) Franchisee has obtained all permits, licenses and certificates necessary to operate the Franchised Business; (B) training of Franchisee or its owners, Trainees and employees has been completed to SHELFGENIE's satisfaction; (C) the Initial Franchise Fee, and all other amounts due to SHELFGENIE and its affiliates under this Agreement or any other agreement have been paid; and (D) SHELFGENIE has been furnished with certificates of insurance and copies of all insurance policies required by Section 10.2, or such other evidence of insurance coverage as SHELFGENIE reasonably requests.

Section 5.2 **Licenses, Permits and Taxes**. Franchisee shall: (A) secure and maintain in full force and effect in Franchisee's name, all required licenses, permits and certificates relating to the operation of

the Franchised Business; (B) deliver copies of any and all of the foregoing to SHELFGENIE within five (5) days of request; (C) pay promptly all taxes and assessments when due; and (D) operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including but not limited to laws relating to occupational hazards, health, workers' compensation insurance, unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes and sales taxes.

Section 5.3 **Computer Equipment and Software**. Franchisee must obtain a computer (including software) and printer that comply with SHELFGENIE's specifications and requirements. To ensure full operational efficiency and communication capability between SHELFGENIE's computers and Franchisee's, Franchisee must at all times, at Franchisee's own expense, keep Franchisee's computer system, the software and printer in good repair and purchase annual maintenance and service contracts from the manufacturer of the hardware and software, including software that will interface with SHELFGENIE's computers. Franchisee must keep computer(s) free of viruses, spy wear and spam ware. Franchisee may be required to upgrade, update or replace the computer, software and/or printer at Franchisee's sole cost and expense. Franchisee understands and acknowledges that upgrades, changes or modifications to computer hardware, software or other equipment may require Franchisee to make additional investments in the Franchise Business.

Section 5.4 **Vehicle**. Franchisee shall obtain within sixty (60) days of the Opening Date, at Franchisee's sole expense, such vehicles as SHELFGENIE may specify from time to time in the Operations Manual or otherwise in writing. The vehicles must meet all of the specifications and requirements set forth in the Operations Manual or otherwise by SHELFGENIE in writing (including the results of an inspection by SHELFGENIE). Within sixty (60) days of the Opening Date, the appearance and signage (or wrap) on the vehicle must comply with SHELFGENIE's specifications and requirements which may be set forth in the Operations Manual or otherwise in writing. The cost of the signage (or wrap) on the vehicle will count toward satisfying the Minimum First Year Expenditure (defined below) required under Section 8.1(A). Franchisee shall replace the vehicle as required by SHELFGENIE. Typically this vehicle will be used by the Manager of the Franchised Business or one of the sales people for making visits to customers. SHELFGENIE may periodically require Franchisee to update its trade dress and image standards including any signage (or wrap). These updates may require Franchisee to make additional investments in the Franchised Business.

Section 5.5 **Operational Requirements**. Franchisee shall operate the Franchised Business in conformity with such mandatory uniform methods, standards and specifications as SHELFGENIE may from time to time prescribe, including but not limited to in the Operations Manual, to ensure that the highest degree of quality and service is uniformly maintained. Franchisee agrees to purchase supplies, equipment and services for the Franchised Business (1) that meet certain required specifications, (2) that are a specific brand, kind or model, (3) only from suppliers or service providers that SHELFGENIE has expressly approved and/or (4) from a single source that SHELFGENIE chooses (which may include SHELFGENIE or its affiliates or a buying cooperating organized by SHELFGENIE or its affiliates). Franchisee must comply with any terms, conditions or other restrictions imposed by suppliers or service providers concerning Franchisee's purchase including, without limitation, terms of payment except to the extent that a charge by a supplier is being contested in good faith. Furthermore, Franchisee agrees to:

(A) Comply with Payment System. Comply with the Payment System established by SHELFGENIE, as may be amended from time to time;

(B) Comply with SHELFGENIE's Procedures and Systems. Comply with all of the procedures and systems instituted by SHELFGENIE both now and in the future, including but not limited to those relating to sales, operations, prices of services Franchisee offers in connection with the Franchised Business, software and hardware requirements, terms and conditions of use of the Website, good business practices, advertising and other obligations and restrictions set forth in this Agreement and in the Operations Manual, as may be amended from time to time;

(C) Maintain Sufficient Inventory. Maintain in sufficient supply (as SHELFGENIE may prescribe in the Operations Manual or otherwise in writing), and use at all times, only such inventory,

equipment, materials, advertising methods and formats, and supplies as conform with SHELFGENIE's current standards and specifications, and at all times in sufficient quantities to meet the anticipated volume of business;

(D) Offer all Services and Products. Sell or offer for sale all required services and products expressly approved or directed for sale in the Operations Manual or otherwise in writing by SHELFGENIE, and refrain from selling any other services or products or from any deviation from SHELFGENIE's standards and specifications for providing or selling same. Franchisee shall not sell any products for redistribution or resale;

(E) Discontinue Selling Disapproved Items. Discontinue selling and offering for sale any services or products as SHELFGENIE may in its sole and absolute discretion, disapprove in writing at any time or which have not first been approved by SHELFGENIE;

(F) Warranty. Franchisee must honor the standard warranties set forth in the Operations Manual, including a warranty or guarantee of its installation services (the "**Warranty Obligations**"); and

(G) Pricing. To the extent permitted by applicable law, SHELFGENIE reserves the right to specify in writing a retail price and/or to establish in writing minimum and/or maximum prices for the products and services Franchisee sells. Franchisee shall sell any such products or services at the specified retail price or, if applicable, in accordance with the minimum and/or maximum retail prices established by SHELFGENIE, or its affiliate, from time to time. Where no retail price or maximum or minimum prices has been specified or established by SHELFGENIE, or its affiliate, with respect to a product or services that Franchisee sells, Franchisee may sell such product or service at any reasonable price Franchisee may choose. Franchisee shall offer and participate in any retail program advertised by SHELFGENIE to the public as available at SHELFGENIE Businesses, including without limitation, those retail programs which specify one or more products or services at a particular price. Franchisee hereby acknowledges and agrees that the specified retail price and maximum and minimum prices for the products and services Franchisee and other franchisees sell may vary from region to region to the extent necessary by SHELFGENIE or its affiliate in order to reflect differences in costs and other factors applicable to such regions.

(H) Call Center Program. If SHELFGENIE requires Franchisee to, Franchisee will participate in the Call Center Program, as it exists from time to time. Participation in the program may include, without limitation, using and publishing a telephone number SHELFGENIE designates, engaging a designated service provider (which may be SHELFGENIE, SHELFGENIE's affiliate, or a third party) to answer calls, set customer appointments, and provide other related services, acquiring, installing, and using related technology, and using our designated service providers. Franchisee agrees to pay all fees imposed by the service provider for these services and to enter into any related user or service agreements.

Section 5.6 Hiring, Training and Appearance of Employees and Agents. Franchisee shall maintain a competent, conscientious staff and employ or contract with such minimum number of employees or agents as are necessary to meet the anticipated volume of business of the Franchised Business and take such steps as are reasonably necessary to ensure that its employees and agents meet the criteria required by SHELFGENIE and keep a neat and personal appearance and comply with such dress code as SHELFGENIE may prescribe. Franchisee acknowledges and agrees that Franchisee shall be solely responsible for all employment and contracting decisions and functions, including but not limited to, those related to hiring, firing, contracting, establishing wage and hour requirements, disciplining, supervising and record keeping.

Section 5.7 Approved Specifications and Sources of Supply.

(A) Purchase only from Approved Suppliers. In order to protect the interest of SHELFGENIE and its affiliates in the products offered under the Proprietary Marks and System and to ensure the quality, uniformity, and distinctiveness of the products offered under the Proprietary Marks and System, Franchisee shall purchase or lease all products and services used for the operation of the Franchised Business solely from authorized manufacturers and suppliers who have been approved in writing by SHELFGENIE and not thereafter disapproved. SHELFGENIE, in its sole and absolute discretion, may approve a single distributor or supplier for any brand and may approve a distributor or supplier only as to a certain brand or brands. SHELFGENIE and its affiliates may be authorized manufacturers or suppliers and Franchisee may be required to purchase equipment, supplies, inventory or other products solely from SHELFGENIE or its affiliates.

(B) Approval of New Suppliers. If Franchisee desires to purchase or lease any equipment, supplies, inventory or other products or services from an unapproved supplier, Franchisee shall submit to SHELFGENIE a written request for such approval. SHELFGENIE shall have the right to require, as a condition of its approval, that its representatives be permitted to inspect the supplier's facilities, review the supplier's specifications and that samples from the supplier be delivered to SHELFGENIE. Franchisee shall reimburse SHELFGENIE for SHELFGENIE's reasonable costs of inspection and review. Franchisee shall pay the actual cost of all testing. SHELFGENIE shall notify Franchisee in writing within sixty (60) days after SHELFGENIE's receipt of samples, whether such products or services satisfy SHELFGENIE's then current quality standards and are consistent with the image and business of SHELFGENIE. Notwithstanding the foregoing, SHELFGENIE may revoke its approval of a supplier at any time in its sole and absolute discretion.

(C) G-O Manufacturing LLC. Franchisee shall enter into a manufacturing agreement with G-O, an affiliate of SHELFGENIE, or such other party as may be specified by SHELFGENIE, for the manufacture of all moving shelving systems Franchisee sells, in the form of Exhibit 6 attached hereto (the "**Manufacturing Agreement**").

(D) Product Offering. Franchisee acknowledges (a) that the products offered under the Proprietary Marks and System are (i) manufactured and developed by and, in some cases, exclusively for SHELFGENIE and/or its affiliates and (ii) unique and their design, measurement, manufacturing, and installation processes constitute trade secrets essential to the success of the System; and (b) that Franchisee has entered into this Agreement in order to, among other things, obtain the right to offer and sell the products offered under the Proprietary Marks and System.

(E) Software Agreement. Franchisee is required to use certain proprietary software as SHELFGENIE designates in the Operations Manual. Franchisee shall enter into a software agreement with SHELFGENIE for the right to use such software, in the form of Exhibit 7 attached hereto (the "**Software Agreement**") or such other software agreement that SHELFGENIE may require from time to time.

(F) Collection of Supplier and Distributor Credits, Rebates and Other Items. SHELFGENIE and/or its affiliates have the right to collect monies, credits, rebates, commissions and other sources of compensation from suppliers or dealers with whom SHELFGENIE, SHELFGENIE franchisees, including Franchisee, or the Marketing Fund do business or make purchases. SHELFGENIE and/or its affiliates (including, without limitation, G-O) may elect to keep such collected monies and other items (and to spend the same at its sole discretion) or it may elect, in SHELFGENIE's sole discretion, to pass such rebates on to its franchisees or to the Marketing Fund. SHELFGENIE and/or its affiliates (including, without limitation, G-O) shall be entitled to mark ups and profits on the sale of goods and services to Franchisee.

Section 5.8 Credit Cards and Other Methods of Payment. Franchisee shall, at all times, maintain credit card and debit card relationships with such companies, issuers or sponsors, financial center services and electronic fund transfer systems as SHELFGENIE may designate from time to time in order that Franchisee may accept customers' credit and debit cards and other methods of payment designated by SHELFGENIE ("**electronic payments**"). Franchisee agrees to comply with SHELFGENIE's standards for

processing electronic payments and any costs to do so are at Franchisee's expense. Franchisee agrees to abide by: (a) the Payment Card Industry Data Security Standards ("**PCIDSS**") enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); (b) the Fair and Accurate Credit Transactions Act ("**FACTA**"); and (c) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments ("**Electronic Payment Requirements**"). If Franchisee is required by one of the credit card companies or another third party (including any governmental body) to provide evidence of compliance with PCIDSS, FACTA, or applicable Electronic Payment Requirements, or upon SHELFGENIE's request, SHELFGENIE may require that Franchisee provide, or make available, to SHELFGENIE copies of an audit, scanning results or related documentation relating to such compliance. Any costs associated with an audit or to gain compliance with PCIDSS, FACTA or any Electronic Payment Requirements shall be borne by Franchisee.

Section 5.9 **Management of the Franchised Business**. Either Franchisee or at least one (1) full-time manager, that has successfully completed SHELFGENIE Training, must devote his or her full-time and best efforts to the day-to-day management and operation of the Franchised Business (the "**Manager**"). The Manager must have at least a five percent (5%) ownership interest in Franchisee. If the Manager is terminated, leaves the employ of Franchisee or otherwise will not act as the fulltime Manager, then Franchisee must, within thirty (30) days from such event hire and train a new Manager. SHELFGENIE may require that such new Manager attend the SHELFGENIE Training or it may allow Franchisee to provide such training to the new Manager.

Section 5.10 **Tax Payments; Contested Assessments**. Franchisee shall promptly pay when due all taxes levied or assessed by any federal, state or local tax authority, including, but not limited to, unemployment taxes, withholding taxes, sales taxes, income taxes, tangible commercial personal property taxes, real estate taxes, intangible taxes and any and all other indebtedness incurred by Franchisee in the conduct of the Franchised Business. Franchisee shall not permit the Franchised Business to become subject to any claim for any lien and shall promptly pay and discharge any such claims if asserted by any Person.

Section 5.11 **Customer Survey/Customer Complaints and Customer Referrals**.

(A) Customer Survey/Customer Complaints. Upon SHELFGENIE's request, Franchisee shall present to its customers such evaluation forms as are periodically prescribed by SHELFGENIE and shall participate and/or request its customers to participate in any marketing surveys performed by or on behalf of SHELFGENIE. Franchisee agrees and acknowledges that SHELFGENIE may, without first contacting Franchisee, survey or contact Franchisee's customers. Further, if Franchisee receives a complaint from a customer which cannot be resolved within five (5) business days, Franchisee shall promptly notify SHELFGENIE. Franchisee agrees that SHELFGENIE shall have the right to intervene in and resolve any unresolved customer complaints, including those uncovered during SHELFGENIE's surveys or customer contacts described above, and Franchisee agrees to be bound by any decision made by SHELFGENIE regarding a resolution of any such complaints, at the sole expense of Franchisee.

(B) Customer Referrals. Franchisee shall forward to SHELFGENIE all requests for services and leads (including initial call leads, web leads and home show leads) for prospective customers with projects located outside the Assigned Territory unless such projects are located in a territory that is not assigned to another franchisee of SHELFGENIE and Franchisee is permitted to service such prospective customer as provided in Section 1.2.

Section 5.12 **Inspections**.

(A) SHELFGENIE may Conduct Inspections. Franchisee shall permit SHELFGENIE, and/or its designees to enter or inspect Franchisee's vehicle at any time during normal business hours. Furthermore, SHELFGENIE has the right to inspect all aspects of the Franchised Business. Franchisee shall cooperate fully with SHELFGENIE and/or its designees in such inspections by rendering such assistance as SHELFGENIE's designees may request and by permitting SHELFGENIE's designees, at

their option, to observe the manner in which Franchisee is selling its products and rendering its services, to attend meetings with customers, to monitor sales volume, to confer with Franchisee's employees, agents, and customers and to remove samples of any products, supplies and materials in amounts necessary to return to the office of SHELFGENIE for inspection and record-keeping. The inspections may be conducted without prior notice at any time when Franchisee or one of its employees or agents is at the Franchised Business. All such inspections shall be conducted so as not to unduly disrupt the Franchised Business.

(B) Franchisee shall Correct Deficiencies. Upon notice from SHELFGENIE and without limiting SHELFGENIE's other rights under this Agreement, Franchisee agrees to take such steps as may be necessary to immediately correct any deficiencies detected during such inspections, including without limitation, immediately desisting from the further use of any equipment, advertising, materials, products, services, supplies or other items that do not conform to SHELFGENIE's then current requirements.

Section 5.13 Renovation and Upgrading. Recognizing the value of uniform national standards to Franchisee, SHELFGENIE and the System, Franchisee shall, from time to time, abide by any requirement of SHELFGENIE with regard to the remodeling and upgrading of the Franchised Business to comply with standards then applicable to any franchisee. If any changes in or additions of vehicles, fixtures, equipment, technology or signage or changes in or additions to the Franchised Business are required by SHELFGENIE in connection with upgrading or remodeling, Franchisee will bear the entire cost of such upgrading or remodeling. **FRANCHISEE ACKNOWLEDGES THAT POSSIBLE ADDITIONAL INVESTMENT MAY BE CALLED FOR PURSUANT TO THIS SECTION.**

Section 5.14 Franchisee Changes to System. Franchisee shall not implement any change to the System without the prior written consent of SHELFGENIE. Franchisee shall notify SHELFGENIE in writing of any proposed change, modification or addition (each a "**Proposal**"), and shall provide such information about the proposed change as SHELFGENIE requests. Franchisee acknowledges and agrees that SHELFGENIE shall have the right to incorporate the Proposal into the System and/or any of SHELFGENIE's affiliates, including G-O, shall have the right to incorporate the Proposal into its product line, service line or for any other purpose, and that SHELFGENIE or its applicable affiliate such as G-O shall thereupon obtain all right, title, and interest therein without compensation to Franchisee. Franchisee further agrees to execute any and all such documentation requested by SHELFGENIE or its affiliate to document such assignment, and to take such additional actions as are reasonably necessary to confirm or perfect SHELFGENIE's or its affiliate's rights in any Proposal. A Proposal may include, but not be limited to, a new product, service, method, marketing material, slogan, trade name, service mark, trademark, invention, technique, supplier, process, marketing plan, computer program, performance specifications, design, or any other information or know-how created, developed or discovered by Franchisee which may aid or enhance the System, the ShelfGenie Brand, or the business of a SHELFGENIE affiliate such as G-O. In addition to, and not in lieu of, the foregoing, all ideas, concepts, techniques, or materials concerning the Franchised Business, the System, the ShelfGenie Brand, or the business of a SHELFGENIE affiliate such as G-O, whether or not protectable intellectual property and whether created by or for Franchisee or Franchisee's owners or employees, must be promptly disclosed to SHELFGENIE and will be deemed to be the sole and exclusive property of SHELFGENIE or its designee, part of the System at SHELFGENIE's discretion, and works made-for-hire by SHELFGENIE. To the extent any item does not qualify as a "work made-for-hire" for SHELFGENIE, Franchisee will assign ownership of that item, and all related rights to that item, to SHELFGENIE or its designee and Franchisee shall take whatever action (including signing an assignment or other documents) SHELFGENIE requests to show SHELFGENIE's (or its designee's) ownership or to help SHELFGENIE (or its designee) obtain intellectual property rights in such item. Franchisee hereby waives any moral rights in any such item.

Section 5.15 Assignment by Franchisee. Franchisee grants to SHELFGENIE an irrevocable, worldwide, royalty-free license to use Franchisee's likeness, trade name, trademarks, images, images of the Franchised Business or other proprietary marks and all intellectual property and intellectual property rights now owned or hereafter adopted, acquired, owned or developed by Franchisee (provided that such proprietary marks, intellectual property and intellectual property rights are related to any Franchised Business or any agreement between Franchisee and SHELFGENIE or one of its affiliates), in any manner SHELFGENIE deems appropriate in SHELFGENIE's sole and absolute discretion, including

SHELFGENIE's use through the website representation described in Section 4.4(C). This provision shall survive the termination or expiration of this Agreement.

Section 5.16 **Security Breach**. Franchisee is required to notify SHELFGENIE immediately if Franchisee suspects or becomes aware of a Security Breach (defined below). With the exception of any required notification to the payment card brands under PCIDSS (or other applicable standards), Franchisee agrees that SHELFGENIE will have the option to notify affected persons and regulatory authorities on Franchisee's behalf in accordance with applicable law. If, after consultation with Franchisee, SHELFGENIE determines that notification is required or appropriate, Franchisee agrees that Franchisee will bear all costs associated with such notification, which may include, without limitation, any costs for providing credit monitoring to affected person. Upon discovery of a Security Breach, Franchisee further agrees that Franchisee will promptly investigate and remediate, at Franchisee's expense, the source of such Security Breach. Franchisee shall pay all costs SHELFGENIE incurs (including legal expenses) in connection with responding to any Security Breach at the Franchised Business or involving Franchisee's operations under this Agreement. For purposes of this Section, a "**Security Breach**" is any known or suspected unauthorized use, theft, access, disclosure, loss or acquisition of any Confidential Information, Operations Manual Access Point, any customer information or of Franchisee's POS system.

ARTICLE 6

PROPRIETARY MARKS

Section 6.1 **Limited License for the Proprietary Marks**. SHELFGENIE grants to Franchisee, subject to the terms and conditions of this Agreement, a non-transferable, non-sublicenseable, non-exclusive license to use the Proprietary Marks in the operation of the Franchised Business within the Assigned Territory subject to the terms and conditions set forth herein. Nothing in this Agreement shall be construed as authorizing or permitting the use of any of the Proprietary Marks within any other territory or for any other purpose.

Section 6.2 **Restrictions on Franchisee's Use of the Proprietary Marks**. With respect to Franchisee's use of the Proprietary Marks pursuant to this Agreement, Franchisee agrees that:

(A) Use in Accordance with all Restrictions. Franchisee shall use only the Proprietary Marks as designated, from time to time, by SHELFGENIE and only in the manner required or authorized and permitted by SHELFGENIE and only in connection with the operation of the Franchised Business within the Assigned Territory;

(B) Not Use any Other Marks. Franchisee shall use the Proprietary Marks as the sole service mark identifications for the Franchised Business, provided that Franchisee shall identify itself as an independent owner, operator and franchisee of SHELFGENIE, in the manner prescribed by SHELFGENIE from time to time;

(C) Only Display as Designated by SHELFGENIE. Franchisee agrees to display prominently the Proprietary Marks on and/or in connection with all materials designated and authorized by SHELFGENIE and in the manner prescribed by SHELFGENIE; and

(D) Signage Requirements. Franchisee shall acquire, maintain, repair, replace and display all signage and all graphics required by SHELFGENIE from time to time.

Section 6.3 **Franchisee's Lack of Ownership**. Franchisee expressly acknowledges SHELFGENIE's ownership or license rights in and to the Proprietary Marks. Franchisee agrees not to represent in any manner that Franchisee has any ownership in the Proprietary Marks. Franchisee further agrees that its use of the Proprietary Marks shall not create in its favor any right, title or interest in or to any of the Proprietary Marks except as the right to use same is expressly set forth in this Agreement.

Section 6.4 **Infringement by Franchisee**. Franchisee acknowledges that the use of the Proprietary Marks outside the scope of this Agreement is an infringement of SHELFGENIE's rights in and to the Proprietary Marks, and expressly covenants that during the Term and after the expiration or termination of the Term, Franchisee shall not, directly or indirectly, commit or permit to be committed any act of infringement or contest or aid in contesting the validity or right of SHELFGENIE to any of the Proprietary Marks, or take any other action in derogation of any of the Proprietary Marks.

Section 6.5 **Claims Against the Proprietary Marks**.

(A) Promptly Notify SHELFGENIE. In the event of any claim of infringement, unfair competition or other challenge to Franchisee's right to use any of the Proprietary Marks, or in the event Franchisee becomes aware of any use of or claims to, any mark, name, logo or any other commercial symbol identical to or confusingly similar to any of the Proprietary Marks, Franchisee shall promptly notify SHELFGENIE in writing and in no event more than five (5) days thereafter.

(B) SHELFGENIE Controls Action. SHELFGENIE shall have sole and absolute discretion to take such action as it deems appropriate and the right to control exclusively any litigation or U.S. Patent and Trademark Office or other proceeding arising out of any such infringement, challenge, or claim or otherwise relating to any of the Proprietary Marks. Franchisee agrees to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of SHELFGENIE's counsel, be necessary or advisable to protect and maintain the interests of SHELFGENIE in any litigation or U.S. Patent and Trademark Office or other proceeding or to otherwise protect and maintain the interests of SHELFGENIE in the Proprietary Marks.

Section 6.6 **Goodwill Solely Belongs to SHELFGENIE**. Franchisee agrees that all goodwill associated with the Franchised Business and identified or associated with the Proprietary Marks shall inure directly and exclusively to the benefit of SHELFGENIE and its affiliates and is the sole and exclusive property of SHELFGENIE and its affiliates. Franchisee shall derive no benefit from such goodwill except through profit received from the operation or possible permitted sale of the Franchised Business during the Term.

Section 6.7 **Modification of the Proprietary Marks**. If it becomes advisable at any time in SHELFGENIE's sole and absolute discretion to modify or discontinue the use of any of the Proprietary Marks and/or to use one or more additional or substitute trade or service marks, Franchisee, at its sole expense, shall adopt, use and display only such Proprietary Marks as are then approved by SHELFGENIE and shall promptly discontinue use and display of the outmoded or superseded marks.

ARTICLE 7

OPERATIONS MANUAL AND OTHER CONFIDENTIAL INFORMATION

Section 7.1 **Confidentiality of Operations Manual**.

(A) Treat Confidential. Franchisee shall at all times treat the Operations Manual and any other trade secrets and confidential or proprietary information concerning the System or this Agreement as confidential, and shall use its best efforts to maintain such information as confidential. The Operations Manual shall, at all times, be kept in a locked, secured area (or by secure electronic means, as the case may be). Franchisee shall strictly limit access to the Operations Manual (including access through the Operations Manual Access Point) to the Manager(s) to the extent they have a "need to know" in order to perform their jobs. Franchisee shall not at any time copy, record or otherwise reproduce any of the Operations Manual, in whole or in part, nor otherwise make the same available to any unauthorized person except as may be required by law, regulation or court order or specifically directed by the Operations Manual.

(B) Confidentiality Agreement. All current and future shareholders, partners, members, and owners of Franchisee and their respective spouses shall be required to sign a Confidentiality Agreement in

the form attached hereto as Exhibit 3 ("**Confidentiality Agreement**"). Additionally, all Managers, principals, officers, directors, and other key employees who attend SHELFGENIE Training or otherwise have access to Confidential Information may be required to sign a nondisclosure and noninterference agreement in a form acceptable to us.

(C) Lost, Destroyed, Damaged or Authorized Access to Operations Manual. Franchisee shall report immediately to SHELFGENIE any theft, loss, destruction or unauthorized access to the Operations Manual or Operations Manual Access Point (including any portion of the Operations Manual or Operations Manual Access Point).

Section 7.2 Operations Manuals are Sole Property of SHELFGENIE. The Operations Manual and other Confidential Information developed for or approved for use in the operation of the Franchised Business shall at all times be deemed and remain the sole property of SHELFGENIE. Franchisee shall acquire no right, title or interest thereto under this Agreement except to possess and use such Operations Manual or other Confidential Information during the Term of, and subject to the restrictions contained in, this Agreement.

Section 7.3 Periodic Revisions of Operations Manual. SHELFGENIE may (but shall not be obligated to), from time to time, revise and change the contents of the Operations Manual and Franchisee expressly agrees to comply with each new or changed provision. Any and all supplemental bulletins and notices, revisions, modifications, or amendments, either in document or electronic form (the "**Supplements**") are all considered a part of the Operations Manual. Franchisee agrees to monitor and access the Operations Manual Access Point for Supplements. Revisions to the Operations Manual shall be based on what SHELFGENIE, in its sole and absolute discretion, deems is in the best interest of SHELFGENIE, its franchisees and company-owned or non-franchised SHELFGENIE Businesses, including but not limited to, to promote quality, enhance goodwill, increase efficiency, decrease administrative burdens or improve the profitability of SHELFGENIE or its franchisees. Such revisions or changes may but need not be imposed uniformly upon all SHELFGENIE Businesses and then only to the extent reasonably feasible. Franchisee agrees that such revisions or changes may be material in that they may have a material effect on the operations of the Franchised Business.

ARTICLE 8

ADVERTISING

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of SHELFGENIE and the System, the parties agree as follows:

Section 8.1 Local Advertising.

(A) Minimum Expenditure. During the First Year, Franchisee will spend a minimum of ten thousand dollars ($10,000) during the first two months of operation, then $2,500 per month, on a three (3) month rolling average ("**Minimum First Year Expenditure**"). For the remainder of the Term, Franchisee will spend a minimum of one thousand six hundred and twenty-five dollars ($1,625) per month on a three (3) month rolling average. All minimum expenditures must be spent with third party suppliers of local advertising and marketing, including, without limitation, direct mail, newspaper or magazine advertisements, promotions and yellow page listings. Upon request, Franchisee must submit to SHELFGENIE receipts and/or other adequate proof of Franchisee's advertising and sales promotion expenditures. The term "three (3) month rolling average" as used in this Agreement, means the monthly average for the three-month period including the month then ended and the two preceding months.

(B) Approval of Marketing/Promotional Materials. Franchisee shall submit to SHELFGENIE for SHELFGENIE's approval, all designs, signs, promotional materials and advertising including the form, color, number, location and size which bear any of the Proprietary Marks, unless it has been approved on a prior occasion (and that approval has not been revoked) or it consists solely of materials provided by

SHELFGENIE. Franchisee shall be solely responsible for complying with all federal, state and local laws and regulations relating to advertising. Notwithstanding any prior approval, SHELFGENIE may require Franchisee to withdraw and/or discontinue the use of any promotional materials or advertising and Franchisee shall be bound by such requirement.

(C) Monthly Reports. During the period that Franchisee is obligated to make the minimum advertising expenditures in accordance with Section 8.1(A), Franchisee shall submit to SHELFGENIE, by the tenth day of each month, a report, in the form and manner prescribed by SHELFGENIE from time to time in the Operations Manual or otherwise, containing all of the advertising expenditures by Franchisee during the previous month.

(D) Core Digital Marketing. In addition to the requirements for local advertising discussed in this Section 8.1 above (and any pre-opening or grand opening advertising or marketing expenditures), Franchisee shall spend monies on a monthly basis for digital media and digital marketing services, in such amounts, from such service providers, and in such manner as specified by SHELFGENIE. Currently, SHELFGENIE expects that all franchisees will engage in and utilize, and will share the cost to support, "**Core Digital Services**," which may include one or more of the following: website management, search engine optimization, newsletters, automation, and social networking posting and optimization. Such Core Digital Services may be modified over time at the direction of, and at the discretion of SHELFGENIE. SHELFGENIE also reserves the right to supplement or eliminate the Core Digital Services at any time, in its discretion. Beginning on the calendar month immediately preceding the calendar month that Franchisee is scheduled to commence operations, and continuing for each month during the term of this Agreement, Franchisee will spend such amounts as the designated service provider(s) impose for the digital media expenditure and specified Core Digital Services (the "**Digital Marketing Expenditure**"). SHELFGENIE reserves the right to specify the nature, type and/or vendor or vendors for such digital media and marketing services, including vendors who are or may be affiliated with SHELFGENIE. Franchisee shall comply with SHELFGENIE's policies and procedures regarding the submission for review or approval of such digital media and marketing programs, services or campaigns, as SHELFGENIE may specify in the Manuals or otherwise from time to time. Franchisee shall not engage in any digital media or marketing programs without the prior written consent or approval of SHELFGENIE. Franchisee shall submit to SHELFGENIE such reports of expenditures and details regarding the digital media and marketing campaigns as SHELFGENIE may require. SHELFGENIE reserves the right to modify the Digital Marketing Expenditure, effective not less than thirty (30) days following written or electronic notice to Franchisee. In the event that SHELFGENIE eliminates the Core Digital Services altogether, Franchisee will not be required to spend the Digital Marketing Expenditure.

(E) Managed Digital Marketing. In addition, SHELFGENIE and/or franchisees, including Franchisee, may engage in other digital media services, which may be implemented System-wide, regionally, territorially, or on a franchisee-market-specific basis. These other digital media services, referred to as "**Managed Digital Services**," may include digital advertising (such as campaign management, large ad network coverage, and re-targeting), website custom campaign landing page creation, custom e-mail campaigns, social media campaigns, and full campaign management. If Franchisee engages in, utilizes, or implements Managed Digital Services, Franchisee shall pay such fees and costs associated with such Managed Digital Services, whether charged by SHELFGENIE, an affiliate of SHELFGENIE, or a third-party vendor.

Section 8.2 The Marketing Fund.

(A) Use of Marketing Funds. Franchisee agrees that the Marketing Contributions will be deposited into a fund, maintained and operated by SHELFGENIE, used to meet the costs of maintaining, administrating, directing and conducting advertising and promotional activities on a local, regional, national, or international scale, including but not limited to, the cost of television, radio, magazine, Internet, Website, Social Media, and newspaper advertising campaigns, test marketing, marketing surveys, and public relations activities, employing a director and agencies to assist therein, providing marketing and other materials to SHELFGENIE's franchisees, defraying such salaries, administrative costs and overhead as SHELFGENIE may incur in connection with such activities and other purposes deemed beneficial by

SHELFGENIE (the "**Marketing Fund**"). The Marketing Fund shall not be used for the purpose of selling additional SHELFGENIE franchises.

(B) SHELFGENIE Oversees Expenditures of Marketing Funds. All expenditures from the Marketing Fund shall be at SHELFGENIE's sole and absolute discretion. SHELFGENIE may spend in any calendar year an amount greater or less than the aggregate Marketing Contributions to the Marketing Fund in that year and the Marketing Fund may borrow from SHELFGENIE or other lenders to cover deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use by the Marketing Fund. Franchisee agrees and acknowledges that, notwithstanding anything to the contrary contained in this Agreement or any other agreement or document, the Marketing Contributions are intended to maximize general public recognition of and the acceptance of the Proprietary Marks, and brand identity, for the benefit of all owners and operators of ShelfGenie businesses (including all places where Proprietary Marks are displayed or otherwise utilized), and the SHELFGENIE overall System generally and that SHELFGENIE undertakes no obligation in administering the Marketing Contributions to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution or to insure that any particular franchisee benefits directly or pro rata from advertising or promotion conducted in connection with the Marketing Contributions.

(C) Use of Interest. All interest earned on monies contributed to the Marketing Fund will be used to pay costs of the Marketing Fund.

Section 8.3 Content and Concepts. With respect to any and all fees collected by SHELFGENIE for promotion and advertising, SHELFGENIE shall, in its sole and absolute discretion, administer and develop promotional programs and material for use in connection with SHELFGENIE, its franchisees, any SHELFGENIE Business or the System. SHELFGENIE retains sole and absolute discretion regarding all advertising and promotional concepts and materials, including the cost thereof, form of media, content, format, production, timing (including regional or local concentrations and seasonal exposure), location and all other matters relating to any advertising, public relations, marketing, market research or promotional campaigns.

Section 8.4 Marketing Contributions Not an Asset. The Marketing Contributions are not and shall not be an asset of SHELFGENIE. A compilation of the operations of the Marketing Fund as shown on the books of SHELFGENIE shall be prepared annually, at the expense of the Marketing Fund, and shall be made available to Franchisee. Except as expressly provided in this Article 8, SHELFGENIE assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction, administration or activities of the Marketing Fund.

Section 8.5 Termination and Restriction on Expenditures. Although the Marketing Contributions may be held by SHELFGENIE for perpetual duration, SHELFGENIE maintains the right to terminate, at any time, in SHELFGENIE's sole and absolute discretion, the collection and disbursement of any or all of the Marketing Contributions and the Marketing Fund. In the event of any such termination, SHELFGENIE shall expend the remaining balance in the Marketing Fund for the purposes set forth in Section 8.2 above.

Section 8.6 Advertising Cooperative. SHELFGENIE may, in its sole discretion, designate any standard metropolitan area or designated metropolitan area to form an advertising cooperative (each an "**Advertising Cooperative**"). If SHELFGENIE designates that the Franchised Business be included in the Advertising Cooperative or designates a geographic area that includes the Assigned Territory, then Franchisee shall be required to participate in the Advertising Cooperative. SHELFGENIE shall retain the right to change, dissolve or merge the Advertising Cooperative with or into another Advertising Cooperative. All SHELFGENIE Businesses located within the geographical boundaries of an Advertising Cooperative will contribute to the cooperative, including those SHELFGENIE Businesses that SHELFGENIE or its affiliates own and operate. However, SHELFGENIE may, in its sole discretion, grant any SHELFGENIE Business an exemption for any length of time from the requirement to become a member of, or make contributions to, an Advertising Cooperative. SHELFGENIE and Franchisee agree that the following provisions shall apply to each Advertising Cooperative: (i) The Advertising Cooperative shall operate from written governing documents prepared by the members of the Advertising Cooperative and approved by

SHELFGENIE; (ii) The Advertising Cooperative shall be administered by franchisees who are members of such Advertising Cooperative and who are duly elected (the "**Cooperative Officers**") by all of the SHELFGENIE franchisees who are members of such Advertising Cooperative, with input from SHELFGENIE, at SHELFGENIE's discretion; (iii) No promotional or advertising plans may be used by an Advertising Cooperative without SHELFGENIE's prior, written approval and all plans must be submitted to SHELFGENIE in accordance with Section 8.1(B); (iv) Each Advertising Cooperative shall have the right to require its members to make contributions to the Advertising Cooperative in an amount determined by the Cooperative Officers; provided that if this amount exceeds two percent (2%) of the Gross Revenues of any of the members of the Advertising Cooperative, then a majority of the members of such Advertising Cooperative must approve the amount; (v) Each Advertising Cooperative must prepare annual, unaudited financial statements that are made available for review by SHELFGENIE and all of the members of such Advertising Cooperative; (vi) Any disputes arising among or between Franchisee other System franchisees in the Advertising Cooperative, and/or the Cooperative shall be resolved in accordance with SHELFGENIE's interpretation of the governing documents or in SHELFGENIE's discretion; and (vii) SHELFGENIE shall have the right to hire a third party designated by SHELFGENIE to administer the Advertising Cooperative in the event that the franchisees who are members of the Advertising Cooperative are not able to reach decisions and operate the Advertising Cooperative in a cooperative manner.

Section 8.7 **Notice of Franchise Opportunities**. Franchisee acknowledges and agrees to include in any advertising or promotional materials used in any home improvement convention or similar event information concerning the availability of SHELFGENIE franchise opportunities, as directed by SHELFGENIE or as contained in the Operations Manual or any other written instruction from SHELFGENIE.

ARTICLE 9

ACCOUNTING AND RECORDS

Section 9.1 **SHELFGENIE's Use of Books and Records**. Franchisee shall establish and maintain at its own expense during the Term, a bookkeeping, accounting and record keeping system as prescribed by SHELFGENIE from time to time. Such system will be kept solely for the Franchised Business and shall be segregated from all other information not concerning the Franchised Business. Such books, records and accounts should be in accordance with generally accepted accounting principles consistently applied and federal tax requirements and in the form and manner prescribed by SHELFGENIE from time to time in the Operations Manual or otherwise in writing which shall include, among other things, a specified chart of accounts for QuickBooks. SHELFGENIE shall have access to and may use the information contained in Franchisee's books, records and accounts for any purpose SHELFGENIE deems appropriate, including, but not limited to, disseminating such information to SHELFGENIE's creditors and potential franchisees.

Section 9.2 **Monthly Reports**. Franchisee shall permit SHELFGENIE to automatically gather from Franchisee's books, records or computer system or shall submit monthly, by the fifteenth (15th) of each month during the Term for the previous month, in the form and manner prescribed by SHELFGENIE, a monthly profit and loss statement, which may be unaudited for the Franchised Business.

Section 9.3 **Annual Report**. Franchisee shall permit SHELFGENIE to automatically gather from Franchisee's books, records or computer system or shall submit, by April 15 of each year during the Term, with a final copy after the termination or expiration of the Term, an annual balance sheet, income statement, and funds flow statement for Franchisee. Each annual statement shall be accompanied by a copy of Franchisee's tax returns for such fiscal year, and shall be signed by Franchisee's chief executive officer attesting that the financial statements are true and correct and fairly present the financial position of Franchisee as, at and for the times indicated.

Section 9.4 **Additional Reports**. Franchisee shall also submit to SHELFGENIE, for review and audit, such other forms and other periodic reports, information and data as SHELFGENIE may designate or request, from time to time, in the form, in the manner and at the times required by SHELFGENIE.

Section 9.5 Review and Audit by SHELFGENIE.

(A) Review and Audit. SHELFGENIE and its representatives shall have the right, at all reasonable times, to examine and copy, at SHELFGENIE's expense, the books, records, accounts and tax returns and all cash control devices and systems of the Franchised Business, Franchisee and of any person, corporation or other business association having any ownership interest in the Franchised Business or Franchisee. Franchisee shall fully cooperate with SHELFGENIE and its representatives or agents in conducting such examinations or audits and, upon SHELFGENIE's request, Franchisee shall submit a written response to any issues raised in connection with said examinations or audits. SHELFGENIE shall have the right, at any time, to have an independent audit made of the books and records of the Franchised Business or Franchisee.

(B) Payment for Review and Audit. If an inspection should reveal that any financial information reported to SHELFGENIE (such as Gross Revenues, or payments owed to SHELFGENIE) has been misrepresented in any report to SHELFGENIE, then, to the extent any amounts owed to SHELFGENIE were understated, Franchisee shall immediately pay to SHELFGENIE the amount understated in addition to interest at the maximum rate permitted by law commencing from the time the required payment was due. If any inspection discloses a misrepresentation of any reported amount of any type, in any report, of two percent (2%) or more of Gross Revenues or amount owed to SHELFGENIE for the period of such report, Franchisee shall, in addition to paying any additional fees and applicable late payments, reimburse SHELFGENIE for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wages for personnel or consultants of SHELFGENIE and accounting and attorneys' fees). If the audit discloses an overpayment of the Royalty Fee and/or Marketing Contributions, SHELFGENIE will promptly pay to Franchisee the amount of such overpayment or offset such overpayment against any amounts owed to SHELFGENIE. The foregoing remedies shall be in addition to any other remedies which SHELFGENIE may have hereunder or under applicable law.

Section 9.6 Cooperation for Earnings Claim or Financial Performance Representations. If SHELFGENIE desires to utilize an earnings claim, financial performance representation or similar information in connection with the sale of franchises, Franchisee agrees to provide SHELFGENIE, at no cost, with such information as SHELFGENIE requests from Franchisee in order to properly prepare such documents and shall permit SHELFGENIE to utilize such information as it deems necessary or convenient.

ARTICLE 10

INSURANCE

Section 10.1 General Requirements. Franchisee shall procure, prior to attending SHELFGENIE Training, and shall thereafter maintain in full force and effect during the entire Term, at Franchisee's expense, insurance coverage from a responsible carrier, with an A.M. Best rating of A-VIII or better, with the coverage amounts, types and other features as SHELFGENIE from time to time specifies, using the insurance industry form(s) acceptable to SHELFGENIE, and such other insurance coverage as required by law and any other agreement related to the Franchised Business. Any person or entity with an insurable interest that SHELFGENIE designates (each, an "**Additional Named Insured**") must be named an additional insured on all required liability policies. Each insurance policy must contain a waiver of subrogation in favor of the Additional Named Insureds. Franchisee's insurance must apply as primary and non-contributory.

Section 10.2 Types and Amounts of Coverage. Without limiting Section 10.1, currently all insurance policies provided by Franchisee shall include, without limitation, at a minimum, the following:

(A) General Liability. Comprehensive general liability insurance, with a combined single limit in the amount SHELFGENIE specifies, up to $2,000,000 per occurrence but no less than $1,000,000 per occurrence (including Products/Completed Operations and Personal Injury and Advertising Injury);

(B) Workers' Compensation. Workers' compensation coverage regardless of whether required by state law, but with minimum coverage as required by law (if applicable);

(C) Motor Vehicle. Motor vehicle liability coverage, combined single limit in the amount SHELFGENIE specifies, up to $2,000,000 but no less than $1,000,000, on each owned, non-owned or hired vehicle used in connection with the Franchised Business;

(D) Errors & Omissions. Errors and omissions liability insurance on a claims-made basis with a minimum limit of $1,000,000 per claim and $2,000,000 in the aggregate, which includes cyber liability insurance for financial losses arising from unauthorized access, loss or corruption of data, including but not limited to privacy and data security breaches, misdirected funds, virus transmission, denial of service and loss of income from network security failures;

(E) Additional Insurance. Such other insurance, and in such amounts, as may be required from time to time by SHELFGENIE for Franchisee's and SHELFGENIE's protection. SHELFGENIE may periodically increase the amounts of coverage required under all insurance policies described above and may require different or additional kinds of insurance at any time. Additional insurance requirements are set forth in the Operations Manual.

Franchisee may satisfy the insurance coverage limits through an umbrella policy that meets all the requirements of this Section. If Franchisee fails to purchase or maintain required insurance, SHELFGENIE may, but is not obliged to, obtain such insurance for Franchisee and keep the same in force and effect, and Franchisee must pay SHELFGENIE, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses SHELFGENIE incurs in doing so. SHELFGENIE also has the right to terminate this Agreement for cause if Franchisee fails to comply with SHELFGENIE's insurance requirements. Franchisee must deliver to SHELFGENIE on the Effective Date and thereafter annually or at our request a proper certificate of insurance evidencing the existence of the required insurance coverage. SHELFGENIE also may request copies of all insurance policies. Any review SHELFGENIE conducts of Franchisee's insurance coverage does not limit Franchisee's obligation to comply with this Section. SHELFGENIE may modify the required minimum limits and types of coverage, by written notice to Franchisee. Upon such notification, Franchisee must immediately implement the modification of the policy, and provide evidence thereof, in accordance with SHELFGENIE's request.

Franchisee acknowledges that these minimum insurance requirements do not constitute advice or a representation by SHELFGENIE that such coverages are necessary or adequate to protect Franchisee from losses in connection with the Franchised Business. Nothing in this Agreement restricts Franchisee from obtaining insurance with higher policy limits and/or additional coverage.

ARTICLE 11

TRANSFER OF INTEREST

Section 11.1 Transfer by SHELFGENIE. Notwithstanding anything to the contrary contained in this Agreement, SHELFGENIE shall have the absolute right to assign, subcontract, sublicense, transfer, delegate or otherwise dispose of all or any part of its rights or obligations pursuant to this Agreement to any person without the consent of Franchisee. Upon the assignment, subcontract, sublicense, transfer and/or delegation by SHELFGENIE of its rights and obligations under this Agreement and delivery of written notice to Franchisee of such action, SHELFGENIE shall be released from all obligations and liabilities pursuant to this Agreement.

Section 11.2 Transfer by Franchisee. Franchisee understands and agrees that the rights and duties set forth in this Agreement are personal to Franchisee and that SHELFGENIE has granted this franchise in reliance on Franchisee's business skill, attitude, aptitude and financial capacity. Therefore, Franchisee shall not, without SHELFGENIE's prior written consent, by operation of law or otherwise, sell, assign, transfer, convey, give away, pledge, mortgage, restrict or otherwise encumber (each, a "**Transfer**") any interest in nor offer, permit or suffer the Transfer of (A) any interest in this Agreement, (B) any interest in

the Franchised Business, or (C) any ownership interest in Franchisee. Any purported Transfer without SHELFGENIE's prior written consent shall be null and void and shall constitute a default by Franchisee.

Section 11.3 Conditions for SHELFGENIE's Approval for Transfer. SHELFGENIE may condition its approval of any proposed Transfer described in Section 11.2 upon satisfaction of each of the following requirements:

(A) SHELFGENIE Does Not Exercise Right of First Refusal. SHELFGENIE does not exercise its right of first refusal pursuant to Section 11.7;

(B) Franchisee's Accrued Monetary and other Obligations Satisfied. All of Franchisee's accrued monetary and other obligations to SHELFGENIE and each of SHELFGENIE's affiliates shall have been satisfied. SHELFGENIE may conduct an investigation and audit pursuant to Section 9.5 to determine the extent of accrued obligations;

(C) Financial Reports and Data. SHELFGENIE has the right to require Franchisee to prepare and furnish to the proposed transferee and/or SHELFGENIE such financial reports and other data relating to the Franchised Business and its operations as SHELFGENIE deems reasonably necessary or appropriate for the proposed transferee and/or SHELFGENIE to evaluate the Franchised Business and the proposed Transfer. Franchisee agrees that SHELFGENIE has the right to confer with proposed transferees and furnish them with information concerning the Franchised Business and proposed Transfer without being held liable to Franchisee, except for intentional misstatements made to a proposed transferee. Any information furnished to SHELFGENIE is for the sole purpose of permitting the proposed transferees to evaluate the Franchised Business and proposed Transfer and must not be construed in any manner or form whatsoever as earnings claims or claims of success or failure.

(D) Execution of General Release. Franchisee shall have executed a general release, in a form prescribed by SHELFGENIE, releasing SHELFGENIE and its parent, subsidiaries and affiliates, and their respective officers, directors, owners, members, agents, attorneys and employees of all claims except for claims which cannot legally be released under applicable law;

(E) All Defaults Cured. All existing defaults and breaches under this Agreement and any other agreement Franchisee shall have with SHELFGENIE or its affiliates, shall have been cured within the period permitted for cure;

(F) Proposed Transferee Meets SHELFGENIE's Current Criteria. The proposed transferee has (i) met SHELFGENIE's then current criteria, if any, applicable for new franchisees, (ii) demonstrated to SHELFGENIE's satisfaction that the proposed transferee meets SHELFGENIE's educational, managerial and business standards, possesses a good moral character, business reputation and credit rating, and has the aptitude and ability to operate and to own or control the Franchised Business (as may be evidenced by prior related business experience or otherwise), and (iii) successfully completed to SHELFGENIE's satisfaction the then current SHELFGENIE Training;

(G) Upgrades to the Franchised Business. The proposed transferee shall, within the time period specified by SHELFGENIE, upgrade, at its sole expense, the equipment (including the computer equipment and software required under Section 5.3 above) and vehicles and other items used in the operation of the Franchised Business to conform to the current standards then required by SHELFGENIE;

(H) SHELFGENIE's Satisfaction with Proposed Terms of Sale. SHELFGENIE must be satisfied that the proposed terms of the Transfer and other factors involved in the Transfer do not materially reduce the potential ability of the proposed transferee to effectively assume and carry out its obligations to SHELFGENIE. Notwithstanding the foregoing, SHELFGENIE's approval of the Transfer shall not be deemed to imply or warrant that the purchase price or terms of sale are economically feasible, and SHELFGENIE hereby disclaims any responsibility for making any such determination;

(I) Execution of Satisfactory Assignment. The transferee shall have executed either (i) a written assignment, in a form prescribed by SHELFGENIE, pursuant to which the proposed transferee shall assume all of the obligations of Franchisee under this Agreement, or (ii) at SHELFGENIE's request, shall have executed the then current SHELFGENIE Franchise Agreement (and such other then current ancillary agreements as SHELFGENIE may request, all of which agreements may materially differ from the terms of this Agreement and its ancillary agreements, including without limitation, by having a higher Royalty Fee and/or Marketing Contributions), and which shall, notwithstanding anything to the contrary contained therein, expire on the date of expiration of this Agreement, and shall be renewable at its expiration, if at all, only pursuant to the terms thereof;

(J) Execution of Guaranty. The proposed transferee or all the proposed transferee's individual owners shall have signed personal guaranties of all agreements and documents; and

(K) Payment of Transfer Fee. Except as expressly provided to the contrary in this Agreement, Franchisee shall pay to SHELFGENIE a transfer fee of (i) fifty percent (50%) of the then current Initial Franchise Fee if the transferee is not already a franchisee of SHELFGENIE, plus any broker's or sales person's commission or fee, if any; or (ii) twenty five percent (25%) of the then current Initial Franchise Fee if the transferee is already a franchisee of SHELFGENIE, plus any broker's or sales person's commission or fee, if any (in either case, the "**Transfer Fee**"). The Transfer Fee shall include and cover SHELFGENIE Training for the transferee. No additional Initial Franchise Fee shall be charged by SHELFGENIE in connection with a Transfer but the Transfer Fee is not refundable under any circumstances. SHELFGENIE's consent to a Transfer shall not constitute a waiver of any claims it may have against Franchisee nor shall it be deemed a waiver of SHELFGENIE's right to demand exact compliance with any of the terms of this Agreement by the proposed transferee. Without limitation of the foregoing, no Transfer (even if approved by SHELFGENIE), will relieve Franchisee of liability for its conduct prior to the Transfer, including without limitation, conduct in breach of this Agreement.

Section 11.4 Transfer Upon Death or Incapacity. In the event of the death or permanent incapacity of any individual who owns any ownership interest in Franchisee (or if Franchisee is an individual, the death or permanent incapacity of Franchisee), SHELFGENIE shall not unreasonably withhold its consent to a Transfer of all of such person's interest in Franchisee, the Franchised Business or all of such person's interest in this Agreement to one (1) person designated by such individual's executor, administrator, personal representative or guardian; provided, however, that (i) the conditions of Sections 11.3(B) through 11.3(J) are met, (ii) the proposed Transfer is applied for in writing within two (2) months of the date of death or permanent incapacity by the legal representative of such individual, and is effected within six (6) months from the date of such application, and (iii) in the case of permanent incapacity, the legal representative shall have furnished to SHELFGENIE certification from a physician designated by SHELFGENIE that Franchisee has been or will be unable to operate the Franchised Business for a period of six (6) months or longer. If such Transfer to a person acceptable to SHELFGENIE has not taken place within the required period, SHELFGENIE shall have the option to purchase the interest at fair market value exclusive of intangible assets (such as, but not limited to, goodwill) determined by an independent appraiser designated by SHELFGENIE. Such option may be exercised within thirty (30) days after the expiration of the required period by written notice to Franchisee or Franchisee's estate. No Transfer under this Section shall be subject to the Transfer Fee. Notwithstanding the foregoing, if the Transfer described in the first sentence of this Section is proposed to be to a person who is not a family member meeting the qualifications contained in Section 11.5, the Transfer shall remain subject SHELFGENIE's right of first refusal described in Section 11.7.

Section 11.5 Transfers to Family Members. Franchisee, or if Franchisee is an entity, any individual owning an ownership interest in Franchisee, may Transfer his or her interest in Franchisee to his or her spouse, parent, adult sibling, adult descendant or spouse's adult descendant with SHELFGENIE's consent, which shall not be unreasonably withheld; provided, such family member has been substantially involved in the operation of the Franchised Business during the preceding six (6) months and/or has successfully completed SHELFGENIE Training and provided further that such transferee is qualified to own such interest pursuant to all applicable law. No Transfer under this Section shall be subject to the Transfer Fee.

Section 11.6 Transfer for Estate Planning Purposes. Provided that there is no legal prohibition for the ownership of Franchisee or the Franchised Business to be in a trust, family limited partnership or other entity established for estate planning purposes, any individual may Transfer his or her interests in Franchisee to a trust, family limited partnership or other entity established by the individual for estate planning purposes, with SHELFGENIE's consent, which shall not be unreasonably withheld, provided such individual remains in control over and is the sole equitable and beneficial owner of such trust, family limited partnership or other entity and such individual and the trust, family limited partnership and/or other entity execute such documents required by SHELFGENIE. Franchisee understands that there are various state and federal laws and regulations governing the ownership of professional practices. No Transfer under this Section shall be subject to the Transfer Fee.

Section 11.7 SHELFGENIE's Right of First Refusal.

(A) SHELFGENIE's Purchase Option. If at any time during the Term, Franchisee desires to sell and receives a bona fide, arms-length written offer from an independent third party (the "**Offeror**") to purchase any ownership interest in Franchisee, Franchisee's interests under this Agreement, or any ownership in the Franchised Business (each, an "**Offer**"), SHELFGENIE shall have the option to purchase such interests or assets for the same price and on the same terms and conditions set forth in the Offer (expressly excluding any terms and conditions relating to non-cash consideration and any ancillary agreements), less any broker's or other commissions not due as a result of SHELFGENIE being the purchaser. Upon receipt of any Offer, Franchisee shall immediately notify SHELFGENIE, in writing, of such Offer (each an "**Offer Notice**"), and disclose therein the name and address of the prospective purchaser, the price and terms of the Offer and any other information that SHELFGENIE may reasonably request in order to evaluate the Offer, including without limitation, any agreements proposed or executed by Franchisee or the third party.

(B) Time to Exercise Option. SHELFGENIE may exercise its option described in Section 11.7(A), if at all, by giving written notice of its election to Franchisee within thirty (30) days after SHELFGENIE's receipt of the Offer Notice (the "**Option Period**").

(C) Sale to SHELFGENIE. If SHELFGENIE elects to exercise its option as provided above, then Franchisee shall sell to SHELFGENIE the interests and assets subject to SHELFGENIE's option and SHELFGENIE shall purchase same from Franchisee, for the price and upon the terms and conditions described in Section 11.7(A). SHELFGENIE's rights under this Section 11.7 are fully transferable.

(D) SHELFGENIE Does Not Exercise Option. If SHELFGENIE declines or fails to exercise its option, Franchisee shall be free, for a period of sixty (60) days after the Option Period, to sell the interests and assets to the Offeror for the exact price and upon the exact terms and conditions contained in the Offer Notice, subject to full compliance with all terms and conditions of Transfer otherwise required under this Agreement, including those set forth in Section 11.3. If Franchisee does not sell such interests or assets for the exact price and upon the exact terms and conditions contained in the Offer Notice within such period, then any Transfer by Franchisee of such interests or assets shall again be subject to the restrictions set forth herein.

(E) Closing. Unless otherwise agreed by Franchisee and SHELFGENIE, the closing of the purchase of the interests or the assets (as the case may be) purchased by SHELFGENIE shall be held at such time as SHELFGENIE shall determine at SHELFGENIE's then principal office or such other location designated by SHELFGENIE.

Section 11.8 Ownership and Control of Franchisee. Franchisee represents and warrants that all persons having an ownership interest in Franchisee, directly or through one or more intermediaries, are set forth in Exhibit 4 to this Agreement. No other person has nor shall have any ownership in Franchisee during the Term, unless through a Transfer permitted by this Agreement.

Section 11.9 **Operation of the Franchised Business Pending Transfer**. Franchisee shall continue to operate the Franchised Business in the ordinary course of business in accordance with the Operations Manual and this Agreement throughout the transition period pending Transfer.

ARTICLE 12

DEFAULT AND TERMINATION

Section 12.1 **Termination By SHELFGENIE Without Opportunity To Cure**. Franchisee shall be deemed to be in default of this Agreement and SHELFGENIE may, at its sole option, terminate the Term of this Agreement and all of Franchisee's rights under this Agreement (and such termination shall be deemed "for cause") without affording Franchisee an opportunity to cure the default, effective immediately upon receipt of notice by Franchisee, if:

(A) Insolvency or Bankruptcy. Franchisee becomes insolvent or makes a general assignment for the benefit of creditors; or proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or a petition in bankruptcy is filed by Franchisee or such a petition if filed against is not opposed by Franchisee; or Franchisee is adjudicated a bankrupt or insolvent; or a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or any such involuntary petition, adjudication, proceeding or appointment is not dismissed within sixty (60) days thereafter;

(B) Outstanding Judgment or Dissolution. A final judgment related to Franchisee remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed), or Franchisee is dissolved, or execution is levied against Franchisee, or suit to foreclose any lien or mortgage against the Franchised Business or its equipment is instituted against Franchisee and not dismissed within thirty (30) days, or the real or personal property of the Franchised Business must be sold after levy thereupon by any sheriff, marshal or constable;

(C) Material Misrepresentations. Franchisee has made any material misrepresentations or misstatements to SHELFGENIE regarding Franchisee, its owners or the Franchised Business or otherwise in acquiring its franchise;

(D) Failure to Operate Franchised Business. Franchisee ceases to operate the Franchised Business for seven (7) consecutive days, or when, in SHELFGENIE's opinion, the ability of Franchisee to resume an effective operation has been substantially impaired, or Franchisee otherwise abandons the Franchised Business at any time, or Franchisee otherwise forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located;

(E) Conviction of Crime. Franchisee or any of its owners, directors, officers or employees is convicted of a felony or misdemeanor or enters a settlement or plea bargain accepted on a felony or misdemeanor allegation involving a crime of moral turpitude, any physical offense (including assault or battery), robbery or burglary or any other crime or offense that SHELFGENIE believes is reasonably likely to have an adverse effect upon the Franchised Business, the Proprietary Marks, the goodwill associated therewith, or SHELFGENIE's interest therein;

(F) Breach of Non-Compete or Confidentiality Obligations. Franchisee or its owners violate any non-competition or non-solicitation provisions referenced in this Agreement or disclose or divulge the contents of the Operations Manual or other Confidential Information contrary to the terms of this Agreement;

(G) False Books or Records. Franchisee knowingly maintains false books or records, or knowingly submits any false, fraudulent, or materially misleading report, statement or document or omits any material fact to SHELFGENIE;

(H) Improper Use of Marks. Franchisee misuses or makes any unauthorized use of the Proprietary Marks or any other identifying characteristics of the System, or otherwise materially impairs the goodwill associated therewith or SHELFGENIE's rights therein;

(I) Repetitive Defaults. If Franchisee, after curing a default pursuant to this Agreement, commits the same default again, whether or not cured after notice; or Franchisee is in default under this Agreement, whether or not cured after notice, three (3) or more times in any twelve (12) month period; or

(J) Default Under Other Agreements. Franchisee and/or Franchisee's affiliate(s) fail to cure a default for Franchisee's and/or Franchisee's affiliate(s)'s breach of any other franchise agreement, development agreement, or other agreement with SHELFGENIE or SHELFGENIE's affiliate(s), unless cured within any applicable notice or grace periods contained in such agreement.

Section 12.2 Termination By SHELFGENIE With Opportunity To Cure. Except as set forth in Section 12.1, and except as specifically limited in a sub-section below, Franchisee will have fifteen (15) days after receipt of a written notice of default from SHELFGENIE within which to fully cure any default under this Agreement and provide evidence of such cure to SHELFGENIE; provided, however, that if the default is of a nature that is not reasonably curable within such fifteen (15) day period, then Franchisee may avoid termination of the Term under this Section 12.2 by immediately initiating a remedy to cure such default after receiving written notice of default from SHELFGENIE and curing it to SHELFGENIE's complete satisfaction within such longer period as SHELFGENIE may in its sole and absolute discretion grant, and by promptly providing proof thereof to SHELFGENIE. If any such default is not cured within the specified time, or such longer period as applicable law may require, then SHELFGENIE shall have the right to terminate the Term of this Agreement, such termination to be effective upon notice to Franchisee, with no further opportunity to cure (and such termination shall be deemed "with cause"). Franchisee shall be in default under this Agreement for failure to comply with any of the requirements imposed by this Agreement, as it may from time to time be reasonably supplemented by the Operations Manual, and for failure to carry out the terms of this Agreement in good faith. Such defaults include, but are not limited to:

(A) Failure to Pay Amounts Due. If Franchisee fails, refuses, or neglects (i) to pay promptly any monies owing to SHELFGENIE or its affiliates when due, or (ii) to submit the financial or other information required by SHELFGENIE under this Agreement;

(B) Failure to Observe Standards. If Franchisee fails to maintain or observe any of the mandatory standards, specifications, policies, or procedures prescribed by SHELFGENIE in this Agreement, the Operations Manual, or otherwise;

(C) Failure to Obtain SHELFGENIE's Consent. If Franchisee fails, refuses, or neglects to obtain SHELFGENIE's prior written consent as required by this Agreement;

(D) Improper Transfer. If Franchisee or any partner, member, shareholder or other owner of Franchisee (or any successor thereto or personal representative thereof) purports to Transfer or relinquish any rights or obligations under this Agreement or any interest in Franchisee or the Franchised Business to any third party without SHELFGENIE's prior written consent, contrary to the terms of this Agreement, or commits any violation of Article 11;

(E) Failure to Permit Inspection or Audit. If Franchisee refuses to permit SHELFGENIE to inspect or audit Franchisee or the Franchised Business, or the books and records of Franchisee or the Franchised Business in accordance with the terms of this Agreement;

(F) Disputes of Franchisee Adversely Affecting SHELFGENIE. If Franchisee allows any dispute, disagreement or controversy between or among partners, managers, owners, officers, directors or stockholders of Franchisee which, in SHELFGENIE's opinion, adversely affects the operation of Franchisee or the Franchised Business;

(G) Excessive Customer Complaints. If Franchisee receives an excessive amount of customer complaints, as determined by SHELFGENIE in its sole discretion, against the Franchised Business and/or Franchisee and after a reasonable investigation by SHELFGENIE, SHELFGENIE determines, in its sole discretion, these complaints to be generally warranted;

(H) Public Danger. A threat or danger to public health or safety results from the maintenance or operation of the Franchised Business; or

(I) Failure to Cure Default. If Franchisee, upon receiving notice of a default, fails to immediately initiate a remedy to cure such default.

Section 12.3 Notice Required by Law / Nature of Termination. Notwithstanding anything to the contrary contained in this Article 12, if applicable law or regulation limits SHELFGENIE's rights to terminate or requires longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. SHELFGENIE shall not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination of the Term. Any termination pursuant to Section 12.1 or 12.2 shall be deemed "for cause".

Section 12.4 Suspension of Rights and Services. Franchisee acknowledges that upon Franchisee's failure to remedy any default specified in any written notice issued to Franchisee under Section 12.1 and/or Section 12.2, SHELFGENIE also has the right to (i) cease providing any operational support or services, until, Franchisee complies to SHELFGENIE's satisfaction with the written notice, (ii) suspend Franchisee's right to use and access the Call Center Program, (iii) suspend access and use of the Website, (iv) suspend and/or terminate any approval authorizing Franchisee to operate outside the Assigned Territory, (v) ceasing providing products to Franchisee, and (vi) cease having SHELFGENIE's affiliates (including G-O) and suppliers provide products and support to Franchisee. If SHELFGENIE exercises SHELFGENIE's right to suspend Franchisee's rights, SHELFGENIE will only do so after Franchisee's cure period under the written notice of default has expired. Franchisee agrees that SHELFGENIE's exercise of these rights will not constitute an actual or constructive termination of this Agreement nor will it constitute SHELFGENIE's sole and exclusive remedy. If SHELFGENIE exercises SHELFGENIE's right not to terminate this Agreement but to implement such suspension and/or removal, SHELFGENIE reserves the right at any time after the appropriate cure period under the written notice has lapsed, to, upon written notice to Franchisee, terminate this Agreement without giving Franchisee any additional corrective or cure period. During any period of suspension, all fees due under this Agreement shall continue to be payable by Franchisee. Additionally, if Franchisee is in default under this Agreement, SHELFGENIE has the right to withhold or condition SHELFGENIE's consent or approval if needed until Franchisee cures all defaults. SHELFGENIE's election of the suspension rights as provided above shall not be a waiver by SHELFGENIE of any breach of this Agreement or any other term, covenant or condition of this Agreement.

ARTICLE 13

OBLIGATIONS UPON TERMINATION

Section 13.1 Franchisee's Obligation. Immediately upon termination, expiration or non-renewal of the Term for any reason or a Transfer, all rights granted to Franchisee shall terminate and:

(A) Cease Operations. Franchisee shall immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of SHELFGENIE or as an authorized independently owned and operated SHELFGENIE Business or in any other way affiliate itself with SHELFGENIE;

(B) Cease Use of SHELFGENIE's System and Methods. Franchisee shall immediately cease using the System and SHELFGENIE's methods of operation;

(C) Comply with Restrictive Covenants. Franchisee shall comply with the post-term covenants contained in Articles 7 and 14;

(D) Cease Use of SHELFGENIE's Proprietary Marks. Franchisee shall immediately cease using the Proprietary Marks or any confusingly similar name, device, mark, service mark, trademark, trade name, slogan or symbol used in connection with the Franchised Business or any other SHELFGENIE Business, including any reproduction, counterfeit copy, variation, emulation or colorable imitation thereof which is likely to cause confusion or mistake or deceive the public and take any steps necessary to change the name of any corporation or entity which Franchisee may have formed, or under which Franchisee trades or does business, so that the name will not likely be confused with the Proprietary Marks;

(E) Complete and Effective Transfer. Franchisee shall immediately bring about a complete and effective transfer of the Franchised Business's customers and customer lists to SHELFGENIE;

(F) Cease Use of Telephone Numbers, Websites, Social Media, Licenses and Permits. Franchisee shall immediately cease and desist from using telephone numbers, telephone directory listings and advertisements, website URLs (whether acquired by Franchisee in accordance with or in violation of this Agreement), social media pages related to the Franchised Business, e-mail addresses, and governmental licenses or permits used for the operation of the Franchised Business or that were otherwise used and/or advertised or promoted under the name SHELFGENIE or any other name confusingly similar to any of the Proprietary Marks, and upon SHELFGENIE's demand, shall direct the appropriate company or agency to transfer any such items to SHELFGENIE or to such person as SHELFGENIE directs;

(G) Cease Use of Printed Materials. Franchisee shall immediately return to SHELFGENIE, at Franchisee's expense, all printed material furnished to Franchisee, including, without limitation, all Operations Manuals, advertising material, stationery and printed forms and all other matter relating to the operation of the Franchised Business and/or bearing the Proprietary Marks which may be in Franchisee's possession or control at the time of such expiration, termination or non-renewal;

(H) Payment of all Sums and Debts Owed. SHELFGENIE may retain all fees paid pursuant to this Agreement. In addition, within ten (10) days after the effective date of the termination or expiration of the Term, or such later date as it is determined that amounts are due to SHELFGENIE, Franchisee shall pay to SHELFGENIE all Royalty Fees, Marketing Contributions, amounts owed for products purchased by Franchisee from SHELFGENIE or its affiliates, and all other amounts owed to SHELFGENIE or its affiliates which are then unpaid; and

(I) Modification of Vehicle. Franchisee shall make such modifications or alterations to the vehicles, signage and business (including, without limitation, changing the telephone number and taking down all signs bearing the Proprietary Marks and identifying markings, images or colors) immediately upon termination or expiration of the Term as may be necessary to distinguish the appearance of the Franchised Business from that of other SHELFGENIE Businesses, and shall make such specific additional changes thereto as SHELFGENIE may request for that purpose. Franchisee agrees to refrain from taking any action to reduce the goodwill of its customers or potential customers toward SHELFGENIE, the System or SHELFGENIE's franchisees. In the event Franchisee fails or refuses to comply with this provision, SHELFGENIE shall have the right, without any claim to the contrary by Franchisee, to enter the Franchised Business, the vehicle, or the office of Franchisee without being guilty of trespass or any other tort, for the purposes of making or causing to be made such modifications or alterations to the equipment, vehicles, signage and business as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay and reimburse upon SHELFGENIE's demand.

(J) Warranty Obligations. Franchisee shall comply with the Warranty Obligations for all customers serviced by the SHELFGENIE Business prior to the expiration or termination of this Agreement; provided, however, SHELFGENIE, in SHELFGENIE's sole discretion, has the right to elect for (i) Franchisee not to perform Warranty Obligations for some or all customers based on customer service problems or SHELFGENIE's belief that Franchisee's performance of such obligations will be detrimental to

the Proprietary Marks and goodwill of the System, and (ii) SHELFGENIE and/or its designee to perform such Warranty Obligations for such customer or certain customers designated by SHELFGENIE.

Section 13.2 **Execution of Documents**. SHELFGENIE may, if Franchisee fails or refuses to do so, execute in Franchisee's name and on its behalf, any and all documents necessary to effectuate the obligations of Franchisee under this Article 13 and Franchisee hereby irrevocably appoints SHELFGENIE as Franchisee's agent and attorney-in-fact with full power of substitution to do so, this power and agency being coupled with an interest.

Section 13.3 **SHELFGENIE's Rights Not Prejudiced**. The expiration, termination or non-renewal of the Term shall be without prejudice to SHELFGENIE's rights against Franchisee and such expiration, termination or non-renewal shall not relieve Franchisee of any of its obligations to SHELFGENIE existing at the time of expiration, termination or non-renewal, nor will it terminate those obligations of Franchisee which by their nature survive the expiration, termination or non-renewal of the Term. SHELFGENIE and its affiliates shall, in addition to its rights as set forth in this Article 13, also be entitled to pursue any and all rights and recover all damages available at law or in equity. To that end, Franchisee acknowledges and confirms that by granting Franchisee the Franchised Business, SHELFGENIE lost the opportunity to grant a franchise to another person or entity or to itself or its affiliates to own and operate a ShelfGenie business within the Assigned Territory. Additionally, Franchisee confirms that SHELFGENIE and its affiliates, including but not limited to G-O Manufacturing, LLC, will suffer substantial damages by virtue of the termination of this Agreement, including, without limitation, lost future Royalty payments, lost Marketing Contributions, lost future profits (including lost future profits from the sale of products by G-O Manufacturing, LLC), lost market penetration and goodwill, lost opportunity costs and the expense SHELFGENIE and its affiliates will incur in developing another franchise for the Assigned Territory, which damages SHELFGENIE and its affiliates, including G-O Manufacturing, LLC shall have the right to recover from Franchisee, as well as setoff from any amounts owed by SHELFGENIE or its affiliates to Franchisee.

Section 13.4 **Return of Materials and Cease Accessing Materials**. Immediately upon termination, expiration or non-renewal of the Term for any reason, Franchisee shall turn over to SHELFGENIE all materials and cease accessing such materials in an electronic, computerized or other form, including the Operations Manual, records, files, instructions, correspondence, all materials related to operating the Franchised Business, including, but not limited to, brochures, agreements, disclosure statements, and any and all other materials relating to the operation of the Franchised Business in Franchisee's possession or control, and all copies and any other forms of reproductions thereof (all of which are acknowledged to be SHELFGENIE's sole and exclusive property) and shall not retain any copy or record of any of the foregoing, including permanently deleting, destroying and rendering unusable all electronic copies, excepting only Franchisee's copy of this Agreement and related agreements and of correspondence between the parties, and copies of any other documents which Franchisee reasonably needs for compliance with any provision of law. SHELFGENIE shall reimburse Franchisee for the reasonable cost of shipping the foregoing materials to SHELFGENIE promptly after receipt of receipts or other reasonable evidence of such costs.

Section 13.5 **SHELFGENIE's Purchase Rights**. Upon termination, expiration or non-renewal of the Term for any reason, SHELFGENIE or its affiliates shall have the right (but not the obligation) to purchase and Franchisee hereby agrees to sell, any items bearing the Proprietary Marks, such as any or all signs, advertising material, supplies, inventory, equipment, furnishings, displays or other items at a price equal to the lesser of (i) Franchisee's cost as determined by reference to Franchisee's books and records subject to a straight line depreciation method, with residual value and useful life determined by SHELFGENIE using its commercially reasonable estimates, or (ii) fair market value as determined by the agreement of the parties, or lacking such agreement by an independent appraiser designated by SHELFGENIE with all costs borne by Franchisee. SHELFGENIE shall provide written notice of such intent to purchase any or all of the items within thirty (30) days after the termination or expiration of the Term. If SHELFGENIE elects to exercise any option to purchase provided in this Agreement, it shall have the right to set off all amounts due from Franchisee under this Agreement. Any such sale shall take place no later than thirty (30) days after Franchisee's receipt of notice from SHELFGENIE of its intent to exercise its option to purchase any item(s). FRANCHISEE will transfer any such item(s) free and clear of all liens and encumbrances, with all sales and transfer taxes paid by Franchisee. Nothing in this Section 13.5 shall waive or modify any of Franchisee's

obligations under Article 13, including de-identification, for any items that SHELFGENIE does not exercise its right to purchase.

ARTICLE 14

INDEPENDENT COVENANTS OF FRANCHISEE

Section 14.1 Confidentiality.

(A) Confidential Information. Franchisee acknowledges that SHELFGENIE shall disclose or make known to Franchisee, and Franchisee shall be given access to and become acquainted with, certain confidential information, confidential materials and trade secrets, including, but not limited to, processes, methods, techniques, contracts, projected results, suppliers, supplier lists, pricing, marketing, computer programs, products, skills, performance specifications, technical and other data, designs, schematics, equipment, billing, samples, financial information and results and other information and know-how relating to the System or relating to or useful in SHELFGENIE's business, the Franchised Business or other SHELFGENIE Businesses (collectively, the "**Confidential Information**"). Confidential Information does not include information which (i) becomes generally known to the public other than as a result of a disclosure by Franchisee or its owners, directors, officers, employees, installers, designers, agents, representatives or advisors or any third party having a duty of confidentiality to SHELFGENIE or its parent or affiliates, or (ii) has been voluntarily disclosed to the public by SHELFGENIE. Franchisee acknowledges that any information received from other franchisees or any modifications made by Franchisee to the Confidential Information shall also be deemed Confidential Information which is the property of SHELFGENIE. Franchisee further acknowledges that the Confidential Information is considered confidential, proprietary and a trade secret. Failure to include a confidentiality notice on any materials disclosed to Franchisee shall not give rise to an inference that the information disclosed is not confidential.

(B) Nondisclosure of Confidential Information. In consideration of SHELFGENIE's granting Franchisee a franchise and in recognition by Franchisee that the Confidential Information constitutes valuable and unique assets owned by or in the custody of SHELFGENIE, Franchisee hereby agrees and covenants that Franchisee shall not use the Confidential Information or any part of the Confidential Information in any manner or for any purpose other than in the performance of Franchisee's obligations pursuant to this Agreement and Franchisee's operation of the Franchised Business. Franchisee shall hold all the Confidential Information in the strictest confidence and not use it, reproduce it, distribute it or disclose it to anyone without SHELFGENIE's prior written consent or by a final order of any court or administrative agency having competent jurisdiction, provided Franchisee first promptly notifies SHELFGENIE and cooperates to protect the confidentiality thereof by all means reasonably available. Franchisee agrees that the disclosure or use by a partner, shareholder, owner, spouse or member of the immediate family of Franchisee or its owners of the Confidential Information other than in the operation of the Franchised Business shall be deemed a breach and default by Franchisee of this Agreement. Franchisee further acknowledges that it would be an unfair method of competition for Franchisee or such partner, shareholder, owner, spouse or family member to use, duplicate or disclose any of the Confidential Information or knowledge, know-how or expertise received from SHELFGENIE for any use other than the operation of the Franchised Business in accordance with this Agreement.

Section 14.2 Diversion of Business, Competition With SHELFGENIE and Interference.

(A) During and After the Term of this Agreement. Franchisee acknowledges the uniqueness of the System and agrees that SHELFGENIE is making the Operations Manual and the Confidential Information available to Franchisee only to operate the Franchised Business. Franchisee acknowledges and agrees that (a) Franchisee and the other individuals and entities required to comply with Articles 7 and 14 have received an advantage through the training provided under this Agreement, the knowledge of the day-to-day operations of a SHELFGENIE Business and access to SHELFGENIE's standards, the Operations Manual, the System, the Confidential Information and SHELFGENIE's trade secrets, and (b) the covenants and restrictions in Articles 7 and 14 (i) are reasonable, appropriate and necessary to protect SHELFGENIE's standards, the System, the Confidential Information, SHELFGENIE's trade secrets, other

franchisees operating under the System, the goodwill of the System, relationships with SHELFGENIE's prospective and existing customers, and SHELFGENIE's legitimate interests; and (ii) do not cause undue hardship on Franchisee or any of the other individuals and entities required by Articles 7 and 14 to comply with the covenants and restrictions. Franchisee acknowledges that it would be an unfair method of competition to use or duplicate any of the Operations Manual or Confidential Information received from SHELFGENIE for any other use.

(i) Non-Interference. Franchisee covenants that during the Term of this Agreement and for a two (2) year period thereafter, neither Franchisee nor any person required to execute a Guaranty and Subordination Agreement for Franchisee's Obligations ("**Guarantors**"), will, either on their own behalf or on behalf of any other person, directly or indirectly influence or attempt to influence any consultant, representative, contractor, supplier, distributor, customer or other business contact of SHELFGENIE or any of its subsidiaries, affiliates, or parent, to terminate or modify his, her or its position or relationship with SHELFGENIE or any of its subsidiaries, affiliates, parent or franchisees.

(ii) Non-Competition During the Term. Franchisee covenants that during the Term, neither Franchisee nor any Guarantor will, directly or indirectly, as owner, officer, director, employee, agent, lender, broker, consultant, franchisee or in any other capacity whatsoever, be connected in any manner with the ownership, management, operation or control of or conduct a business which is (a) not a franchised SHELFGENIE Business or a company-owned SHELFGENIE Business, and (b) engaged in the ownership or operation of any business that offers or provides (through conversion or otherwise) moving shelving, drawer, storage, or organization systems for cabinets, counters, closets, garages, or other structures in (i) the Assigned Territory, or (ii) within a twenty five (25) mile radius of the borders of the Assigned Territory (whether or not franchised), or (iii) within an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses) in operation and existence during the Term, or (iv) within a twenty five (25) mile radius of the borders of an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses)(whether or not franchised) in operation and existence during the Term, or (v) within the United States (provided that this restriction shall not apply to a five percent (5%) or less beneficial interest in a reporting company registered under the Securities Act of 1933, as amended).

(iii) Non-Competition After the Term. Franchisee covenants that for two (2) years following the Term, neither Franchisee nor any Guarantor will, directly or indirectly, as owner, officer, director, employee, agent, lender, broker, consultant, franchisee or in any management or operational capacity whatsoever, be connected in any manner with the ownership, management, operation or control of or conduct a business which is (a) not a franchised SHELFGENIE Business or a company-owned SHELFGENIE Business, and (b) engaged in the ownership or operation of any business that offers or provides (through conversion or otherwise) moving shelving, drawer, storage, or organization systems for cabinets, counters, closets, garages or other structures in (i) the Assigned Territory, or (ii) within a twenty five (25) mile radius of the borders of the Assigned Territory (whether or not franchised), or (iii) within an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses) in operation and existence as of the end of the Term, or (iv) within a twenty five (25) mile radius of the borders of an assigned territory of any other SHELFGENIE business (including Franchised Businesses and affiliate-owned SHELFGENIE Businesses)(whether or not franchised) in operation and existence as of the end of the Term (provided that this restriction shall not apply to a five percent (5%) or less beneficial interest in a reporting company registered under the Securities Act of 1933, as amended).

(B) Reasonableness of Restrictions. Franchisee and each Guarantor acknowledge and confirm that the length of the term and geographical restrictions contained in this Article 14 are fair and reasonable and not the result of overreaching, duress or coercion of any kind. Franchisee acknowledges and confirms that its, its Guarantors' and their principals', full, uninhibited and faithful observance of each of the covenants contained in this Article 14 will not cause any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in this Article 14 will not impair its, its Guarantors' or their principals' ability to obtain employment commensurate with their respective abilities and on terms fully

acceptable to them or otherwise to obtain income required for the comfortable support of such persons and, if such person is an individual, his or her family, and the satisfaction of the needs of his or her creditors.

(C) Enforcement. Franchisee acknowledges that any breach of any provision contained in Article 14 by any Guarantor shall be deemed a breach by Franchisee. Franchisee acknowledges that to disregard the provisions of this Article 14 would effectively foreclose SHELFGENIE from selling other franchises and Franchisee could be unjustly enriched and unfairly derive benefit from the goodwill of and training from SHELFGENIE. Moreover, SHELFGENIE's franchisees and SHELFGENIE Businesses could be severely disadvantaged if Franchisee competes against them using the Proprietary Marks or other Confidential Information. Therefore, it is the manifest intent of Franchisee and SHELFGENIE that, in the event that any court shall finally hold that the time or territory or any other provision stated in this Article 14 constitutes an unreasonable restriction upon Franchisee or any of the Guarantors, then such unenforceable covenant shall be amended to relate to such lesser period or geographical area as shall be enforceable or, if deemed appropriate by such court, deemed eliminated from this Agreement for the purpose of those proceedings to the extent necessary to permit the remaining covenants to be enforced. In the event of Franchisee's actual or threatened breach or default of this Article 14, (i) SHELFGENIE shall be entitled to an *ex parte* injunction (without notice to or service of process upon Franchisee) restraining Franchisee from any such actual or threatened breach or default, (ii) Franchisee agrees that SHELFGENIE's harm shall be irreparable and SHELFGENIE has no adequate remedy at law to prevent such harm, and (iii) SHELFGENIE shall not be required to show any actual damage or to post any bond or other security before obtaining injunctive relief.

(D) Assignment. The provisions of the confidentiality, nondisclosure, noninterference, non-competition, non-solicitation and non-disturbance provisions in this Article 14 are assignable by SHELFGENIE and shall inure to the benefit of SHELFGENIE, as well as its successors and assigns. In the event of any assignment, sale, merger or change in ownership or structure of SHELFGENIE, the resulting entity shall step into the place of SHELFGENIE, without any additional consent of or notice to Franchisee, as if the term SHELFGENIE were defined in this Agreement to include such entity.

Section 14.3 Modification of Covenants. Franchisee understands, acknowledges and agrees that SHELFGENIE shall have the right, in its sole and absolute discretion, to reduce the scope of any covenants set forth in this Article 14 without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof. Franchisee agrees that it shall forthwith comply with any covenant as so modified, which shall be fully enforceable to the extent permitted by applicable law.

Section 14.4 Additional Parties. Franchisee shall require its officers, directors, shareholders, owners, members, partners, agents, representatives and managerial employees and each of the Guarantors to execute a Confidentiality Agreement and which contains restrictive language similar to this Article 14.

Section 14.5 Enforcement of Confidentiality Agreement. For the individuals required to execute Confidentiality Agreements required under Sections 7.1(B) and 14.4, Franchisee shall be responsible for compliance and enforcement of such Confidentiality Agreements and Franchisee shall immediately notify SHELFGENIE upon discovery of any breach of any Confidentiality Agreement. Franchisee's failure to comply with this Section 14.5 shall be a default under this Agreement. At SHELFGENIE's option, SHELFGENIE as a third-party beneficiary of the Confidentiality Agreements may commence or assume (even if Franchisee has undertaken to commence enforcement) the enforcement of any Confidentiality Agreement and require Franchisee to indemnify SHELFGENIE as provided in Section 15.4 in connection with such enforcement action.

ARTICLE 15

INDEPENDENT CONTRACTOR AND INDEMNIFICATION

Section 15.1 Independent Status of Franchisee. This Agreement does not create a fiduciary relationship between SHELFGENIE and Franchisee. Franchisee shall be an independent contractor and nothing in this Agreement is intended to make either party an agent, legal representative, subsidiary, joint

venturer, partner, employee, affiliate or servant of the other party for any purpose whatsoever. Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on SHELFGENIE's behalf or to incur any debt or other obligation in SHELFGENIE's name. Franchisee shall not take nor permit to be taken any action nor give nor permit to be given to any person any impression that Franchisee's authority exceeds that described in this Section 15.1.

Section 15.2 **Day-to-Day Control**. Franchisee has the sole right and responsibility for the manner and means by which the day-to-day operation of the Franchised Business is determined and conducted and for achieving its business objectives. Subject to any approval, inspection and enforcement rights reserved to SHELFGENIE, this right and responsibility includes the employment, supervision, setting the conditions of employment for and discharge of its employees and the responsibilities of its contractors at the Franchised Business, daily maintenance, safety concerns, and the achievement of conformity with the System.

Section 15.3 **Public Representation of Franchisee's Independence**. During the Term, Franchisee shall in all dealings with customers, distributors, suppliers, public officials and others hold itself out as an independent contractor operating the Franchised Business pursuant to a franchise granted from SHELFGENIE and as an authorized user of the Proprietary Marks which are licensed from SHELFGENIE. Franchisee agrees to take such affirmative action as SHELFGENIE deems necessary for Franchisee to comply with such requirement.

Section 15.4 **Indemnification**. Franchisee shall defend, indemnify, and hold harmless SHELFGENIE and each of its affiliates, parent and subsidiaries and each of their respective officers, directors, shareholders, members, owners, agents, representatives, attorneys, employees, affiliates, successors and assigns from and against any and all claims, counter-claims, suits, debts, demands, costs, liabilities, expenses (including, without limitation, attorneys' fees, expert witness fees, costs and other expenses incurred in the investigation or defense of such matters), setoffs, liens, attachments, judgments, actions and causes of action arising out of, related to or in connection with (i) any breach or default of any of the representations, warranties, or covenants made in this Agreement or any other agreement by Franchisee, (ii) any intentional, willful, reckless or negligent acts or omissions by Franchisee or any of Franchisee's agents, representatives, contractors, owners, servants or employees, (iii) the operation of the Franchised Business, (iv) the conduct of business at the Franchised Business (whether or not done in compliance with this Agreement), (v) Franchisee's ownership or possession of real or personal property, or (vi) the breach by any of Franchisee's officers, directors, shareholders, owners, members, partners, agents, representatives or managerial employees or any of the Guarantors of any provision of the Confidentiality Agreement. Franchisee's obligation to defend, indemnify, and hold harmless shall in no manner be affected by the existence or non-existence of insurance. SHELFGENIE's right to indemnity under this Agreement shall arise notwithstanding that joint or concurrent liability may be imposed on SHELFGENIE by statute, ordinance, regulation or otherwise. Notwithstanding the foregoing, Franchisee shall have no liability for SHELFGENIE's or SHELFGENIE's directors', officers' or owners' own negligent or intentional wrongful acts.

ARTICLE 16

REPRESENTATIONS AND WARRANTIES OF FRANCHISEE

Section 16.1 **Representations of Franchisee**. Franchisee hereby makes the following representations and warranties to SHELFGENIE, which shall be true and correct upon the execution of this Agreement and throughout the Term:

(A) Due Organization of Franchisee. If Franchisee is a corporation, limited liability company or a general or limited partnership, Franchisee is duly organized, validly existing and in good standing under the laws of its state or jurisdiction of incorporation or organization. Franchisee has the corporate, limited liability company or partnership power to own its properties and conduct its business and is duly qualified to do business in the state in which the Franchised Business is or will be located.

(B) Authorization. Franchisee has the power to execute, deliver, and carry out the terms and conditions of this Agreement. Franchisee has taken all necessary action with respect thereto. This Agreement has been duly authorized, executed and delivered by Franchisee and constitutes its valid, legal and binding agreement and obligation in accordance with the terms of this Agreement, except as may be limited by applicable bankruptcy, insolvency, reorganization and other laws and equitable principles affecting creditors' rights generally from time to time in effect.

(C) No Violation. Performance by Franchisee of its obligations under this Agreement will not result in (i) the breach of or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which Franchisee is a party or by which it is bound, or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor (ii) the violation by Franchisee of any statute, rule, regulation, ordinance, code, judgment, order, injunction or decree.

(D) True Copies. Copies of all documents required to be furnished by Franchisee to SHELFGENIE will be true and correct copies of such documents, including all amendments or modifications thereto and all written representations made by Franchisee, in any application, financial statement or other document submitted to SHELFGENIE, are true and correct and contain no misleading or incorrect statement or material omissions.

ARTICLE 17

GENERAL PROVISIONS

Section 17.1 Amendments. The provisions of this Agreement may not be modified, supplemented or waived except in writing and signed by both parties. With respect to SHELFGENIE, only a Manager of SHELFGENIE shall have the authority to execute any amendment on behalf of SHELFGENIE. No other officer, employee or agent of SHELFGENIE shall have authority to execute any amendment.

Section 17.2 Binding Effect. All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective administrators, executors, legal representatives, heirs, successors and permitted assigns.

Section 17.3 Notices. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by telecopier, mailed by certified mail with return receipt requested, or dispatched by overnight delivery envelope, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

If to SHELFGENIE:

ShelfGenie Franchise Systems, LLC
Attn: Andy Pittman, CEO
5500 Interstate North Parkway, Suite 250
Atlanta, Georgia 30328

With a mandatory copy to:

Haynes and Boone LLP
Attn: Maral Kilejian, Esq.
2323 Victory Avenue, Suite 700
Dallas, Texas 75219

If to Franchisee:

_____

_____

_____

All notices to Franchisee shall be in writing and shall be sent by any of the following means of delivery: (i) hand delivered, (ii) sent by express, registered or certified mail, (iii) sent by an overnight delivery service (*e.g.*, Federal Express, UPS), or (iv) E-mail. Any notice to Franchisee shall be deemed effective notice to all persons and entities that are within the definition of Franchisee under this Agreement. All notices to SHELFGENIE shall be in writing and shall be sent by any of the following means of delivery: (i) hand delivered, (ii) sent by express, registered or certified mail (signature required), or (iii) sent by an overnight delivery service (*e.g.*, Federal Express, UPS)(signature required).

Notices shall be deemed to have been received as follows: by personal delivery -- at the time of delivery; by overnight delivery service -- on the date shown in the delivery service's records; certified mail -- on the date shown on the return receipt; and via E-mail on the date the E-mail is sent.

Section 17.4 Headings; Affiliate. The headings contained in this Agreement are for convenience of reference only, are not to be considered a part of this Agreement and shall not limit or otherwise affect in any way the meaning or interpretation of this Agreement. As used in this agreement, "affiliate" means any and all persons or entities that are or may control, be controlled by, owned, be owned by or be under common control or ownership with SHELFGENIE, including without limitation, G-O. The Introduction paragraphs are hereby incorporated into this Agreement.

Section 17.5 Severability.

(A) If any provision of this Agreement or any other agreement entered into pursuant to this Agreement is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder of this Agreement (or those agreements) shall not be invalidated thereby and shall be given full force and effect so far as possible. If any provision of this Agreement may be construed in two (2) or more ways, one of which would render the provision invalid or otherwise voidable or unenforceable and another of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable.

(B) In addition to and without limiting the provisions of the foregoing Subsection (A), if any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of the Term than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by SHELFGENIE is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions of this Agreement. SHELFGENIE shall have the right, in its sole and absolute discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision of this Agreement as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement, or any specification, standard or operating procedure prescribed by SHELFGENIE, any portion or portions which a Court may hold to be unenforceable in a final decision to which SHELFGENIE is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

Section 17.6 Waivers. The failure or delay of either party at any time to require performance by the other party of any provision of this Agreement, even if known, shall not affect the right of such party to require performance of that provision or to exercise any right, power or remedy hereunder. Any waiver by either party of any breach of any provision of this Agreement should not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right,

power or remedy under this Agreement. No notice to or demand on any party in any circumstance shall, of itself, entitle such party to any other or further notice or demand in similar or other circumstances.

Section 17.7 Enforcement Costs. If any civil action or other legal proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees, sales and use taxes, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, taxes, costs and expenses incident to arbitration, appellate, bankruptcy and post-judgment proceedings), incurred in that civil action, arbitration or legal proceeding, in addition to any other relief to which such party or parties may be entitled. Attorneys' fees shall include, without limitation, paralegal fees, investigative fees, administrative costs, sales and use taxes and all other charges billed by the attorney to the prevailing party. Attorneys' fees include a charge for the service of in-house attorneys at the market rate for independent counsel of similar experience.

Section 17.8 Specific Performance. Franchisee acknowledges that SHELFGENIE will be irreparably damaged (and damages at law would be an inadequate remedy) if this Agreement is not specifically enforced. Therefore, in the event of a breach or threatened breach by Franchisee of any provision of this Agreement, then SHELFGENIE shall be entitled, in addition to all other rights or remedies, to apply to any court of competent jurisdiction for an injunction restraining such breach, without being required to show any actual damage or to post an injunction bond, and/or to a decree for specific performance of the provisions of this Agreement.

Section 17.9 Jurisdiction and Venue. Any action or proceeding arising out of or relating to this Agreement and required to be mediated pursuant to Section 17.23 shall be mediated in the state and county in which SHELFGENIE's principal place of business is located. Any action or proceeding permitted to be brought in court, shall be brought exclusively in the state courts located in the state and county in which SHELFGENIE's principal place of business is located or the federal courts of the state and district in which SHELFGENIE's principal place of business is located. For any action or proceeding permitted to be brought in court, Franchisee hereby irrevocably consents to the exclusive jurisdiction of the state courts located in the state and county in which SHELFGENIE's principal place of business is located and the federal courts of the state and district in which SHELFGENIE's principal place of business is located. The parties hereto waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision, including any objection based on *forum non conveniens* or any other objection Franchisee may now have or hereafter have to such jurisdiction and venue. The exclusive choice of jurisdiction and venue does not preclude the enforcement by either party hereto of any judgment obtained in such jurisdiction, in any appropriate jurisdiction.

Section 17.10 Remedies Cumulative. Except as otherwise expressly provided in this Agreement, no remedy in this Agreement conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

Section 17.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Confirmation of execution by facsimile or other electronic transmission shall be binding upon any party so confirming, and this Agreement may be signed with full legal force and effect using electronic or digital signatures and records.

Section 17.12 Consents, Approvals and Satisfaction. All consents or approvals required of SHELFGENIE shall not be binding upon SHELFGENIE unless the consent or approval is in writing and signed by the CEO or legally appointed representative or approved officer of SHELFGENIE. No other officer, employee or agent of SHELFGENIE shall have the authority to execute any consent or approval on behalf of SHELFGENIE. SHELFGENIE's consent or approval, whenever required, may be withheld if any default by Franchisee exists under this Agreement, or unless this Agreement expressly states otherwise,

for any other reason in SHELFGENIE's sole and absolute discretion. Anytime the satisfaction of SHELFGENIE is required pursuant to this Agreement, unless this Agreement expressly states otherwise, such satisfaction shall be determined in SHELFGENIE's sole and absolute discretion.

Section 17.13 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement and all claims arising from the relationship between SHELFGENIE and Franchisee will be governed by the laws of the State of Georgia, without regard to principles of conflicts of law. If, however, any provision of this Agreement would not be enforceable under the laws of the State of Georgia and the Franchised Business is located outside of the State of Georgia, then the provision in question (and only that provision) will be interpreted and construed under the laws of the state where the Franchised Business is located.

Section 17.14 Preparation of Agreement. This Agreement shall not be construed more strongly against any party regardless of who is responsible for its preparation.

Section 17.15 Survival. All covenants, agreements, representations and warranties made in this Agreement or otherwise made in writing by any party pursuant hereto shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

Section 17.16 Third Parties. Unless expressly stated in this Agreement to the contrary, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties hereto, SHELFGENIE's affiliates and their respective legal representatives, successors and permitted assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

Section 17.17 Right of Performance. In the event that Franchisee shall default in performing any of its obligations under this Agreement, SHELFGENIE shall have the right (but not the obligation) to perform Franchisee's obligations and shall be reimbursed by Franchisee for the actual costs of performing Franchisee's obligations plus ten percent (10%) of such actual costs as an administrative fee.

Section 17.18 Limitation on Legal Actions.

(A) IN NO EVENT WILL SHELFGENIE, OR ITS PARENT OR AFFILIATES BE LIABLE TO FRANCHISEE FOR SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES FOR ANY CONDUCT ARISING OUT OF THIS AGREEMENT, ANY AGREEMENTS BETWEEN FRANCHISEE AND ANY OF SHELFGENIE'S AFFILIATES OR PARENT, OR SHELFGENIE'S OR ITS AFFILIATES' OR PARENT'S RELATIONSHIP WITH FRANCHISEE. Franchisee hereby waives, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against SHELFGENIE, its parent, affiliates, and the officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, arising out of any cause whatsoever (whether that cause is based on contract, negligence, strict liability, tort or otherwise) and agrees that in the event of a dispute, Franchisee is limited to the recovery of actual damages sustained by it.

(B) THE PARTIES HEREBY MUTUALLY AND WILLINGLY WAIVE A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP OF THE PARTIES.

(C) ANY DISAGREEMENT BETWEEN FRANCHISEE (AND/OR ITS GUARANTORS AND OWNERS) AND SHELFGENIE (AND/OR ITS AFFILIATES, PARENT, OR OWNERS) WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND MUST NOT BE BROUGHT AS A CLASS ACTION AND FRANCHISEE (AND ITS GUARANTORS AND OWNERS) WAIVE ANY RIGHT TO PROCEED AGAINST SHELFGENIE (AND/OR ITS AFFILIATES, PARENT, OWNERS, MEMBERS, MANAGERS, OFFICERS,

DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS) BY WAY OF CLASS ACTION, OR BY WAY OF A MULTI-PLAINTIFF, CONSOLIDATED OR COLLECTIVE ACTION.

(D) EXCEPT FOR CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS FRANCHISEE OWES SHELFGENIE OR SHELFGENIE'S AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR SHELFGENIE'S OR ITS PARENT'S OR AFFILIATES' RELATIONSHIP WITH FRANCHISEE WILL BE BARRED UNLESS A MEDIATION OR JUDICIAL PROCEEDING IS COMMENCED WITHIN 18 MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS. THE PARTIES UNDERSTAND THAT SUCH TIME LIMIT MAY BE SHORTER THAN OTHERWISE ALLOWED BY LAW.

Section 17.19 Exhibits. Each party shall deliver to the other party copies of all relevant agreements, instruments and documents relating to the information on any exhibit to this Agreement upon proper notice, provided such copies are available to or in the possession of such party. Such attachments, however, will not take the place of information otherwise required on such exhibits. Each exhibit to this Agreement is made a part of this Agreement.

Section 17.20 Acknowledgments of Franchisee.

(A) Franchisee has had Opportunity to Conduct Due Diligence. Franchisee acknowledges that Franchisee has had the opportunity to independently investigate, analyze and construe both the business opportunity being offered hereunder and the terms and provisions of this Agreement, utilizing the services of such independent attorneys, accountants, or other advisers as Franchisee so elected.

(B) Receipt of Agreement and FDD. Franchisee acknowledges receipt of this Agreement and SHELFGENIE's Franchise Disclosure Document at least fourteen (14) days before execution hereof or the making of any payment to SHELFGENIE. In addition, if any unilateral modifications have been made to this Agreement by SHELFGENIE Franchisee acknowledges that it had at least seven (7) days to review them.

(C) ACKNOWLEDGMENTS BY FRANCHISEE.

(i) FRANCHISEE HAS BEEN ADVISED TO MAKE AN INDEPENDENT INVESTIGATION OF SHELFGENIE'S OPERATIONS AND TO OBTAIN INDEPENDENT PROFESSIONAL ADVICE REGARDING THIS FRANCHISE. IF FRANCHISEE HAS NOT OBTAINED SUCH ADVICE FRANCHISEE REPRESENTS THAT IT KNOWINGLY AND WILLINGLY ELECTED NOT TO DO SO. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS, PROMISES, INDUCEMENTS, GUARANTEES OR WARRANTIES OF ANY KIND WERE MADE BY OR ON BEHALF OF SHELFGENIE WHICH HAVE LED FRANCHISEE TO ENTER INTO THIS AGREEMENT AND FRANCHISEE HEREBY WAIVES ANY WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. FRANCHISEE UNDERSTANDS AND ACKNOWLEDGES THAT THE SUCCESS OF THE FRANCHISED BUSINESS IS SPECULATIVE AND THAT WHETHER FRANCHISEE SUCCEEDS IN THE DEVELOPMENT OF THE FRANCHISED BUSINESS IS DEPENDENT UPON FRANCHISEE'S EFFORTS, BUSINESS JUDGMENTS, THE PERFORMANCE OF FRANCHISEE'S EMPLOYEES, MARKET CONDITIONS AND VARIABLE FACTORS BEYOND THE CONTROL OR INFLUENCE OF SHELFGENIE. FRANCHISEE FURTHER UNDERSTANDS THAT SOME FRANCHISEES ARE MORE OR LESS SUCCESSFUL THAN OTHER FRANCHISEES, AND THAT SHELFGENIE HAS MADE NO REPRESENTATION THAT FRANCHISEE WILL DO AS WELL AS ANY OTHER FRANCHISEE.

(ii) FRANCHISEE ACKNOWLEDGES THAT FRANCHISEE AND EACH GUARANTOR HAS RECEIVED, READ AND UNDERSTANDS THIS AGREEMENT AND ITS ATTACHMENTS AND EXHIBITS; THAT FRANCHISEE AND EACH GUARANTOR HAS HAD AN OPPORTUNITY TO ASK SHELFGENIE ALL QUESTIONS RELATING TO THIS AGREEMENT AND THE SYSTEM AND THAT SHELFGENIE HAS ANSWERED ALL SUCH QUESTIONS TO FRANCHISEE'S AND EACH GUARANTOR'S COMPLETE SATISFACTION. FRANCHISEE ACKNOWLEDGES THAT BOTH IT

AND ALL GUARANTORS HAVE READ, UNDERSTOOD AND COMPLETED THE ACKNOWLEDGEMENT ADDENDUM ATTACHED HERETO AS EXHIBIT 5.

(iii) FRANCHISEE UNDERSTANDS AND AGREES THAT SHELFGENIE HAS NO OBLIGATION TO ACCEPT FRANCHISEE AS A FRANCHISEE AND MAY REFUSE TO GRANT A FRANCHISE TO FRANCHISEE FOR ANY REASON, OR NO REASON, WITHOUT DISCLOSING THE BASIS FOR ITS DECISION. FRANCHISEE FURTHER ACKNOWLEDGES THAT UNLESS AND UNTIL SHELFGENIE SIGNS THIS AGREEMENT, FRANCHISEE IS NOT A FRANCHISEE OF SHELFGENIE AND MAY NOT RELY UPON BECOMING A FRANCHISEE OF SHELFGENIE.

(iv) UNDER APPLICABLE U.S. LAW, INCLUDING WITHOUT LIMITATION EXECUTIVE ORDER 1224, SIGNED ON SEPTEMBER 23, 2001 (THE "**ORDER**"), SHELFGENIE IS PROHIBITED FROM ENGAGING IN ANY TRANSACTION WITH ANY PERSON ENGAGED IN, OR WITH A PERSON AIDING ANY PERSON ENGAGED IN ACTS OF TERRORISM AS DEFINED IN THE ORDER. ACCORDINGLY, FRANCHISEE DOES NOT, AND HEREAFTER WILL NOT ENGAGE IN ANY TERRORIST ACTIVITY. IN ADDITION, FRANCHISEE IS NOT AFFILIATED WITH AND DOES NOT SUPPORT ANY INDIVIDUAL OR ENTITY ENGAGED IN, CONTEMPLATING, OR SUPPORTING TERRORIST ACTIVITY. FRANCHISEE IS NOT ACQUIRING THE RIGHTS GRANTED UNDER THIS AGREEMENT WITH THE INTENT TO GENERATE FUNDS TO CHANNEL TO ANY INDIVIDUAL OR ENTITY ENGAGED IN, CONTEMPLATING, OR SUPPORTING TERRORIST ACTIVITY, OR TO OTHERWISE SUPPORT OR FURTHER ANY TERRORIST ACTIVITY.

Section 17.21 Modification of Operations Manual. FRANCHISEE RECOGNIZES AND AGREES THAT, FROM TIME TO TIME, SHELFGENIE MAY MAKE ADDITIONS, DELETIONS AND CHANGES TO THE OPERATIONS MANUAL. FRANCHISEE AGREES TO ACCEPT AND BE BOUND BY ANY SUCH ADDITIONS, DELETIONS AND CHANGES AS IF THEY WERE PART OF THIS AGREEMENT AT THE TIME OF EXECUTION OF THIS AGREEMENT. FRANCHISEE WILL MAKE SUCH EXPENDITURES IN CONNECTION WITH SUCH ADDITIONS, DELETIONS AND CHANGES AS SHELFGENIE MAY REQUIRE FROM TIME TO TIME. FRANCHISEE AGREES THAT SUCH REVISIONS MAY BE MATERIAL IN THAT THEY MAY HAVE AN EFFECT ON THE OPERATION OF FRANCHISEE'S BUSINESS.

Section 17.22 Entire Agreement. The terms contained herein and all exhibits and documents referenced herein constitute the entire agreement between the parties regarding the subject matter herein, and there are no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein; provided however, that nothing in this or any related agreement is intended to disclaim the representations SHELFGENIE made in the Franchise Disclosure Document that was furnished to Franchisee. Certain state laws may require an addendum to the Franchise Agreement, these addenda, if any, requested by various states are included in Exhibit I to the Franchise Disclosure Document.

Section 17.23 Mediation. Except for any controversy or claim described in Section 17.8 or as otherwise expressly permitted by this Agreement to be brought initially in court, any controversy or claim arising out of or relating to this Agreement or the breach or violation hereof, shall be subject to nonbinding mediation by the parties. The dispute must first be submitted to non-binding mediation in the county and state in which SHELFGENIE's principal offices are located, unless the parties mutually agree to another location (the "**Mediation**"). The Mediation shall be conducted under the then current Center for Public Resources ("**CPR**") Procedure for Resolution of Franchise Disputes (the "**CPR Mediation Rules**") except to the extent the CPR Mediation Rules differ from the terms of this Agreement, in which event, the terms of this Agreement shall be applied. SHELFGENIE and Franchisee shall select the mediator from the CPR Panel of Neutrals (unless the parties mutually agree to the selection of another mediator). If the parties cannot agree on the selection of a mediator, CPR shall make the selection. The cost of the Mediation, including the mediator's fee and expenses, shall be split equally between SHELFGENIE and Franchisee. All negotiations and mediation proceedings (including all statements and settlement offers made by either party or the mediator in connection with the Mediation) shall be strictly confidential, shall be considered as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence, and shall not be admissible or otherwise used in connection with any court or other proceeding

for any purpose. The mediator may not be called as a witness in any court or other proceeding for any purpose.

Section 17.24 General Release and Covenant Not To Sue. In consideration of SHELFGENIE's agreement to enter into this Agreement, Franchisee, for itself and if Franchisee is a corporation, partnership, limited liability company, or other entity for Franchisee's directors, officers, shareholders, partners, members, employees, agents, and attorneys, and for Franchisee's affiliates and their directors, officers shareholders, partners, members, employees, agents, and attorneys, and for the successors and assigns of any of them, releases and forever discharges SHELFGENIE and SHELFGENIE's parents, subsidiaries, and affiliates and the respective officers, directors, stockholders, employees, agents, attorneys, contractors, legal successors, and assigns of each of the forgoing entities (in their corporate and individual capacities), of and from all manner of actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, controversies, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or in equity, that Franchisee and/or Franchisee's officers, directors, stockholders, agents, heirs, executors, administrators, legal successors and assigns, ever had, now has, or that they hereafter can or may have for, on or by reason of any matter, cause or thing whatsoever, prior to the Effective Date, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement on the Effective Date.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____
Name/Title

_____
Date

EXHIBIT 1

ASSIGNED TERRITORY

Section 1.2(A) Assigned Territory

Assigned Territory:

The Assigned Territory is the listed zip codes shown on this Exhibit A as those zip codes are known as of _____, 20___. The zip codes are visually shown on the attached maps. If a zip code is added inside the boundary on the maps, that new zip code will become part of the Assigned Territory. If a zip code on the border of the Assigned Territory gets larger, or a new zip code is created that results in an expansion of the border of the Assigned Territory as shown in the map, SHELFGENIE has full discretion on how to appropriate changes for Franchisee's Assigned Territory and SHELFGENIE's determination shall become Franchisee's Assigned Territory. In the event of a conflict between the listed zip codes and the map, the listed zip codes will govern.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____
Name/Title

_____
Date

EXHIBIT 2

PERSONAL GUARANTY

PERSONAL GUARANTEE AND AGREEMENT TO BE BOUND
PERSONALLY BY THE TERMS AND CONDITIONS
OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement by ShelfGenie Franchise Systems, LLC, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Franchise Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including but not limited to the provisions in Article 10, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of the Franchise Agreement.

Each of the undersigned waives: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, each of the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person; and (2) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or any amendment or extension of the Franchise Agreement, with or without notice to the undersigned. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee will inure to the benefit of our successors and assigns.

FRANCHISEE: _____
PERSONAL GUARANTORS:

_____
_____, individually
Address
City, State, Zip Code
Telephone

EXHIBIT 3

CONFIDENTIALITY AGREEMENT

CONFIDENTIALITY AGREEMENT

This **CONFIDENTIALITY AGREEMENT** is entered into by the undersigned, _____ ("you"), for the benefit of **SHELFGENIE FRANCHISE COMPANY, LLC**, a Virginia limited liability company having a principal place of business at 4490 Holland Office Park, Suite 100, Virginia Beach, VA 23452 ("SHELFGENIE"); and _____ ("Franchisee");

WHEREAS, you are associated with Franchisee as a spouse or owner of Franchisee;

WHEREAS, SHELFGENIE intends to enter into a Franchise Agreement (the "Franchise Agreement") pursuant to which SHELFGENIE will grant Franchisee (or a legal entity owned and/or controlled by Franchisee) a license to use Franchisor's trademarks, services marks, logos and other indicia of origin (the "Marks") and SHELFGENIE's methods of operation (the "System") in connection with the operation of a business offering services and products for controlling undesirable outdoor insects and related products and services (the "Franchise") in and for a specified geographical area described in the Franchise Agreement. (Capitalized terms used herein without a definition shall have the same meaning as assigned to them in the Franchise Agreement); and

WHEREAS, SHELFGENIE has undertaken, at considerable effort and expense, to create the System which will be revealed to Franchisee pursuant to the Franchise Agreement and you either will be involved in the operation of the franchise, or, if a spouse of Franchisee, may not intend to hold an ownership interest in the Franchise or be actively involved in the operation of the Franchise but through your relationship with Franchisee, will be exposed to and learn many procedures, techniques and other matters that are identified and treated by SHELFGENIE as confidential, proprietary or trade secret, including, without limitation, information regarding the operational, sales, and marketing methods and techniques of Franchisor, which are beyond your skills and experience ("Confidential Information").

NOW, THEREFORE, you hereby agree as follows:

1. Acknowledgement of Confidentiality Obligation. You acknowledge that through your association or relationship with Franchisee, you will receive valuable Confidential Information that provides a competitive advantage in the development of the Franchise. You acknowledge and agree that the Confidential Information and any Operations Manual are confidential and proprietary in nature and contain trade secrets belonging to SHELFGENIE and that all such tangible evidence of Confidential Information is a property right of great value to SHELFGENIE. You hereby agree to be bound by the provisions of the Franchise Agreement related to confidentiality and protection of trade secrets, including but not limited to Section **Error! Reference source not found.** of the Franchise Agreement, to the same extent as if a party to the Franchise Agreement.

2. Non-Use. You agree not to (a) use Confidential Information without prior written approval from SHELFGENIE, or (b) do or perform any other act injurious to the goodwill associated with the Marks and the System.

3. Non-Disclosure. Without prior written approval from SHELFGENIE, you agree not to disclose, communicate or divulge any Confidential Information for your benefit or for the benefit of any other third party, including, without limitation, a competitor of the Franchise and/or SHELFGENIE.

4. Exclusions. Confidential Information does not include and this Agreement does not apply to information that you can establish by reliable documentary evidence (a) was previously known by you, (b) is or becomes part of the public domain other than through your wrongful act, (c) is otherwise lawfully in your hands by a means other than breach of this Agreement or (to your knowledge) third party's breach of its confidentiality obligation to SHELFGENIE, or (d) is sought pursuant to a subpoena or written discovery ("Process"); provided that SHELFGENIE shall be immediately notified of the receipt of the Process, whereupon SHELFGENIE has the right to request that Franchisee and/or you delete the Confidential Information from the scope thereof, and if Franchisee or you refuse, then SHELFGENIE may seek any and

all available remedies, including, without limitation, commencing proceedings to enjoin the disclosure of Confidential Information or intervening impending proceedings to seek the entry of protective orders or other appropriate relief. Nothing in this Agreement shall be construed to interfere with a party's obligations to comply with lawful court orders; however, no disclosure of Confidential Information by a party pursuant thereto shall be deemed to place the Confidential Information in the public domain or to relieve the party from the future performance of all its confidentiality obligations under this Agreement, absent express orders of the court to the contrary.

5. Covenant Not to Compete. Except as otherwise approved in writing by SHELFGENIE, during the term of the Franchise Agreement and for a period of two (2) years commencing with the earlier of the termination of the Franchise Agreement or the date on which you cease to be associated with Franchisee (or the individual who is the principal of a legal entity identified as Franchisee), whether because of a termination of an employment arrangement or marriage or otherwise, which period shall be extended by any period of non-compliance, you may not, directly or indirectly, through, on behalf of, or in conjunction with, any other person, partnership, or legal entity, own, maintain, operate, or engage or participate in, or have any financial interest, either as an officer, agent, employee, principal, partner, director, shareholder or any other individual or representative capacity, in any corporation, partnership or other legal entity that engages in any business that is the same as or similar to the Franchise, or is otherwise in competition with the business of SHELFGENIE or SHELFGENIE's franchisees, that engages in the distribution of similar products, services and/or equipment within the territory specified on Exhibit 1 to the Franchise Agreement. You further agree that upon SHELFGENIE's request you shall make his/her personal and business records available for inspection by SHELFGENIE to determine your compliance with this provision.

6. Customer Non-Solicitation Covenant. In addition, you agree that during the term of this Agreement and for one year thereafter, you will not, without SHELFGENIE's prior written consent, directly or indirectly, for yourself or on behalf of any other person, divert, or attempt to divert, any business or customer of the Business or any other SHELFGENIE Business to any competitor by direct or indirect inducement.

7. Choice of Law and Jurisdiction. This Agreement shall be governed by the internal laws of the State of Georgia, without regard to conflicts of laws provisions. You agree that any litigation or legal action to enforce or relating to this Agreement shall be filed in county and state in which SHELFGENIE's principal offices are located. You hereby consent to the jurisdiction of such Courts and further agree to waive any rights or objections to the jurisdiction or venue of any such actions when filed in such Courts.

8. Legal Fees and Costs. Any unauthorized disclosure following execution of this Agreement may be cause for suit for injunctive relief and damages. If you breach this Agreement, you shall pay reasonable attorney's fees and other costs incurred by SHELFGENIE and/or Franchisee in enforcing the provisions of this Agreement. If any legal proceeding is commenced to enforce or interpret any provision of this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and all costs and disbursements allowed by law.

9. Defend Trade Secrets Act of 2016 Disclosure. 18 U.S.C. § 1833(b) states: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, the Parties to this Agreement have the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

10. Entire Agreement. This Agreement sets forth the entire understanding among you, SHELFGENIE and Franchisee with respect to its subject matter and cannot be changed except by written

instrument signed by you, SHELFGENIE and Franchisee. There are no representations of any kind except as contained herein. This Agreement will be binding upon and inure to the benefit of the parties, their legal representatives, successors, and assigns.

_____
Signature, individually

_____
Date

EXHIBIT 4

PERSONS HAVING OWNERSHIP OR CONTROL OF FRANCHISEE

Franchisee represents and warrants that the following is a list of the names and addresses of all of the persons having an ownership or control interest in Franchisee, directly or through one or more intermediaries:

Name	Home Address	Percentage of Ownership

EXHIBIT 5

ACKNOWLEDGEMENT ADDENDUM

See attached.

ACKNOWLEDGEMENT ADDENDUM TO
SHELFGENIE FRANCHISE AGREEMENT

As you know, you and we are entering into a Franchise Agreement for the operation of a SHELFGENIE franchise. The purpose of this Acknowledgement Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following statements carefully and confirm their accuracy or advise us of their inaccuracy.

Acknowledgments and Representations. I, the undersigned, hereby acknowledge and represent to ShelfGenie Franchise Systems, LLC, as follows:

1. I have received a copy of ShelfGenie Franchise Systems, LLC Franchise Disclosure Document (and all exhibits and attachments) (the "Disclosure Document") at least fourteen calendar days prior to signing the ShelfGenie® Franchise Agreement (the "Franchise Agreement").
   If not accurate, please comment:_____

2. I have reviewed carefully the Disclosure Document and Franchise Agreement.

3. I understand all the information contained in both the Disclosure Document and Franchise Agreement.
   If not accurate, please comment:_____

4. No oral, written or visual claim or representation was made to me that contradicted the disclosures in the Disclosure Document.
   If not accurate, please state in detail the oral, written or visual claim or representation:___

5. Other than as expressly stated in Item 19 of the Disclosure Document, no employee or other person speaking on behalf of ShelfGenie Franchise Systems, LLC has made any oral, written or visual claim, statement, promise or representation to me that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any SHELFGENIE business, or the likelihood of success at my franchised business. I understand that some outlets have earned the amounts disclosed in Item 19 of the Disclosure Document but my individual results may differ and there is no assurance that I will earn as much.
   If not accurate, please state in detail the oral, written or visual claim or representation:_____

6. No employee or other person speaking on behalf of ShelfGenie Franchise Systems, LLC has made any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document.
   If not accurate, please comment:_____

7. The franchise granted is for the right to operate a SHELFGENIE Business within the Territory only and ShelfGenie Franchise Systems, LLC and its affiliates have the right to issue franchises or

operate competing businesses for or at locations, as they determine, outside my Territory and engage in certain activities inside my Territory.

8. The Franchise Agreement (which includes any attached addenda and appendices) contains the entire agreement between me and ShelfGenie Franchise Systems, LLC concerning the franchise for the SHELFGENIE Business, although nothing in the Franchise Agreement is intended to disclaim the representations made in the Disclosure Document, which means that any prior oral or written statements not set out in the Franchise Agreement or Disclosure Document will not be binding.

9. I acknowledge and agree that in entering into the Franchise Agreement I have not relied on and am not relying on any representations, warranties or other statements whatsoever, whether written or oral other than those included in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments) and that I will not have any right or remedy rising out of any representation, warranty or other statement not expressly set out in the Franchise Agreement and the Disclosure Document (including any exhibits, addenda, amendments and attachments).

10. I understand that the success or failure of my SHELFGENIE Business will depend in large part upon my skills and experience, my business acumen, my location, the local market for products and services under the SHELFGENIE trademarks, interest rates, the economy, inflation, taxes, the number of employees I hire and their compensation, the extent to which I follow established systems, policies and guidelines, the cost of capital and the extent to which I finance the business operations, my contractual arrangements with suppliers, landlord and professional advisors, competition and other economic and business factors. Further, I understand that the economic and business factors that exist at the time I open my SHELFGENIE Business may change.

11. I understand that I am bound by the non-compete covenants (both in-term and post-term) and that an injunction is an appropriate remedy to protect the interest of the SHELFGENIE system if I violate the covenant(s). Further, I understand that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement.

12. I understand that any training, support, guidance or tools ShelfGenie Franchise Systems, LLC provides to me as part of the franchise are for the purpose of protecting the SHELFGENIE brand and Marks and to assist me in the operation of my business and not for the purpose of controlling or in any way intended to exercise or exert control over my decisions or day-to-day operations of my business, including my sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of my employees and all other employment and employee related matters.

13. On the receipt pages of my Disclosure Document I identified _____
_____
as the franchise sellers involved in this franchise sales process (these are the company representatives who offered me my franchise). The franchise sellers identified above are the only franchise sellers involved with this transaction.
If not accurate, please identify any additional franchise sellers involved with this transaction:
_____
_____

14. I have been advised to seek professional assistance, to have legal, financial and/or other professional advisors review the documents, and to consult with other franchise owners regarding the risks associated with the purchase of the franchise.

IF MORE SPACE IS NEEDED TO RESPOND TO ANY REPRESENTATION, CONTINUE ON A SEPARATE SHEET AND ATTACH.

I UNDERSTAND THAT MY ANSWERS ARE IMPORTANT AND THAT SHELFGENIE FRANCHISE SYSTEMS, LLC WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, I REPRESENT THAT I HAVE CONSIDERED EACH REPRESENTATION CAREFULLY AND RESPONDED FULLY AND TRUTHFULLY.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

FRANCHISEE:

_____
_____, individually

_____
Date

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 Illinois Franchise Disclosure Act or the Maryland Franchise Registration and Disclosure Law

EXHIBIT 6

MANUFACTURING AGREEMENT

See attached.

MANUFACTURING AGREEMENT

Between

G-O Manufacturing L.L.C.
5500 Interstate North Parkway, Suite 250
Atlanta, GA 30328
770-955-4377

And

"Franchisee"

_____
_____
_____
_____

MANUFACTURING AGREEMENT

MANUFACTURING AGREEMENT ("Agreement"), dated as of _____ (the "Agreement Date"), is entered into between G-O Manufacturing L.L.C., a Virginia limited liability company (the "Company"), and _____ ("Franchisee").

Recitals A.

A. The Company is engaged in the business of manufacturing & distributing custom moving shelving for cabinets along with various accessories.

B. Franchisee owns and operates a SHELFGENIE franchised business pursuant to a Franchise Agreement dated as of _____ by and between ShelfGenie Franchise Systems, LLC ("Franchisor") and Franchisee (the "Franchise Agreement").

C. Pursuant to the Franchise Agreement, Franchisee is obligated to purchase and sell certain of the Company's products.

D. The Company agrees to sell to Franchisee certain of the Company's products in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, the Company and Franchisee agree as follows:

1. Definitions. Capitalized terms not defined in this Agreement have the meaning given them in the Franchise Agreement.

2. Grant and Acceptance. The Company hereby grants to Franchisee and Franchisee accepts, subject to the terms and limitations of this Agreement, a non-transferable, non-exclusive right during the Term to purchase the products listed in Schedule A (the "Products"), as that Schedule may be amended from time to time by the Company. Franchisee agrees to sell such Products to customers in compliance with the terms of the Franchise Agreement. The Company will use reasonable efforts to manufacture and ship Products and fill orders in a timely manner.

3. Franchisee not an Agent. Franchisee is not an agent, employee or legal representative of the Company for any purpose. Franchisee is not granted any right or authority to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the Company or to bind the Company in any manner. Franchisee is an independent dealer of the Products, buying and selling them for its own account and not on a commission basis.

4. Term. The term of this Agreement ("Term") shall run from the Agreement Date until terminated pursuant to the provisions hereof or until the termination or expiration of the Franchise Agreement.

5. Delivery, Acceptance of Products.

(a) Unless otherwise agreed, delivery, passage of title and risk of loss of the Products to Franchisee will occur at the time the Company delivers the Products to a carrier at the Company's warehouse or distribution point from which the Products are being shipped. (FOB shipping point)

(b) Whenever the Company has delivered to a carrier any Products ordered by Franchisee, whether the particular carrier has been designated in the shipping or routing instructions of Franchisee or not, the Company will not be responsible for delays or damages in shipment.

(c) Upon delivery of the Products to a carrier, a clean bill of lading will serve as conclusive evidence of the good condition of the Products.

(d) Products will be shipped by the means chosen by the Company, unless Franchisee requests a specific method, and in such packaging as selected by the Company.

(e) It is the responsibility of Franchisee to inspect the Products immediately upon receipt. Any claim for shortage must be made within twenty four (24) hours of Franchisee's receipt or within such other time as may be specified by the Company in writing. Any claim not made in writing and received by the Company within this time period will be deemed waived. All claims must be submitted according to the Company's current Claim Process Procedure which include the requirement for digital photos.

(f) Once delivered to the carrier, the Products may not be returned by Franchisee without the Company's prior written consent and on such terms and conditions as the Company may require. The Company will be responsible for delivering Products that correspond with the measurements taken and submitted by Franchisee. If there are errors in such measurements by Franchisee, Franchisee bears the risk of loss and must purchase such Products as if no errors had been made. Any modifications by the Company due to measurement errors will be treated as new orders. If Franchisee fails to take delivery of all or any part of a shipment upon arrival at the designated delivery point, then, in addition to any other remedy available to the Company, Franchisee will be liable for all transportation, loading, storage and other costs incurred by the Company by reason of Franchisee's failure to take delivery of the Products.

(g) No claim by Franchisee of any kind, whether or not as to the Products delivered or for non-delivery of the Products, and whether or not based on negligence, will be greater in amount than the purchase price of the Products in respect of which the claim is made. **IN NO EVENT WILL THE COMPANY BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES**, whether or not caused by or resulting from its negligence.

6. Orders; Prices and Terms.

(a) Franchisee agrees to comply with all of the Company's policies, practices and procedures as in effect from time to time relating to the placement and processing of Purchase Orders and shipment schedules. All Purchase Orders must be submitted through the Company's designed business system and shipment schedules submitted to the Company are subject to acceptance by the Company. The Company has the right to reject any Purchase Order for any reason. Franchisee expressly releases the Company from and will indemnify the Company for all liabilities for any loss or damage arising from the failure or delay of the Company to accept or fill any orders of Franchisee. Once a Purchase Order is submitted to the Company, Franchisee may cancel such order within the first business day without charge. Twenty four hours after submission of each Purchase Order, such Purchaser Order becomes not cancelable and Franchisee will be invoiced in full for material and labor for such Purchase Order.

(b) Franchisee shall purchase Products by submitting orders using the Company's approved business system called WishPortal ("WishPortal", including any successor business system) to the Company from time to time.

(c) The current price list will be set forth on Schedule A at the time of signing and may be altered, amended or replaced upon thirty (30) days notice to Franchisee (the "Price List"). So long as Franchisee is in compliance with the terms of the Franchise Agreement, Franchisee is permitted to be a part of the purchasing cooperative with all of the compliant franchisees whereby the prices shall be the price as listed in the Price List, less ten percent (10%). Otherwise, Franchisee must pay the prices listed in the Price List. Ordering guidelines and terms of shipment of the Products sold to Franchisee are as set forth on Schedule B. The Company may increase or decrease the prices of the Products paid by Franchisee at any time. The Company will notify Franchisee in writing within thirty (30) days of any such price increases or decreases and will apply such price increases or decreases to all Purchase Orders made on or after the effective date of such price increase or decrease. Unless otherwise specified in writing, prices will be F.O.B. the Company's shipping point from which the Products are being shipped and will be exclusive of tariffs, duties, sales taxes, use taxes and similar levies and taxes, and all insurance, shipping, freight, delivery, handling and packaging charges ("Other Charges"). Any Other Charges the Company incurs or may be required to pay upon the sale or delivery of any of the Products to Franchisee will be added to the prices charged to Franchisee. Under no circumstances will the Company be obligated to make deliveries to

Franchisee if any prior invoice remains unpaid beyond its due date or if Franchisee is otherwise in default in any of its obligations to the Company or under the Franchise Agreement.

(d) As security for the prompt payment of amounts due under this Agreement, Franchisee grants to the Company a purchase money security interest in Franchisee's interest in the Products wherever located and whether now owned or hereafter acquired by Franchisee (all of the foregoing being collectively referred to as "collateral"), until the purchase price for the Products has been paid in full to the Company. The Company's security interest will apply to and include all proceeds of the collateral, including but not limited to proceeds of any insurance with respect to any lost, stolen, damaged or destroyed items of collateral. Without the prior written consent of the Company, Franchisee will neither grant nor permit any other security interest, lien or encumbrance of any kind in any of the collateral. When requested by the Company, Franchisee will promptly execute all documents and perform all other actions, as may be requested by the Company for the purpose of perfecting and maintaining perfected the Company's security interest granted under this Section. The provisions of this Section will be deemed to be a security agreement and will survive the expiration or termination of this Agreement. The happening of any event under Section 10 or the breach of any representation, warranty or covenant in this Agreement will be a breach by Franchisee of this security agreement. Upon such a default, at the Company's option, all amounts owed to the Company by Franchisee, including without limitation the unpaid price of the Products purchased by Franchisee, will become immediately due and payable, and the Company may (i) exercise separately, successively or simultaneously all rights and remedies of a secured party under the Uniform Commercial Code in addition to all other rights and remedies granted to it in this Agreement, and (ii) apply the proceeds of disposition of collateral or other amounts collected toward the payment of Franchisee's obligations, in order of application as the Company may elect, and expenses in connection with the collection and disposition of the collateral and enforcement of the Company's rights and remedies hereunder, including reasonable attorneys' fees and legal expenses.

(e) By their execution of this Agreement, the principal owner or owners of Franchisee (the "Guarantors") agree to unconditionally guarantee (jointly and severally as the case may be) payment when due of all indebtedness and other liabilities and the performance of all obligations of Franchisee to the Company under this Agreement, together with all interest, attorneys' fees, costs and expenses of collection incurred by the Company in enforcing any such indebtedness, liabilities or obligations (collectively the "Liabilities"). In addition, each of the Guarantors expressly subordinates all indebtedness of Franchisee owing to him or her to the Liabilities. When requested by the Company, each of the Guarantors will execute any and all documents necessary to give effect to this Section. The provisions of this Section will survive the expiration or termination of this Agreement.

7. No Liability for Delays.

IN NO EVENT WILL THE COMPANY BE LIABLE FOR DIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR OTHER DAMAGES, COSTS OR EXPENSES DUE TO ACTS OR DELAYS OCCASIONED BY FORCE MAJEURE OR ANY CAUSE BEYOND THE COMPANY'S REASONABLE CONTROL, INCLUDING BUT NOT LIMITED TO, STRIKES, LABOR CONTROVERSIES, FIRE, FLOOD, EARTHQUAKE, WINDSTORM, UNUSUALLY SEVERE WEATHER, ACTS OF GOD OR THE ELEMENTS, EMBARGOES, GOVERNMENT ORDERS OR RESTRICTIONS AS TO THE MANUFACTURE, SALE OR DELIVERY OF THE PRODUCTS, LOCKOUTS OR STOPPAGE OF WORK IN THE FACILITIES OF THE COMPANY, WAR, WARLIKE CONDITIONS, TERRORISM, CIVIL DISTURBANCES, FAILURE OF A SUPPLIER TO DELIVER TO THE COMPANY FOR ANY REASON, OR FOR ANY OTHER CAUSE, CONTINGENCY OR CIRCUMSTANCE NOT SUBJECT TO THE COMPANY'S REASONABLE CONTROL AND WHICH PREVENTS OR HINDERS THE COMPANY'S PERFORMANCE.

8. Trademarks, Trade Names and Intellectual Property

(a) Any Products offered for resale or resold by Franchisee pursuant to this Agreement will be offered or sold only under such trademarks, trade names, service marks, symbols, logos and other designations (the "Trademarks") as are then used in connection with those Products by the Company,

except as may be otherwise agreed to by the Company in writing. Franchisee agrees not to remove, change, alter or distort the Trademarks affixed by the Company to the Products.

(b) It is understood and agreed that all Trademarks, patents, copyrights, trade secrets and other property rights with respect to the Products and their assembly and installation (the "Intellectual Property") are and will remain exclusively the property of the Company. Franchisee will not directly or indirectly obtain or attempt to obtain during the term of this Agreement or at any time thereafter, any right, title or interest by registration, patent, copyright or otherwise in or to the Intellectual Property owned or used by the Company or any of its affiliates. Franchisee agrees to take no action which would jeopardize, limit or interfere in any manner with the Company's ownership of and right to utilize its corporate name or the Intellectual Property. Franchisee agrees that it will not use in its or their corporate name or as a trade name, the Company's name or the name of any division, subsidiary or affiliate of the Company, or any variant or abbreviation of it, or the Intellectual Property, without the Company's prior written approval.

(c) Solely for the purpose of marketing the Products, Franchisee may, while this Agreement is in effect, indicate that it is an authorized distributor for the Products and may advertise the Products under the Trademarks as are then used in connection with the Products by the Company.

(d) Upon termination of the Term of this Agreement for any reason, Franchisee agrees to immediately discontinue advertising as an authorized distributor for the Products or advertising the Product themselves.

9. Warranty of Products.

(a) **What This Warranty Covers:** The Company warrants its parts and Products to be free of substantial defects in materials and workmanship from the original date of purchase under normal home or office use. This warranty is offered only to the original consumer purchaser and may not be transferred.

(b) **What The Company Will Do Under The Warranty**: During the warranty period, the Company at its option will repair or replace any part or Product that proves to have substantial defects in materials or workmanship, or the Company will provide an equivalent replacement Product. In keeping with the Company's policy of continuous product improvement, the Company reserves the right to change specifications in design and materials without notice and with no obligation to retrofit products G-O Manufacturing previously manufactured or distributed. (Shipping costs, labor costs, installation cost, etc. are the responsibility of Franchisee and/or the purchaser).

(c) **What This Warranty Does Not Cover**: This warranty does not cover any problems or damage which result from improper transportation, improper installation, mishandling, misuse, abuse, neglect, abnormal use, commercial use, improper maintenance, non-Company repairs, accidents or acts of God, such as hurricanes, fire, earthquakes or floods. This warranty and any applicable implied warranties do not cover incidental or consequential damages arising from any defects in the Product, such as labor charges for installation or removal of the Product or any associated Products. This warranty does not cover defects or damage caused by normal wear & tear, alterations, environmental conditions, humidity absorption or mold. In addition, variations in wood grain finish color, aging or other natural wood and stain characteristics are not considered defects and are not covered by this warranty.

10. Termination.

(a) In addition to any other rights and remedies the Company may have under this Agreement or any other agreement with Franchisee, the Company will have good cause and the right to cancel the Term immediately by written or oral notice to Franchisee, upon the happening of any of the following events:

(i) The expiration or termination of the Franchise Agreement for any reason;

(ii) Franchisee assigns or transfers or attempts to assign or transfer any interest in this Agreement without the prior written consent of the Company;

(iii) Any principal owner or principal officer of Franchisee dies or is incapacitated, unless a qualified person to continue the management of Franchisee's business has been approved by the Company;

(iv) Any principal owner or principal officer of Franchisee, or Franchisee itself, is convicted of a serious crime or takes any action which, in the opinion of the Company, adversely affects the reputation of Franchisee, the Company or the Products;

(v) Any case, proceeding, or other action is commenced, seeking to have an order for relief entered on Franchisee's behalf as debtor, or to adjudicate Franchisee as bankrupt or insolvent, or seeking a reorganization, liquidation or dissolution of Franchisee or Franchisee's debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking the appointment of a receiver or trustee, custodian or similar official for Franchisee or for all or a substantial part of its assets; or (vi) Franchisee ceases to function as a going concern.

(b) In addition to any other rights and remedies the Company may have under this Agreement or any other agreement with Franchisee, the Company will have good cause and the right to terminate this Agreement upon ten (10) days' written notice to Franchisee upon the happening of any of the following events:

(i) Franchisee fails to pay any amount owing to the Company when due and the payment is not made within ten (10) days after written notice is given by the Company to Franchisee of the failure;

(ii) Franchisee defaults in the performance of any of its other obligations under this Agreement, and the default is not cured within thirty (30) days after written notice specifying the default is given by the Company to Franchisee.

(c) In addition to any other rights and remedies Franchisee may have under this Agreement or any other agreement, Franchisee will have the right to terminate this Agreement upon ten (10) days written notice to the Company upon the happening of any of the following events:

(i) The Company defaults in the performance of any of its obligations under this Agreement and the default is not cured within thirty (30) days after written notice specifying the default is given by Franchisee to the Company;

(ii) The Company ceases to function as a going concern; or

(iii) The Company ceases to sell all of the Products (including all of the replacement Products).

(d) Upon the termination or expiration of the Term:

(i) Franchisee will immediately cease to operate as a dealer of the Products and will cooperate with the Company and any person or entity designated by the Company to assume responsibility for distributing the Products to affect an orderly transfer of Franchisee's operations under this Agreement to the Company or to such other person or entity.

(ii) Franchisee will immediately cease to, in any manner, represent that it is acting in the capacity of a dealer of the Products, and will not, in the future for any

commercial or business purpose represent or state that it was a former dealer for the Company or of the Products.

(iii) All amounts owed to the Company by Franchisee, including but not limited to the unpaid price of Products purchased by Franchisee, will become immediately due and payable, unless otherwise agreed to by the Company in writing. The Company will have the right to offset any credits or other amounts due to Franchisee against any amount due and owing by Franchisee to the Company.

(iv) THE COMPANY SHALL NOT BE LIABLE TO FRANCHISEE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES AS A RESULT OF ANY BREACH OF THIS AGREEMENT BY THE COMPANY OR THE TERMINATION, EXPIRATION OR NONRENEWAL OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE LOSS OF PROSPECTIVE PROFITS OR ANTICIPATED SALES, LOST BUSINESS OPPORTUNITIES OR EXPENDITURES, INVESTMENTS, LEASES OR OTHER COMMITMENTS IN CONNECTION WITH THE BUSINESS.

11. Indemnification. Franchisee will indemnify, defend and hold the Company and its officers, directors, employees and agents harmless from any and all claims, damages, losses, liabilities or expenses (including without limitation reasonable attorneys' fees) arising out of (a) any breach of a representation or warranty made by Franchisee in this Agreement, (b) the breach of any agreement made by Franchisee herein, or (c) Franchisee's performance of its obligations hereunder.

12. Attorneys' Fees. Franchisee shall pay any costs incurred by the Company in enforcing its rights herein, including reasonable attorneys' fees.

13. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Georgia, excluding conflicts of law provisions.

14. Entire Agreement. This Agreement and the Franchise Agreement constitute the entire agreement among the parties and supersedes all other prior agreements or undertakings, both written and oral, among the parties with respect to the subject matter hereof provided however, that nothing in this or any related agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that was furnished to Franchisee.

15. Inconsistent Provisions. The provisions of this Agreement supersede any provisions of the Company's general conditions of sale which may be inconsistent with it. Acknowledgment or acceptance of any order inconsistent with the terms of this Agreement or the making of deliveries pursuant to any such order will not be deemed an acceptance or approval of any such inconsistent provision.

16. Headings. The Section headings in this Agreement do not form a part of this Agreement, and do not limit or affect in any way the meaning of the Sections of this Agreement and are for convenience only.

17. Waiver. The failure of either party to insist on strict performance of any covenant or condition of this Agreement in any one or more instances, will not be construed as a waiver or relinquishment of the covenant or condition in the future, but the covenant or condition will remain in full force and effect.

18. Severability. To the extent that a court or arbitrator does not or cannot modify provisions of this agreement, then the provision shall be severed. It is understood and agreed that if any portion of this Agreement is prohibited by or under the laws of any governmental authority in which this Agreement is used, or to which it is made applicable, that portion will be ineffective and void to the extent of the prohibition without invalidating any of the remaining provisions of this Agreement.

19. Assignment. This Agreement may be assigned by the Company, and the performance of its duties pursuant to this Agreement may be delegated. This Agreement may not be assigned or encumbered

by Franchisee, and the performance of its duties under this Agreement may not be delegated, except with the prior written consent of the Company. This Agreement is binding upon and inures to the benefit of its parties, their successors and permitted assigns.

20. Notices. Unless otherwise specified, any notice required or authorized under this Agreement will be given in writing by hand or by first class mail, telefax, telex or cable. All such notices will be delivered or sent to the respective parties at the addresses set forth on the first page of this Agreement or to such different address as either party may from time to time designate by notice properly given to the other under this Agreement. Notice will be deemed given on the date of service if personally served on a business day or on the date of transmission if sent by telex, telefax or cable on a business day. In all other instances, notice will be deemed given on the second business day following mailing, transmission or delivery.

FRANCHISEE:

_____
_____, individually

_____
Date

GUARANTOR:

_____
_____, individually

_____
Date

G-O MANUFACTURING L.L.C.:

BY: _____

_____
Date

SCHEDULE A

THE PRODUCTS AND PRICES

To be attached at signing.

SCHEDULE B

TERMS

Ordering

1. Payment – 30% down with order via ACH; balance net 30 days. Franchisee is invoiced for order amount in full when the order is shipped. Balance payment is due in full net 30 days from the shipment date, via automatic ACH payment, with an initial credit limit of $5,000. The guarantor section of this Agreement must be signed. (This may increase or decrease based on payment history) Otherwise all products must be paid in full prior to building.

Product Delivery

1. Method – FOB shipping point.

2. Shipping Options will depend on Volume, Order Quality and Product Selection. The Company has sole discretion related to the method of transportation and whether small boxes or pallets will be used. Generally, whether products will be shipped in small boxes or pallet shipments via common carrier are determined by the number of Product units in each wholesale order and the number of orders submitted together. The Company reserves the right to change the shipping methods and shipping/transportation providers with 30 days notice.

3. A shipping, handling and packaging charge of 25%- 30% (depending on products shipped) of the wholesale order before discounts will be assessed for all shipments shipped in boxes by ground transportation at the Company's choice. These charges are subject to change with 30 days notice.

4. A shipping, handling and packaging charge of 10%- 25% (depending on products shipped) of the wholesale order before discounts will be assessed for all shipments shipped by pallet. These charges are subject to change with 30 days notice.

EXHIBIT 7

SOFTWARE AGREEMENT

See attached.

SOFTWARE LICENSE AGREEMENT

This Software License Agreement (this "**Agreement**") is entered into as of _____, by and between ShelfGenie Franchise Systems, LLC, a Georgia limited liability company ("**ShelfGenie**"), and _____ ("**Licensee**").

RECITALS

A. ShelfGenie and Licensee entered into that certain franchise agreement dated _____ (the "**Franchise Agreement**").

B. Pursuant to the Franchise Agreement, Licensee has been granted a franchise to operate a business that designs and installs customized solutions for new and existing cabinets, pantries and other structures identified by the trade name and service mark "SHELFGENIE".

C. ShelfGenie and its affiliates have developed proprietary customer relations management software known as WishPortal™ ("**Software**") which ShelfGenie makes available to its franchisees through its web site located at www.shelfgenie.com (the "**Site**");

D. The Franchise Agreement requires Licensee to use and have access to the Software to be used as part of the franchised business; and

E. Licensee wishes to obtain a non-exclusive license to use the Software, and ShelfGenie is willing to grant such non-exclusive license to Licensee on the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and conditions contained herein, the parties agree as follows:

1. *Software*.

1.1 License Grant. Subject to Licensee's compliance with the terms and conditions of this Agreement, ShelfGenie hereby grants Licensee a limited, personal, revocable, non-transferable, non-exclusive license during the term of this Agreement, to use the Software for internal business purposes and permit users authorized by Licensee ("**Users**") to use the Software for internal business purposes. The Software will be made available to Licensee under this Agreement in object code only; no source code is provided to Licensee under this Agreement.

1.2 Delivery and Acceptance. Following execution of this Agreement, ShelfGenie shall enable Licensee to download the Software from the Site, or shall otherwise make the Software available to Licensee. The Software (and any future Software updates or upgrades that ShelfGenie may make available to Licensee from time-to-time and which are included in the defined term "Software") will be deemed accepted upon ShelfGenie making the Software (or the relevant update or upgrade) available to Licensee.

1.3 Restrictions. Licensee may not, and will not permit or induce any third party (including, without limitation, any User) to: (i) decompile, reverse engineer, disassemble or otherwise attempt to reconstruct or discover the source code, underlying ideas or algorithms of any components of the Software; (ii) alter, modify, translate, adapt in any way, or prepare any derivative work based upon the Software; (iii) rent, lease, network, loan, pledge, encumber, sublicense, sell, distribute, disclose, assign or otherwise transfer the Software or any copy thereof; (iv) use the Software in commercial timesharing, rental or other sharing arrangements; or (v) remove any proprietary notices from the Software or any related documentation or other materials furnished or made available hereunder. In addition, Licensee agrees to comply with all applicable local, state, national, and international laws, rules and regulations applicable to Licensee's use of the Software.

1.4 Proprietary Rights. ShelfGenie or its licensors retain all right, title and interest in and to the Software and related documentation and materials, including, without limitation, all patent, copyright, trademark, and trade secret rights, embodied in, or otherwise applicable to the Software, whether such rights are registered or unregistered, and wherever in the world those rights may exist. Licensee shall not commit any act or omission, or permit or induce any third party to commit any act or omission inconsistent with ShelfGenie's or its licensors' rights, title and interest in and to the Software and the intellectual property rights embodied therein or applicable thereto. All materials embodied in, or comprising the Software, including, but not limited to, graphics, user and visual interfaces, images, code, applications, and text, as well as the design, structure, selection, coordination, expression, "look and feel", and arrangement of the Software and its content, and the trademarks, service marks, proprietary logos and other distinctive brand features found in the Software ("**ShelfGenie Marks**"), are all owned by ShelfGenie or its licensors. This Agreement does not grant Licensee any license to use the ShelfGenie Marks. Title to the Software shall not pass from ShelfGenie to Licensee, and the Software and all copies thereof shall at all times remain the sole and exclusive property of ShelfGenie. There are no implied rights or licenses in this Agreement. All rights are expressly reserved by ShelfGenie.

1.5 Third Party Software. ShelfGenie may in its sole discretion, make available third party software ("**Third Party Software**") embedded in, or otherwise provided with, the Software. Third Party Software is expressly excluded from the defined term "Software" as used throughout this Agreement. Licensee's use of the Third Party Software is subject to the applicable third party license terms which can be viewed at each third party's website, and such Third Party Software is not licensed to Licensee under the terms of this Agreement. If Licensee does not agree to abide by the applicable license terms for the Third Party Software, then Licensee may not access or use the Software or the Third Party Software.

1.6 Inspection. ShelfGenie shall have the right to review Licensee's use of the Software (consistent with ShelfGenie's inspections rights under the Franchise Agreement) to verify Licensee's compliance with the terms of this Agreement.

2. *Fees & Payment Terms*.

2.1 Software License Fees. Licensee shall pay ShelfGenie a fee of One Thousand Dollars ($1,000.00) at the time this Agreement is executed. Licensee shall pay ShelfGenie a monthly fee by the 10th day of each month during the term of this Agreement (the "**Technology Fee**"). This Technology Fee is for support, maintenance and access to the Software. The Technology Fee is currently Two Hundred Fifty Dollars ($250.00) per month, plus One Hundred Dollars ($100.00) per month for each additional User over three (3) users and the Technology Fee can be increased upon written notice by ShelfGenie. Currently, ShelfGenie has agreed to waive these fees so long as Licensee remains in good standing under the Franchise Agreement and this Agreement; provided, however, ShelfGenie reserves the right to, at any point during the term of this Agreement, discontinue waiving these fees and start charging these fees in the future.

2.2 Payment Terms. All payments under this Agreement shall be made in currently available funds and payments may be made by check, wire transfer, or by such other means as ShelfGenie may specify from time-to-time. All fees are payable in U.S. currency. All fees specifically exclude (and Licensee is responsible for) any and all applicable sales, use and other taxes, other than taxes based on ShelfGenie's income. Any amounts due under this Agreement which are not paid within thirty (30) calendar days of their due date shall be subject to a late payment charge of the lower of: (i) one and one half percent (1.5%) per month (and shall thereafter bear interest at a rate of eighteen percent (18%) per annum until paid); and (ii) the highest interest rate permitted by applicable law. Each party is responsible for its own expenses under this Agreement. All fees payable under this Agreement are non-refundable. ShelfGenie will not issue any invoices for the fees due hereunder unless expressly requested by Licensee; provided however, that all fees are automatically due as set forth in this Section 3 irrespective of the date of issue of any invoice.

3. *Term & Termination*.

3.1 Term. Subject to termination as set forth in this Section 3, the term of this Agreement will commence on the Effective Date and will continue for as long as any Software is being provided to Licensee under this Agreement. ShelfGenie may cease providing the Software at any point during the term of this Agreement upon sixty (60) days' prior written notice to Licensee.

3.2 Termination.

(a) Either party may terminate this Agreement immediately without further notice if the other party breaches its obligations under this Agreement and does not remedy such breach within thirty (30) calendar days of the date on which the breaching party receives written notice of such breach from the non-breaching party.

(b) Either party may terminate this Agreement upon written notice to the other party: (i) upon the institution by the other party of insolvency, receivership or bankruptcy proceedings or any other act of bankruptcy or proceedings for the settlement of its debts; (ii) upon the institution of bankruptcy proceedings against the other Party, which are not dismissed or otherwise resolved in its favor within ninety (90) days thereafter; (iii) upon the other Party making a general assignment for the benefit of creditors, whether voluntary or involuntary, or calling a general meeting of the party's creditors for purposes of compromising any of the party's debts; or (iv) upon the other party dissolving, liquidating, winding up, or ceasing to conduct business in the ordinary course.

(c) ShelfGenie may terminate this Agreement immediately, if Licensee willfully and maliciously commits a material breach of Section 1.3 (Restrictions). Additionally, in the event the Franchise Agreement is terminated, this Agreement shall automatically terminate at the same time.

3.3 Effects of Termination. Upon the termination of this Agreement for any reason: (i) the licenses granted under this Agreement in respect of the Software shall immediately terminate and Licensee shall cease to use Software and shall cease making the Software or any services available to Users; (ii) Licensee shall pay to ShelfGenie the full amount of any outstanding fees due hereunder; and (iii) within ten (10) calendar days of such termination, Licensee shall destroy or return all confidential and/or proprietary information of ShelfGenie in its possession, and will not make or retain any copies of such information in any form. Notwithstanding the foregoing, the following terms shall survive the termination of this Agreement, together with any other terms which by their nature are intended to survive such termination: Sections 1.3 (Restrictions), 1.4 (Proprietary Rights), 2 (Fees & Payment Terms), 3.3 (Effects of Termination), 4 (Confidentiality), 5.2 (Disclaimer of Warranties), 6 (Indemnification), 7 (Limitation of Liability), 9 (Governing Law & Jurisdiction), 10 (Notices), and 11 (General Provisions).

4. *Confidentiality*.

4.1 General. If Licensee (the "**Receiving Party**") obtains access to Confidential Information (as defined below) of ShelfGenie or any of its affiliates or parent (the "**Disclosing Party**") in connection with the negotiation or performance of this Agreement, the Receiving Party agrees: (a) not to directly or indirectly disclose the Confidential Information to any third party except as contemplated by this Agreement; and (b) to use the Confidential Information only to perform its obligations and exercise its rights under this Agreement. The Receiving Party shall use best efforts and the highest degree of care to protect the Confidential Information of the Disclosing Party from unauthorized disclosure or access. The Receiving Party shall immediately notify the Disclosing Party of any actual or suspected loss or unauthorized use, disclosure of or access to the Disclosing Party's Confidential Information of which it becomes aware and take all steps reasonably requested by the Disclosing Party to limit, stop or otherwise prevent such loss or unauthorized use, disclosure or access.

4.2 Confidential Information. "**Confidential Information**" shall mean for purposes of this Agreement: (a) all information about or belonging to the Disclosing Party or a third party that is disclosed or otherwise becomes known to the Receiving Party in connection with this Agreement and that is not a matter of public knowledge; (b) all trade secrets, customer information and intellectual property owned or licensed by the Disclosing Party; (c) all personal information about individuals contained in the Disclosing Party's records (including names, addresses, social security numbers, and credit card and other financial information); and (d) the Software.

4.3 Exclusions. Any particular information of the Disclosing Party shall not be considered Confidential Information if it: (a) was previously rightfully known by the Receiving Party free of any obligation to keep it confidential; (b) is or becomes publicly known

through no wrongful act of the Receiving Party or any third party with a duty of confidentiality; (c) is independently developed by the Receiving Party without reference to the Confidential Information of the Disclosing Party; or (d) is subject to disclosure pursuant to a subpoena, judicial or governmental requirement, or order, provided that the Receiving Party has given the Disclosing Party sufficient prior notice of such subpoena, requirement, or order, to permit the Disclosing Party a reasonable opportunity to object to the subpoena, requirement, or order and to allow the Disclosing Party the opportunity to seek a protective order or other appropriate remedy.

5. *Warranties & Disclaimer of Warranties*.

5.1 General Representations and Warranties. Each party represents and warrants to the other party that: (i) it has the full power and authority to enter into this Agreement and to carry out its obligations under this Agreement; and (ii) it has complied, and will in the future comply, with all applicable laws, rules and regulations in connection with the execution, delivery and performance of this Agreement.

5.2 Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH ABOVE IN THIS SECTION 6: (I) THE SOFTWARE ARE PROVIDED TO LICENSEE ON AN "AS IS" BASIS, WITH ANY AND ALL FAULTS, AND WITHOUT ANY WARRANTY OF ANY KIND; AND (II) SHELFGENIE EXPRESSLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SATISFACTORY QUALITY, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS. SHELFGENIE DOES NOT WARRANT THAT THE SOFTWARE WILL MEET LICENSEE'S OR ITS USERS' REQUIREMENTS, OR THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS IN THE SOFTWARE WILL BE CORRECTED. LICENSEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE USE OF THE SOFTWARE AND ALL RESULTS OF SUCH USE IS SOLELY AT LICENSEE'S AND ITS USERS' OWN RISK. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY SHELFGENIE OR ITS AUTHORIZED REPRESENTATIVES SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF ANY WARRANTY. SOME JURISDICTIONS MAY NOT ALLOW THE EXCLUSION AND/OR LIMITATION OF IMPLIED WARRANTIES OR CONDITIONS, OR ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO LICENSEE. IN SUCH EVENT, SHELFGENIE'S WARRANTIES AND CONDITIONS WITH RESPECT TO THE SOFTWARE WILL BE LIMITED TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW IN SUCH JURISDICTION.

6. *Indemnification*.

6.1 Indemnification. Licensee hereby agrees to indemnify, defend and hold harmless ShelfGenie and its parents, affiliates, subsidiaries, licensors, and third party service providers, and its and their respective officers, directors, employees, agents, representatives, and contractors (each, a "**ShelfGenie Party**"), from and against any and all liability and costs (including, without limitation, attorneys' fees and costs) incurred by any ShelfGenie Party in connection with any actual or alleged claim arising out of, or relating to: (i) Licensee's breach of this Agreement, or violation of any applicable law, rule or regulation and (ii) Licensee's gross negligence, fraudulent misrepresentation or willful misconduct.

6.2 Procedure. Counsel Licensee selects for the defense or settlement of a claim must be consented to by ShelfGenie prior to counsel being engaged to represent any ShelfGenie Party. Licensee and Licensee's counsel will cooperate as fully as reasonably required, and provide such information as reasonably requested, by ShelfGenie in the defense or settlement of any claim. ShelfGenie reserves the right, at its own expense, to assume the exclusive defense or settlement, and control of any matter otherwise subject to indemnification by Licensee. Licensee shall not in any event, consent to any judgment, settlement, attachment, or lien, or any other act adverse to the interests of any ShelfGenie Party without the prior written consent of each relevant ShelfGenie Party.

7. *Limitation of Liability*.

7.1 Consequential Damages Waiver. UNDER NO CIRCUMSTANCES, SHALL ANY SHELFGENIE PARTY BE LIABLE TO LICENSEE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, RELIANCE, OR CONSEQUENTIAL DAMAGES, (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION AND THE LIKE) ARISING OUT OF OR RELATING TO THE USE AND/OR INABILITY TO USE THE SOFTWARE, REGARDLESS OF THE LEGAL THEORY UPON WHICH ANY CLAIM FOR SUCH DAMAGES IS BASED AND EVEN IF A SHELFGENIE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7.2 Limitation of Damages. WITHOUT LIMITING THE FOREGOING, IN NO EVENT SHALL THE SHELFGENIE PARTIES' TOTAL CUMULATIVE LIABILITY TO LICENSEE FOR ALL DAMAGES, LOSSES AND CAUSES OF ACTION (WHETHER IN CONTRACT, TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, OR OTHERWISE) EXCEED THE TOTAL AMOUNT OF FEES PAID BY LICENSEE TO SHELFGENIE DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE SHELFGENIE PARTIES' LIABILITY.

7.3 Failure of Essential Purpose. THE PARTIES AGREE THAT THESE LIMITATIONS SHALL APPLY EVEN IF THIS AGREEMENT OR ANY LIMITED REMEDY SPECIFIED HEREIN IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

7.4 Jurisdictional Issues. Some jurisdictions may not allow the exclusion or limitation of incidental, special, consequential, or other damages, so the above limitations or exclusions may not apply to Licensee. In such event, the liability of the ShelfGenie Parties for such damages with respect to the Software will be limited to the greatest extent permitted by applicable law in such jurisdiction.

8. *Export*. *Licensee acknowledges that the laws and regulations of the United States of America and foreign jurisdictions may restrict the export and re-export of certain commodities and technical data of United States of America origin, including the Software. Licensee agrees that it will not export or re-export the Software without the appropriate United States or foreign government licenses or permits.*

9. *Governing Law & Jurisdiction*. *This Agreement will be construed and enforced in all respects in accordance with the laws of the state of Georgia, without reference to its choice of law rules. Any action or proceeding permitted to be brought in court, shall be brought in the state courts located in the state and county in which ShelfGenie's principal place of business is located or the federal*

courts of the state and district in which ShelfGenie's principal place of business is located. For any action or proceeding permitted to be brought in court, Licensee consents to the jurisdiction of the state courts located in the state and county in which ShelfGenie's principal place of business is located and the federal courts of the state and district in which ShelfGenie's principal place of business is located. The parties hereto waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. The exclusive choice of jurisdiction and venue does not preclude the enforcement by either party hereto of any judgment obtained in such jurisdiction, in any appropriate jurisdiction. Notwithstanding anything in this Agreement to the contrary, ShelfGenie may seek injunctive or other equitable relief in any court of competent jurisdiction to protect any actual or threatened misappropriation or infringement of its intellectual property rights or those of its licensors, and Licensee hereby submits to the exclusive jurisdiction of such courts and waives any objection thereto on the basis of improper venue, inconvenience of the forum or any other grounds. Licensee agrees that any breach of the license restrictions or other infringement or misappropriation of the intellectual property rights of ShelfGenie or its licensors will result in immediate and irreparable damage to ShelfGenie for which there is no adequate remedy at law. The United Nations Convention on Contracts for the International Sale of Goods in its entirety is expressly excluded from this Agreement, including, without limitation, application to the Software provided hereunder. Furthermore, this Agreement will not be governed or interpreted in any way by referring to any law based on the Uniform Computer Information Transactions Act (UCITA) or any other act derived from or related to UCITA.

10. ***Notices.*** *All notices permitted or required under this Agreement shall be in writing and shall be delivered by personal delivery, e-mail, or by certified or registered mail, return receipt requested, and shall be deemed given upon personal delivery, five (5) business days after deposit in the U.S. mail, or upon confirmation of transmission if sent by e-mail. Notices shall be sent to each party at their respective addresses as set forth in this Agreement, as such contact information may be updated by each party from time-to-time pursuant to this Section 10.*

11. ***General Provisions.*** *Licensee shall not assign this Agreement or transfer any of its rights hereunder, or delegate the performance of any of its duties or obligations arising under this Agreement, whether by merger, acquisition, sale of assets, operation of law, or otherwise, without the prior written consent of ShelfGenie. Any purported assignment in violation of the preceding sentence is null and void. Subject to the foregoing, this Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties thereto. Except as otherwise specified in this Agreement, this Agreement may be amended or supplemented only by a writing that refers explicitly to this Agreement and that is signed on behalf of both parties. No waiver will be implied from conduct or failure to enforce rights. No waiver will be effective unless in a writing signed on behalf of the party against whom the waiver is asserted. If any term of this Agreement is found invalid or unenforceable that term will be enforced to the maximum extent permitted by law and the remainder of this Agreement will remain in full force. The parties are independent contractors and nothing contained herein shall be construed as creating an agency, partnership, or other form of joint enterprise between the parties. This Agreement represents the entire agreement between the parties relating to its subject matter and supersedes all prior and/or contemporaneous representations, discussions, negotiations and agreements, whether written or oral. Except for Licensee's payment obligations hereunder, neither party shall be liable to the other party or any third party for failure or delay in performing its obligations under this Agreement when such failure or delay is due to any cause beyond the control of the party concerned, including, without limitation, acts of God, governmental orders or restrictions, fire, or flood, provided that upon cessation of such events such party shall thereupon promptly perform or complete the performance of its obligations hereunder. Except as otherwise expressly provided in this Agreement, all remedies provided for in this Agreement shall be cumulative and in addition to and not in lieu of any other remedies available to either party at law, in equity or otherwise. This Agreement may be entered into in one or more counterparts, each of which will be deemed an original, and all of which taken together shall constitute one and the same instrument.*

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____

_____
Date

EXHIBIT 8

OUTSIDE ASSIGNED TERRITORY AMENDMENT

See attached.

SHELFGENIE FRANCHISE SYSTEMS, LLC

OUTSIDE ASSIGNED TERRITORY AMENDMENT TO FRANCHISE AGREEMENT

THIS OUTSIDE ASSIGNED TERRITORY AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") is made effective as of this ___ day of _____, 20__ (the "**Effective Date**") by and between ShelfGenie Franchise Systems, LLC, a Georgia limited liability company ("**SHELFGENIE**"), _____, a _____ ("**Franchisee**"), and _____, an adult individual residing in _____ ("**Guarantor**," and, together with Franchisor and Franchisee, the "**Parties**").

BACKGROUND

A. [On or about _____, 20__, Franchisee and SHELFGENIE entered into a franchise agreement (the "**Franchise Agreement**") pursuant to which Franchisee agreed to establish and operate a SHELFGENIE business within the Assigned Territory identified in Exhibit 1 of the Franchise Agreement (the "**Assigned Territory**").]

A. [Contemporaneously with the execution of this Amendment, SHELFGENIE and Franchisee are entering into a franchise agreement ("**Franchise Agreement**"), pursuant to which Franchisee agrees to establish and operate a SHELFGENIE business within the Assigned Territory identified in Exhibit 1 of the Franchise Agreement (the "**Assigned Territory**").]

B. Guarantor personally guaranteed Franchisee's obligations under the Franchise Agreement.

C. In accordance with Section 1.2(C) of the Franchise Agreement, Franchisee has requested, and SHELFGENIE has agreed, to amend the terms of the Franchise Agreement to provide Franchisee with temporary permission to advertise and sell outside the Assigned Territory pursuant to the terms and conditions of this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained in this Amendment and in the Franchise Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Grant of Temporary Right. SHELFGENIE grants to Franchisee the temporary right ("**Temporary Right**") to advertise and sell in any geographic area outside of Franchisee's Assigned Territory but expressly excluding any other System franchisee's assigned territory (the "**Temporary Area**") until the earlier of (i) entrance by SHELFGENIE into a franchise agreement that grants rights to any portion of the Temporary Area, or (ii) revocation by SHELFGENIE of the Temporary Right, which may be revoked by SHELFGENIE in its sole discretion, at any time, for any or no reason.

2. Terms and Conditions of Temporary Right. The Temporary Right is subject to the following terms and conditions:

a. The amount Franchisee spends on advertising in the Temporary Area will not count towards the minimum advertising requirement under Section 8.1(A) of the Franchise Agreement.

b. For avoidance of doubt, all sales made within the Temporary Area will be subject to the Marketing Contributions required under Section 8.1(C) of the Franchise Agreement.

c. Franchisee must comply with the terms and conditions of the Franchise Agreement and the System within the Temporary Area; provided, however, that with respect to sales made in the Temporary Area, Franchisee agrees to pay SHELFGENIE, in addition to all other fees required under the Franchise Agreement, a royalty fee equal to ten percent (10%) of Franchisee's weekly Gross Revenues, as defined in the Franchise Agreement (the "**Temporary Area Royalty Fee**"). SHELFGENIE has all of the rights and remedies available to it under the Franchise Agreement and at law if Franchisee fails to pay the Temporary Area Royalty Fee.

i. Notwithstanding the foregoing, the Temporary Area Royalty Fee will only apply if Franchisee's Gross Revenues during any preceding calendar year exceed the 15% threshold provided in Section 1.2(B) of the Franchise Agreement. If, during a year in which the Temporary Area Royalty Fee applies, Franchisee's total Temporary Area sales fall below the 15% threshold provided in Section 1.2(B) of the Franchise Agreement, the following calendar year, the Temporary Royalty Fee will not apply.

d. If SHELFGENIE enters into a franchise agreement for the Temporary Area or any portion thereof, Franchisee must (i) cease and desist selling within the Temporary Area and transfer all current leads and customers in the Temporary Area to the new franchisee immediately upon notice of such agreement, and (ii) transfer to the new franchisee all customers in the Temporary Area whose products have not been fully installed and all deposits and prepayments for such customers. For the avoidance of doubt, the new franchisee is not required to reimburse you for the advertising you have paid for in the Temporary Area, nor is the new franchisee obligated to compensate you for leads or customers you have obtained within the Temporary Area.

e. Franchisee's ability to advertise and sell in the Temporary Area is not protected. SHELFGENIE may allow other franchisees to advertise and sell within the Temporary Area or adjacent thereto. Any sales generated within the Temporary Area will belong to the franchisee that self-generated the sale.

3. [Release of Franchisor. In consideration for SHELFGENIE's consent to the amendments and concessions described in this Amendment, Franchisee and Guarantor, each for itself, himself, herself and all persons and entities claiming by, through, or under them (the "**Franchisee Releasees**"), fully release, acquit, and forever discharge Franchisor, its parents, subsidiaries, and affiliates and each of their respective present and former officers, directors, owners, shareholders, members, managers, partners, employees, agents, attorneys, servants, representatives, successors, and assigns, in their corporate and individual capacities, ("**Franchisor Released Parties**") from any and all obligations, claims, damages, debts, demands, covenants, promises, agreements, liabilities, accounts, costs, attorneys' fees, actions, or causes of action whatsoever, whether known or unknown, vested or contingent, direct or indirect (collectively, "**Claims**"), which any of the Franchisee Releasees have, had, claim to have, or may in the future have, against the Franchisor Released Parties, or any of them, from the beginning of time through the Effective Date of this Amendment, including but not limited to, any claims arising out of or in any way related to this Amendment, the Franchise Agreement, and any other agreements entered into between any of the Franchisor Released Parties and any of the Franchisee Releasees, the relationships created thereunder, and/or the offer, sale, establishment, or operation of the SHELFGENIE system (and franchise opportunity).]

4. Capitalization. Any capitalized terms not defined herein will have the meanings ascribed to them in the Franchise Agreement.

5. Miscellaneous. All other provisions of the Franchise Agreement remain in full force and effect. If any discrepancy or conflict arises between the provisions of this Amendment and the provisions of the Franchise Agreement, the provisions of this Amendment will control.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____

_____
Date

EXHIBIT 9

OPTION AMENDMENT

See attached.

SHELFGENIE FRANCHISE SYSTEMS, LLC
OPTION AMENDMENT TO FRANCHISE AGREEMENT

THIS OPTION AMENDMENT TO FRANCHISE AGREEMENT ("**Option Amendment**"), is made effective as of this ___ day of _____, 20__ (the "**Effective Date**") by and between ShelfGenie Franchise Systems, LLC, a Georgia limited liability company ("**SHELFGENIE**"), _____, a _____ ("**Franchisee**"), and _____, an adult individual residing in _____ ("**Guarantor**," and, together with SHELFGENIE and Franchisee, the "**Parties**").

BACKGROUND

A. [On or about _____, 20__, Franchisee and SHELFGENIE entered into a franchise agreement (the "**Franchise Agreement**") pursuant to which Franchisee agreed to establish and operate a SHELFGENIE business within the Assigned Territory identified in Exhibit 1 of the Franchise Agreement (the "**Business**").]

A. [Contemporaneously with the execution of this Amendment, SHELFGENIE and Franchisee are entering into a franchise agreement ("**Franchise Agreement**"), pursuant to which Franchisee agrees to establish and operate a SHELFGENIE business within the Assigned Territory identified in Exhibit 1 of the Franchise Agreement (the "**Business**").]

B. Guarantor personally guaranteed Franchisee's obligations under the Franchise Agreement.

C. Franchisee also requested, and SHELFGENIE has agreed, to grant to Franchisee an option to purchase one or more additional Assigned Territories pursuant to the terms and conditions reflected in this Option Amendment, which amends the Franchise Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants, premises, and representations set forth below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Capitalized terms have the meanings ascribed to them in the Franchise Agreement unless otherwise defined herein.

2. Term. The Term of this Option Amendment begins on the Effective Date and expires on the same day 12 months after the Effective Date ("**Term**").

3. Option Fee. For and in consideration of the rights granted to Franchisee herein, Franchisee agrees to pay to SHELFGENIE $10,000 per Option Assigned Territory set forth in Attachment 1 for a total amount Option Fee due on the execution of this Amendment of $_____ (the "**Option Fee**"). This amount is fully-earned on receipt and is non-refundable. The Option Fee will be applied to the Initial Franchise Fee due under the franchise agreement executed for an Option Assigned Territory (defined below), if exercised by Franchisee and approved by SHELFGENIE pursuant to the terms of this Amendment.

4. Option Assigned Territory. Attached to this Amendment as Attachment 1, and incorporated herein by reference, are the one or more geographically defined areas each referred to as an "**Option Assigned Territory**," which is the subject of this Amendment and for which Franchisee may exercise its option rights pursuant to the terms of this Amendment.

5. Option. During the Term, unless terminated earlier pursuant to the terms of this Amendment ("**Term**"), Franchisee has the right to apply to SHELFGENIE for the purchase of each Option Assigned Territory as provided in this Amendment. During the Term of this Amendment, SHELFGENIE agrees not to enter into a franchise agreement for the grant of any Option Assigned Territory unless it is with Franchisee or an entity controlled by Franchisee. The Term will not be extended by either of the 30-day waiting periods provided for under Section 6.

6. Application to Exercise Option and Process. To exercise its option rights, Franchisee will deliver to SHELFGENIE written notice of its intent to purchase any Option Assigned Territory (the "**Exercise Notice**"). Within 30 days after receipt of the Exercise Notice and any other information or executed agreements SHELFGENIE may require, as set forth in Section 7 below, SHELFGENIE will notify Franchisee in writing

whether or not the proposed Option Assigned Territory is approved. If approved, the approval notice will include SHELFGENIE's then-current Franchise Disclosure Document and an execution copy of its then-current franchise agreement for each Option Assigned Territory being purchased, which Franchisee must sign and deliver to SHELFGENIE without amendment, and pay all applicable fees to SHELFGENIE thereunder, within 30 days after its receipt. If the 30-day period expires and Franchisee has not executed all required agreements and paid the related initial amounts due, but Franchisee would still like to exercise its option, or if Franchisee elects to exercise its option to each Assigned Territory at different times, SHELFGENIE may require that Franchisee repeat the approval process. If not approved, the rejection notice will be delivered to Franchisee in writing.

7. Conditions to Exercising Option Rights. SHELFGENIE's approval of Franchisee's application to exercise its option as the Option Assigned Territory is subject to the following conditions precedent:

6.1 Franchisee, its owners, and its affiliates are in compliance with all other agreements between Franchisee and SHELFGENIE or its affiliates.

6.2 Franchisee is operating its existing SHELFGENIE business(es) and is capable of conducting the operation of the proposed additional SHELFGENIE franchised business in the additional Assigned Territory in accordance with the terms and conditions of the respective franchise agreements and the standards, specifications, policies and procedures set forth and described in the Operations Manuals (as defined in the Franchise Agreement), as determined by SHELFGENIE in its discretion.

6.3 Franchisee and its owners satisfy SHELFGENIE's then-current financial criteria for franchisees and owners of SHELFGENIE® businesses.

6.4 Franchisee and its owners have been and are faithfully performing all terms and conditions under the existing Franchise Agreement(s) with SHELFGENIE.

6.5 Franchisee is not in default and has not been in default during the 12-month period preceding Franchisee's request for financial approval of any monetary obligations owed to any of Franchisee's vendors or SHELFGENIE or its affiliates under the Franchise Agreement(s) or any other agreement between Franchisee or its affiliates and SHELFGENIE or its affiliates. Franchisee acknowledges and agrees that it is vital to SHELFGENIE's interest that each of its franchisees are financially sound to avoid failure of a SHELFGENIE business and that such failure would adversely affect the reputation and good name of SHELFGENIE businesses and the SHELFGENIE system.

6.6 Franchisee has submitted to SHELFGENIE, in a timely manner, all information and documents requested by SHELFGENIE as a basis for the issuance of individual franchises or pursuant to any right granted to Franchisee by this Amendment or by any franchise agreement.

6.7 Franchisee and its Guarantors execute SHELFGENIE's then-current form of general release in favor of SHELFGENIE and related parties.

8. Initial Franchise Fee for Option Assigned Territories. As long as Franchisee exercises its right to enter into a franchise agreement for one or more Option Assigned Territories during the Term and in accordance with the terms of this Option Amendment, SHELFGENIE will honor the following discounted initial franchise fee ("**IFF**") amounts when entering into the related franchise agreements with Franchisee: 1) a $20,000 IFF under Franchisee's second franchise agreement with SHELFGENIE for any of the Option Assigned Territories; 2) a $15,000 IFF under Franchisee's third and any subsequent franchise agreements with SHELFGENIE for the additional Option Assigned Territories, if any.

9. Non-Transferrable. This Amendment is personal to Franchisee and cannot be Transferred or assigned by Franchisee.

10. Termination. SHELFGENIE may terminate this Amendment immediately on written notice to Franchisee: ***(a)*** on Franchisee's breach of the terms of this Amendment, if Franchisee has not cured the breach within five days of its receipt of written notice, ***(b)*** if Franchisee is in breach of any of its obligations under the terms of the Franchise Agreement(s) beyond any applicable cure period; or ***(c)*** if SHELFGENIE terminates any one or more of Franchisee's Franchise Agreement(s).

11. [Release of Franchisor. In consideration for SHELFGENIE's consent to the terms and concessions described in this Option Amendment, Franchisee and Guarantor, each for itself, himself, herself and all persons and entities claiming by, through, or under them (the "**Franchisee Releasees**"), fully release, acquit, and forever discharge SHELFGENIE, its parents, subsidiaries, and affiliates and each of their respective present and former officers, directors, owners, shareholders, members, managers, partners, employees, agents, attorneys, servants, representatives, successors, and assigns, in their corporate and individual capacities, ("**Franchisor Released Parties**") from any and all obligations, claims, damages, debts, demands, covenants, promises, agreements, liabilities, accounts, costs, attorneys' fees, actions, or causes of action whatsoever, whether known or unknown, vested or contingent, direct or indirect (collectively, "**Claims**"), which any of the Franchisee Releasees have, had, claim to have, or may in the future have, against the Franchisor Released Parties, or any of them, from the beginning of time through the Effective Date of this Amendment, including but not limited to, any claims arising out of or in any way related to this Amendment, the Franchise Agreement, and any other agreements entered into between any of the Franchisor Released Parties and any of the Franchisee Releasees, the relationships created thereunder, and/or the offer, sale, establishment, or operation of the SHELFGENIE system (and franchise opportunity).]

12. Captions. The captions and headings in this Option Amendment are made for the purposes of convenience and general reference only and shall not be construed to define, limit, or otherwise affect any of the terms or provisions of this Option Amendment.

13. Miscellaneous. This Option Amendment represents the fully integrated and complete agreement between the parties and supersedes all other negotiations, agreements, representations, and covenants, oral or written. All other provisions of the Franchise Agreement remain in full force and effect. If any discrepancy or conflict arises between the provisions of this Option Amendment and the provisions of the Franchise Agreement, the provisions of the Option Amendment will control.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____

_____
Date

ATTACHMENT 1
OPTION ASSIGNED TERRITORY

Option Assigned Territory No.1

Name:

ZIP Codes:

Option Assigned Territory No.2

Name:

ZIP Codes:

Option Assigned Territory No.3

Name:

ZIP Codes:

EXHIBIT 10

OWNER/OPERATOR FRANCHISE AMENDMENT TO FRANCHISE AGREEMENT

SHELFGENIE FRANCHISE SYSTEMS, LLC
OWNER/OPERATOR FRANCHISE AMENDMENT TO FRANCHISE AGREEMENT

THIS OWNER/OPERATOR FRANCHISE AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**"), is made effective as of this ___ day of _____, 20__ (the "**Effective Date**") by and between ShelfGenie Franchise Systems, LLC, a Georgia limited liability company ("**SHELFGENIE**"), and _____, a _____ ("**Franchisee**") (together, the "**Parties**").

BACKGROUND

A. Contemporaneously with the execution of this Amendment, SHELFGENIE and Franchisee are entering into a franchise agreement ("**Franchise Agreement**"), pursuant to which Franchisee agrees to establish and operate a SHELFGENIE business within the Assigned Territory identified in Exhibit 1 of the Franchise Agreement (the "**Business**").]

B. Franchisee's Assigned Territory is located in a less densely populated area and therefore falls under Franchisor's current "Owner/Operator Franchise" model which modifies certain fees and obligations under the Franchise Agreement due to the lower number of houses and households in Franchisee's Assigned Territory.

C. To this end, Franchisor and Franchisee agree to amend the terms of the Franchise Agreement pursuant to the terms and conditions of this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants, premises, and representations set forth below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Capitalized terms have the meanings ascribed to them in the Franchise Agreement unless otherwise defined herein.

2. Royalty Fee. In Section 3.1 of the Franchise Agreement, each instance of the term "four hundred dollars ($400)" is replaced with the term "two hundred dollars ($200)".

3. Local Advertising; Minimum Expenditure. The first two sentences of Section 8.1(A) of the Franchise Agreement are deleted and replaced with the following:

> "During the First Year, Franchisee will spend a minimum of five thousand dollars ($5,000) during the first two months of operation, then $1,250 per month, on a three (3) month rolling average ("**Minimum First Year Expenditure**"). For the remainder of the Term, Franchisee will spend a minimum of six hundred and twenty-five dollars ($625) per month on a three (3) month rolling average."

4. Renewal Fee. In Section 2.2(H) of the Franchise Agreement, the Renewal Fee term "one thousand seven hundred and fifty dollars ($1,750)" is replaced with the term "eight hundred and seventy-five dollars ($875)."

5. Miscellaneous. This Amendment represents the fully integrated and complete agreement between the parties and supersedes all other negotiations, agreements, representations, and covenants, oral or written. All other provisions of the Franchise Agreement remain in full force and effect. If any discrepancy or conflict arises between the provisions of this Amendment and the provisions of the Franchise Agreement, the provisions of the Amendment will control.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have hereinafter executed this Amendment to be effective as of the Effective Date first written above.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____

_____
Date

EXHIBIT 11

ADDITIONAL PRODUCT OFFERINGS ADDENDUM TO FRANCHISE AGREEMENT

ADDITIONAL PRODUCT OFFERINGS ADDENDUM
TO SHELFGENIE® FRANCHISE AGREEMENT

This Additional Product Offerings Addendum to SHELFGENIE® Franchise Agreement ("**Addendum**") is made effective as of the _____ day of _____, _____ (the "**Effective Date**") by and between ShelfGenie Franchise Systems, LLC, a Georgia limited liability company ("**Franchisor**"), _____, a(n) _____ ("**Franchisee**"), and _____ and _____, each an adult individual (together, "**Guarantors**") (collectively, the "**Parties**").

BACKGROUND

A. On or about _____, 20__, Franchisee entered into [number] franchise agreement[s] with Franchisor, along with ancillary agreements related and/or attached to the same, (together, the "**Franchise Agreement[s]**") to establish and operate a SHELFGENIE® franchised business in each assigned territory identified in Exhibit 1 of each respective Franchise Agreement (the "**Assigned Territories**") and referred to by the names _____, _____, and _____ (the "**Franchised Business[es]**").

B. Guarantors personally guaranteed Franchisee's obligations under the Franchise Agreements and are therefore also guaranteeing the obligations of Franchisee under this Addendum.

C. Franchisor has approved additional product offerings which Franchisee qualifies in order to offer and sell through their SHELFGENIE Franchised Businesses, and through this Addendum has offered to Franchisee the opportunity, and Franchisee has accepted the opportunity and its related obligations, to offer and sell these additional product offerings pursuant to the terms and conditions of this Addendum.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual premises contained in this Addendum and in the Franchise Agreements, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Additional Offerings: Closet and Garage Systems. The Franchisor has now developed standards and specifications for the offer and sale of closet and garage storage and shelving systems through SHELFGENIE businesses ("**Additional Product Offerings**") and has begun to offer to qualifying system franchisees the opportunity to offer and sell these Additional Product Offerings to their customers through their existing SHELFGENIE franchised businesses. Franchisor has determined that Franchisee meets the minimum qualifications in order to be eligible to offer the Additional Product Offerings to its customers and, therefore, if Franchisee elects to participate and to provide such Additional Product Offerings by executing this Addendum, Franchisee agrees to provide such Additional Product Offerings pursuant to the standards and specifications set by Franchisor, and to abide by the terms of this Addendum in connection with such Additional Product Offerings.

2. Franchisee's Obligations. For the continued right to offer and sell the Additional Product Offerings Franchisee agrees to each of the following obligations:

a. Minimum Local Advertising Expenditure. Franchisee agrees to spend an additional 50% of the total minimum required local advertisement expenditure amount set in their Franchise Agreements on approved Additional Product Offering advertisement and marketing activities.

b. Glideout Product Sales Levels. Franchisee's Gross Revenues from the sale of Glideout products cannot decrease by more than 10% during any 6-month period during the Term from the immediately preceding 6-month period, on a rolling 6-month period basis.

c. Franchisee's Team. Franchisee must have a Franchisor-approved design and install team in place. This does not mean approval of specific personnel in any respect, but in the mix of responsibilities and number of personnel on Franchisee's team.

d. Information to be Provided to Franchisor. Franchisee agrees to provide Franchisor with all information requested by Franchisor, and in such format Franchisor elects, related to customer feedback the offer and sale of the Additional Product Offerings.

3. Applicability of Franchise Agreements. The Parties agree that Franchisee's sale of the Additional Product Offerings will be subject to all of the terms and conditions of the Franchise Agreements, including without limitation, fee assessments such as Royalty Fees, and insurance and indemnification obligations.

4. Non-Competition. For purposes of clarification, the in-term and post-term non-competition obligations and covenants under the Franchise Agreements are expanded to include the Additional Product Offerings and any directly competing products related to cabinets, counters, closets, garages or other structures. This Section 4 survives the expiration or termination of any of the Franchise Agreements and/or this Addendum.

5. Term and Termination. The Franchisor may terminate this Addendum, and Franchisee's right to offer and sell the Additional Product Offerings, if Franchisee is in default: 1) under the terms of Section 4 of this Addendum immediately on Franchisee's receipt of notice, 2) under the terms of Sections 1 and 2 of this Addendum if Franchisee does not cure the default within 10 days of receipt of notice, or 3) under the terms of Section 3, that is, under any of the terms of the Franchise Agreements, if Franchisee does not cure the default within the time periods set forth in the Franchise Agreements.

6. Release of Franchisor. Franchisee and Guarantors, on their own behalf and on behalf of their heirs, representatives, successors, and assigns and any individual or entity claiming on behalf of, by, through, or under them (together, "**Releasors**"), hereby fully release, acquit, covenant not to sue, and forever discharge Franchisor, its affiliates and parent entities, and each of their respective past and present officers, directors, members, managers, owners, employees, attorneys, servants, agents, representatives, successors, and assigns (the "**Released Parties**") of and from any and all causes of action, liability, damages, expenses, losses, demands, obligations, debts, promises, agreements, accounts, costs, attorneys' fees, actions, and claims whatsoever, known or unknown, direct or indirect, vested or contingent ("**Claims**") which any or all of the Releasors, have, had, claim to have, or may in the future have, against the Franchisor Released Parties, or any of them, from the beginning of time through the Effective Date of this Addendum, including but not limited to, any claims arising out of or in any way related to the Franchise Agreements, any other agreements entered into between any of the Releasors and any of the Franchisor Released Parties, the relationships created thereunder, any of the SHELFGENIE® Franchised Businesses owned, operated by, or established by any of the Releasors, and/or the offer, sale, establishment, or operation of the SHELFGENIE® Franchised Businesses and the SHELFGENIE® franchise opportunity. FRANCHISEE AND GUARANTORS ON BEHALF OF THEMSELVES AND THE RELEASORS, WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE, OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED IN THIS AGREEMENT BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS THAT THE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS ADDENDUM.

7. Miscellaneous. Capitalized terms not defined herein will have the meanings ascribed to them in the Franchise Agreements. All other provisions of the Franchise Agreements remain in full force and effect including, without limitation, all fees and payments, indemnification provisions, confidentiality provisions and non-competition provisions. If any discrepancy or conflict arises between the provisions of this Addendum and the provisions of the Franchise Agreements, the provisions of this Addendum will control.

[*The Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have hereinafter executed this Addendum to be effective as of the Effective Date first written above.

FRANCHISEE:

_____
_____, individually

_____
Date

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC
A Georgia Limited Liability Company

BY: _____

_____
Date

EXHIBIT 12

ACH FORM

EXHIBIT 12

ACH FORM

ACH Origination services will not be considered until this application is
FILLED OUT COMPLETELY

Date of Application _____ Business Phone _____

Name of Company _____

Contact Person _____ Title _____

Address _____

Please complete blanks below with your banking information using the sample as a reference only, or attach a sample voided check that displays the required information.

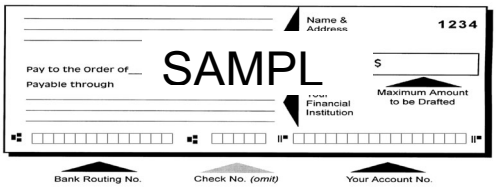
Name of Financial Institution: _____

Name and Address on Account:
_____

_____

Bank Routing No.: _____

Account No: _____



_____ ("Franchisee") hereby authorizes SHELFGENIE FRANCHISE SYSTEMS, LLC ("SHELFGENIE"), its affiliates, including Dwyer Franchising LLC, and the financial institution named above to initiate entries, including debit and credit entries, to Franchisee's checking/savings account identified above periodically, including weekly, monthly, annually or as necessary, on a day specified from time to time by SHELFGENIE to pay all fees, charges and any other amounts owed (including royalty fees, marketing fees, late fees, interest charges, note payments, software fees and any other amounts owed) pursuant to the terms of the Franchise Agreement and all related agreements entered into with SHELFGENIE and/or its affiliates, with royalty fees and marketing fees to be in accordance with the weekly sales analysis submitted by Franchisee; and, if necessary, to initiate adjustments for any transactions credited in error. These debits are related to the operation of the franchised business and the amount of each debit will vary, including from week to week, to a maximum amount (if any) as set forth in the Franchise Agreement. The credits are the amounts due to the franchised business that SHELFGENIE receives from third parties for services performed by the franchised business net of SHELFGENIE's deductions for audit and any related administrative fees and/or credit entries to correct any debit entries that may have been made in error. This authority will remain in effect until Franchisee notifies SHELFGENIE in writing to cancel it in such time as to afford the financial institution a reasonable opportunity to act on such instructions. Franchisee can stop payment of any entry by notifying the financial institution at least 3 days before the account is scheduled to be charged. Franchisee can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the financial institution or up to 60 days after deposit, whichever occurs first.

_____ _____

Date Signature of Franchisee

EXHIBIT B

LIST OF STATE ADMINISTRATORS

NOTE: SOME STATES REQUIRE THAT THE FRANCHISE BE REGISTERED WITH A STATE AGENCY. WE DO NOT OFFER OR SELL FRANCHISES IN ANY OF THOSE STATES UNLESS WE ARE REGISTERED, AND THE LISTING OF A STATE BELOW DOES NOT MEAN THAT WE ARE SO REGISTERED.

LIST OF STATE AGENCIES

California

Department of Financial Protection & Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(866) 275-2677

Florida

Department of Agriculture and Consumer Services
Mayo Building
407 S. Calhoun Street
Tallahassee, FL 32399
(850) 410-3754

Hawaii

Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Illinois

Office of Attorney General
Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street
Room E-111
Indianapolis, IN 46204
(317) 232-6681

Maryland

Office of Attorney General
Maryland Division of Securities
200 St. Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Michigan Department of Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
Lansing, MI 48913
(517) 373-7117

Minnesota

Minnesota Department of Commerce
Registration and Licensing Division
85 7th Place East, Suite 500
St. Paul, MN 55101
(612) 296-4026

Nebraska

Department of Banking and Finance
1200 N Street, Suite 311
P.O. Box 95006
Lincoln, NE 68509
(402) 471-3445

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236

North Dakota

North Dakota Securities Department
600 East Boulevard, State Capitol
5th Floor, Dept. 414
Bismarck, ND 58505-0510
(701) 328-4712

Oregon

Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, OR 97310
(503) 378-4387

Rhode Island

Department of Business Regulation
Division of Securities
1511 Pontiac Avenue
John O. Pastore Complex; Bldg 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

South Dakota Department of Labor and Regulation
Division of Securities
124 S Euclid, Suite 104
Pierre, SD 57501
(605) 773-4823

Texas
Secretary of State
Statutory Document Section
P.O. Box 13563
Austin, TX 78711
(512) 475-1769

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

Washington

Securities Administrator
Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507-9033
(360) 902-8760

Wisconsin

Department of Financial Institutions
Division of Securities
345 W. Washington Avenue, 4th Floor
Madison, WI 53703
(608) 261-9555

EXHIBIT C

AGENTS FOR SERVICE OF PROCESS

NOTE: SOME STATES REQUIRE THAT SHELFGENIE CONSENT TO SERVICE OF PROCESS UPON CERTAIN AGENCIES. IF SHELFGENIE IS REGISTERED IN A STATE, IT WILL HAVE CONSENTED TO SERVICE OF PROCESS BY THE REQUIRED AGENCY. THE LISTING OF A STATE BELOW DOES NOT MEAN THAT SHELFGENIE HAS SO CONSENTED.

Unless otherwise listed:

Stephen R. Klorfein
Chaiken Klorfein, LLC
1140 Hightower Trail,
Building 2, Suite 300
Atlanta, GA 30350

California

California Commissioner of Financial Protection & Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
1-866-275-2677

Illinois

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

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street
Room E-111
Indianapolis, IN 46204
(317) 232-6681

Maryland

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

Minnesota

Minnesota Commissioner of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005

North Dakota

North Dakota Securities Department
600 East Boulevard Avenue
State Capital, Fifth Floor, Dept. 414
Bismarck, North Dakota 58505-0510
701-328-4712

Rhode Island

Director of Rhode Island
Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex; Bldg 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota

Director of the Division of Securities
Department of Labor and Regulation
124 S Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-4823

Virginia

Clerk of the State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

Washington

Securities Administrator
Washington State Dept of Financial Institutions
150 Israel Road
Tumwater, Washington 98501

Wisconsin

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

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ShelfGenie Franchise Operations Manual

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CANADIAN INFORMATION APPENDIX

EXHIBIT E

GENERAL RELEASE

GENERAL RELEASE

This GENERAL RELEASE (this "Release") is made and executed by [NAME], individually ("you"), as of _____ ("Effective Date").

WHEREAS, you entered into a franchise agreement dated _____ with SHELFGENIE FRANCHISE SYSTEMS, LLC ("us"), and [*describe facts*].

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are acknowledged, you agree as follows:

You, for yourself and each of your past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through you, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges us and each of our predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of any agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Release and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Release. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor or released party."

This Release is and shall be and remain a full, complete and unconditional general release.

_____

_

Name, individually

STATE OF _____ §
§
COUNTY OF _____ §

I hereby certify that before me, a notary public, personally appeared [NAME] who made oath in due form of law that s/he was executing the foregoing General Release for the purposes therein contained.

As witness, my hand and Notarial Seal on _____, 20___.

_____

_

Notary Public

My Commission Expires: _____

EXHIBIT F

LIST OF FRANCHISEES

EXHIBIT F-1

OPERATING FRANCHISEES

(As of December 31, 2019)

ALABAMA

Charlie Rose, Individually
Attention: Charlie Rose
P.O. Box 286
Shelbyville, TN 37162
(615) 970-6299
Assigned Territory: Huntsville

ARIZONA

Glideout Love Solutions, Inc.
Attention: Anne DiGiando
55 S. Lake Havasu Ave, #F367
Lake Havasu City, AZ 86403
(440) 665-2074
Assigned Territory: Henderson/Lake Havasu

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #1

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #2

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #3

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #4

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #5

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #6

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #7

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #8

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #9

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #10

Owens Business Ventures, LLC
Attention: Ganine Owens
35209 N. 30th Drive
Phoenix, AZ 85086
(714) 488-8038
Assigned Territory: Phoenix #11

CALIFORNIA

VKC Enterprises, Inc.
Attention: Cynthia Comito and James Comito
10135 Vista De La Cruz
La Mesa, CA 91941
(619) 971-8012
Assigned Territory: San Diego #2

VKC Enterprises, Inc.
Attention: Cynthia Comito and James Comito
10135 Vista De La Cruz
La Mesa, CA 91941
(619) 971-8012
Assigned Territory: San Diego #4

Maryn Design Solutions, Inc.
Attention: Mark and Karen Crofford
21484 Coralita
Lake Forest, CA 92630
(949) 233-8834
Assigned Territory: Orange County #1

Maryn Design Solutions, Inc.
Attention: Mark and Karen Crofford
21484 Coralita
Lake Forest, CA 92630
(949) 233-8834
Assigned Territory: Orange County #2

CONNECTICUT

Lookout Solutions, LLC
Attention: Alex Modica
7 Lookout Road
Norwalk, CT 06850
(203) 644-2052
Assigned Territory: CT#3 North & South

Lookout Solutions, LLC
Attention: Alex Modica
7 Lookout Road
Norwalk, CT 06850
(203) 644-2052
Assigned Territory: CT #1

FLORIDA

MJCHEV, Inc.
Attention: Bret Chevrier
700 NE Savanna Vista
Jensen Beach, FL 34957
(772) 678-0648
Assigned Territory: Fort Myers #1

MJCHEV, Inc.
Attention: Bret Chevrier
700 NE Savanna Vista
Jensen Beach, FL 34957
(772) 678-0648
Assigned Territory: Miami #8 North & South

MJCHEV, Inc.
Attention: Bret Chevrier
700 NE Savanna Vista
Jensen Beach, FL 34957
(772) 678-0648
Assigned Territory: Port St. Lucie

MJCHEV, Inc.
Attention: Bret Chevrier
700 NE Savannah Vista
Jensen Beach, FL 34957
(772) 678-0648
Assigned Territory: Miami #7

MCHEV, Inc.
Attention: Bret Chevrier
700 NE Savannah Vista
Jensen Beach, FL 34957
(772) 678-0648
Assigned Territory: Cape Coral #2

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Orlando #2

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Orlando #3

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Orlando #4

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Sarasota #1

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Tampa #2

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Tampa #1

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Tampa #3

24 Squared, Inc.
Attention: Michael Grothe
7282 55th Ave. East, Unit 187
Bradenton, FL 34203
(941) 321-8863
Assigned Territory: Cape Coral #1

CoastalSouth, Inc.
Attention: Chris and Tresa Dorris
77 Fording Court
Bluffton, SC 29910
(615) 500-7819
Assigned Territory: Jacksonville #1

CoastalSouth, Inc.
Attention: Chris and Tresa Dorris
77 Fording Court
Bluffton, SC 29910
(615) 500-7819
Assigned Territory: Jacksonville #2

CDO Remodeling, LLC
Attention: David Odom
11294 Buck Lake Road
Tallahassee, FL 32317
(850) 322-0404
Assigned Territory: Tallahassee #1

Dahn Industries Corporation
Attention: Bryan Dahn
404 Slocum Street
Ft. Lauderdale, FL 33312
(305) 333-8678
Assigned Territory: Ft. Lauderdale #2

Dahn Industries Corporation
Attention: Bryan Dahn
404 Slocum Street
Ft. Lauderdale, FL 33312
(305) 333-8678
Assigned Territory: Ft. Lauderdale #5

GEORGIA

VanLeuven, Inc.
Attention: Julie Van Leuven
3891 Locklear Way
Atlanta, GA 30360
(770) 380-1994
Assigned Territory: Atlanta #4 East & West

VanLeuven, Inc.
Attention: Julie Van Leuven
3891 Locklear Way
Atlanta, GA 30360
(770) 3801994
Assigned Territory: Atlanta #2 East & West

VanLeuven, Inc.
Attention: Julie Van Leuven
3891 Locklear Way
Atlanta, GA 30360
(770) 3801994
Assigned Territory: Atlanta #1

VanLeuven, Inc.
Attention: Julie Van Leuven
3891 Locklear Way
Atlanta, GA 30360
(770) 3801994
Assigned Territory: Atlanta #3

CoastalSouth, Inc.
Attention: Chris and Tresa Dorris
77 Fording Court
Bluffton, SC 29910
(615) 500-7819
Assigned Territory: Savannah #1

Creative Shelving, Inc.
Attention: Sanjay Bala
210 Ascalon Court
Johns Creek, GA 30005
(770) 668-6723
Assigned Territory: Atlanta #7

Creative Shelving, Inc.
Attention: Sanjay Bala
210 Ascalon Court
Johns Creek, GA 30005
(770) 668-6723
Assigned Territory: Atlanta #8

Creative Shelving, Inc.
Attention: Sanjay Bala
210 Ascalon Court
Johns Creek, GA 30005
(770) 668-6723
Assigned Territory: Atlanta #9

Premier Shelving Solutions,LLC
Attention: Nancy Clarke
3217 Post Woods Drive, #H
Atlanta, GA 30339
(954) 254-1709
Assigned Territory: Atlanta #6

IDAHO

Higgins Home Services, LLC
Attention: Jake and Rachel Higgins
2378 Track Road
Melba, ID 83641
(208) 830-7433
Assigned Territory: Boise #1

Higgins Home Services, LLC
Attention: Jake and Rachel Higgins
2378 Track Road
Melba, ID 83641
(208) 830-7433
Assigned Territory: Boise #2

ILLINOIS

Global Goat Designs, Inc.
Attention: Chirag and Nisha Patel
226 North Clinton St., Apt. 217
Chicago, IL 60661
(773) 655-0967
Assigned Territory: Chicago #2

Global Goat Designs, Inc.
Attention: Chirag and Nisha Patel
226 North Clinton St., Apt. 217
Chicago, IL 60661
(773) 655-0967
Assigned Territory: Chicago #6

Global Goat Designs, Inc.
Attention: Chirag and Nisha Patel
226 North Clinton St., Apt. 217
Chicago, IL 60661
(773) 655-0967
Assigned Territory: Chicago #7

Global Goat Designs, Inc.
Attention: Chirag and Nisha Patel
226 North Clinton St., Apt. 217
Chicago, IL 60661
(773) 655-0967
Assigned Territory: Chicago #8

MLL Home Solutions, Inc.
Attention: Marc Levin
1775 Vermont Drive
Elk Grove Village, IL 60007
(847) 602-5131
Assigned Territory: Chicago #1

MLL Home Solutions, Inc.
Attention: Marc Levin
1775 Vermont Drive
Elk Grove Village, IL 60007
(847) 602-5131
Assigned Territory: Chicago #3

MLL Home Solutions, Inc.
Attention: Marc Levin
1775 Vermont Drive
Elk Grove Village, IL 60007
(847) 602-5131
Assigned Territory: Chicago #4

MLL Home Solutions, Inc.
Attention: Marc Levin
1775 Vermont Drive
Elk Grove Village, IL 60007
(847) 602-5131
Assigned Territory: Chicago #5

Judy Meyers, Individually
2602 Lakeridge Drive
Lockport, IL 60441
(630) 294-4391
Assigned Territory: Chicago #9

Judy Meyers, Individually
2602 Lakeridge Drive
Lockport, IL 60441
(630) 294-4391
Assigned Territory: Chicago #10

Judy Meyers, Individually
2602 Lakeridge Drive
Lockport, IL 60441
(630) 294-4391
Assigned Territory: Chicago #10

Judy Meyers, Individually
2602 Lakeridge Drive
Lockport, IL 60441
(630) 294-4391
Assigned Territory: Chicago #11

INDIANA

EdKar, LLC
Attention: Edward and Karen Enslin
301 East Carmel Drive
Suite E-800
Carmel, IN 46032
(317) 922-8088
Assigned Territory: Indianapolis #1

EdKar, LLC
Attention: Edward and Karen Enslin
301 East Carmel Drive
Suite E-800
Carmel, IN 46032
(317) 922-8088
Assigned Territory: Indianapolis #2

IOWA

Fatwood, LLC
Attention: Adam Stevens
2400 48th Street
Des Moines, IA 50310
(641) 295-9584
Assigned Territory: Des Moines #1 & #2

KANSAS

Organized KC, LLC
Attention: Caroline Fox and James Laster
414 E. 63rd Street
Kansas City, MO 64110
(816) 510-7923
Assigned Territory: Kansas City #1

Organized KC, LLC
Attention: Caroline Fox and James Laster
414 E. 63rd Street
Kansas City, MO 64110
(816) 510-7923
Assigned Territory: Kansas City #2 North & South

MASSACHUSETTS

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Boston #4

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Boston #3

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Boston #6

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Boston #2

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Boston #1

JeffRaff Services, LLC
Attention: Jeffrey Cohen &
Raffi Iskenderian
51 Silver Hill Road
Sudbury, MA 01776
(617) 699-8098
Assigned Territory: Cape Cod

MINNESOTA

CTN Solutions, LLC
Attention: Kevin and Tresa Elgin
81 Congress St. West
St. Paul, MN 55107
(618) 699-1569
Assigned Territory: Twin Cities #1 North & South

CTN Solutions, LLC
Attention: Kevin and Tresa Elgin
81 Congress St. West
St. Paul, MN 55107
(618) 699-1569
Assigned Territory: Twin Cities #2 East & West

CTN Solutions, LLC
Attention: Kevin and Tresa Elgin
81 Congress St. West
St. Paul, MN 55107
(618) 699-1569
Assigned Territory: Twin Cities #3 East & West

CTN Solutions, LLC
Attention: Kevin and Tresa Elgin
81 Congress St. West
St. Paul, MN 55107
(618) 699-1569
Assigned Territory: Twin Cities #4 East & West

NEBRASKA

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68172
(402) 659-4676
Assigned Territory: Omaha #1

NEW JERSEY

BRR Home Essentials, Inc.
Attention: Ben Rozenblat
2005 Taggert Drive
Belle Meade, NJ 08502
(908) 896-5950
Assigned Territory: New Jersey #6

BRR Home Essentials, Inc.
Attention: Ben Rozenblat
2005 Taggert Drive
Belle Meade, NJ 08502
(908) 896-5950
Assigned Territory: New Jersey #8

Hunsicker Ventures, Inc.
Attention: Vaughn Hunsicker
5020 Woodgate Lane
Collegeville, PA 19246
(215) 850-4463
Assigned Territory: NJ #10

NEW YORK

Practical Shelving Solutions, LLC
Attention: Kathy Lynch
1301 Adams Street, #204
Hoboken, NJ 07030
(917) 601-0214
Assigned Territory: Long Island #4

Practical Shelving Solutions, LLC
Attention: Kathy Lynch
1301 Adams Street, #204
Hoboken, NJ 07030
(917) 601-0214
Assigned Territory: Long Island #5

Lookout Solutions, LLC
Attention: Alex Modica
7 Lookout Road
Norwalk, CT 06850
(203) 644-2052
Assigned Territory: Yonkers East & West

Lookout Solutions, LLC
Attention: Alex Modica
7 Lookout Road
Norwalk, CT 06850
(203) 644-2052
Assigned Territory: Peekskill

NORTH CAROLINA

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Raleigh #1 East & West

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Raleigh #2

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Greensboro

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Charlotte #2

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Charlotte #3

Home Improvement Solutions of NC, LLC
Attention: Andy Pittman
722 Cranbrook Rd.
Raleigh, NC 27609
(919) 810-9072
Assigned Territory: Charlotte #1

Barefoot Shelving, LLC
Attention: Wes and Kelly Barefoot
4144 Pine Hollow
Wilmington, NC 28412
(910) 547-9595
Assigned Territory: Wilmington

OHIO

Saunders Business Ventures, Inc.
Attention: Michael Saunders
677 Hidden Springs Drive
Lewis Center, OH 43035
(937) 243-5848
Assigned Territory: Columbus #1

Saunders Business Ventures, Inc.
Attention: Michael Saunders
677 Hidden Springs Drive
Lewis Center, OH 43035
937-243-5848
Assigned Territory: Columbus #2

Saunders Business Ventures, Inc.
Attention: Michael Saunders
677 Hidden Springs Drive
Lewis Center, OH 43035
(937) 243-5848
Assigned Territory: Cincinnati #1

Saunders Business Ventures, Inc.
Attention: Michael Saunders
677 Hidden Springs Drive
Lewis Center, OH 43035
(937) 243-4858
Assigned Territory: Cincinnati #2

Saunders Business Ventures, Inc.
Attention: Michael Saunders
677 Hidden Springs Drive
Lewis Center, OH 43035
(937) 243-4858
Assigned Territory: Cincinnati #3

DJE Management Consulting, LLC
Attention: Dave Pazgan
5590 Champion Creek Blvd.
Medina, OH 44256
(330) 760-2990
Assigned Territory: Cleveland #3

DJE Management Consulting, LLC
Attention: Dave Pazgan
5590 Champion Creek Blvd.
Medina, OH 44256
(330) 760-2990
Assigned Territory: Akron/Canton

DJE Management Consulting, LLC
Attention: Dave Pazgan
5590 Champion Creek Blvd.
Medina, OH 44256
(330) 760-2990
Assigned Territory: Cleveland #2

OKLAHOMA

Green Country Green, LLC
Attention: Jeff Robinson
7551 S. Sandusky Ave.
Tulsa, OK 74136
(918) 630-6637
Assigned Territory: Tulsa #1 North & South

Green Country Green, LLC
Attention: Jeff Robinson
7551 S. Sandusky Ave.
Tulsa, OK 74136
(918) 630-6637
Assigned Territory: Oklahoma City #1

OREGON

TVNS Ventures, Inc.
Attention: Thimmappa Anekonda
1424 Greentree Circle
Lake Oswego, OR 97034
503-459-1586
Assigned Territory: Portland #1

TVNS Ventures, Inc.
Attention: Thimmappa Anekonda
1424 Greentree Circle
Lake Oswego, OR 97034
503-459-1586
Assigned Territory: Portland #2

TVNS Ventures, Inc.
Attention: Thimmappa Anekonda
1424 Greentree Circle
Lake Oswego, OR 97034
503-459-1586
Assigned Territory: Portland #3

PENNSYLVANIA

Hunsicker Ventures, Inc.
Attention: Vaughn Hunsicker
5020 Woodgate Lane
Collegeville, PA 19246
(215) 850-4463
Assigned Territory: Philly #1

Hunsicker Ventures, Inc.
Attention: Vaughn Hunsicker
5020 Woodgate Lane
Collegeville, PA 19246
(215) 850-4463
Assigned Territory: Philly #4

Hunsicker Ventures, Inc.
Attention: Vaughn Hunsicker
5020 Woodgate Lane
Collegeville, PA 19246
(215) 850-4463
Assigned Territory: Philly #5

DJE Management Consulting, LLC
Attention: Dave Pazgan
5590 Champion Creek Blvd.
Modina, OH 44256
(330) 760-2990
Assigned Territory: Western PA

SOUTH CAROLINA

CoastalSouth, Inc.
Attention: Chris and Tresa Dorris
77 Fording Court
Bluffton, SC 29910
(615)500-7819
Assigned Territory: Charleston #1

TENNESSEE

Bigger Stuff, LLC
Attention: Dave and Kelli Holliday
9300 Windrose Circle
Chattanooga, TN 37421
(865) 405-2447
Assigned Territory: Chattanooga

Bigger Stuff, LLC
Attention: Dave and Kelli Holliday
9300 Windrose Circle
Chattanooga, TN 37421
(865) 405-2447
Assigned Territory: Knoxville

Charlie Rose, Individually
Attention: Charlie Rose
P.O. Box 286
Shelbyville, TN 37162
(615) 970-6299
Assigned Territory: Nashville #1

Charlie Rose, Individually
Attention: Charlie Rose
P.O. Box 286
Shelbyville, TN 37162
(615) 970-6299
Assigned Territory: Nashville #2

TEXAS

Thorough-Clean, LLC
Attention Rick Nicosia
120 Kendall Ridge
Boerne, TX 78015
(210) 601-5883
Assigned Territory: San Antonio #1 North & South

Thorough-Clean, LLC
Attention Rick Nicosia
120 Kendall Ridge
Boerne, TX 78015
(210) 601-5883
Assigned Territory: San Antonio #2

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #1

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #2

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #3

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #4

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #5

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #6

Lindee's Centsable Solutions, Inc.
Attention: Linda Cresswell
17526 Ridge Top Drive
Houston, TX 77090
(903) 814-3981
Assigned Territory: Houston #7

Parker Resource Group, Inc.
Attention: Steven and Jewell Parker
7505 Antrim Trail
Austin, TX 78754
(512) 963-9699
Assigned Territory: Austin #1

Parker Resource Group, Inc.
Attention: Steven and Jewell Parker
7505 Antrim Trail
Austin, TX 78754
(512) 963-9699
Assigned Territory: Austin #2

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #1

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #2

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #3

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #4

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #5

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territory: Dallas #8

UTAH

MIBECCA Innovations, LLC
Attention: Mike and Rebecca Gardner
1213 Electra Lane

Sandy, UT 84094
(801) 703-7026
Assigned Territory: Salt Lake City #2

MIBECCA Innovations, LLC
Attention: Mike and Rebecca Gardner
1213 Electra Lane
Sandy, UT 84094
(801) 703-7026
Assigned Territory: Salt Lake City #1

VIRGINIA

Bowerton, Inc.
Attention: Thomas Edelblut
9315 Crossover Drive
Mechanicsvile, VA 23116
(804) 363-9414
Assigned Territory: Richmond #1 East & West

Bowerton, Inc.
Attention: Thomas Edelblut
9315 Crossover Drive
Mechanicsvile, VA 23116
(804) 363-9414
Assigned Territory: Fredericksburg East & West

Bowerton, Inc.
Attention: Thomas Edelblut
9315 Crossover Drive
Mechanicsvile, VA 23116
(804) 363-9414
Assigned Territory: Williamsburg North & South

Bowerton, Inc.
Attention: Thomas Edelblut
9315 Crossover Drive
Mechanicsvile, VA 23116
(804) 363-9414
Assigned Territory: Virginia Beach East & West

WASHINGTON

Regala Enterprises, LLC
Attention: Alan Regala
5724 58th Avenue, N.E.
Seattle, WA 98105
(650) 641-0051
Assigned Territory: Seattle #2

Regala Enterprises, LLC
Attention: Alan Regala
5724 58th Avenue, N.E.
Seattle, WA 98105
(650) 641-0051
Assigned Territory: Seattle #4

Regala Enterprises, LLC
Attention: Alan Regala
5724 58th Street, N.E.
Seattle, WA 98105
(650) 641-0051
Assigned Territory: Seattle #5

Regala Enterprises, LLC
Attention: Alan Regala
5724 58th Street, N.E.
Seattle, WA 98105
(650) 641-0051
Assigned Territory: Seattle #3

Regala Enterprises, LLC
Attention: Alan Regala
5724 58th Street, N.E.
Seattle, WA 98105
(650) 641-0051
Assigned Territory: Seattle #1

WISCONSIN

BL-Solutions, LLC
Attention: Brent Lueck
8142 West Poplar Drive
Mequan, WI 53097
(262) 674-6269
Assigned Territory: Milwaukee #1

BL-Solutions, LLC
Attention: Brent Lueck
8142 West Poplar Drive
Mequan, WI 53097
(262) 674-6269
Assigned Territory: Milwaukee #2

BL-Solutions, LLC
Attention: Brent Lueck
8142 West Poplar Drive
Mequan, WI 53097
(262) 674-6269
Assigned Territory: Milwaukee #3

OPERATING FRANCHISEES

(For Franchisees Who Began Operating During the Period Beginning January 1, 2020 through April 30, 2020)

None.

EXHIBIT F-2

AGREEMENTS SIGNED, BUT NOT OPERATING

(As of December 31, 2019)

SG Dallas, LLC
Attention: Craig and Natalie Hoke
4906 Liberty Hill Trail
Sherman, TX 75092
(580) 504-4282
Assigned Territories: Dallas #1, #2, #3, #4, #5 and #8

(As of April 30, 2020)

None

EXHIBIT F-3

TERMINATIONS, CANCELLATIONS, TRANSFERS AND NON-RENEWALS DURING MOST RECENT FISCAL YEAR

(As of December 31, 2019)

The following list contains the name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

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

Cancellations and Non-Renewals:

CALIFORNIA

BSG Enterprises, Inc.
Attention: Brenda Gail
33135 Eagle Point Run
Yucaipa, CA 92399
(909) 790-3936
Assigned Territory: Palm Springs/Redlands

TEXAS

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #1

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #2

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #3

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #4

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #5

Kevin Shumake, Individually
2310 Fowkes Lane
Keller, TX 76262
(817) 688-2358
Assigned Territory: Dallas #6

Terminations:

None.

Transfers:

FLORIDA

Cabinet Wishes, Inc.
Attention: Phil & Nancy Lavely
22 Deer Run
Savannah, GA 31411
(912) 856-2162
Assigned Territory: Jacksonville #1

Cabinet Wishes, Inc.
Attention: Phil & Nancy Lavely
22 Deer Run
Savannah, GA 31411
(912) 856-2162
Assigned Territory: Jacksonville #2

GEORGIA

Cabinet Wishes, Inc.
Attention: Phil & Nancy Lavely
22 Deer Run
Savannah, GA 31411
(912) 856-2162
Assigned Territory: Savannah #1

IOWA

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68137
(402) 659-4676
Assigned Territory: Des Moines

MINNESOTA

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68137
(402) 659-4676
Assigned Territory: Twin Cities #1

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68137
(402) 659-4676
Assigned Territory: Twin Cities #2

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68137
(402) 659-4676
Assigned Territory: Twin Cities #3

Barrington Enterprises, LLC
Attention: Nick Starkey
4509 South 143rd Street, #3
Omaha, NE 68137
(402) 659-4676
Assigned Territory: Twin Cities #4

SOUTH CAROLINA

Cabinet Wishes, Inc.
Attention: Phil & Nancy Lavely
22 Deer Run
Savannah, GA 31411
(912) 856-2162
Assigned Territory: Charleston #1

VIRGINIA

Matt Ferguson Properties, LLC
Attention: Matt Ferguson
8321 Owl Lane
Hanover, VA 23069
(804) 690-3975
Assigned Territory: Richmond #1

Matt Ferguson Properties, LLC
Attention: Matt Ferguson
8321 Owl Lane
Hanover, VA 23069
(804) 690-3975
Assigned Territory: Fredericksburg

Matt Ferguson Properties, LLC
Attention: Matt Ferguson
8321 Owl Lane
Hanover, VA 23069
(804) 690-3975
Assigned Territory: Williamsburg

Matt Ferguson Properties, LLC
Attention: Matt Ferguson
8321 Owl Lane
Hanover, VA 23069
(804) 690-3975
Assigned Territory: Virginia Beach

Repurchase:

CALIFORNIA

Berenice Otsuka and Jim Otsuka, Individually
3603 Cour Du Vin
San Jose, CA 95148
(408) 807-7078
Assigned Territory: San Francisco #4

COLORADO

TED Home Solutions, LLC
Attention: Merlyn Ketelsen
21914 Royal Run
Box Elder, SD 57719
(605) 787-8520
Assigned Territory: Fort Collins

Mountain Life Home Solutions, Inc.
Attention: Mary Sullivan
11997 Blacktail Mountain
Littleton, CO 80127
(720) 619-3569
Assigned Territory: Denver #1

Mountain Life Home Solutions, Inc.
Attention: Mary Sullivan
11997 Blacktail Mountain
Littleton, CO 80127
(720) 619-3569
Assigned Territory: Denver #2

EXHIBIT F-4

DEVELOPERS

(As of December 31, 2019)

None.

(As of March 31, 2020)

None.

EXHIBIT F-5

DEVELOPER TERMINATIONS, CANCELLATIONS AND NON-RENEWALS DURING MOST RECENT FISCAL YEAR

The following list contains the name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a business terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

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

Terminations, Cancellations and Non-Renewals

CALIFORNIA

Berenice Otsuka, Individually and Jim Otsuka, Individually
Attention: Berenice Otsuka
3603 Cour Du Vin
San Jose, CA 95148
(408) 807-7078
Assigned Territory: San Francisco #3

Berenice Otsuka, Individually and Jim Otsuka, Individually
Attention: Berenice Otsuka
3603 Cour Du Vin
San Jose, CA 95148
(408) 807-7078
Assigned Territory: San Francisco #5

COLORADO

TED Home Solutions, LLC
Attention: Merelyn Ketelsen
21914 Royal Run
Box Elder, SD 57719
(605) 787-8528
Assigned Territory: South Dakota West

Transfers

None.

EXHIBIT G

PROTRADENET AGREEMENT

WHEREAS, _____, individually, having an address of _____ ("Franchisee," sometimes referred to as "Contractor") is a Franchisee of **SHELFGENIE FRANCHISE SYSTEMS, LLC**, a Georgia limited liability company, located at 5500 Interstate North Parkway, Suite 250, Atlanta, Georgia 30328 ("Franchisor," sometimes referred to as "Trading Partner"), the trading partner of **PROTRADENET, LLC** ("PROTRADENET") having an address of 1010-1020 N. University Parks Drive, Waco, TX 76707 and Franchisee desires to participate in discounts, rebates, incentives and other benefits ("Programs") negotiated by PROTRADENET with selected vendors, manufacturers and distributors ("Vendors");

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is acknowledged by all parties, the parties hereto agree to the following terms and conditions:

1. **Term and Default.** The term of this Agreement shall commence on _____ and end on December 31 of this year and the Agreement will automatically renew for an additional one (1) calendar year period each year thereafter, commencing on January 1 of next year and each January 1st thereafter, unless earlier terminated in accordance with this Agreement. Notwithstanding the foregoing, PROTRADENET may terminate this Agreement at any time, with or without cause, for any reason whatsoever upon providing the other party written notice of intent to terminate the Agreement and this agreement will automatically terminate upon expiration or termination of the franchise agreement by and between Franchisee and Franchisor with no notice of termination required. In any case, PROTRADENET may terminate this Agreement at any time upon notice to Franchisee if Franchisee is in default of his Franchise Agreement with Franchisor or if Franchisee has failed to comply with the terms and conditions of participation in this Program as set forth in this Agreement, on the website of PROTRADENET or as specified by Franchisor. Upon any termination of this agreement neither PROTRADENET nor any of its affiliates will have any liability to Franchisee or any other party.

2. **PROTRADENET Administration.** PROTRADENET or Franchisor may, but are not required to, return a portion of the fees paid to PROTRADENET from Vendors on behalf of purchases made by Franchisee ("Rebates") directly to Franchisee if Franchisee meets certain conditions, such as Vendor terms and conditions, attendance at Franchisor annual meetings, and other criteria as established by Vendor, PROTRADENET or Franchisor. All fees or Rebates not returned to franchisees may be retained by PROTRADENET or Franchisor and used to cover administrative costs, or promote Franchisor's system and brand. The allocation of these Rebates may change at the sole discretion of PROTRADENET. Accordingly, subject to the terms and conditions set forth in this Agreement, PROTRADENET agrees to process Program Rebates when paid by Vendor within terms as agreed upon by Franchisor. PROTRADENET will pay Franchisor or Franchisee directly, at the discretion of Franchisor. Franchisor reserves the right to deny Program Rebates otherwise due to Franchisee if Franchisor deems Franchisee not qualified for a Rebate(s). PROTRADENET may also withhold or deny Program Rebates if terms of the Program are not met.

3. **Franchisee Exclusion from Vendor Program.** Franchisee acknowledges the Vendor's right to exclude Franchisee from the Program for failure to meet Vendor's terms or for other reasons at the Vendor's discretion.

4. **Access and Release of Information.** Franchisee authorizes PROTRADENET to provide information including, but not limited to, Franchisee's Federal Tax Identification Number "FTIN") and purchase orders, invoices, payments, purchase history or other purchasing information to its Vendors regarding Franchisee, and Franchisee authorizes PROTRADENET to request, and Vendors to provide, information manually or electronically regarding purchase orders, invoices, payments, purchase history or other purchasing information from Vendors for the purpose of administration of the Program. Franchisee hereby releases PROTRADENET and its parent, affiliates, past and present members, officers, employees, agents, successors and assigns from any liability whatsoever with regard to PROTRADENET providing

Franchisee's confidential information, including Franchisee's FTIN, to Vendors or Franchisor pursuant to this Agreement.

5. **Confidentiality.** Franchisee acknowledges the proprietary and confidential nature of PROTRADENET's, Franchisors' and Vendor's Program details and shall use this information only for the purposes of inquiry or purchasing of VENDOR's products and services from the Program. Franchisee shall not provide PROTRADENET's, Franchisors' and/or Vendor's confidential Program information to a third party. This section shall survive the expiration or termination of this Agreement.

6. **Vendors.** Vendors may be added or removed from the Program at any time. Franchisee will receive written, email, or website notification of a change in Vendor status from PROTRADENET or Franchisor. Franchisors have SOLE DISCRETION over whether or not they choose to participate in a Vendor Program and offer that Program to their franchisees.

7. **Miscellaneous**

7.1 **No Guarantee of Rebates.** PROTRADENET does not guarantee any Vendor rebates or payments by Vendors. If PROTRADENET does not receive payment from the Vendor, rebates will not be paid.

7.2 **No Guarantee of Accuracy.** PROTRADENET makes no guarantee of accuracy or uninterrupted delivery of the data exchanged using the e-commerce web solution software as a part of the Program. It is the responsibility of the Franchisee to notify PROTRADENET or Vendor if the purchasing information represented on the e-commerce website is incorrect. Franchisee must notify PROTRADENET within sixty (60) days of the transaction date if the purchasing information is missing or invalid.

7.3 **Effective Date.** This Agreement shall become effective on the date that it is signed by PROTRADENET.

8. **Electronic Invoicing.** Franchisee agrees by its signature below to receive invoices from any Vendor electronically that offers this service though the PROTRADENET e-commerce platform.

9. **Electronic Promotions.** Franchisee agrees by its signature below to receive electronic or email based promotions from PROTRADENET.

10. **Additional Terms and Conditions.** Franchisee agrees by its signature below to abide by all of the terms and conditions on the website of PROTRADENET, www.PROTRADENET.com, www.PROTRADENET.com and www.PROTRADENET.net, which include but are not limited to:

Terms of Use and Privacy Policy

These terms and conditions may be modified and additional terms and conditions added at the sole discretion of Franchisor or PROTRADENET.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives whose signatures appear below.

FRANCHISEE

By:_____
Authorized Signature

_____
Date

PROTRADENET, LLC

By:_____
Luke Stanton, President

_____
Date

EXHIBIT H

FINANCIAL STATEMENTS

SHELFGENIE FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

For the Years Ended December 31, 2019 and 2018

ADERHOLT & HORTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS
100 Concourse Parkway • Suite 175
Birmingham, Alabama 35244

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ADERHOLT & HORTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Member
ShelfGenie Franchise Systems, LLC

We have audited the accompanying financial statements of ShelfGenie Franchise Systems, LLC (a Georgia wholly-owned entity of Cabinet Essentials Group, LLC) which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of income and member's equity 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ShelfGenie Franchise Systems, LLC as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A to the financial statements, the Company has changed its method of accounting for revenue from contracts with customers effective January 1, 2019 due to the adoption of Accounting Statements Updated ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all subsequent ASUs that modified Topic 606.

Aderholt & Horton, LLC

Birmingham, Alabama
March 25, 2020

SHELFGENIE FRANCHISE SYSTEMS, LLC
BALANCE SHEETS
December 31, 2019 and 2018

	2019	*2018*
ASSETS		
Current Assets		
Cash	$ -	$ 128,632
Accounts receivable - net trade	179,903	92,095
Accounts receivable - advertising fees	29,197	248,699
Accounts receivable - related parties	2,731,506	10,037,516
Prepaid expenses	51,600	30,500
Total Current Assets	2,992,206	10,537,442
Property and Equipment		
Vehicles	50,076	-
Office equipment and furnishings	18,749	5,259
Accumulated depreciation	(25,606)	(2,215)
	43,219	3,044
Other Assets		
Intangibles - net of amortization	357,380	10,425
Due from related parties	3,328,307	2,562,374
	3,685,687	2,572,799
	$ 6,721,112	$ 13,113,285
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Checks issued against future deposits	$ 14,125	$ -
Accounts payable	125,993	92,362
Accrued expenses	2,946	-
Deferred revenues	473,115	316,346
Due to related parties	2,731,506	10,037,516
Total Current Liabilities	3,347,685	10,446,224
Member's Equity		
Member's equity	3,373,427	2,667,061
	$ 6,721,112	$ 13,113,285

See accompanying notes to financial statements.

SHELFGENIE FRANCHISE SYSTEMS, LLC
STATEMENTS OF INCOME
For the Years Ended December 31, 2019 and 2018

	2019	*2018*
Revenues		
Franchise and multi-unit development initial fees	$ 917,645	$ 750,750
Royalty fees	1,510,874	1,402,505
Advertising fees	385,733	-
Other marketing, transfer, renewal, and training fees	584,723	114,930
Total Revenues	3,398,975	2,268,185
Cost of franchise operations	1,003,666	354,768
Selling, general and administrative	1,211,784	1,565,127
Depreciation and amortization	296,581	20,979
Total Operating Expenses	2,512,031	1,940,874
Operating Income	886,944	327,311
Other income (expense):		
Interest income	54	90
Foreign exchange rate loss	(6,332)	(15,978)
Loss on disposal of assets	-	(6,286)
Charitable contributions	(1,440)	(1,560)
Net Income	$ 879,226	$ 303,577

See accompanying notes to financial statements.

SHELFGENIE FRANCHISE SYSTEMS, LLC
STATEMENTS OF CHANGES IN MEMBER'S EQUITY
For the Years Ended December 31, 2019 and 2018

	2019	*2018*
Member's equity at beginning of period	$ 2,667,061	$ 2,363,484
Cumulative effect on adoption of ASC Topic 606	(172,860)	-
Net income	879,226	303,577
Member's Equity at End of Period	$ 3,373,427	$ 2,667,061

See accompanying notes to financial statements.

SHELFGENIE FRANCHISE SYSTEMS, LLC
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2019 and 2018

	2019	*2018*
Cash Flows From Operating Activities		
Net income	$ 879,226	$ 303,577
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	296,581	20,979
Loss on disposal of assets	-	6,286
Foreign exchange losses	6,332	15,978
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	7,431,372	409,226
Decrease (increase) in prepaid expense	(21,100)	(10,174)
Increase in checks issued against future deposits	14,125	
Increase in accounts payable	33,631	77,823
Increase in accrued expenses	2,946	-
(Decrease) increase in deferred income and fees	(16,092)	169,298
Net Cash Provided By Operating Activities	8,627,021	992,993
Cash Flows From Investing Activities		
Purchase of property and equipment	(45,073)	-
Purchase of intangible assets	(4,995)	-
Net Cash Used By Investing Activities	(50,068)	-
Cash Flows From Financing Activities		
Increase in due from related parties	(765,933)	(2,819,641)
(Decrease) increase in due to related parties	(7,939,652)	1,683,346
Net Cash Used By Financing Activities	(8,705,585)	(1,136,295)
Effect of exchange rate changes on cash and cash equivalents	-	(2,099)
Net Increase (Decrease) in Cash and Cash Equivalents	(128,632)	(145,401)
Cash and cash equivalents at beginning of year	128,632	274,033
Cash and Cash Equivalents at End of Year	$ -	$ 128,632

See accompanying notes to financial statements.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

ShelfGenie Franchise Systems, LLC (the Company) custom designs, builds and installs shelving systems for homeowners through a network of franchises operating under the brand name ShelfGenie®. G-O Manufacturing, LLC, an affiliate, provides the product for the shelving systems. The Company was organized on November 29, 2007 as a Georgia Limited Liability Company.

Basis of Presentation

ShelfGenie Franchise Systems, LLC is wholly owned by Cabinet Essentials Group, LLC (Parent). The financial statements include only the accounts of ShelfGenie Franchise Systems, LLC.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification

Certain items previously reported in specific financial statement captions have been reclassified to conform to the 2019 presentation.

Revenue Recognition and Deferred Revenue

Effective January 1, 2019, we adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all subsequent ASUs that modified Topic 606. See the "Newly Adopted Accounting Standards" section of this Note A for further information on our adoption and transition to Topic 606 and the newly required disclosures.

Franchise revenues consist primarily of royalties, advertising revenue, and initial and other fees. Under franchise agreements, we provide franchisees with a license of our brand's symbolic intellectual property, managed marketing programs, and training regarding the design, product ordering, installation of storage solutions and other ongoing support functions. Initial and other fees consist of initial, successor, and assignment franchise fees ("initial franchise fees"). Initial franchise fees are billed and received upon the signing of the franchise agreement. Under Topic 606, we consider the training and the conveyance of proprietary product knowledge as a distinct performance obligation and recognize the initial fee reduced by the renewal fee at the completion of the training. The renewal fee ranges from $1,750 to $3,500 depending on the size of the location. These fees are for support services that are interrelated, so we do not consider them to be individually distinct performance obligations, and therefore, account for them under Topic 606 as a single performance obligation. Under Topic 606, revenue from the franchise agreements equivalent to the renewal fee is deferred until the commencement of the agreement and recognized evenly over the term of the agreement. In the event a franchise agreement is terminated, any remaining deferred fees are recognized in the period of termination. Renewal fees in successive years are recognized over the term of the renewal period. Under the previous guidance, initial franchise fees were recognized upon the completion of training. Initial and other fees also include revenue that is billed and recognized at a point in time as services are rendered.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Royalty and advertising revenues represent sales-based royalties that are recognized in the period in which the sales occur. Sales-based royalties are variable consideration related to our performance obligation to our franchisees, in order to maintain the intellectual property being licensed. Under our franchise agreements, franchisee advertising contributions must be spent on marketing and related activities. The adoption of Topic 606 did not impact the recognition of royalties. Upon adoption of Topic 606, advertising revenues and expenditures are recorded on a gross basis within the Consolidated Statements of Income. Under the previous guidance of Topic 605, we recorded franchise advertising expense net of contributions to our advertising programs from franchisees. While this change materially impacts the gross amount of reported franchise and license revenue and costs of franchise and license revenue, the impact is generally an offsetting increase to both revenue and expense with little, if any, impact on operating income and net income.

With the exception of initial and other franchise fees, revenues are typically billed and collected on a weekly basis. For 2019, our five largest franchisees accounted for 26% of our franchise revenues.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturity dates of less than three months when purchased. In August 2019, the Company entered into a cash management agreement with a bank and their parent, Cabinet Essentials Group, LLC, along with other commonly owned affiliates. Under the agreement, the cash account operated by the Company is a sweep account with funds automatically managed between the primary cash account held by Cabinet Essentials Group, LLC. At December 31, 2019, the primary cash account balance was $513,584.

Accounts and Notes Receivable

The Company's accounts receivable are composed of trade receivables, receivables from related parties, and accounts receivable from future advertising fees. The Company establishes an allowance for doubtful accounts based on management's assessment of the collectability of specific accounts. Receivables that are ultimately deemed to be uncollectible, and for which collection efforts have been exhausted are written off against the allowance for doubtful accounts. As of December 31, 2019, we established a $6,783 allowance for doubtful accounts. In 2018, we did not consider any specific account to be doubtful for collection.

Concentration of Credit Risk

Certain financial instruments potentially subject the Company to concentrations of credit risks. These instruments consist of temporary cash investments and accounts receivable. The Company places its temporary cash deposits with high quality financial institutions. At times, such deposits may be in excess of the FDIC insurance limit.

Foreign Currency Market Risk

Foreign currency exposures relate to cash assets denominated in Canadian dollars.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short-term maturities of these instruments.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment consists of office equipment, office furnishings, fixtures and displays. Routine repairs and maintenance are expensed as incurred. It is the Company's policy to capitalize property and equipment over $500. Depreciation is computed using primarily the MACRS double declining balance method and the straight-line method. Furnishings, fixtures and equipment are depreciated over estimated useful lives ranging from five to seven years. Depreciation expense for the years ended December 31, 2019 and 2018, was $6,681 and $2,034, respectively.

Advertising and Promotional Costs

Advertising costs are recorded as a component of other operating expenses in our Statements of Income and were $104,600 and $77,051 for 2019 and 2018, respectively. Advertising costs related to franchise locations are recorded as a component of franchise and license costs and were $385,733 in 2019. Prior to the adoption of Topic 606, franchise advertising expense was recorded net of contributions from franchisees to our advertising programs. In 2018, advertising costs for franchise locations were $585,378 (net of franchise contributions of $526,924).

Any excess cost is accounted for as a receivable due from the future receipts of the franchise marketing fees. Collected fees and Company contributions in excess of cost are reflected as a liability. All other marketing and advertising costs are expensed as incurred. The accounts receivable from future advertising fees were $29,197 and $248,699 at December 31, 2019 and December 31, 2018, respectively. Franchisees are also required to purchase local advertising. Beginning in 2016, the franchisees were required to participate in a core digital marketing program. The core digital marketing program and related transactions were recorded in the accounts of an affiliate, Freedom Suite, LLC, in 2018.

Intangible and Long-Lived Assets

Intangible and long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The Company tests for impairment by comparing the asset's undiscounted cash flow to its carrying value and, if impaired, it is written down to fair value based on either discounted cash flows or appraised values.

Recent Accounting Pronouncement

Effective January 1, 2019, we adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" and all subsequent ASUs that modified Topic 606. The new guidance clarifies the principles used to recognize revenue for all entities and requires a company to recognize revenue when it transfers goods or services to a customer in an amount that reflects the consideration to which a company expects to be entitled. We elected to apply the modified retrospective method of adoption to those contracts which were not completed as of January 1, 2019. In doing so, we applied the practical expedient to aggregate all contract modifications that occurred before January 1, 2019 in determining the satisfied and unsatisfied performance obligations, the transaction price, and the allocation of the transaction price to the satisfied and unsatisfied performance obligations. Results for reporting periods beginning after December 31, 2018 are presented under Topic 606. Prior period amounts are not adjusted and continue to be reported in accordance with our historical accounting under Topic 605 "Revenue Recognition." Our transition to Topic 606 represents a change in accounting principle.

The following summarize the impact of adopting Topic 606 on our financial statement line items as of December 31, 2019.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following significant changes impacted our financial statement line items as of December 31, 2019 and for the year ended December 31, 2019:

- Upon adoption of Topic 606, we recorded a cumulative effect adjustment related to previously recognized initial franchise fees resulting in a $172,860 increase to deferred franchise revenue and a $172,860 decrease to opening member's capital. The deferred franchise revenue resulting from the cumulative effect adjustment will be amortized over the remaining lives of the individual franchise agreements.
- We recognized franchise and license revenue and costs of franchise and license revenue of $385,733 for 2019, resulting from the recording of advertising revenues and expenditures on a gross basis under Topic 606 versus recording these amounts on a net basis under Topic 605.

- We recognized additional franchise and license revenue of $48,933 for 2019, under Topic 606, that we would not have recognized under Topic 605, resulting from the timing of recognition of initial franchise fees.

Contract balances related to contracts with customers consists of receivables and deferred franchise revenue. Deferred franchise revenue consists primarily of the unamortized portion of initial franchise fees that are currently being amortized into revenue, initial franchise fees held until the related locations are trained and opened, and amounts related to royalties and marketing funds that have been collected on product sales not completed. Deferred franchise revenue represents our remaining performance obligations to our franchisees, excluding amounts of variable consideration related to completed sales-based royalties and advertising. The components of the change in deferred franchise revenue are as follows:

Balance, December 31, 2018	$ 316,346
Cumulative effect adjustment related to adoption of Topic 606	172,860
Fees received from franchisees	3,373,009
Revenue recognized	(3,389,100)
Balance, December 31, 2019	$ 473,115

As of December 31, 2019, the deferred franchise revenue expected to be recognized in the future is as follows:

2020	$ 299,377
2021	65,073
2022	52,789
2023	38,184
2024	17,692
	$ 473,115

We reviewed all other newly issued accounting pronouncements and concluded that they are either not applicable to our business or are not expected to have a material effect on our Consolidated Financial Statements as a result of future adoption.

NOTE B - UNIT OPERATING STATISTICS

Franchise location information for the years ended December 31, 2019 and 2018 is summarized as follows:

	2019	*2018*
Open at beginning of year	127	103
Opened during the year	34	24
Terminated or closed during the year	(12)	0
Open at end of year	149	127
Franchise locations - United States	143	120
Franchise locations - Canada	6	7
Total franchise locations	149	127

During the year ended December 31, 2019, affiliated companies operated 21 units. In 2018, affiliated companies operated 54 units. These units pay advertising and royalty fees. The units are operated to grow market awareness with the plan of being sold to prospective franchisees.

NOTE C - INTANGIBLE ASSETS

Intangible assets are amortized using a straight-line method. Software costs and website franchise development costs are amortized over five years and three years, respectively. The amortization expense for the years ended December 31, 2019 and 2018 was $289,900 and $18,945, respectively. During 2019, a commonly owned affiliate transferred proprietary software to the Company with an unamortized net carrying value of $631,861.

On December 31, 2019, intangible assets consisted of the following:

	Gross Carrying Amount	*Accumulated Amortization*	*Net Carrying Amount*
Software	$ 643,256	$ (286,939)	$ 356,317
Website	54,948	(53,885)	1,063
	$ 698,204	$ (340,824)	$ 357,380

NOTE C - INTANGIBLE ASSETS (Continued)

On December 31, 2018, intangible assets consisted of the following:

	Gross Carrying Amount	*Accumulated Amortization*	*Net Carrying Amount*
Software	$ 6,400	$ (6,400)	$ -0-
Website	54,948	(44,523)	10,425
	$ 61,348	$ (50,923)	$ 10,425

NOTE D - MEMBER'S EQUITY

The Company is owned by a single member. There was no change in the membership during the years ended December 31, 2019 and 2018.

NOTE E - STATEMENTS OF CASH FLOWS

For purposes of the statement of cash flows, the Company considers all monies in banks and highly liquid investments with original maturity dates of less than three months when purchased to be cash equivalents.

There was a non-cash transaction during 2019, where fixed assets of $1,781 and intangible assets of $631,861 were transferred to the Company from a related party.

NOTE F - FOREIGN CURRENCY

The Company recorded $6,332 and $15,978 in currency transaction losses for 2019 and 2018, respectively. The foreign currency transaction losses are due primarily to the increase in the value of the U.S. dollar compared to the Canadian dollar.

NOTE G - INCOME TAXES

The Company, as a single-member limited liability company, is disregarded for federal income tax purposes and does not incur income taxes. Instead, its earnings and losses are included in the personal returns of the members of Cabinet Essentials Group, LLC and taxed depending on their personal tax situations. Accordingly, the financial statements do not reflect a provision for income taxes. The U.S. federal and most state statute of limitations remains open from 2016 and forward.

NOTE H - COMMITMENTS AND CONTINGENCIES

The Company has entered into consulting agreements with outside contractors. The agreements are generally for a term of one year or less from inception and renewable unless either the Company or the consultant terminates such agreement by written notice.

The Company is a party to various lawsuits and pending action. It is the opinion of management, that the ultimate resolution of these matters will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

NOTE I - RELATED PARTY TRANSACTIONS

Customer Management Group, LLC, a commonly owned affiliate, provided administrative and management services to the Company amounting to $1,064,234 for the year ended December 31, 2018. Management services include services related to back office support and facility cost.

At December 31, 2019 and 2018, the amounts owed to Customer Management Group, LLC for expense advances and management services were $260,977 and $8,025,639, respectively. At December 31, 2019 and 2018, G-O Manufacturing, LLC was owed $2,465,480 and $2,006,828, respectively. At December 31, 2019 and 2018, $5,049 was owed to an affiliate, Shelf Conversions of Greater Richmond, LLC.

G-O Manufacturing, LLC, a commonly owned affiliate, provides shelving products to the Company's franchises. Each franchisee enters into an agreement with G-O Manufacturing, LLC upon execution of the franchise agreement. The agreement establishes pricing and terms for the product.

Freedom Suite, LLC, owned in part by a member of the parent company, provided marketing services to the Company and its franchisees. At December 31, 2018, the Company owed Freedom Suite, LLC $36,131 on account.

The Company had outstanding loans to affiliate companies. At December 31, 2019, the amounts loaned to Cabinet Essentials Group, LLC, Cabinet Essentials Atlanta, LLC, Cabinet Essentials of Chicago, LLC, G-O Management, LLC, and Outback GutterVac Franchise Systems, LLC were $1,143,775, $4,406,081, $378,984, $93,644, and $37,329, respectively. At December 31, 2018, the amounts loaned to Cabinet Essentials Group, LLC, Cabinet Essentials Atlanta, LLC, Cabinet Essentials of Chicago, LLC, G-O Management, LLC, and Outback GutterVac Franchise Systems, LLC were $7,610,059, $4,470,167, $388,690, $93,644, and $37,329, respectively.

NOTE J - REVENUE AND CUSTOMER CONCENTRATION

The Company's revenue is generated from the home improvement industry in the United States and Canada. It is probable that at some future time, initial franchise revenue will decline because sales predictably should reach a saturation point.

NOTE K – SUBSEQUENT EVENTS

We performed an evaluation of the December 31, 2019 financial statements for subsequent events through March 25, 2020, the date the financial statements were available to be issued. In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers, employees and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

SHELFGENIE FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

For the Years Ended December 31, 2018 and 2017

ADERHOLT & HORTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS
100 Concourse Parkway • Suite 175
Birmingham, Alabama 35244

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ADERHOLT & HORTON, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Member
ShelfGenie Franchise Systems, LLC

We have audited the accompanying financial statements of ShelfGenie Franchise Systems, LLC (a Georgia wholly-owned entity of Cabinet Essentials Group, LLC) which comprise the balance sheets as of December 31, 2018 and 2017, and the related statements of income and member's equity 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ShelfGenie Franchise Systems, LLC as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Aderholt & Horton, LLC

Birmingham, Alabama
April 3, 2019

SHELFGENIE FRANCHISE SYSTEMS, LLC
BALANCE SHEETS
December 31, 2018 and 2017

	2018	*2017*
ASSETS		
Current Assets		
Cash	$ 128,632	$ 274,033
Accounts receivable - trade	92,095	531,570
Accounts receivable - advertising fees	248,699	232,329
Accounts receivable - related parties	10,037,516	8,354,170
Prepaid expenses	30,500	20,326
Total Current Assets	10,537,442	9,412,428
Property and Equipment		
Office equipment and furnishings	5,259	37,429
Fixtures and displays	-	7,496
Accumulated depreciation	(2,215)	(33,561)
	3,044	11,364
Other Assets		
Intangibles - net of amortization	10,425	29,370
Due from related parties	2,562,374	1,426,079
	2,572,799	1,455,449
	$ 13,113,285	$ 10,879,241
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Accounts payable	$ 92,362	$ 14,539
Advertising advances	52,238	42,014
Deferred revenues	264,108	105,034
Due to related parties	10,037,516	8,354,170
Total Current Liabilities	10,446,224	8,515,757
Member's Equity		
Member's equity	2,667,061	2,363,484
	$ 13,113,285	$ 10,879,241

See accompanying notes to financial statements.

SHELFGENIE FRANCHISE SYSTEMS, LLC
STATEMENTS OF INCOME AND MEMBER'S EQUITY
For the Years Ended December 31, 2018 and 2017

	2018	*2017*
Revenues		
Franchise and multi-unit development initial fees	$ 750,750	$ 389,000
Royalty fees	1,402,505	1,352,939
Other marketing, transfer, renewal, and training fees	114,930	72,633
Total Revenues	2,268,185	1,814,572
Cost of franchise operations	354,768	177,550
Selling, general and administrative	1,581,105	1,257,203
Depreciation and amortization	20,979	21,521
Total Operating Expenses	1,956,852	1,456,274
Operating Income	311,333	358,298
Other income (expense):		
Interest income	90	-
Loss on disposal of assets	(6,286)	-
Charitable contributions	(1,560)	(11,790)
Net Income	303,577	346,508
Member's equity at beginning of period	2,363,484	2,016,976
Member's Equity at End of Period	$ 2,667,061	$ 2,363,484

See accompanying notes to financial statements.

SHELFGENIE FRANCHISE SYSTEMS, LLC
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2018 and 2017

	2018	*2017*
Cash Flows From Operating Activities		
Net income	$ 303,577	$ 346,508
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,979	21,521
Loss on disposal of assets	6,286	-
Foreign exchange losses	15,978	11,424
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	423,105	(214,296)
Decrease (increase) in prepaid expense	(10,174)	1,883
(Decrease) increase in accounts payable	77,823	(84,049)
Increase in advertising advances	10,224	21,064
Increase in deferred income and fees	159,074	52,659
Net Cash Provided By Operating Activities	1,006,872	156,714
Cash Flows From Investing Activities		
Purchase of property and equipment	-	(8,960)
Purchase of intangible assets	-	(19,131)
Net Cash Used By Investing Activities	-	(28,091)
Cash Flows From Financing Activities		
Increase in due from related parties	(2,819,641)	(5,583,043)
Increase in due to related parties	1,683,346	5,608,767
Net Cash Provided (Used) By Financing Activities	(1,136,295)	25,724
Effect of exchange rate changes on cash and cash equivalents	(15,978)	(11,424)
Net Increase (Decrease) in Cash and Cash Equivalents	(145,401)	142,923
Cash and cash equivalents at beginning of year	274,033	131,110
Cash and Cash Equivalents at End of Year	$ 128,632	$ 274,033

See accompanying notes to financial statements.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

ShelfGenie Franchise Systems, LLC (the Company) custom designs, builds and installs shelving systems for home owners through a network of franchises operating under the brand name ShelfGenie®. G-O Manufacturing, LLC, an affiliate, provides the product for the shelving systems. The Company was organized on November 29, 2007 as a Georgia Limited Liability Company.

Basis of Presentation

ShelfGenie Franchise Systems, LLC is wholly owned by Cabinet Essentials Group, LLC (Parent). The financial statements include only the accounts of ShelfGenie Franchise Systems, LLC.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

We have performed a review of subsequent events through April 03, 2019, the date the financial statements were issued, and concluded there were no events or transactions occurring during this period that required recognition or disclosure in our financial statements.

Reclassification

Certain items previously reported in specific financial statement captions have been reclassified to conform to the 2018 presentation.

Revenue Recognition and Deferred Revenue

The Company accounts for its revenue in accordance with Accounting Standards Codification ("ASC") 952-605, Franchisors, Revenue Recognition. The Company's revenues are comprised of the following components:

Initial Franchise Fee Revenues: The Company recognizes franchise fee revenue when all material obligations to prepare the franchisee for operations have been completed and all material initial services to be provided by the Company have been performed. Obligations to prepare the franchisee for operations are substantially complete upon completion by the franchisee of the Company's training program. Multi-unit development sales, wherein the Company sells the rights to develop a territory or market are recognized upon signature of the Multi-Unit Development Agreement and the substantial completion of all the Company's obligations with the opening of the first franchise. Substantial completion includes conducting a market and trade area analysis which is completed prior to the execution of the Multi-Unit Development Agreement. Accordingly, the Company recognizes this fee in full upon receipt and with the opening of the first franchise and the occurrence of the agreed opening date under the Multi-Unit Development Agreement.

Royalty Revenues: The Company earns royalty revenues from its franchisees. The Company's franchise agreement requires the franchisee to pay the Company royalty fees based upon a set percentage of the franchisee's revenues. Agreements dated March 2012 and forward include a 5% royalty. Royalty revenues are recognized upon the completion of product installation by the Company's franchisees.

Marketing and Advertising Fees: The Company collects marketing and advertising fees from its franchisees and units owned by Company affiliates. The Company's franchise agreement requires the franchisee to pay the Company marketing and advertising fees equal to 2 percent of their revenues. Marketing and advertising fees are administered by the Company exclusively for expenses associated with providing these marketing and advertising services. The Company is constructively obligated to expend the marketing and

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

advertising fees it collects from franchisees in accordance with the franchise agreement; as such, no income or loss to the Company is generated. At December 31, 2018 and 2017, the Company had cumulatively expended more on advertising than was contributed by franchisees and the Company affiliate owned units. The Company has determined that it is an agent regarding these transactions and, accordingly, records only the difference between advertising cost expended and the amount collected on a net basis.

Other Revenues: Other revenues include ancillary fees the Company earns from franchisee training fees, renewal fees, technology fees and unit transfer fees. In 2017, the media advertising services and the business service center and related appointment fees were recorded in the accounts of an affiliate, Customer Management Group, LLC. In 2018, the media advertising services and the business service center and related appointment fees were conducted and recorded in the accounts of an affiliate, Freedom Suite, LLC.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with original maturity dates of less than three months when purchased.

Accounts and Notes Receivable

The Company's accounts receivable are composed of trade receivables, receivables from related parties, and accounts receivable from future advertising fees. The Company establishes an allowance for doubtful accounts based on management's assessment of the collectability of specific accounts. As of December 31, 2018, and 2017, management does not consider any specific account to be doubtful for collection.

Concentration of Credit Risk

Certain financial instruments potentially subject the Company to concentrations of credit risks. These instruments consist of temporary cash investments and accounts receivable. The Company places its temporary cash deposits with high quality financial institutions. At times, such deposits may be in excess of the FDIC insurance limit.

Foreign Currency Market Risk

Foreign currency exposures relate to cash assets denominated in Canadian dollars.

Fair Value of Financial Instruments

The carrying amounts of cash, cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short-term maturities of these instruments.

Property and Equipment

Property and equipment consists of office equipment, office furnishings, fixtures and displays. Routine repairs and maintenance are expensed as incurred. It is the Company's policy to capitalize property and equipment over $500. Depreciation is computed using primarily the MACRS double declining balance method and the straight-line method. Furnishings, fixtures and equipment are depreciated over estimated useful lives ranging from five to seven years. Depreciation expense for the years ended December 31, 2018 and 2017, was $2,034 and $2,868, respectively.

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising and Promotional Costs

Certain marketing and advertising costs incurred under the franchise agreement relate to the marketing and advertising fees collected from franchisees. Any excess cost is accounted for as a receivable due from the future receipts of the franchise marketing fees. Collected fees and Company contributions in excess of cost are reflected as a liability. All other marketing and advertising costs are expensed as incurred. The accounts receivable from future advertising fees were $279,604 and $232,329 at December 31, 2018 and December 31, 2017, respectively. Advertising expense was $77,051 and $126,926 for the years ended December 31, 2018 and 2017, respectively. Franchisees are also required to purchase local advertising. Beginning in 2016, the franchisees were required to participate in a core digital marketing program. The core digital marketing program and related transactions were recorded in the accounts of an affiliate, Customer Management Group, LLC, in 2017 and an affiliate Freedom Suite, LLC, in 2018.

Intangible and Long-Lived Assets

Intangible and long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The Company tests for impairment by comparing the asset's undiscounted cash flow to its carrying value and, if impaired, it is written down to fair value based on either discounted cash flows or appraised values.

Recent Accounting Pronouncement

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)" which defers the effective date of the revenue standard ASU 2015-14. The core principle of ASU 2014-09 is built on a contract between a vendor and a customer for the provisions of goods and services, and attempts to depict the exchange of rights and obligations between the parties in the pattern of revenue recognition based on the consideration to which the vendor is entitled. To accomplish this objective, the standard requires five basic steps: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, (v) recognize revenue when (or as) the entity satisfies a performance obligation. Nonpublic entities will apply the new standard for annual periods beginning after December 15, 2018. Three basic transition methods are available. They are full retrospective, retrospective with certain practical expedients, and a cumulative effect approach. Under the third alternative, an entity would apply the new revenue standard only to contracts that are incomplete under legacy U.S. GAAP at the date of initial application and recognize the cumulative effect of the new standard as an adjustment to beginning retained earnings. That is, prior years would not be restated and additional disclosures would be required to enable users of the financial statements to understand the impact of adopting the new standard in the current year compared to prior years that are presented under legacy U.S. GAAP. Early adoption is permitted. The Company is currently evaluating the effect of this guidance on its financial statements.

NOTE B - UNIT OPERATING STATISTICS

Franchise location information for the years ended December 31, 2018 and 2017 is summarized as follows:

	2018	*2017*
Open at beginning of year	103	118
Opened during the year	24	11
Terminated or closed during the year	(0)	(26)
Open at end of year	127	103
Franchise locations - United States	120	96
Franchise locations - Canada	7	7
Total franchise locations	127	103

During the year ended December 31, 2018, affiliated companies operated 45 units. In 2017, affiliated companies operated 47 units. These units pay advertising and royalty fees. The units are operated to grow market awareness with the plan of being sold to prospective franchisees.

NOTE C - INTANGIBLE ASSETS

Intangible assets are amortized using a straight-line method. Software costs and website franchise development costs are amortized over five years and three years, respectively. The amortization expense for the years ended December 31, 2018 and 2017 was $18,945 and $18,653, respectively. In April 2016, the Company placed into service a website and charged $187,213 of the expenditures to advertising and promotional costs related to the marketing contributions paid by the franchisees.

On December 31, 2018, intangible assets consisted of the following:

	Gross Carrying Amount	*Accumulated Amortization*	*Net Carrying Amount*
Software	$ 6,400	$ (6,400)	$ -0-
Website	54,948	(44,523)	10,425
	$ 61,348	$ (50,923)	$ 10,425

NOTE C - INTANGIBLE ASSETS (Continued)

On December 31, 2017, intangible assets consisted of the following:

	Gross Carrying Amount	*Accumulated Amortization*	*Net Carrying Amount*
Software	$ 6,400	$ (5,770)	$ 630
Website	54,948	(26,208)	28,740
	$ 61,348	$ (31,978)	$ 29,370

NOTE D - DEFERRED INCOME

For the years ended December 31, 2018 and 2017, the Company recorded deferred royalty fee income of $130,596 and $105,034, respectively. The deferral is related to royalty fees collected on franchisee order deposits where the product installation was not complete. For the year ended December 31, 2018, the Company deferred $113,250 in initial franchise fees where the franchisee training had not been conducted.

For the years ended December 31, 2018 and 2017, the Company recorded as advertising advances $52,238 and $42,014, respectively, related to advertsing fees collected on franchisee order deposits where the product installation was not complete. At December 31, 2018, the Company deferred $20,262 in technology fees not expended.

NOTE E - MEMBER'S EQUITY

The Company is owned by a single member. There was no change in the membership during the years ended December 31, 2018 and 2017.

NOTE F - STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the Company considers all monies in banks and highly liquid investments with original maturity dates of less than three months when purchased to be cash equivalents.

NOTE G - FOREIGN CURRENCY

The Company recorded $15,978 and $11,424 in currency transaction losses for 2018 and 2017, respectively. The transaction losses are included in selling, general and administrative expenses. The foreign currency transaction losses are due primarily to the increase in the value of the U.S. dollar compared to the Canadian dollar.

NOTE H - INCOME TAXES

The Company, as a single-member limited liability company, is disregarded for federal income tax purposes and does not incur income taxes. Instead, its earnings and losses are included in the personal returns of the members of Cabinet Essentials Group, LLC and taxed depending on their personal tax situations. Accordingly, the financial statements do not reflect a provision for income taxes. The U.S. federal and most state statute of limitations remains open from 2015 and forward.

NOTE I - COMMITMENTS AND CONTINGENCIES

The Company has entered into consulting agreements with outside contractors. The agreements are generally for a term of one year or less from inception and renewable unless either the Company or the consultant terminates such agreement by written notice.

The Company is a party to various lawsuits and pending action. It is the opinion of management, that the ultimate resolution of these matters will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

NOTE J - RELATED PARTY TRANSACTIONS

Customer Management Group, LLC, a commonly owned affiliate, provided administrative and management services to the Company amounting to $1,064,234 for the year ended December 31, 2018 and $891,021 for the year ended December 31, 2017. Management services include services related to back office support and facility cost.

At December 31, 2018 and 2017, the amounts owed to Customer Management Group, LLC for expense advances and management services were $8,025,639 and $6,906,434, respectively. At December 31, 2018 and 2017, G-O Manufacturing, LLC was owed $2,006,828 and $1,442,686, respectively. At December 31, 2018 and 2017, $5,049 was owed to an affiliate, Shelf Conversions of Greater Richmond, LLC.

G-O Manufacturing, LLC, a commonly owned affiliate, provides shelving products to the Company's franchises. Each franchisee enters into an agreement with G-O Manufacturing, LLC upon execution of the franchise agreement. The agreement establishes pricing and terms for the product.

Freedom Suite, LLC, owned in part by a member of the Parent company, provides marketing services to the Company and its franchisees. At December 31, 2018, the Company owed Freedom Suite, LLC $36,131 on account.

The Company had outstanding loans to affiliate companies. At December 31, 2018, the amounts loaned to Cabinet Essentials Group, LLC, Cabinet Essentials Atlanta, LLC, Cabinet Essentials of Chicago, LLC, G-O Management, LLC, and Outback GutterVac Franchise Systems, LLC were $7,610,059, $4,470,167, $388,690, $93,644, and $37,329, respectively. At December 31, 2017, the amounts loaned to Cabinet Essentials Group, LLC, Cabinet Essentials Atlanta, LLC, Cabinet Essentials of Chicago, LLC, G-O Management, LLC, and Outback GutterVac Franchise Systems, LLC were $4,888,976, $4,363,357, $396,943, $93,644, and $37,329, respectively.

NOTE K - REVENUE AND CUSTOMER CONCENTRATION

The Company's revenue is generated from the home improvement industry in the United States and Canada. It is probable that at some future time, initial franchise revenue will decline because sales predictably should reach a saturation point.

ShelfGenie

Balance Sheet
As of August 31, 2020
(In USD)

	Aug-20
Assets	
Current Assets	
Accounts Receivable	212,011.02
Brand Fund	(131,792.83)
Prepaid Expenses	49,720.31
Inventory	14,187.17
Total Current Assets	144,125.67
Fixed Assets	
Fixed Assets	1,756,357.01
Acc. Dep. & Amt.	(1,486,076.50)
Total Fixed Assets	270,280.51
Intercompany Transactions	3,811,039.37
Total Other Assets	3,811,039.37
Total Assets	**4,225,445.55**
Liabilities & Equity	
Current Liabilities	
Credit Cards	20,248.95
Accounts Payable	5,250.00
Deferred Income	473,115.62
Total Current Liabilities	498,614.57
Accrued Expenses	6,000.00
Total Other Current Liabilities	6,000.00
Equity	
Net Income	376,411.39
Retained Earnings	3,344,419.59
Total Equity	3,720,830.98
Total Liabilities & Equity	**4,225,445.55**

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

ShelfGenie

Profit and Loss Statement
January 01, 2020 to August 31, 2020
(In USD)

	31-Aug-20
Revenue	
Advertising	214,709.43
Franchise Support Revenue	412,921.49
Net Franchise Sales	276,002.02
Royalty Fees	1,058,739.22
Total Revenue	1,962,372.16
COGS	
Cost of Goods Sold	
Advertising	243,328.64
Broker Commissions	150,000.00
BSC Fees	248,949.00
Other	22,382.49
Total Cost of Goods Sold	664,660.13
Total COGS	664,660.13
Gross Profit	**1,297,712.03**
Spending	
Total SG&A	**921,300.64**
Net Profit	**376,411.39**

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EXHIBIT I

ASSIGNMENT AND CONSENT AGREEMENT

This Assignment and Consent Agreement (this "Agreement") is made effective as of the date Franchisor signs below (the "Effective Date") and is entered into by and among [ ] ("Franchisee"), and [ ] (a "Franchisee Principal(s)") (Franchisee and Franchisee Principal(s) collectively referred to as "Assignor"), [ ] ("Assignee"), and SHELFGENIE FRANCHISE SYSTEMS LLC, a Georgia limited liability company having a principal place of business at 5500 Interstate North Parkway, Suite 250, Atlanta, Georgia 30328 ("Franchisor"). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Old Franchise Agreement (as defined below).

RECITALS

A. Franchisor and Assignor are parties to a ShelfGenie® Franchise Agreement dated [ ] (the "Old Franchise Agreement"), pursuant to which Assignor was granted the right to operate a ShelfGenie® business in the following territory: _____ (the "Franchised Business").

B. Assignor desires to assign to Assignee all right, title and interest in the Franchised Business, including the franchise rights for the Franchised Business (the "Assignment"); Assignee wishes to accept the Assignment and, as of the Effective Date, assume all of the duties, obligations, and liabilities of Assignor related thereto by entering into a purchase and sale agreement with Assignor and by signing a franchise agreement with Franchisor.

C. Assignor represents that there is no dispute related to the offer and sale of the Old Franchise Agreement or Franchised Business, and further represents that Assignor has no claims against Franchisor under applicable laws.

D. In consideration of Assignor's request for the Assignment and the representations set forth in Recital C above, Franchisor is willing to consent to the Assignment as of the Effective Date, subject to the provisions stated below, and Assignor agrees to settle all known and unknown disputes it may have against Franchisor, if any, that exist as of the Effective Date.

AGREEMENTS

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Assignor assigns to Assignee all right, title and interest in and to the Franchised Business, including the franchise rights for the Franchised Business. Assignee unconditionally assumes and accepts the Assignment of the Franchised Business, including the franchise rights for the Franchised Business, and agrees to be bound by all duties, obligations, and liabilities of the Assignor related thereto, including without limitation all of Assignor's customer obligations, including all warranty work and service plans obligations.

2. Signing of Current Form of Franchise Agreement. As a condition of Franchisor's consent to the Assignment, Assignee agrees to sign Franchisor's then-current form of franchise agreement (the "New Franchise Agreement"). Assignee acknowledges that the terms and conditions of the New Franchise Agreement may be different from the terms and conditions of the Old Franchise Agreement. Prior to the Effective Date, Assignee shall deliver to Franchisor two signed copies of the New Franchise Agreement, along with the executed copies of this Agreement.

3. Termination of Old Franchise Agreement. All parties agree that the Old Franchise Agreement is terminated as of the effective date of the New Franchise Agreement with no further force and effect, except for the post-termination obligations identified in Section 12 below.

4. Status of Assignor Following Assignment. Upon and after the Effective Date and subject to Section 12 below, Assignor will have no interest in and will no longer be responsible or liable for (a) the Franchised Business, (b) the franchise rights for the Franchised Business, or (c) the Old Franchise Agreement. Assignor, however, will remain liable for any responsibilities, obligations, and liabilities related to the Old Franchise Agreement and the Franchised Business up to the Effective Date, including all monetary obligations due to Franchisor, its affiliates, and other third parties under the Old Franchise Agreement that have accrued as of the Effective Date and all post-termination obligations identified in Section 12 below.

5. Assignee Principals. If Assignee is an entity, Assignee represents and warrants to Franchisor and Assignor that the following individuals and/or entities are the sole owners of Assignee (the "Assignee Principals"):

Name of Principal Owner	Percentage of Ownership in Assignee (total must equal 100%)
Total	**100%**

6. Payment of Transfer Fee. On or before the Effective Date, Franchisor must receive a transfer fee in the amount of $[_____], as referenced in Section 11.3(K). of the Old Franchise Agreement.

7. Training. On or before the Effective Date, Assignee must complete Franchisor's training requirements.

8. Payment of Fees Owed to Franchisor; Delivery of Reports. On or before the Effective Date, all fees owed by Assignor to Franchisor, its affiliates or suppliers or upon which Franchisor or its affiliates have any contingent liability, under or related to the Old Franchise Agreement (the "Fees Owed") must be paid in full. Accordingly, on or before the Effective Date, Assignor or Assignee must deliver the full amount of Fees Owed to Franchisor, its affiliate(s) and/or suppliers, along with three fully executed copies of this Agreement. In addition, on or before the Effective Date, Assignor must deliver to Franchisor any and all reports required to be delivered under the Old Franchise Agreement, including without limitation reports related to any Fees Owed and any financial and other reports relating to the Franchised Business and its operations as Franchisor may request pursuant to Section 11.3(C) of the Franchise Agreement in order for Franchisor and/or assignee to evaluate the Franchised Business and the proposed transfer.

9. Personal Guarantee. Each Assignee Principal must execute a personal guarantee in the form attached to the New Franchise Agreement.

10. Representations.

A. Assignor and Assignee represent and warrant to each other that they have the authority to execute this Agreement.

B. Assignor represents and warrants to Franchisor and Assignee that it owns all right, title and interest in and to the Franchised Business and the Old Franchise

Agreement, free and clear of any mortgage, lien or claims, and has not assigned any or all of its interest in the Franchised Business or the Old Franchise Agreement to any third party.

C. Assignor and Assignee represent and warrant to Franchisor that they have consummated the asset purchase and sale transaction that is related to the Assignment contemplated hereunder as of the Effective Date.

11. Indemnification.

A. Assignor, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees), or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignor under this Agreement; (ii) the Assignment; or (iii) any claim, suit or proceeding initiated by or for a third party(s), now or in the future, that arises out of or relates to the Old Franchise Agreement or the Franchised Business operated by Assignor prior to the Effective Date.

B. Assignee, for itself, its heirs, successors and assigns, agrees to indemnify and hold harmless Franchisor, its affiliates, successors, assigns, officers, directors, employees, agents, and each of them, against any and all liabilities, damages, actions, claims, costs (including reasonable attorneys' fees) or expenses of any nature resulting, directly or indirectly, from any of the following: (i) any misrepresentations or breach of warranty by Assignee under this Agreement; or (ii) the Assignment.

12. Assignor's Post-Termination Obligations. Assignor agrees that, upon transfer of its interest in the Franchised Business to Assignee, Assignor will comply with all post-termination obligations set forth in Article 13 of the Old Franchise Agreement, which obligations shall be incorporated herein by reference. Further, Assignor shall comply with any other provisions of the Old Franchise Agreement which, by their nature, survive termination or expiration of the Old Franchise Agreement.

13. Consent to Assignment. Franchisor consents to the Assignment subject to the terms and conditions of this Agreement. Franchisor's consent to the Assignment will not result in any waiver of any rights nor a release under the Old Franchise Agreement or New Franchise Agreement, and is not a consent to any additional or subsequent transfers or assignments.

14. Release and Settlement of Claims by Assignor. Except as may be prohibited by applicable law, Franchisee and Franchisee Principals (individually and as owners of Franchisee) and each of their respective heirs, successors, assigns, affiliates, shareholders, officers, directors, employees, and agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Assignor Parties" for purposes of Sections 14, 15 and 16 hereof), release and forever discharge Franchisor, its predecessors, successors, affiliates, directors, officers, shareholders, agents, employees and assigns (collectively and individually referred to as the "Franchisor Parties" for purposes of Sections 14, 15 and 16) of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action (collectively, "Claims"), whether known or unknown, vested or contingent, which Assignor Parties may now or in the future own or hold, that in any way relate to the Old Franchise Agreement, any other agreement between Assignor and Franchisor, the Franchised Business, or the relationship between Assignor and Franchisor through the Effective Date (collectively, "Assignor Claims"), for known or unknown damages or other losses including, but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Old Franchise Agreement or any other agreement between Assignor and Franchisor through and including the Effective Date.

15. Release by Assignee. Except as noted in this Section 15, Assignee, Assignee Principals (if any), and their respective affiliates, successors, assigns, officers, directors, employees, agents, and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Assignee Parties" for purposes of this Section 15 and Section 16 below), release and forever discharge the Franchisor Parties of and from any and all Claims, whether known or unknown, vested or contingent, which Assignee may now or in the future own or hold, that in any way relates to the Franchised Business or the New Franchise Agreement (collectively referred to as "Assignee Claims" for purposes of this Section 15 and Section 16).

As to the New Franchise Agreement, the Assignee Parties and Franchisor Parties acknowledge and agree that the release by the Assignee Parties does not relate to the offer and sale of the New Franchise Agreement. Further, the parties agree that the release as it relates to the New Franchise Agreement is effective as to Assignee Claims arising through the Effective Date of this Agreement, and not to any claims arising after the Effective Date.

16. Acknowledgement of Releasors. The release of Assignor Claims set forth in Section 14 and Assignee Claims in Section 15 are intended by the Assignor Parties and Assignee Parties (collectively, the "Releasors") to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of one of the Releasors against any other Releasor. In making this voluntary express waiver, the Releasors acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasors' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasors acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and release, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. The Releasors, for themselves and their heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waive, relinquish and abandon each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasors acknowledge that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor or released party."

This release is and shall be and remain a full, complete, and unconditional general release. The Releasors acknowledge and agree that this release and the foregoing waiver are an essential, integral and material term of this Agreement. The Releasors further acknowledge and agree that no violation of this Agreement shall void the releases set forth in Sections 14 and 15.

17. Confidentiality. Assignor and Assignee acknowledge and agree that this Agreement and matters discussed in relation thereto are entirely confidential. It is therefore understood and agreed by Assignor and Assignee that they will not reveal, discuss, publish or in any way communicate any of the terms, amount or fact of this Agreement to any person, organization or other entity, except to their respective officers, employees or professional representatives, or as required by law.

18. Miscellaneous. This Agreement, and the documents referred to herein, constitute the entire agreement among the parties with respect to the subject matter hereof. No amendment will be binding unless in writing and signed by the party against whom enforcement is sought. All representations, warranties, agreements and all other provisions of this Agreement which by their terms or by reasonable implication are intended to survive the closing of this transaction will survive it.

19. Representation by Counsel. The parties have had adequate opportunity to consult with an attorney of their respective choice, including with respect to the release of claims set forth herein.

20. Governing Law/Venue. This Agreement will be construed and enforced in accordance with the laws of Georgia, without regard to principles of conflicts of law. The parties further agree that any legal proceeding relating to this Agreement or the enforcement of any provision herein shall be brought or otherwise commenced only in the courts of state courts located in the state and county in which SHELFGENIE's principal place of business is located or the federal courts of the state and district in which SHELFGENIE's principal place of business is located.

21. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall constitute an original copy.

ASSIGNOR:

[_____]

By: _____
Name:
Title:

Date: _____

ASSIGNEE:

[_____]

By: _____
Name:
Title:

FRANCHISOR:

ShelfGenie Franchise Systems, LLC

By: _____
Name:
Title:

Effective Date: _____, 20__

EXHIBIT J

RENEWAL ADDENDUM WITH TERMINATION OF ORIGINAL FRANCHISE AGREEMENT AND RELEASE

This RENEWAL ADDENDUM WITH TERMINATION OF FRANCHISE AGREEMENT AND RELEASE (this "Addendum") is entered into by and between SHELFGENIE FRANCHISE SYSTEMS, LLC, a Georgia limited liability company having a principal place of business at 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328 ("Franchisor"), and _____, individually, having an address of _____ ("Franchisee").

WHEREAS, Franchisor and Franchisee have entered into a franchise agreement dated as of ___ pursuant to which Franchisor has granted Franchisee a right and obligation to establish and operate a ShelfGenie® franchise using the Marks and the System in and for the Territory (the "Original Franchise Agreement"); and

WHEREAS, the Assigned Territory set-out in the Original Franchise Agreement consisted of approximately 250,000 houses or households, which was the predetermined household criteria at the time of the execution of the Original Franchise Agreement; and

WHEREAS, the term of the Original Franchise Agreement expires on _____, and Franchisee has notified Franchisor of its desire to renew its rights to operate the Franchised Business pursuant to the SHELFGENIE® System for an additional term under the current household criteria of 125,000 houses or households per Assigned Territory; and

WHEREAS, Franchisor and Franchisee acknowledge that this Addendum provides the terms for the [first/second/third] renewal term under the franchisee's Original Franchise Agreement; and

WHEREAS, on the terms set forth below, Franchisor and Franchisee desire to terminate and cancel the Original Franchise Agreement; and

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into two franchise agreements pursuant to which Franchisor has granted Franchisee a renewal license, granting Franchisee the right and obligation to continue operation of the franchise using the Marks and the System in and for the original Assigned Territory (the "Agreements"), which will now be known as _____ and _____; and

WHEREAS, the parties have agreed to alter the terms stated in the Agreements, as provided herein to reflect the parties' intentions and the terms of renewal stated in the Original Franchise Agreement.

NOW, THEREFORE, that for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Original Franchise Agreement is hereby terminated by mutual agreement and Franchisee hereby releases and assigns to Franchisor and Franchisor hereby accepts assignment of all rights under the Original Franchise Agreement, but assumes none of the liabilities of Franchisee arising out of or related to in any way Franchisee's operations under the Original Franchise Agreement.

2. Notwithstanding anything to the contrary in the Agreements, in the event of a conflict between the provisions of each of the Agreements and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreements remain fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified specifically herein.

3. Franchisee agrees that the renewal fee will be collected via electronic ACH from Franchisee's bank account at signing of the Agreements, and Franchisee hereby represents and warrants to Franchisor that all necessary action for the execution of this Addendum has been taken.

4. If Franchisee is executing the Agreements at least 60 days prior to the expiration date of the then-current term of the Original Franchise Agreement (such expiration date, the "Original FA Expiration Date"), then Section 2.1, Term, of each of the Agreements is hereby amended so that the term of the Agreement is the time period from the Effective Date of the Agreement until the Original FA Expiration Date, plus 5 years. (For example, if the Agreements were signed 12 months before the Original Franchise Agreement expires, the term of each of the Agreements would be 6 years).

5. Section 3.1(A), Initial Franchise Fee, of the Agreements is amended to provide that no initial franchise fee shall be due upon execution of the Agreement.

6. Section 4.2(A), Pre-Opening SHELFGENIE Training, of the Agreements is deleted.

7. In Section 8.1(A), Local Advertising, of the Agreements, Franchisee will not be required to spend $10,000 during the first two months of the renewal term, nor will Franchisee be required to spend $2,500 per month on a three-month rolling average for the remainder of the first year of the renewal term. Instead, Franchisee will be required to spend $1,625 per month on a three-month rolling average throughout the term.

8. Franchisee, for itself and each of its past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through Franchisee, in their corporate and individual capacities (collectively "Releasor"), hereby releases and forever discharges Franchisor and each of its predecessors, successors, affiliates, subsidiaries, assigns, past and present officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "Releasees"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever related to the Original Franchise Agreement and the business operated thereunder or any other agreement between Releasor and Releasees, or the relationship between Releasor and Releasees, through the Effective Date (collectively, the "Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between the Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date. For avoidance of doubt, the Releasor does not release Releasees from any obligations arising by virtue of the Agreements and any claims arising from the Releasees' failure to comply with those obligations or the Franchise Disclosure Document furnished to Franchisee as part of entering into the Agreements and the franchise laws that apply to the specific offer, sale and signing of the Agreements.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Addendum and to grant the releases contained herein, and needs no further information or knowledge

of any kind that would otherwise influence the decision to enter into this Addendum. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor or released party."

This release is and shall be and remain a full, complete and unconditional general release. The Releasor acknowledges and agrees that this release is an essential, integral and material term of this Addendum. The Releasor further acknowledges and agrees that no violation of this Addendum shall void the release set forth herein.

8. Notwithstanding the releases contained herein, all rights and obligations created under this Addendum will specifically survive the execution of this Addendum and the releases contained herein.

9. Each person executing this Addendum on behalf of any of the parties hereto represents and warrants that he or she has been fully empowered to execute this Addendum and that all necessary action has been taken.

10. The provisions of this Addendum shall inure to the benefit of and be binding upon the heirs, successors and assigns in interest of the parties.

11. Each of the parties hereto represents and warrants to each other party that it has not heretofore assigned or transferred, or purported to assign or transfer to any person, entity or corporation whatsoever, any of the claims released hereunder. Each party agrees to indemnify and hold harmless each other party against any claim, demand, debt, obligation, liability, cost, expense, right of action or cause of action based on, arising out of, or in connection with any such transfer or assignment or purported transfer or assignment.

12. If any provision of this Addendum shall for any reason be held violative of any applicable law, governmental rule or regulation, or if said agreement is held to be unenforceable or unconscionable, then the invalidity of such specific provisions herein shall not be held to invalidate the remaining provisions of this Addendum.

< SIGNATURES APPEAR ON THE NEXT PAGE >

Signed on this _____ day of _____, 20__ (the “Effective Date”).

FRANCHISEE:

_____
_____, individually

Accepted as of the _____ day of _____, 20__.

FRANCHISOR:

SHELFGENIE FRANCHISE SYSTEMS, LLC

BY: _____

EXHIBIT K

STATE SPECIFIC ADDENDA

ADDENDUM FOR CALIFORNIA

Notwithstanding anything contained in the foregoing Franchise Agreement and the Franchise Disclosure Document to the contrary, the following provisions of the California Investment Law shall apply to any franchise or franchisee located in the State of California, which shall control to the extent of any inconsistency:

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

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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).

We maintain the website found at the URL address www.shelfgenie.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION at www.dfpi.ca.gov.

The highest interest rate allowed in California is 10% annually.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Anyone who contracts to perform work on a project that is valued at $500 or more for combined labor and materials costs in the State of California must hold a current, valid license from the Contractors State Licensing Board.

Registration of this franchise does not constitute approval, recommendation, or endorsement by the commissioner.

Add to Item 3:

Neither us nor any Person listed in Item 2 of this Disclosure Document is the subject of 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 membership in that association or exchange.

Add to Item 17 and corresponding provisions in the Franchise Agreement:

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

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

(3) 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.

(4) The franchise agreement requires application of the laws of Georgia. This provision may not be enforceable under California law.

(5) All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR ILLINOIS

Notwithstanding anything contained in the foregoing Franchise Agreement and the Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the Illinois Franchise Disclosure Act shall apply to any franchise or franchisee located in the State of Illinois and owned by an Illinois Franchisee, which shall control to the extent of any inconsistency:

Item 17v. and 17 w of the FDD and Section 17.13 and 17.9 of the Franchise Agreement: Choice of Law and Choice of Forum shall be Illinois. Any provision in the Franchise Agreement, including but not limited to Section 17.9, which designate jurisdiction or venue in a forum outside the State of Illinois is void.

Termination or Nonrenewal Franchise: The Illinois Franchise Disclosure Act requires SHELFGENIE to give you notice and opportunity to cure prior to termination except under certain conditions detailed in 815 ILCS 705/19. Consequently, Illinois law may supersede the provisions in Section 12.1 of the Franchise Agreement and Items 17f and 17g of the FDD.

Participation in Trade Associations: SHELFGENIE will not in any way restrict any Franchisee from joining or participating in any trade association.

Release. 815 ILCS 705/41 provides that the rights provided by the Illinois Franchise Disclosure Act of 1987 (the "Act") along with other laws of the State of Illinois may not be waived. Consequently, any release of claims or acknowledgements of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act or any other law of the State of Illinois shall be void and hereby deleted with respect to claims under the Act or any other law of the State of Illinois.

Other Provisions Unaffected: All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Limitation of Period for Legal Actions. Franchisee and SHELFGENIE agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR MARYLAND

The following provisions of the Maryland Franchise Registration and Disclosure Law ("Maryland Franchise Law") shall apply to any franchises sold or offered for sale within the State of Maryland, located in this State or to a Maryland resident, which shall control to the extent of any inconsistency in the Franchise Disclosure Document ("FDD") or Franchise Agreement:

Any general release, estoppel or waiver required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Law and Item 17 of the Franchise Disclosure Document and the respective provisions of the Franchise Agreement are amended accordingly.

Items 5 and 7 of the FDD and Section 3.A of the Franchise Agreement. The Maryland Securities Commissioner has required a financial assurance. Therefore, we have posted a surety bond, which is on file with the Maryland Securities Dvision.

Item 17v. and 17 w of the FDD and Section 17.9 of the Franchise Agreement: Under certain circumstances, the Franchise Agreement requires you to submit to a court proceeding in the state and county where our principal place of business is located. These provisions may run contrary to the Maryland Franchise Law. Nothing in the Franchise Agreement or the Franchise Disclosure Document is intended to preclude you from asserting your rights, if any, under the Maryland Franchise Law. You are permitted to sue us in Maryland for claims arising under the Maryland Franchise Law. Any claims arising under the Maryland Franchise Law must be brought within three years after the grant of the franchise. Item 17 of the FDD and the respective provisions of the Franchise Agreement are amended accordingly.

Section 12.1 of the Franchise Agreement: At the end of said Section, add the following sentence: "The provision in this Franchise Agreement which terminates the franchise upon the bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law, Title 11, United States Code Section 101 et seq."

Section 17.20 of the Franchise Agreement: Any provision of Section 17.20 of the Franchise Agreement that requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.

All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR MINNESOTA

Notwithstanding anything contained in the foregoing Franchise Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the Minnesota Franchise Act shall apply to any franchise or franchisee located in the State of Minnesota, which shall control to the extent of any inconsistency:

1. The following paragraph is added to Section 6.5 of the Franchise Agreement:

We agree to protect you against claims of infringement or unfair competition with respect to your authorized use of the Trademarks when, in our opinion of counsel, your rights granted therein warrant protection.

2. Section 17.9 of the Franchise Agreement and the cover sheet and Item 17v and 17w of the FDD are modified to provide the following: Minn. Stat. §§80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or our rights to any procedure, forum or remedies provided for by the law of Minnesota.

3. Sections 2.2 and 17.13 of the Franchise Agreement and Item 17 of the FDD are hereby modified to provide the following: With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sect 80C.14, subds. 3, 4 and 5 which require, except in certain specified cases, that you will be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Franchise Agreement.

4. Sections 2.2 and 11.3 of the Franchise Agreement are hereby modified as follows: Any release executed in connection herewith will not apply to any claims that may arise under the Minnesota Franchise Act.

5. Section 17.8 of the Franchise Agreement is modified to eliminate the waiver of jury trial.

6. Nothing herein shall be construed to provide that FRANCHISEE has waived its rights to any procedure, forum, or remedies provided for by the laws of Minnesota, or that Franchisee has consented to liquidated damages, termination penalties or judgment notes.

7. All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR NEW YORK

The following terms supplement and supersede the disclosures made in this Disclosure Document:

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

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR 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. Item 3, Litigation. The following is added to the end of Item 3:

   Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has any administrative, criminal, or a material civil or arbitration action pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegations.

   Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, has been convicted of a felony or pleaded nolo contendere to any other felony charge or, during the ten-year period immediately preceding the application for registration, been convicted of a misdemeanor or pleaded nolo contendere to any misdemeanor charge or been found liable in an arbitration proceeding or a civil action by final judgment, or been the subject of any other material complaint or legal or arbitration proceeding if such misdemeanor conviction or charge, civil action, complaint, or other such proceeding involved a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property, or comparable allegation.

   Neither we, nor any of our predecessors, nor any person identified in Item 2 above, nor any affiliate offering franchises under our trademark, is subject to any currently effective injunctive or restrictive order or decree relating to franchises, or under any federal, state, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law as a result of 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.

   No additional litigation is required to be disclosed in this Disclosure Document.

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

   Neither we nor any of our predecessors, affiliates, or officers, during the 10-year period immediately before the date of the Disclosure Document: (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 one year after the officer or general partner of the franchisor held this position in the company or partnership.

4. Item , Initial Fees. 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. Item 17, Additional Disclosures. The following statements are added to Item 17:

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.

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.

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.

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.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, are met independently without reference to these Additional Disclosures.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR NORTH DAKOTA

The following modifies and supersedes the Franchise Disclosure Document ("FDD") and Franchise Agreement with respect to franchises offered for sale or sold in the State of North Dakota, as followings:

1. Covenants not to compete upon termination, expiration of the Franchise Agreement may not be enforceable if inconsistent with the provisions of North Dakota law.

2. If the Franchise Agreement requires franchisee to consent to litigation being conducted in a forum other than the State of North Dakota, it may be unenforceable to the extent that it conflicts with North Dakota law.

3. If the Franchise Agreement requires that it be governed by a state's law, other than the State of North Dakota, it may be unenforceable to the extent that it conflicts with the North Dakota law.

4. The waiver of trial by jury and waiver of exemplary and punitive damages in the Franchise Agreement may not be enforceable under North Dakota law.

5. If the franchisee is required to sign a release upon renewal of the Franchise Agreement, this may be unenforceable to the extent that it conflicts with North Dakota law.

6. If the Franchise Agreement requires franchisees to consent to a limitation of claims, the statute of limitations under North Dakota law will apply.

7. If the Franchise Agreement requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the Franchise Agreement, these provisions are hereby modified to provide that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

8. Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

9. All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR RHODE ISLAND

The following modifies and supersedes the Franchise Disclosure Document ("FDD") and Franchise Agreement with respect to franchises offered for sale or sold in the State of Rhode Island, as followings:

Section 17.13 of the Franchise Agreement is modified to provide that:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

All other terms and provisions contained in the Franchise Agreement and FDD shall remain in full force and effect, except to the extent specifically modified herein.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR VIRGINIA

The following modifies and supersedes the Franchise Disclosure Document and Franchise Agreement with respect to franchises offered for sale or sold in the State of Virginia:

The following is added to Item 17.h. of the FDD, and corresponding provisions in the Franchise Agreement: Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement 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.

Signature:_____
Title:_____
Date:_____

ADDENDUM FOR WASHINGTON

WA ADDENDUM TO FRANCHISE AGREEMENT

The following modifies and supersedes the Franchise Disclosure Document and Franchise Agreement with respect to franchises offered for sale or sold in the State of Washington, as follows:

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

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

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

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

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

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

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

Franchisees who receive financial incentives to refer franchise prospects to Franchisors may be required to register as franchise brokers under the laws of Washington State.

Signature:_____
Title:_____
Date:_____

EXHIBIT L

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	[PENDING]
Illinois	July 23, 2020, amended as of [PENDING]
Indiana	July 2, 2020, amended as of [PENDING]
Maryland	SEE SEPARATE FDD
Michigan	July 6, 2020, amended as of October 16, 2020
Minnesota	July 30, 2020, amended as of [PENDING]
New York	[PENDING]
North Dakota	July 17, 2020, amended as of [PENDING]
Rhode Island	April 22, 2020, amended as of [PENDING
South Dakota	July 14, 2020, amended as of October 16, 2020
Virginia	July 20, 2020, amended as of [PENDING]
Washington	[PENDING]
Wisconsin	July 2, 2020, amended as of October 16, 2020

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans**.**

EXHIBIT M

RECEIPTS

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If ShelfGenie Franchise Systems, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with or make a payment to us or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island law 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 provide you with this Disclosure Document 10 business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale or grant.

If ShelfGenie Franchise Systems, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit B.

The name, principal business address and telephone number of each franchise seller offering the franchise: Andy Pittman, 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328, telephone number 678-626-5315.

Date of issuance: July 2, 2020, as amended October 16, 2020

See Exhibit C for our registered agents authorized to receive service of process.

I have received a Franchise Disclosure Document dated July 2, 2020, as amended October 16, 2020, that includes the following Exhibits:

A. Franchise Agreement;
B. List of State Administrators;
C. Agents for Service of Process;
D. Operations Manual Tables of Contents (including Field Guide);
E. General Release;
F. List of Franchisees;
G. ProTradeNet Agreement
H. Financial Statements;
I. Assignment and Consent Agreement
J. Renewal Addendum
K. State Specific Addenda;
L. State Effective Dates;
M. Receipt.

Dated: _____

PROSPECTIVE FRANCHISEE:

_____	_____
Signature	Printed Name
_____	_____
Signature	Printed Name
_____	_____
Company Name	Street Address
_____	_____
Telephone Number	City, State, ZIP Code

Please sign this copy of the receipt, date your signature, and return it to ShelfGenie Franchise Systems, LLC, 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328.

TO BE RETAINED BY YOU

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 ShelfGenie Franchise Systems, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with or make a payment to us or an affiliate in connection with the proposed franchise sale.

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I. Assignment and Consent Agreement
J. Renewal Addendum
K. State Specific Addenda;
L. State Effective Dates;
M. Receipt.

Dated: _____

PROSPECTIVE FRANCHISEE:

_____	_____
Signature	Printed Name
_____	_____
Signature	Printed Name
_____	_____
Company Name	Street Address
_____	_____
Telephone Number	City, State, ZIP Code

Please sign this copy of the receipt, date your signature, and return it to ShelfGenie Franchise Systems, LLC, 5500 Interstate North Parkway, Suite 250, Atlanta, GA 30328.

TO BE RETURNED TO SHELFGENIE FRANCHISE SYSTEMS, LLC