FRANCHISE DISCLOSURE DOCUMENT

SPIFFY FRANCHISING, LLC
4506 S. Miami Blvd, Suite 150
Durham, North Carolina 27703
(844) 438-7743
franchise@getspiffy.com
https://www.getspiffy.com

The franchisee will own and operate a business providing mobile, on-demand, and environmentally friendly car care services, including wash, detail, oil change, tire installation and repair, and fueling, using the trade name or trademark, SPIFFY, and other related trade names, trademarks, or logos (collectively, our "Marks"). We provide services to franchisees including assistance with training, operations, advertising, purchasing and promotional techniques.

The total investment necessary to begin operation of a new, single unit SPIFFY franchise is between $101,550 and $181,400. This includes between $63,750 and $76,750 that must be paid to us or our affiliate. In addition, if you choose to sign an Area Development Agreement, which would grant you exclusive rights to open multiple SPIFFY franchises within a defined geographical area, you must pay us an Area Development Fee of $55,000 for the right to open two businesses or $75,000 for the right to open three businesses. An initial franchise fee of $10,000 will also be due at the signing of each individual franchise agreement. Your total investment necessary to begin operation of the first Franchised Businesses and to purchase the rights to open three total Franchised Businesses is between $160,550 and $236,400. This includes between $122,750 and $131,750 that must be paid to us or our affiliates.

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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact SPIFFY FRANCHISING, LLC at 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743.

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

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

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

Issuance Date: April 11, 2022

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 B.
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 C 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 SPIFFY 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 SPIFFY franchisee?	Item 20 or Exhibit B 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 E.

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 North Carolina. 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 North Carolina than in your own state.

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

3. **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.

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

5. **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.

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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

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

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

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

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

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

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

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this

subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL. Any questions regarding the notice should be delivered to the Department of the Attorney General, Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau, 2501 Woodlake Circle, Okemos, MI 48864, Telephone: (517) 241-6470.

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EXHIBITS

Exhibit A SPIFFY Franchise Agreement with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider); Attachment 3 (Personal Guaranty), Attachment 4 (Nondisclosure and Noncompetition Agreement), Attachment 5 (Telephone Listing and Internet Authorization Agreement)
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Exhibit L First Addendum to Renewal Franchise Agreement
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Exhibit O Form of Franchise Compliance Certification
Exhibit P Receipts

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

THE FRANCHISOR

To simplify the language in this Disclosure Document, "we," "SPIFFY," "us," or "our" means SPIFFY FRANCHISING, LLC. "You" means the person or company that buys the franchise, including, if any, such company's owners, partners, members, shareholders, and guarantors. SPIFFY FRANCHISING, LLC was formed in Delaware on May 26, 2020. Our principal business address is 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703.

Our sole business since inception is selling SPIFFY franchises and providing training and other services to SPIFFY franchisees. We began selling the single unit franchises being offered in this disclosure document during 2020. We began offering area development agreements in 2021. We are not engaged in any other business activities and have never offered franchises in any other line of business. We do not operate a business of the type being franchised, although affiliates of ours do. We do business and intend to do business under the names "SPIFFY FRANCHISING, LLC," and "SPIFFY."

Our agents for service of process are listed in Exhibit E.

PARENTS, PREDECESSORS, AND AFFILIATES

We do not have any parent companies or predecessors.

Our affiliate, Get Spiffy, Inc., was formed on February 15, 2014 in the State of North Carolina as a corporation. On April 28, 2016, Get Spiffy, Inc. converted to a corporation under the laws of the State of Delaware and is currently a Delaware corporation. Get Spiffy, Inc. has as its principal place of business 4506 S Miami Blvd, Suite 150, Durham, North Carolina 27703. Get Spiffy, Inc. currently operates SPIFFY businesses of the type offered in this disclosure document in 30 metropolitan areas. Get Spiffy, Inc. does business under the name "Spiffy" as well. Get Spiffy, Inc. shares certain employees with us. Through a license agreement, Get Spiffy, Inc. has granted us the right to sublicense to you the intellectual property and trademarks that it owns. Get Spiffy, Inc. has the rights to license its intellectual property to any other third party it chooses, which includes the proprietary Spiffy software.

In November 2019, Get Spiffy, Inc. acquired Your Location Lubrication Franchising, LLC, a limited liability company organized under the laws of Florida. Your Location Lubrication Franchising, LLC offered franchises for businesses that provide oil change products, services, and accessories on a mobile basis under the trademarks "Your Location Lubrication." Other than a single Your Location Lubrication franchisee in Fort Myers Florida, Get Spiffy, Inc. has not offered franchises in this or any other line of business. Get Spiffy, Inc. does not intend to offer franchises under the Your Location Lubrication trademarks again. Currently, the Your Location Lubrication franchisee does not operate under the Get Spiffy, Inc. System or Marks.

THE FRANCHISE OFFERED

As a SPIFFY franchisee, you will own and operate a business providing mobile, on-demand, environmentally friendly car care services (a "Franchised Business"). SPIFFY businesses are characterized by distinctive, environmentally friendly car maintenance, cleaning and repair processes and methods of service; proprietary software and technology; distinctive mobile applications; proprietary equipment and displays; standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs; all of which we may improve, amend, and further develop from time to time. You will be required to operate using our Marks and in accordance with our confidential operations manuals, other proprietary manuals, and other policies and procedures (collectively, the "Manuals"), technology resources, standards and specifications, marketing and sales programs, and other research and development connected with the establishment and operation of a SPIFFY business (collectively, the "System"), which we may modify from time to time as we deem appropriate in our sole discretion. To the extent permissible under applicable law, we reserve the right to set promotional and maximum and minimum prices/fees for certain products and services.

We offer qualified franchisees the opportunity to sign a single unit Franchise Agreement. We also offer qualified franchisees the right and obligation to develop multiple SPIFFY Franchised Businesses within a Development Area under our Area Development Agreement. Whether you will develop two or three businesses will be determined by you and us before the Area Development Agreement is signed. You must sign our then-current form of franchise agreement for each business you develop within the Development Area, except that the initial franchise fee will be reduced. The then-current form of franchise agreement for the additional businesses you develop under the Area Development Agreement may be different than the form of franchise agreement offered under this disclosure document.

We have designated certain services as "Core Services" that you will be required to provide. The Core Services are on-demand and environmentally friendly car wash, detailing, and oil change services. To provide Core Services you will be required to operate a "Core Service Van" that is specially equipped to provide the services.

After you have operated your Franchised Business for at least three months you will have the option to offer one or more "Expanded Services." The Expanded Services are tire installation and repair and fueling and defueling. To provide Expanded Services, Franchisees will need to operate one or more additional vehicle(s) that are specially equipped to provide one or more of the Expanded Services. The type of Expanded Service Van you need will depend on which of the Expanded Services you offer. Additionally, after the initial three month operational period, you will be permitted to acquire an additional van that is equipped only for wash and detail services, not oil change. Throughout this document the wash and detail van is included in the definition of Expanded Service Van. Throughout this document we refer to the vehicles that you will need to provide Expanded Services and the vehicles that are equipped only for wash and detail services interchangeably as "Expanded Service Vans." The type of Expanded Service Van you need will depend on which of the Expanded Services you offer.

The below table summarizes the Core Service Van and Expanded Service Van options.

Van Description
Wash, Detail, and High-Volume Oil Change
Tire Repair and Installation
Fueling
Wash and Detail

All SPIFFY Franchised Businesses will have the opportunity to serve three customer sectors: residential, office park, and fleets. We have adapted the System to respond to COVID-19 and you will be able to offer zero contact services to residential customers and disinfection services. If you have an average Service Cancellation Rate of greater than 10% over a 30-day period, you will be required to add an additional Van. "Service Cancellation Rate" means the percentage of customers that request a service that you are not able to perform due to a lack of open appointments.

The typical SPIFFY business is operated at customers' locations, whether that be at home, at work, or at fleet locations. The SPIFFY business is headquartered at a leased warehouse space of approximately 1,000 square feet. The warehouse space is used to store equipment, supplies, and the Van(s) and to maintain the Van(s).

At our option and not obligation, we may enter into agreements with third parties to provide services on a national or regional basis, whether or not all of those locations are in your Territory ("National Account"). You will have the right and obligation to provide services to National Account customers in your Territory. National Account customers may be located in your Territory and the territories of other franchisees. Revenue you generate by servicing National Account customers will be included in the Gross Revenues of your business.

As available in your Territory, we will require you to partner with designated third party vendors ("Third Party Service Partners") to provide vehicle services ("Third Party Services") that you cannot. For example, on the Spiffy mobile application, your customers may select windshield repair services, which you cannot provide. That order is transmitted to the Third Party Service Partner who performs the Third Party Service. You may be required to coordinate the Third Party Service and provide inspections or other services in conjunction with the Third Party Service. You will receive a percentage of the net proceeds that we receive from Third Party Services provided by Third Party Service Partners in your Territory ("Proceed Share Percentage"). The current Proceed Share Percentage is 20% but we reserve the right to change it upon 30 days' notice to you. Revenue you receive from your Proceed Share Percentage will be included in the Gross Revenues of your business.

In order to own and operate a SPIFFY Franchised Business, you must enter into our current form of franchise agreement that is attached as Exhibit A to this Disclosure Document ("Franchise Agreement"). You and your spouse (and your owners' and their spouses, if you are an entity) must sign our form of personal guaranty attached as Attachment 3 to Exhibit A.

MARKET AND COMPETITION

You will compete with other SPIFFY franchisees and other businesses offering car wash, detailing, oil change, tire installation and repair, and fueling services. These services may be offered from a retail space, such as an automobile dealer or fuel center, or through mobile providers. Your competition will consist of local, regional, and national chains, franchises, and independent service providers. Demand for your services and products may depend on the local and national economic conditions and their effect on the public's discretionary spending as well as the seasons. The market for mobile car care services is emerging and fragmented.

REGULATIONS

The following federal laws and regulations apply to the operation of a car maintenance, cleaning, and repair business: Clean Water Act, Clean Air Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response Compensation and Liability Act, and Occupational Safety and Health Act. Other environmental federal laws regarding storm water, wastewater, transportation, and hazardous materials may also apply. Requirements and restrictions vary widely by jurisdiction and we have made no investigation regarding the existence of any state or local laws, regulations, ordinance, taxes, or other restrictions that could affect your ability to operate the Franchised Business. Other than described above, there are no regulations known to us specific to the operation of a car maintenance, cleaning, and repair business. However, state and local jurisdictions have enacted laws, rules, regulations, and ordinances that may apply to the operation of your Franchised Business.

We have not researched any of these laws to determine their applicability to your Franchised Business. You should consult with your own attorney to ensure that the laws of the state where your SPIFFY business is located permit you to provide the approved products and services we require. It is your sole responsibility to investigate any regulations in your area, including those related to the establishment and operation of a SPIFFY business generally, including required licensure. Your jurisdiction may require special licensure for the operation of a mobile business. You are responsible for complying with all applicable laws and regulations.

ITEM 2. BUSINESS EXPERIENCE

Name	Position	Principal Occupation During the Past 5 Years
M. Scot Wingo	Chief Executive Officer	Since our founding in May 2020, Mr. Wingo has served as our Chief Executive Officer. Additionally, from January 2015 through the present, he serves as CEO of our affiliate Get Spiffy, Inc. in Durham, North Carolina. Prior to founding Get Spiffy, Inc., Mr. Wingo co-founded ChannelAdvisor in July 2001 and was its Chief Executive Officer until May 2015. He served as ChannelAdvisor's Executive Chairman from May 2015 until December 2019 and is a current member of the Board of Directors. ChannelAdvisor's headquarters are in Morrisville, North Carolina.
Karl Murphy	President	Since our founding in May 2020, Mr. Murphy has been our president. Additionally, from February 2014 through the present, he serves as the President of our affiliate Get Spiffy, Inc. in Durham, North Carolina. Mr. Murphy has also been the President of Carolina Auto Spa, Inc., a fixed car wash business headquartered in Morrisville, North Carolina, since April 2003.
Wesley Pollard	Chief Financial Officer	Since our founding in May 2020, Mr. Pollard has served as Chief Financial Officer. From February 2016 to the present, he has worked as Chief Financial Officer for our affiliate Get Spiffy, Inc. in Durham, North Carolina. Mr. Pollard was a Partner with TechCXO from April 2015 until October 2019 in Raleigh, North Carolina.
Michael Tolzman	Vice President of Franchising	Since January 2022 Mr. Tolzman has served as our Vice President of Franchising. From May 2020 to December 2021 Mr. Tolzman served as Vice President of Operations and Training. From October 2018 to the present, he has worked as Vice President of Operations and Training with Get Spiffy, Inc. in Durham, North Carolina. Mr. Tolzman was a Regional Manager for Wash Depo Holdings, Inc. in Fort Lauderdale, Florida from January 2014 to March 2017. Additionally, he owned and operated Immediate Impact Consulting from January 2008 until October 2018. When he ceased to operate Immediate Impact Consulting, it was headquartered in Apex, North Carolina.

Name	Position	Principal Occupation During the Past 5 Years
Connor Finnegan	Vice President of Strategy	Since our founding in May 2020, Mr. Finnegan has served as Vice President of Strategy. From May 2019 to the present, he has worked as Vice President of Strategy for our affiliate Get Spiffy, Inc. in Durham, North Carolina. Mr. Finnegan worked as a Senior Project Manager with IHS Markit from October 2015 to July 2018 in New York City, New York.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FRANCHISE FEE

The initial franchise fee for a SPIFFY business is $40,000 ("IFF"). The IFF is payable in lump sum upon execution of the Franchise Agreement. The IFF includes the right to a territory that is the of the lesser of (i) 100,000 people, as determined by the latest U.S. Census data or other data we deem reliable or (ii) a 20-mile radius of the approved location for your Franchised Business.

Honorably discharged veterans of the United States Armed Forces who otherwise meet our requirements will receive a 10% discount on the IFF, making the IFF $36,000.

To operate a SPIFFY business, you will need to use the SPIFFY proprietary software and mobile application. For a $2,000 "Software Set Up Fee" we or our affiliate will set up your Franchised Business to have access to the software and application. The Software Set Up Fee is due at the time you sign your Franchise Agreement.

Additionally, you will need to purchase certain inventory and supplies, such as chemicals, filters, and tires from us or an affiliate. Approximately 75% of the estimated costs of the initial supplies, equipment, and inventory will be spent with us or our affiliate, or approximately $18,750 to $26,250, will be spent with us or our affiliate. You will make these purchases before you open.

You will pay us a Management Training Fee in the amount of $5,000 for us to provide initial management training to you and/or your owners and Operations Manager ("Management Training Fee"). The Management Training Fee includes training for up to three people at our location in Durham, North Carolina and on-site at your location. The Management Training Fee is due at the signing of your Franchise Agreement.

You will be required to spend money on initial advertising and promotions in your market the 30 days before you launch your business and the 30 days after. You are required to pay us the money and we will spend it on your behalf. We may require you to spend this with a vendor we

designate for pre-opening advertising. The amount of money you will be required to spend will vary based on your market type, but is usually between $2,000 and $3,500. The maximum amount of money we will require you to spend is $3,500. The initial advertising expense is due 30 days before you open.

If you qualify to develop and operate multiple SPIFFY businesses under an Area Development Agreement, you must do the following concurrently: (i) sign the franchise agreements for your first and second business, (ii) sign the Area Development Agreement, (iii) pay us a Development Fee of $55,000 if you are to develop two businesses and a Development Fee of $75,000 if you are to develop three businesses, and (iv) pay us an initial franchise fee of $10,000 per business ($20,000 since you must sign your first and second franchise agreements at the same time). Upon the execution of a third franchise agreement, you will pay us an initial franchise fee of $10,000. Our typical development schedule requires you to open two businesses within 12 months of executing the Area Development Agreement and the third business, as applicable, must be open within 24 months of executing the Area Development Agreement.

For example, if you qualify to develop and operate three Franchised Businesses, then, at the time you sign the Area Development Agreement, you will (i) sign franchise agreements for the first and second business, (ii) pay $20,000 in initial franchise fees ($10,000 per business), and (iii) pay a Development Fee of $75,000 for the right to develop three total businesses according to an agreed-upon schedule. Then, when you later sign the then-current franchise agreement for the third business, you will pay us $10,000 as the initial franchise fee.

In our previous fiscal year, we offered limited-time discounts to franchisees who were part of the first five franchisees. These franchisees paid a $20,000 IFF and did not pay us the initial advertising and promotional fees, the Management Training Fee, nor the Software Set Up Fee. One franchisee paid a discounted Development Fee of $50,000 with an initial franchise fee of $10,000 only being due for the first business. Other than the instances described above, all Item 5 fees were applied uniformly last year.

All Item 5 fees are non-refundable and deemed earned upon payment. Please see your relevant state addendum for information about fee deferral, to the extent applicable.

ITEM 6. OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Standard Royalty	7% of Gross Revenues	As incurred or on the 15th of the month [4]	"Gross Revenues" is defined in Note 2 below. "Standard Royalty" is defined in Note 3 below.
Tire Sales Royalty	4% of Tire Sales Revenues	As incurred or on the 15th of the month [4]	"Tire Sales Revenue" is defined in Note 5 below.

Type of Fee[1]	Amount	Due Date	Remarks
Spiffy Technology Fee	$500	Monthly	The Spiffy Technology Fee is for our development and maintenance of software, mobile applications, technologies, and websites to be used by our franchisees. We have the right to increase this fee with 30 days' notice. You will need to sign a license agreement to use the software.
Brand Fund Contribution	2% of Gross Revenues	As incurred or on the 15th of the month [4]	We reserve the right to increase the Brand Fund Fee to up to 3% of Gross Revenues. Payable together with royalties to us, or as otherwise specified.
Phone Fee	$60 per phone	Monthly	We provide you with one smartphone per Van that you operate and, to the extent you have supervisors, for each supervisor you employ. The Phone Fee covers the cost of the phone and cellphone service and data for each phone. If you need a replacement phone, you will pay our costs and expenses to replace the phone. We have the right to increase this fee with 30 days' notice to reflect supplier pricing increases and updates to the phones.

Type of Fee[1]	Amount	Due Date	Remarks
Minimum Local Advertising Spend	Not currently imposed, but may be raised to as much as $2,000 per month	As incurred/monthly	We reserve the right to require you to spend up to $2,000 per month on local advertising, in the form and manner we require, and with the vendors we approve. We are not currently requiring this spend.
Additional Support Fee	$200 per hour	As incurred	If you require support for the Spiffy Software that is above the level included in the Spiffy Software License Agreement, you will pay us the Additional Support Fee, billed in quarter-hour increments.
Inventory and Supplies	Varies	As incurred	We and our affiliate reserve the right to become the exclusive supplier of any items. Currently, we or our affiliate exclusively supply your chemicals, towels, wash materials, oils, filters, uniforms, and tires.
Transfer Fee	$10,000	Upon application for transfer	We must approve any transferee. If the transfer does not occur or we do not approve the transfer, we will refund the fee less our expenses associated with our review.
Renewal Fee	$5,000	Upon execution of then current franchise agreement	Payable in immediately available funds.
Additional Training	Currently $500 per person per day plus out-of-pocket expenses and travel	As incurred prior to additional training	You will pay us the Additional Training Fee if you require or request additional training.

Type of Fee[1]	Amount	Due Date	Remarks
Convention	Varies	As incurred prior to the convention	We may hold periodic conventions for franchisees. We reserve the right to charge you a fee for attendance and reserve the right to require attendance. Currently, we do not have a formula we use to compute the attendance fee. You will be responsible for all of the expenses of the people you send to the convention, including travel, lodging, and food.
Customer Complaint Fee	Varies, our costs and expenses	Upon demand	If a customer complains to us and you fail to satisfactorily remedy the complaint, you will pay us our costs to respond to the complaint.
Site Evaluation and/or Inspection Fees	Cost and expenses	Upon demand	Currently, we do not have a formula we use to compute these fees. If we must go to your proposed or approved location to inspect your site and/or operations, we reserve the right to charge you our costs and expenses, including costs and expenses for travel and lodging of our representative(s).
Attorney's Fees and Costs, and Arbitration	Depends on what we spend	As incurred; as court or arbitrator orders	Loser pays winner's fees and costs to discourage meritless litigation. We could have to pay your fees.

Type of Fee[1]	Amount	Due Date	Remarks
Management Fee	Costs and expenses	Upon demand	Only payable in the event we must operate your franchise due to death, disability, etc. The Management Fee would be paid in addition to royalties, Brand Fund contributions and any other fees due to us.
Late Fee	2% of fees due	On demand	We will charge you the Late Fee for amounts owed to us that are not timely paid.
Interest	18% per month or highest rate allowed by law [6]	As incurred	Interest accrues from the original due date until payment is received in full.
Late Report Fee	$200 per late report	As incurred	We will charge you the Late Report Fee for each report on revenue that you fail to submit within 15 days after the report due date.
Audit Fee	Costs and expenses	At once if audit shows 2% or greater underpayment	Audit Fee is paid by you if the difference in reported royalties is 2% or greater. You also pay the underpayment with late fees, if any.
Insufficient Funds	$50 per violation plus any fee charged us for uncollected funds	As incurred	Failure to have sufficient funds available for payments to us.
Relocation Fee	Costs and expenses	Upon your submission of a letter requesting our consideration of a new location	Payable to us to defray our costs associated with evaluating and approving/rejecting your relocation proposal. Except in cases of emergency, you must occupy the new premises and open your business in the new premises before vacating your original premises.

Type of Fee[1]	Amount	Due Date	Remarks
Billing Fee	Up to 10% for unpaid customer invoices for accounts that you are responsible for billing	On demand	If we are unable to collect amounts due to you under customer invoices for a period of greater than 90 days for accounts that you are responsible for billing, we may charge you up to 10% of Gross Revenues on the unpaid invoices. Currently, the only accounts for which you are responsible for billing are local fleet customers.
New Supplier/Product Evaluation Fee	Cost and expenses	On demand	If requested by you, you will pay all fees and costs incurred by us to obtain the necessary information and evaluate suppliers prior to giving approval for new suppliers and products.
Indemnification	The amount of any claim, liability or loss we incur from your Franchised Business	As incurred	You agree to defend, indemnify, and hold us harmless should we be sued as a result of something you do or fail to do.
Post-Termination or Post-Expiration Expenses	Costs and expenses	As incurred	You must pay all costs and expenses related to de-identifying the Franchised Business or otherwise complying with your post-termination or post-expiration obligations.

Type of Fee[1]	Amount	Due Date	Remarks
Enforcement Costs	Will vary	As incurred	You must pay our costs of enforcement (including attorneys' fees and costs) if you do not comply with the Franchise Agreement. If we see no action on issues that tarnish our brand image or otherwise breach the Franchise Agreement, we reserve the right to engage our own lawyers at your expense to work on compliance. We may collect reimbursement from you by EFT for their fees.
Insurance Premium Reimbursement	Varies according to plan and provider	Upon demand	You must purchase the insurance we require. If you do not purchase the insurance we require, we may purchase it on your behalf and you must reimburse us.
Tax Reimbursement	Varies	Upon demand	If you fail to make a tax payment and we do so on your behalf, you must reimburse us.
Refurbishing Reimbursement	Varies	Upon demand	If we must undertake any refurbishing work on your behalf, you will pay us our costs and expenses and an administrative fee of 15% for the total aggregate amount incurred by us. Additional late fees and interest will apply to any late payment of reimbursement.

Type of Fee[1]	Amount	Due Date	Remarks
Continued Operation After Expiration	Greater of $1,000 or 150% of royalties	Weekly	If we permit you to continue operating your business after termination, non-renewal, or expiration of the franchise term on a month-to-month basis, then you must pay to us all royalties and other fees due to us. In addition, you must pay to us a weekly fee equal to the greater of $1,000 or 150% of the royalties due for the same month for every month of month-to-month operation after the expiration date, up to our then-current initial franchise fee.
Fines	Up to $1,000 per infraction	Upon notice of infraction	Failure to operate in accordance with operating standards.
Third Party Supplier Charges	Your share of any charges billed to us on behalf of your business	As incurred	Sometimes it may be in the best interest of the SPIFFY brand for suppliers to bill us a network-wide charge for a product or service. We will then divide the invoice among our franchisees and charge you for your share.
Business Directory Listings	Actual out-of-pocket costs	Upon demand	You will place and pay the cost of business listings in the directories and categories we specify. Alternatively, we can do so on your behalf and at your expense.

Type of Fee[1]	Amount	Due Date	Remarks
Data Inspections and Reimbursement	Varies	Upon demand	If you repeatedly violate the required data privacy and security obligations under the Franchise Agreement, we reserve the right to charge you our costs and expenses to inspect your business. Additionally, you are responsible for our costs and expenses that arise from your non-compliance or a security breach caused by you or your personnel.
Legal Fees	Varies	Upon demand	If we incur legal expenses while providing assistance to you in legal compliance or negotiation circumstances, we may require you to reimburse us for the legal expenses we incur.
Quality Control Review Services	Costs and expenses	As incurred	If we implement a quality control program, you will pay your share of the costs and expenses of the program.

NOTES:

Note 1: All fees and expenses described in Item 6 are non-refundable and, unless otherwise indicated, are imposed uniformly by, and are payable to, us. In our previous fiscal year, we offered limited-time discounts on some Item 6 fees for franchisees who were part of the first five franchisees. These franchisees will not pay the Royalty for the first six months nor the Spiffy Technology Fee for the first three months of their operations. Some of these franchisees do not pay a separate Tire Sales Royalty. Other than as described here, all fees were uniformly applied to all franchisees during our last fiscal year. We may adjust fees for inflation.

Note 2: "Gross Revenues" shall mean the total revenue generated by your SPIFFY business, including all revenue generated from the sale and provision of any and all approved products and services at or through your Franchised Business and all proceeds from any business interruption insurance related to the non-operation of your Franchised Business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" shall include the Proceed Share Percentage you may receive from us. (See below). "Gross Revenues" does not include (a) tips received by employees through their employment with the Franchised

Business or (b) any sales tax and equivalent taxes that are collected by the Franchised Business for or on behalf of any governmental taxing authority and paid thereto. Royalties are assessed on gift cards when redeemed not sold.

As available in your Territory, we will require you to partner with Third Party Service Partners to provide Third Party Services. For example, on the Spiffy mobile application, your customers may select additional windshield repair services. That order is transmitted to the Third Party Service Partner who performs the Third Party Service. You may be required to coordinate the Third Party Service and provide inspections or other services in conjunction with the Third Party Service. You will receive a percentage of the net proceeds that we or our affiliate receives from Third Party Services provided by Third Party Service Partners in the Territory (the Proceed Share Percentage). The current Proceed Share Percentage is 20% but we reserve the right to change it upon 30 days' notice to you.

Note 3: Our Standard Royalty is equal to 7% of Gross Revenues, excluding the Tire Sales Revenue (defined in Note 5).

Note 4: We will charge you the royalties and Brand Fund Contribution by either (1) billing you through the SPIFFY proprietary mobile application upon completion of a service or (2) requiring you to pay by the 15th of each month based upon your Gross Revenues of the prior month. We have the right to change the methods or dates of payment.

Note 5: "Tire Sales Revenue" shall mean the total revenue generated by your sale of tires, not including labor. "Tire Sales Revenues" does not include (a) revenue derived from the servicing of the tire product, such as installation, recycling, or any other service, (b) tips received by employees through their employment with the Franchised Business, or (c) any sales tax and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto. By way of an example only, if you sold two tires at $125 each and charged your customer a $200 installation fee, you would pay a Tire Sales Royalty of 4% on the $250 generated from the sale of the tires and a Royalty of 7% on the $200 generated from the servicing of the tires.

Note 6. The maximum interest rate in California is 10% annually.

There are no marketing or advertising cooperatives; therefore, our affiliate-owned units do not have any voting power on any fees imposed by a cooperative nor is there a cooperative fee required by us.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT [1]

Table 1 – Single Unit Franchise

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee [2]	$36,000	$40,000	Lump sum	At signing of Franchise Agreement	Us
Software Set Up Fee	$2,000	$2,000	Lump sum	At signing of Franchise Agreement	Us
Core Service Van Down Payment [3]	$0	$0	As arranged	Prior to Opening	Third party providers
Core Service Van Lease Payments [4]	$3,300	$9,900	As arranged	Monthly	Third party providers
Management Training Fee [5]	$5,000	$5,000	Lump Sum	At signing of Franchise Agreement	Us
Construction, Leasehold Improvements, Furniture and Fixtures [6]	$0	$5,000	As incurred	Before opening	Contractor/ Third-party providers
Office/Warehouse Lease [7]	$6,000	$15,000	As incurred	As arranged	Landlord
Rent Deposits	$2,000	$5,000	As incurred	Before opening	Landlord
Supplies, Inventory, Equipment [8]	$25,000	$35,000	Lump sum	Before opening	Third-party providers, us, or our affiliate
Computer, Hardware [9]	$3,000	$5,000	Lump Sum	Before opening	Third-party providers
Non-Spiffy Software [10]	$500	$500	As arranged	Before opening	Third-party providers
Spiffy Software [11]	$1,500	$1,500	As arranged	Monthly	Us
Utility Deposits [12]	$500	$1,000	As incurred	Before opening	Utility providers
Insurance Deposits and Premiums [13]	$3,000	$9,000	As arranged	Before opening	Insurance company
Pre-opening Travel Expense [14]	$750	$1,500	As incurred	Before opening	Airline, hotel, restaurants
Initial Advertising [15]	$2,000	$3,500	As incurred	Before opening	Us or designated third-party providers

TYPE OF EXPENDITURE	AMOUNT LOW	AMOUNT HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Professional Fees and Business Licenses [16]	$500	$1,000	As arranged	Before opening	Attorneys, accountants, Licensing Authorities
Office Equipment and Supplies	$500	$1,500	As incurred	Before opening	Third-party providers
Additional funds – 3 Months [17]	$10,000	$40,000	As incurred	After opening	Various
TOTAL	**$101,550**	**$181,400**			

NOTES:

Note 1: All fees and payments are non-refundable unless otherwise noted or allowed by third-party vendors. Table 1 represents your estimated initial investment through the third month of operation of one Franchised Business. During the first three months of operations, you will not be permitted to offer any Expanded Services. If you elect to offer Expanded Services after your first three months of operations, you will incur additional costs for the lease of Expanded Service Van(s), equipment, additional inventory, supplies, and training. Neither we nor our affiliate offer direct or indirect financing for your IFF or for any other payments you must make or costs you must incur in starting and operating your business.

Note 2: The Initial Franchise Fee is $40,000 unless you qualify for the veterans' discount whereby you will receive a 10% discount, resulting in an Initial Franchise Fee of $36,000.

Note 3: You are required to lease the Van(s) from our designated supplier, which is currently a third party. The estimates assume that you will qualify for zero-down financing offered by our designated supplier, which is conditioned upon a credit check. Our policy is not to enter into franchise agreements with prospective franchisees who do not qualify for our approved supplier's zero-down financing. The down payment amount may change according to market conditions and is subject to the terms of your vehicle lease. If your average Service Cancellation Rate exceeds 10% in a 30-day period, you will be required to lease another Van from our designated supplier.

Note 4: The monthly lease payment amount may change according to market conditions and is subject to the terms of your vehicle lease. The low estimate assumes you will begin operations of the Franchised Business with a single Core Service Van and the high estimate assumes you will begin operations with three Core Service Vans. These estimates represent payments for the one monthly payment that will be due during the first three months of operations. If your average Service Cancellation Rate exceeds 10% in a 30-day period, you will be required to lease another Van on the designated supplier's then-current lease terms.

Note 5: You will pay us a Management Training Fee in the amount of $5,000 for us to provide initial management training to your Operations Manager, if not you, your owners, if you are an entity, and to you, if you are an individual ("Management Training Fee"). The Management Training Fee includes training for up to three people at our location in Durham, North Carolina and on-site at your location.

Note 6: The low estimate assumes you will lease a ready-to-use warehouse space. The high estimate assumes you will have to improve the space to accommodate the Vans, technology, and equipment.

Note 7: Both the high and the low estimate assume you will lease ready-to-use warehouse space of at least 1,000 square feet. These estimates represent the costs for three months of rent. You are also required to have adequate parking for the Van(s), adequate storage space for your equipment and supplies, and access to water. Your costs will increase if you pay additional fees for more parking space, lease a separate office space. Both estimates represent a site in an urban location. If you choose to rent space bigger or more expensive than the space we recommend or you rent additional parking space you may spend more than our estimate. Your cost to lease space is difficult to estimate with certainty because there are unknown factors that will impact what you pay. These factors include the facility's location, its square footage, cost-per-square foot, renovation costs and any required maintenance fees. Your landlord may refund your security deposit or other fees paid, but most will not refund rental payments or other payments made. You should ask your leasing agent or landlord about their refund policy before you sign a lease agreement. We do not require you to purchase or build a facility to house the franchise. Your cost may increase over our projections should you choose to purchase or build. You should consider construction delays and their unpredictable cost before electing to build or purchase. You should seek professional advice if you choose to purchase or build.

Note 8: The equipment you must purchase for the operation of the Core Service Van includes an air compressor, chemicals, tanks, pumps, initial vehicle care inventory, a commercial washer and dryer, uniforms. You will be required to purchase some of this equipment and supplies from us or our affiliate. The estimated cost of the supplies, inventory, and equipment you must purchased from us or our affiliate is between $18,750 and $26,250.

Note 9: The computer hardware that you will be required to purchase includes two laptops and a desktop computer, a desk phone, smartphone, network security appliance, table, printer, device charter, television and mount, paper shredder, and vehicle tracking devices. We may require you to upgrade your hardware in order to adapt to technology and industry innovations.

Note 10: Some of the software you will use is provided by third parties. The non-proprietary software includes QuickBooks, Geckoboard, Google GSuite, and Dialpad. This estimate also includes the cost of wireless internet. We may require you to upgrade your software in order to adapt to technology and industry innovations.

Note 11: We will license to you the Spiffy proprietary software. In addition to the Software Set Up Fee, the Spiffy software has a monthly fee of $500. The Spiffy software license agreement is attached to this FDD as Exhibit F.

Note 12: Our estimates are based on historical experience of our affiliate. Estimates will vary based on municipality and service provider.

Note 13: These estimates represent three months of premiums. These estimates are based on the experience of our affiliate and may vary based on your location, insurance provider, and other factors.

Note 14: These estimates represent travel and lodging expenses for one person to attend our five day training in Durham, North Carolina and our five day training at your location. These estimates do not include any labor costs.

Note 15: You will be required to spend money on initial advertising and promotions in your market the 30 days before you launch your business and the 30 days after. You are required to pay us the money and we will spend it on your behalf. We may require you to spend this with a vendor we designate for pre-opening advertising. The amount of money you will be required to spend will vary based on your market type. The maximum amount of money we will require you to spend is $3,500.

Note 16: You will need to retain an attorney, an accountant and other consultants to help you to establish your Franchised Business. Your cost will depend on the location of the Franchised Business and the prevailing rates of local attorneys, accountants and consultants. Your costs for these services are typically nonrefundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring. The cost of business licenses and permits will vary by location and jurisdiction.

Note 17: You should have a three-month cash reserve to cover the operations of the SPIFFY business. Our estimates for the cash reserve you should have on hand include our estimates for initial staffing, payroll expenses, royalties, Phone Fees, Brand Fund contributions, and advertising expenses, offset by the revenues we estimate you will collect in the first three months of operation. Our estimates do not include any other charges or expenses, including finance charges, interest or debt service obligations or any other expenses. Your costs, and the amount you should have in reserve, will be affected by factors in the local market, your technical, marketing and general business skills, local economic conditions, local competition, local cost factors and where your Franchised Business is located. You should speak with a financial advisor to get a more accurate estimate of the amount you should have in reserve. The operating costs for which you may use the cash reserve are typically non-refundable, but you should ask about refund policies before you patronize any vendor. The payments made to third parties may be refundable depending on the terms offered by each third party. The amounts shown in these and all other estimates in Item 7 are based on the experience of our affiliate and our franchisees.

Table 2 – Area Development Agreement[1]

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	LOW	**HIGH**			
PRE-OPENING COSTS					
Development Fee[2]	$75,000	$75,000	If you sign an Area Development Agreement, then the entire Development Fee is due at the time you sign the Area Development Agreement.	Development Fee is due on signing the Area Development Agreement.	Us
The cost to open first SPIFFY business under Area Development Agreement (minus the initial franchise fee)[3]	$65,550	$141,400	See Table 1	See Table 1	See Table 1
Initial Franchise Fees[4]	$20,000	$20,000	Upon execution of the first and second Franchise Agreements, you will pay us an initial franchise fee of $10,000 per business.	Initial franchise fees are due on signing the Franchise Agreements.	Us
TOTAL	**$160,550**	**$236,400**			

Note 1. The costs in Table 2 reflect the costs for purchasing the rights to open three SPIFFY businesses together with the costs associated with developing your first business. All fees and payments are non-refundable unless otherwise noted or allowed by third-party vendors. Neither we nor our affiliate offer direct or indirect financing for your Development Fee or for any other payments you must make or costs you must incur in starting and operating your business.

Note 2. If you purchase the rights to open three businesses, you will pay us a Development Fee of $75,000. Please see Item 5 for more information.

Note 3. See Table 1 above for more detail about your estimated costs for opening your first SPIFFY business. This Table 2 does not represent the costs estimated with developing your second and third businesses. The initial franchise fees for the first and second locations are not included in this estimate.

Note 4: Under the terms of your Area Development Agreement, you will sign the franchise agreements for the first and second businesses at the time you sign the Area Development

Agreement. The initial franchise fee for each business to be developed under the Area Development Agreement is $10,000. This estimate reflects the fact that you will pay the initial franchise fees for two businesses at the time you begin to develop your first business.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Vendors, Products, Services, Equipment, and Supplies. You must purchase all goods, services, inventory, computer hardware or software, supplies, and equipment you use in the Franchised Business from the vendors we approve or designate, which may include us or our affiliates, in strict conformance with our confidential Manuals, proprietary guidelines, and the standards and specifications issued to you. If you wish to offer or use any product or service in your SPIFFY business from a vendor not yet approved by us, then you must obtain our prior approval, in the manner we designate in our then-current Manuals. We reserve the right to revoke approval for any item or supplier for any reason, and you must cease to use the item or supplier upon 30 days' notice from us. We reserve the right to modify the standards and specifications for all the goods, services, inventory, computer hardware or software, supplies, and equipment you use in your Franchised Business. Such standards and modifications, and any changes to them, will be provided to you in the Manuals or in other written communication from us. You must comply with the changes after receiving notice from us.

Where we have designated an approved supplier, you must use that supplier. Not purchasing or leasing your business's Van(s), equipment, inventory, computer hardware and software, supplies, merchandise, or any other items where we have designated an approved supplier would put you in violation of the Franchise Agreement.

You are required to lease a Core Service Van that meets our specifications from our approved supplier. Before you begin operations with the Van(s), we will upfit them with equipment and a wrap bearing the Marks. We and our affiliate are the exclusive suppliers of the wrap and equipment. If you are elect to operate with an Expanded Service Van after your first three months of operations, you will be required to lease the Van from the designated supplier.

The below table summarizes the Core Service Van and Expanded Service Van options.

Van Description
Core Service Van
Wash, Detail, and High-Volume Oil Change
Expanded Service Van
Tire Repair and Installation
Fueling Truck
Wash and Detail

You will also be required to purchase inventory and supplies from our designated vendor. Currently, we and our affiliate are the exclusive suppliers of your chemicals, towels, wash materials, oils, filters, uniforms, and tires.

You are required to use purchase certain computer hardware and software from an approved vendor which meet our specifications. We reserve the right to change the hardware and

software requirements and approved vendors and reserve the right to designate an exclusive supplier. You may be required to use additional proprietary technologies. As described below, you will need a smartphone, a desk phone, one computer, one iPad, vehicle tracking devices, and other office hardware as outlined in more detail in Item 11. You will need to subscribe to or purchase general, Non-Spiffy software for your business operations, including Dialpad, Google Suite, Geckoboard, and Quickbooks.

Each Van must be accompanied with a smartphone. Each of your supervisors will also need a smartphone. We or our affiliate will be the exclusive supplier of the smartphones and they will be equipped with the Spiffy proprietary software and mobile applications (together, "Spiffy Software"). They will also be equipped with software that will enable location tracking and device management. You will pay us a monthly Phone Fee that covers the cost of the phone, cell service, and data. You will pay our costs and expenses if you need to replace any phone.

Our affiliate is the exclusive supplier of Spiffy Software. These software and applications manage the operations of your Van and Technicians. Spiffy Software has both customer-facing and internal-facing components that are critical to running your Franchised Business. One of the unique functions of the Spiffy Software is the Fleet Management as a Service capability. You will be required to use all the Spiffy Software to serve your customers, including National Account customers. For a monthly Technology Fee of $500 and the initial Software Set up Fee of $2,000 you will have access to Spiffy Software that will be your main resource in serving customers and managing your employees and customers. You will be required to execute a software license agreement for the Spiffy Software, a form of which is attached to this FDD as Exhibit F.

You are required to use the credit card processing service we approve. Since you accept credit cards as a method of payment, you must comply with payment card infrastructure ("PCI") industry and government requirements. PCI security standards are technical and operational requirements designed to protect cardholder data. The standards apply to all organizations that store, process, or transmit cardholder data and cover technical and operational payment system components involving cardholder data. Notwithstanding the credit card processing requirement, we do not represent, nor certify to you or your customers that the credit card processing service approved or provided by us or an affiliate is compliant, whether or not certified as compliant, with the PCI Data Security Standards. Your credit card processing provider should assist you with this compliance.

We must approve the location of your warehouse space. It is your responsibility to select your own location and the site must meet our standards and specifications. We have the right to require you and your landlord to provide in the lease that we shall have the right at our option and without compensation to you to take assignment of the lease should you materially default under the lease or should your franchise terminate or not be renewed for any reason. You are not allowed to relocate the business premises without our prior written approval. You are not allowed to park your Van(s) at a location other than your warehouse space without our prior written approval.

Third Party Service Partners: As available in your Territory, we will require you to partner with Third Party Service Partners to provide Third Party Services. For example, on the Spiffy mobile application, your customers may select additional windshield repair services. That order is transmitted to the Third Party Service Partner who performs Third Party Service. You may be

required to coordinate the Third Party Service and provide inspections or other services in conjunction with the Third Party Service. You will receive a percentage of the net proceeds that we receive from Third Party Services provided by Third Party Service Partners in the Territory (the Proceed Share Percentage). The current Proceed Share Percentage is 20% but we reserve the right to change it upon 30 days' notice to you. Revenue you receive from your Proceed Share Percentage will be included in the Gross Revenues of your business.

Insurance. You are obligated to obtain and maintain at your own expense the types and amounts of insurance that we designate in our Manuals or otherwise in writing. All policies (except any workers' compensation insurance) must name us as an additional insured and all shall contain a waiver of all subrogation rights against us and our successors and assigns. In addition to any other insurances that may be required by applicable law or by your landlord, you must procure:

(a) Commercial general liability insurance with limits of at least $1,000,000;
(b) Owned and non-owned automobile insurance with a combined single limit of at least $1,000,000, in addition to the insurance your state may require;
(c) Employer practices liability insurance with a minimum limit of at least $1,000,000;
(d) Worker's compensation insurance that complies with the statutory requirements of the state in which your business is located, but in no event with a limit less than $1,000,000; and
(e) Garage keepers legal liability insurance with limits of at least $100,000.

Additionally, you must purchase a theft/dishonesty bond covering your employee's theft and destruction of property with a minimum $25,000 limit per incident.

We do not have a designated supplier for insurance, but we may provide recommendations. You must furnish us with certificates of insurance evidencing the existence and continuation of the insurance coverage we require as specified here and in our Manuals. We require that you purchase insurance from a nationally recognized insurance company and, at all times during the term of this Agreement, maintain in force and pay the premiums for all types of insurance listed above. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time (i.e. cyber liability insurance). If you fail to obtain the required insurance, we may purchase it on your behalf and you must reimburse us.

Your customers may require you to have additional coverage or types of insurance.

Method of Approving Local Suppliers and All Vendors. If you want to use goods, services, supplies, fixtures, equipment, inventory, or computer systems or suppliers that we have not approved, you must first submit to us certain information, including product or service specifications, product or service components, product or service performance history, product samples, supplier information, and any other relevant information. We will evaluate the proposed item or supplier based upon certain criteria and determine if you are approved to use the alternate item or supplier. We make the following criteria available to you and reserve the right to evaluate your request upon additional criteria: technical and performance properties of the item, including design, appearance, product reliability, durability, the manufacturer's warranties, quality control

methods, financial ability of the product's producers and distributors, supplier history and reputation, and supplier capacity. Our review is generally completed in 90 days. If we do not approve of the supplier, good, or service within 90 days, then that supplier is deemed not approved and you must not use that supplier, good, or service. We will advise you in writing of our decision. We impose these restrictions to safeguard the integrity of both the System and our trademarks. We reserve the right to revoke approval for any item or supplier for any reason, and you must cease to use the item or supplier upon 30 days' notice from us. If you request that we evaluate an item or supplier, you will pay all fees and costs incurred by us to obtain the necessary information and to conduct the evaluation.

Revenue Derived. In our last fiscal year, we received $156,683 or 48.93% of our total income of $320,213 from franchisee purchases of supplies and inventory from us. We also reserve the right to receive rebates, discounts, fees, commissions, or other payments based upon your required purchases or leases or from Third Party Service Partners and National Account customers. Otherwise, we, our affiliates, and our owners do not receive any rebates or other benefits from your purchase of products from any supplier, although full rights to do so are reserved.

Interest in Suppliers. Karl Murphy and Scot Wingo own an interest in us and our affiliate Get Spiffy, Inc., which entities are approved to supply you with certain goods and services. Otherwise, none of our affiliates, officers, or owners own any interest in any approved supplier of goods or services to our franchisee, although we reserve the right to do so in the future. Wesley Pollard, Michael Tolzman, and Connor Finnegan have the option to become shareholders in the future.

Required Purchase Percent of Revenue. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us represents between 80% and 90% of your total purchases in connection with the establishment of your business. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us represents between 80% and 90% of your total purchases in operating your business.

Purchasing or Distribution Cooperatives. Currently you are not required to participate in a purchasing or distribution cooperative. However, we have the right to require you to participate in a purchasing, or distribution cooperative in the future.

Miscellaneous. We may negotiate purchase agreements with suppliers, including price terms, for the benefit of the franchisees; however, we are not required to do so. We do not provide franchisees with any material benefits based upon a franchisee's use of approved suppliers.

You will have the right and obligation to provide services to National Account customers in your Territory. You must do so at the prices we establish and in accordance with our standards. We will negotiate pricing and agreements with National Account customers on behalf of all of the franchisees. These negotiations and National Account agreements may lead to you providing higher volumes of service and/or discounted prices. Pricing for National Accounts may result in less revenue for you than if you were servicing the National Account customers independently. We have the right to set discounts, commissions, price structures, and performance and maintenance standards for National Accounts.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	§§ 1, 6, Attachment 1, and Attachment 2	Items 7, 8, and 11
b. Pre-opening purchases/leases	§§ 4(a), 10, 11(p), 12(a), 16, Attachment 2, and Attachment 5	Items 8 and 11
c. Site development and other pre-opening requirements	§§ 1 and 6	Items 7 and 11
d. Initial and ongoing training	§§ 4(a)(iv)-(v), 4(d), 11(h), and 11(y)	Item 11
e. Opening	§§ 1, 8(c)(i), and 17(b)(xv), and 17(c)(i)	Items 5, 7, 11
f. Fees	§§ 2(b)(vii), 2(e), 3, 4(a)(v), 4(b), 6(d), 13(d)(vii), Attachment 1, and Attachment 5	Items 5, 6, 7, 8, and 17
g. Compliance with standards and policies/ Manuals	§§ 1, 6, 7, 8(c), 8(f), 10(c) – (e), 11, and 12	Items 6, 8, 11, 12,13 and 15
h. Trademarks and proprietary information	§§1, 4, 7, 14, 15, 17, and 18	Items 13 and 14
i. Restrictions on products/services offered	§§ 11 and 12	Items 8 and 16
j. Warranty and customer service requirements	§§ 11(f), 11(l), 11(t), and 11(v)	Item 15
k. Territory development and sales quota	§ 5	Items 1, 5, 12
l. Ongoing product/service purchases	§§ 10 and 12	Items 6, 7, 8, 11 and 16
m. Maintenance, appearance and remodeling requirements	§§ 2(b)(ix), 6(a), 6(d), 10(d), and 13(d)(ix)	Item 9
n. Insurance	§ 16	Items 6, 8, and 9
o. Advertising	§ 8 and Attachment 1	Items 6, 8, 9, and 11

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
p. Indemnification	§§ 6(a)(vii), 11(h), 17(h), and 19(b)	Items 6 and 9
q. Owner's participa-tion/management/ staffing	§§ 11(g) – (j), (u), (y), (z), and (aa)	Item 15
r. Records and reports	§§ 11(g), (o), and r(v), and 14(e)	Items 6, 9, and 17
s. Inspections and audits	§§ 6(b), (c) and (d), 11(o) and 11(r)(v), and 17(g)	Items 6, 9 and 17
t. Transfer	§§ 13, 17(b)(iii) and (v), 17(c)(iii), and Attachment 1	Item 17
u. Renewal	§ 2 and Attachment 1	Item 17
v. Post-termination obligations	§ 18 and Attachment 1, 2, and 4	Item 17
w. Non-competition covenants	§§ 14 and 15	Item 17
x. Dispute resolution	§21	Items 6 and 17
y. Guaranty	§§ 1, 6, Attachment 1, Attachment 2, and Attachment 3	Items 7, 8, and 11

ITEM 10. FINANCING

Neither we nor any of our affiliates offer direct or indirect financing. Neither we nor any of our affiliates will guarantee your lease, note, or other obligations.

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

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

Pre-Opening Assistance

After you sign your franchise agreement, but before you open your business, we will provide the following assistance to you:

1. Site Selection. We will approve a location for the warehouse you will use in your Franchised Business. It is your responsibility to select and outfit your own location in accordance with our specifications and standards. We are not required to provide or assist you in locating a site, obtaining your business premises, or negotiating a lease. We do not generally own or lease the buildings in which our franchisees operate. We must approve the site location and, if you do not own the premises, the lease. Generally, we approve or disapprove a site within 15 days of

receiving the request, but have up to 30 days to do so. In the event we do not approve a proposed site by written notice to you within 30 days such site shall be deemed disapproved by us. If we cannot agree on a site, you will be in default of the Franchise Agreement and the agreement could be terminated. It is your sole responsibility to ensure that your premises conform to local ordinances and building codes as well as obtain any required permits. It is also your responsibility to construct, remodel and equip the premises. Some of the factors we consider in approving sites include general location and neighborhood, traffic patterns, population, size, available parking, and lease terms. You must receive our approval of your location and lease within 90 days of signing the Franchise Agreement and you must commence operations of your business from your warehouse within 180 days of signing the Franchise Agreement. Your failure to do so is a breach of the Franchise Agreement and you are not entitled to a refund if the agreement is terminated. If we are required to visit your site for an evaluation, we reserve the right to charge you our costs and expenses. (Franchise Agreement Sections 1 and 6).

2. Training. For the Management Training Fee of $5,000 we will offer you an Initial Training Program. (Franchise Agreement Section 4). We will train up to three people. Your Operations Manager, if not you, your owners, if you are an entity, and you, if you are an individual, must attend the required Management Training Program. The training will include approximately five days of training held at our headquarters in Durham, North Carolina and five days of training at your location. Prior to attending the training at our location, you must complete the online training through a portal Spiffy U. We plan to schedule training classes on an as needed basis. You or your owners and your Operations Manager, who will supervise the operations of the business, must complete the training program to our satisfaction before we will authorize you to open your Franchised Business. The training materials include the Spiffy U e-learning platform and the Manual.

You bear all indirect training costs and expenses, such as salary expenses of your employees and all expenses of travel, lodging, meals, and other living expenses you and your designee incur. The exact amount of time spent on each part of the Management Training Program will depend on the time required for mastery by the students participating in the training.

Jose Alvarez and Michael Tolzman will oversee initial training. Each has over 5 years of experience working in the car maintenance and cleaning industry and have at least 5 years of experience with our affiliate-owned SPIFFY business.

The Management Training Program covers the following information:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Virtual Orientation	50	0	Spiffy U Online
Spiffy Bootcamp	12	12	Durham, NC

Subject	Hours of Classroom Training	Hours of On The Job Training	Location
Spiffy Leadership Training	8	8	Durham, NC
Field Experience	0	40	Your Location
HOURS	70	60	
TOTAL HOURS	130		

If you choose to operate an Expanded Service Van, you will need to attend our specialized four-day training at our location in Durham, North Carolina. The fee to attend is our then-current additional training rate, which is currently $500 per person per day.

3. Manuals. We will lend you our Manuals. (Franchise Agreement Section 11(a).) Our Manuals contain mandatory and suggested specifications, standards, and procedures. Our Manuals are confidential and remain our property. Your employees are to see them only on a need-to-know basis, subject to confidentiality agreements. We may modify this material from time to time and the modified terms are binding on you. The Manuals currently contain a total of 21 pages. Exhibit M contains the Table of Contents for our Manuals. We may periodically amend, update, or replace the contents of the Manuals. Beginning on the 30th day (or any longer time we specify) after our delivery of written notice, you will comply with each amended, updated or replaced provision. Revisions to the Manuals will be made in our sole discretion.

4. List of Approved Vendors and Suppliers and Specifications. Before you open your location, we will provide you with a copy of our list of approved vendors and suppliers and standards and specifications for all required supplies, equipment, technology, signage, décor and other goods and services. (Franchise Agreement Section 4.)

5. Software Set Up. After payment of the Software Set Up Fee, we will set up our proprietary software and applications for your access and use.

6. Van(s). We will upfit your Van(s) with the equipment and custom vinyl wrapping it needs to begin operations.

7. Additional Assistance. We are not required to provide you other supervision, assistance, or services prior to the opening of the Franchised Business. (Franchise Agreement Section 4.) However, if requested, we will advise on additional topics related to the opening of your Franchised Business, including but not limited to purchasing equipment or inventory and hiring and training employees.

8. Pricing. To the extent permissible under applicable law, we reserve the right to set promotional and maximum and minimum prices/fees for certain products and services. Our current policy is to set the prices for your products and services, but we reserve the right to approve franchisee pricing requests on a case-by-case basis.

9. Our Rights. At any time that you or any of your affiliates are in breach of the obligations under the Franchise Agreement (for example, your failure to pay for the equipment or inventory when required), or any other agreement with us or any of our affiliates, we or our affiliate may defer the performance of our obligations under the Franchise Agreement (for example, our obligation to approve your site in a timely manner) or such other agreement, or defer the opening of your Franchised Business, until your breach has been cured. Our exercise of that right will not constitute a waiver of our rights under the Franchise Agreement or such other agreement, including, without limitation, our right to terminate the Franchise Agreement or such other agreement. (Franchise Agreement Section 17(g) – (i).)

After Opening

During the operation of the Franchised Business under your Franchise Agreement, we will provide you with the following assistance:

1. Advice. We will provide advice and consultation services to you. If you request advice or consultation service that requires us to make our staff present at your Franchised Business or that is greater than what we offer to other franchisees, we may charge you our additional training fee, plus expenses. (Franchise Agreement Section 4(d).)

2. Advertising Materials. We may make available to you from time to time advertising materials we prepare for use by SPIFFY franchisees generally. You may use such materials in any local advertising. You will pay for all associated costs. We have the sole discretion to determine the advertising products, media, and geographical markets for the advertising. We have no obligation to supply you with any advertising material produced for us at our sole expense. (Franchise Agreement Section 8.)

You may develop advertising materials for your own use at your own cost. We require you to submit advertising and promotional materials to us in advance and to obtain our approval before using them. If we do not approve of your marketing materials within 20 days after you submit them to us, then they are deemed disapproved, and you may not use such materials. You are required to follow our instructions in connection with any advertising or promotional materials we provide for your use. (Franchise Agreement Section 8(d) and (f).) Failure to follow our instructions regarding pre-approval of advertising materials will result in fines. Imposition of these fines will in no way waive our right to consider your use of unapproved advertising as a default-triggering event. (Franchise Agreement Section 23(m).)

3. System Improvements. We will make available to you from time to time all improvements and additions to the System to the same extent and in the same manner as they are made available to SPIFFY franchisees generally. You must keep your Vans and equipment in good working order and make the necessary repairs. We reserve the right to require you to replace your Van(s) if they do not meet our then-current brand standards; however, we will not require you to replace a Van within 60 months of the date that you leased it. We reserve the right to require you to update other equipment, but we will give you 12 months advance notice before requiring the new equipment to be purchased and implemented. There is not a cap on the amount that you may be required to spend to refurbish your business and Vans. (Franchise Agreement Sections 6(d) and 10(d).)

4. Additional Training. During the term of your Franchise Agreement, we may offer additional training as we see fit or as you request. We will charge you our then-current additional training fee. You must pay for it at the time of the training, unless alternative billing arrangements are agreed to. Also, you bear all indirect training costs and expenses, such as salary expenses of your employees and all expenses of travel, lodging, meals and other living expenses you and your designee incur. While most additional training is optional, you may be required to attend the additional training and pay our associated fee. (Franchise Agreement Section 4.)

5. Conferences and Conventions. While we are not required to do so, from time to time we may offer conferences and other training courses relating to our industry and to the conduct of the Franchised Business. You are required to attend all conferences and other required training courses. These courses may be conducted by our employees and/or by other trainers and will address various aspects of our business and other topics of interest to franchisees. We have the right to charge you a tuition fee for each attendee, whether or not the attendee is required to attend. Additionally, you will be responsible for all transportation, lodging, food and other costs incurred by you and your employees in attending such event. (Franchise Agreement Section 4(d).)

6. Online Presence. We may maintain a website in order to promote the Marks, or any or all of the Franchised Businesses within the System. We may also develop and maintain any other type of online, internet, virtual, or digital presence (each an "Online Presence") as we see fit. An Online Presence includes but is not limited to (1) the website, other webpages, or domain names; (2) accounts, pages, or profiles on social media sites; social networking sites; news sites and groups; online, internet, or digital directories; video, audio, photography, and messaging services; blogs; or forums; (3) e-commerce sites or accounts; (4) digital or online advertising and marketing content and services; (5) mobile applications; (6) virtual reality platforms; or (7) any identifiers of an Online Presence; or (8) a presence on any other type of online, internet, virtual, or digital tool, good, or service that may be developed. We will have the sole right to control all aspects of each Online Presence, including its design, content, functionality, links to any other Online Presence, legal notices, and policies and terms of usage. We will also have the right to discontinue operation of any Online Presence at any time without notice to you. You may not establish or operate an Online Presence (including a website, webpage, domain name, Internet address, social media account, blog, forum, advertisement, or e-commerce site) that in any way concerns, discusses or alludes to us, the System or your Franchised Business without our written consent. The Marks may not be used as part of, in conjunction with, to establish, or to operate any Online Presence, except as specifically approved by us. You may not post, and must take such steps as necessary to ensure that your employees do not post any information on an Online Presence that relating to us, the System, the Marks, or the Franchised Business that (a) does not comply with our brand, social media, or Online Presence guidelines described in the Manuals, (b) is derogatory, disparaging, or critical of us, the System, or the Marks, (c) is offensive, inflammatory or indecent, or (d) harms the goodwill and/or public image of the System and/or the Marks. Subject to the terms of the Franchise Agreement and Manuals, we may make available to you a subpage on our website that will be located at a sub-domain of the website to be specified by us (or on a subpage of another Online Presence) (the "Subpage"). Upon the termination, non-renewal, or expiration of the Franchise Agreement for any reason or a default under the Franchise Agreement for any reason, we will not upload content for you, you may not use the Subpage and we may cease to make the Subpage available to you. For any Online Presence or email address

you are approved to create, use, or maintain, we reserve the right to be exercised at our option to have the Online Presence or email address directly owned by us or to require it to be transferred to us after the expiration or termination of the Franchise Agreement. (Franchise Agreement Section 8(i).) We have the right to require that any Online Presence or email address we permit you to use, create or maintain be registered in our name. Upon request, you must provide us with any login credentials for any Online Presence or email address you are authorized to use. We have the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of our policies and we may take ownership of any Online Presence upon expiration or termination of the Franchise Agreement or during the term of the Franchise Agreement and operate it as we see fit.

7. Computer System. You must purchase and use the computer systems, hardware, software, application, and technology (together the "Computer Systems") we require. The cost to purchase the required Computer Systems hardware will range from $3,000 to $5,000, depending on your hardware selection. You will pay (i) additional monthly fees and costs, including the Spiffy Software Fee of $500 and Non-Spiffy software subscriptions (estimated at approximately $84 per month), (ii) the one-time Spiffy Software Set Up Fee of $2,000, and (iii) the monthly Phone Fee (currently $60 per phone). (Franchise Agreement Section 11(p).)

Phone: We will issue you one smartphone for each Van you have in operation and for each supervisor you employ. Each phone will be installed with software from our approved vendor that enables location tracking and device management. You will pay us our then-current monthly Phone Fee for each phone we have provided to you and your supervisors. Each phone will also be required to download and use our Spiffy Software.

Hardware: You will need a computer, one desk phone, one iPad, a security network appliance, printer, mobile device charger and lockbox, television and mount, paper shredder, and vehicle tracking devices. You will also need wireless internet.

Non-Spiffy Software: We require you to subscribe to software and cloud products provided by third parties, including, Dialpad, Google Suite, Geckoboard, and QuickBooks. These non-Spiffy Software subscriptions cost approximately $500 for the first three months. Thereafter all have a monthly subscription fee that ranges from $6 per month to $30 per month.

Spiffy Software: For the Spiffy Technology Fee of $500 per month, we or our affiliate provide you with access to the SPIFFY proprietary software and mobile applications (together, "Spiffy Software"). Spiffy Software has both customer-facing and internal-facing components that are critical to running your Franchised Business. There is an additional Software Set Up Fee that you will pay to us before beginning operations. The Spiffy Software license agreement is attached to this FDD as Exhibit F.

Computer Systems requirements are also updated from time to time in the Manuals. You may be required to upgrade or update your Computer Systems. If the Computer Systems are supplied by third parties you will have 12 months' notice before you are required to purchase and implement any changes to the Computer Systems, but you must comply with any required upgrades and updates to the Computer Systems supplied by us or our affiliates. We have no obligation to upgrade your Computer Systems. We have the free, and unfettered right to independently retrieve any data and information from your Computer Systems as we, in our sole

discretion, deem appropriate, including electronically polling the daily sales, and other data of the Franchised Business. There are no contractual limitations on our right to access such data and information. We reserve the right to require additional proprietary software in the future. (Franchise Agreement Section 11(p).)

We have developed and may develop proprietary or non-proprietary Computer Systems. Accordingly, we may require that you enter into a license agreement with us or our affiliate, which may require you to pay us commercially reasonable fees and/or enter into license agreements directly with suppliers. Additionally, if we enter into a license agreement with a supplier and sublicense the Computer Systems to you, we may charge you for all amounts we pay to the supplier based on your use, plus a reasonable amount to compensate us for the services that we or our affiliate provide.

We recommend that you back up your data locally, which may require you to purchase a "back-up" subscription service. We are not responsible under any circumstances for any malfunction or "crash" of the Computer Systems we require, recommend, provide, or approve, including for any Franchised Business data lost as a result of that malfunction or "crash."

Despite the fact that you must buy, use, and maintain the Computer Systems according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer Systems; (2) the manner in which your Computer Systems interface with our and any third party's technology; and (3) any and all consequences if the Computer Systems are not properly operated, maintained, and upgraded.

8. Development Schedule. We estimate that between 30 and 90 days will elapse from when you sign the Franchise Agreement to the opening of your business for business. You must obtain your premises within 90 days after signing the Franchise Agreement. Your franchised business must be opened for business not later than 180 days after you sign the Franchise Agreement. You may not open your business for business until: (1) we determine that your Van has been equipped and stocked with materials and supplies in accordance with our brand standards; (2) the initial training program we provided has been completed to our satisfaction by all required persons; (3) the IFF and all other amounts due to us have been paid; (4) you have furnished us with all certificates of insurance required by the Franchise Agreement; (5) you have obtained all necessary governmental permits, licenses and authorizations for the operation of your business; (6) you are in full compliance with all the terms of the Franchise Agreement; and (7) all items in our opening checklist have been completed to our satisfaction. (Franchise Agreement Sections 1 and 6.)

TASK	TIME FRAME
Sign Franchise Agreement	1-3 mos. before opening
Conduct Site Research	1-3 mos. before opening
Complete Lease Negotiations	1-3 mos. before opening
Establish Vendor Relationships	1-3 mos. before opening
Attend training	1-3 mos. before opening

The factors that may increase or decrease the time periods discussed above are: the amount of time and effort you commit to the site selection process, obtaining your Van(s), and any upfit of your Franchised Business; the availability of acceptable sites within the geographical area you choose; your ability to obtain a warehouse and vehicle lease and associated financing; your credit and personal financials, and zoning and licensing requirements. Delays or a lack of effort by you, your contractors or your prospective landlord will increase these time periods. If you change your employment, business, or financial status before the opening of your Franchised Business, you do so at your own risk. Any and all such changes should be made only as a result of careful thought and advanced planning after obtaining advice from appropriate professional advisors.

Advertising and the Brand Fund

1. Brand Fund. We have established the Brand Fund. The current contribution is 2% of your Gross Revenues. We may raise the Brand Fund contribution to a maximum of 3% of your Gross Revenues. Other franchisees' Brand Fund contributions may be calculated at a different rate or on a different basis. We have the sole discretion to settle or forgive any accrued and unpaid Brand Fund contributions owed by a franchisee.

With any Brand Fund contributions paid, we have the sole discretion on how and where the money is spent to promote, enhance, or further the growth of the SPIFFY brand, businesses, and System. We are not required to make expenditures for you that are equivalent or proportionate to your Brand Fund contributions or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising. Our use of the Brand Fund contributions may include, without limitation: providing administrative or centralized services such as billing, payment processing, scheduling, and dispatch services; research; promotional marketing, public relationships and advertising expenses; hiring marketing, public relations, and advertising agencies, technology companies, or in-house personnel to assist in developing the SPIFFY brand name; developing, evaluating, or using technologies that we believe may benefit the brand, the customers, the franchisees, or the brand's reputation; expenses associated with listings in online directories, on websites, digital marketing content, influencer marketing, radio, billboard, TV, print, or internet advertising, and events and promotions designed to garner media attention and promote the brand name; expenses associated with conducting market research; travel expenses in connection with promotions and marketing meetings, training, development of trademarks and trademarked materials; production of marketing, public relations, digital, or social media content, including but not limited to advertisements, coupons, and promotional materials (including point of purchase materials); expenses incurred in developing and maintaining non-franchise sales portions of the any Online Presence; and expenses incurred in using search engine optimization and pay per click advertising or other digital marketing software, services or companies to help promote the brand. (Franchise Agreement Section 8(a)(iii).)

While we do not anticipate that any part of Brand Fund contributions will be used for advertising which is principally a solicitation for franchisees, we reserve the right to use the Brand Fund for public relations or recognition of the SPIFFY brand, for the creation and maintenance of a website, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating "Franchises Available" or similar language.

We may occasionally provide for placement of advertising on behalf of the entire franchise system, including franchisees; however, we are more likely to provide you with advertising content to use in your local territory. You will be responsible for implementing any promotional or public relations programs or placing any advertising content we create, at your own expense. If we create any advertising content, which we are not obligated to do, you will receive one sample of the advertising content at no charge. You must pay for the duplication and distribution of the content. (Franchise Agreement Section 8.)

The Brand Fund is administered by our accounting and marketing personnel under our direction. We have the right to establish in the future a nonprofit corporation or other business entity to collect contributions from our franchisees. The Brand Fund is not a trust fund. We have no fiduciary duty to you or any franchisee in connection with the collection or use of the Brand Fund contributions. The Brand Fund is not audited. Unless required by state law, we are not required to provide you with any accounting of the expenditures of the Brand Fund and you have no right to an accounting. We will not use your Brand Fund contributions to defray any of our operating expenses, except for any reasonable administrative costs and overhead that we may incur in administering or directing the Brand Fund. Brand Fund monies not spent in the fiscal year in which they accrue are carried forward to cover expenses in future years. Although the Brand Fund is intended to be perpetual, we may terminate it at any time. We may have the Brand Fund borrow from us or other lenders to cover any Brand Fund deficits. We may have the Brand Fund invest any surplus for the Brand Fund's future use. Our company-owned outlets are not required to contribute to the Brand Fund on the same basis as you.

We expended the Brand Funds in the following ways during the 2021 calendar year:

Use of Brand Fund in 2021	**Percent of Funds Spent**
Digital Marketing	100%
Administrative Expenses	0%
Total	100%

2. Advisory Council. We currently do not have an advisory council composed of franchisees that advises us on advertising policies. If we form or approve an advisory council, we may require you to participate. Any advisory council would not have decision-making power. It would be advisory only. We have the right to form, change or dissolve any advisory council. (Franchise Agreement Section 11(q).)

3. Local Advertising Requirement and Grand Opening Marketing. All advertising that you use must be approved or prepared by us. We reserve the right to require you to spend up to $2,000 on local advertising each month. We may require that you submit documentation to us to verify to us that you are meeting this requirement. We reserve the right to designate the manner in which you spend any required amounts on local advertising. Any required local marketing expenditures will not count towards the contribution you must pay toward the Brand Fund. (Franchise Agreement Section 8(c).)

Depending on the market where your Franchised Business is located, we will require you to spend between $2,000 to $3,5000 on marketing and advertising during the time period that is

30 days before you launch your business and 30 days after. You will pay us this money and we will spend it on your behalf. This amount will not count toward the amount you must pay toward the Brand Fund. You may choose to spend more money. (Franchise Agreement Section 8(c).)

4. Local Advertising Cooperatives. We do not have the right to require that advertising cooperatives be formed, changed, dissolved, or merged. If our franchisees elect to form an advertising cooperative and you choose to participate, you may be required to contribute fees to the cooperative. We will not be involved in establishing any advertising cooperative budget, governing documents, or financial statements.

ITEM 12. TERRITORY

Your territory protections depend on if you execute an Area Development Agreement in addition to a Franchise Agreement, as described below. We must approve the location of each Franchised Business, your Territory, and Development Area, as applicable.

Franchise Agreement

We will grant to you a territory that we designate in Attachment 1 to the Franchise Agreement ("Territory"). Within your Territory, we will not establish or operate, or license any other person to establish or operate, a SPIFFY-branded mobile car care business operating under the System and the Marks, except as part of the National Accounts program, outlined below.

Typically, that Territory will consist of the lesser of (i) 100,000 people, as determined by the latest U.S. Census data or other data we deem reliable or (ii) a 20 mile radius of the approved location for your Franchised Business. We reserve the right to grant you a Territory with a smaller or greater population, as mutually agreed upon by you and us. We cannot modify your territorial rights during the term of the Franchise Agreement, but we can modify your Territory upon renewal. If you have an average Service Cancellation Rate of greater than 10% over any 30-day period, you will be required to add an additional Van. Otherwise, your territorial rights do not depend on the achievement of a certain sales volume, market penetration, or any other contingency. See below for a discussion about territory exclusivity.

The Franchised Business is to be operated as a mobile, on-demand car care business that provides services at customers' residential, office park, or fleet sites. You must offer and sell products and services only in accordance with the requirements of the Franchise Agreement and the Manuals. You agree not to sell any items or services through brick-and-mortar sales or any other channel of distribution, including the Internet, catalog sales, telemarketing, wholesale, or other direct marketing.

Out of Territory Activities. You may not advertise, solicit, or market outside your Territory. You may not sell products or provide car care services to anyone outside your Territory unless we grant you prior written permission to do so. If you obtain our prior written permission, you must follow our policies regarding any out-of-Territory activity. If we grant you permission to sell goods and services outside of your Territory, you do not gain any territory or exclusivity rights. We have the right to terminate or suspend your approval to conduct any out-of-Territory activities.

National Account Program: At our option and not obligation, we may establish National Accounts within your Territory and the territories of other franchisees. You will have the right and obligation to provide services to National Account customers in your Territory (or within a 10 mile radius of your Territory) at the prices we establish and in accordance with our standards. If there is no established price, you may provide services for your standard rate. We and our affiliates may solicit customers located in your Territory, whether or not you currently provide services to them, in order to develop them into National Accounts.

If (a) you decline to service a National Account customer within 24 hours of receiving notice of the service request, (b) you do not service the National Account customer in accordance with our standards or by any specified deadlines, (c) we reasonably determine that you are not able to reliably service the National Account customer, or (d) the National Account customer requests that you not fulfill the service order, we reserve the right to designate another party to service the National Account customer in the Territory from that time on without paying any compensation to you. These designated parties could be us, our affiliate, another franchisee, or other business. Services provided by the designated parties are not a breach of the Franchise Agreement.

Because of these limited circumstances when we or our designee may service a National Account in your Territory, your Territory is not "exclusive." 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.

Third Party Services: As available in your Territory, we will require you to partner with Third Party Service Partners to provide Third Party Services. You may be required to coordinate the Third Party Service and provide inspections or other services in conjunction with the Third Party Service. You will receive a percentage of the net proceeds that we receive from Third Party Services provided by Third Party Service Partners in the Territory (the Proceed Share Percentage). Revenue you receive from your Proceed Share Percentage will be included in the Gross Revenues of your business.

Area Developer Agreement

When you sign your Area Development Agreement, you will receive a development area mutually agreed upon by the parties ("Development Area"), within which we will not develop or license another to develop a SPIFFY mobile car care business until the earliest of (i) the Area Development Agreement is superseded by Franchise Agreements signed for each location in the development schedule; (ii) the Area Development Agreement is terminated for breach or failure to meet your development obligation; or (iii) the Area Development Agreement expires. At such time, any development territory that is not part of a franchise territory granted to you in a franchise agreement will revert back to us. The Area Development Agreement does not grant to you a license to operate a SPIFFY franchise, which license can only be granted by signing a franchise agreement with us. The Area Development Agreement simply grants to you the exclusive right to develop a certain number of SPIFFY businesses within the Development Area in accordance with the development schedule. You lose the protection of the Development Area if (a) you fail to open your businesses within the time period agreed upon in the Area Development Agreement plus such extensions, if any, as we may agree to in writing, (b) your Area Development Agreement expires, (c) you default under the terms of your Area Development Agreement, or (d) your Area Development Agreement is terminated due to defaults by you that are not timely cured; otherwise,

your right to continue to develop the Development Area under the Area Development Agreement is not contingent upon achieving a certain sales volume, market penetration, or any other contingency and cannot be altered. 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.

Rights Reserved by Us

Regardless of either proximity to your Territory or Development Area, or any actual or threatened impact on sales of your business, we retain the right all rights not expressly granted to you, including, among others, to: (a) use the Marks and System in connection with establishing and operating SPIFFY businesses at any location outside the Territory or Development Area; (b) use the Marks or other marks in connection with selling or distributing any goods (including branded merchandise or products) or services anywhere in the world (including within the Territory and Development Area), whether or not you also offer them, through channels of distribution other than a SPIFFY-branded mobile car care business that operates using the Marks and the System, including, for example, brick-and-mortar locations, catalogs, mail order, or the Internet or other electronic means; (c) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory and Development Area); (d) use and license to any party to use, our or our affiliate's (i) intellectual property and/or (ii) software, anywhere in the world (including within the Territory and Development Area), but these licenses shall not include the right to use the Marks in connection with a SPIFFY-branded mobile car care business operating using the Marks and the System in the Territory or Development Area; (e) use the Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory and Development Area); (f) service National Account customers through parties we designate under the circumstances described above; and (g) whether through ourselves, our affiliates, or third parties, through any channel of distribution, use the Marks or other marks to offer, sell, and provide goods and services other than those you are authorized to offer and sell under the then-current System. We have the right to sell or license others to sell products, services, or franchises within your Territory or Development Area under trademarks that are different than the Marks. We and our affiliates have the right license our and our affiliate's intellectual property, including software, to any party in your Territory and we may exercise this right at any time. We are not obligated to compensate you if we solicit or accept orders in the Territory or Development Area. If we decide to exercise these rights, we will not be obligated to compensate you for such sales made inside or outside your Territory or Development Area.

Miscellaneous: You may not relocate the business premises without our written approval. Other than under the terms of an Area Development Agreement described above, you do not have any option, right of first refusal, or similar rights to acquire additional franchises within the Territory or contiguous territories. If you want to relocate your business, you must obtain our approval prior to doing so and reimburse us for our expenses associated with the review. If you relocate without our approval, the new site will be treated as the sale of a new franchise and subject to the new franchise fees.

ITEM 13. TRADEMARKS

Get Spiffy, Inc. owns all of the trademarks used by us and our franchisees. By a license agreement effective May 26, 2020, Get Spiffy, Inc. has granted us the license to use and sublicense the use of all of Get Spiffy, Inc.'s intellectual property that is or may be associated with the system or the proprietary marks (the "IP License Agreement"). The trademarks and service marks listed below and any additional trademarks and service marks are referred to herein as the "Marks". The IP License Agreement grants us the right to sublicense the Marks to franchise locations. All rights in and goodwill from the use of our Marks ultimately accrue to Get Spiffy, Inc. as the trademark owner. If the IP License Agreement is terminated, the sublicenses with our franchisees will remain until the termination or expiration of their franchise agreements.

Upon execution of our Franchise Agreement, we will sublicense to you the limited right to use the following registered Marks, which are registered on the Principal Register of the United States Patent and Trademark Office:

REGISTRATION NO.	EFFECTIVE DATE OF REGISTRATION	MARK
5,114,933	January 3, 2017	SPIFFY
5,114,934	January 3, 2017	

Presently, other than the IP License Agreement described above, there are no agreements in effect that significantly limit our rights to use or license the use of the Marks listed in this Item in a manner material to the franchise. All uses of the Marks of which we are aware occur with our permission. We know of no infringing use of the Marks that could materially affect your use of them.

We or our affiliate have filed and intend to file all necessary affidavits of use and renewal applications when they become due. There are no currently effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, or the Trademark Administrator of any state or any court, nor are there any pending infringement, opposition, or cancellation proceedings or material litigation, involving any of the above Marks. None of the registrations are due for renewal.

A federal or state trademark or service mark registration does not necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Prior to entering into the Franchise Agreement, you should check and be sure that there are no existing uses of our marks or names or any marks or names confusingly similar to any of them within the market area where you want to do business. If you find any similar names or marks, you must immediately notify us. Any action to be taken in that event is strictly within our discretion.

Your right to use the Marks is derived solely from Franchise Agreements entered into between you and us for the purpose of operating a SPIFFY Franchised Business. You must follow our rules and regulations with respect to the use of the Marks. You may not use any Mark in connection with any business or activity, other than the business conducted by you according to Franchise Agreements entered into between you and us, or in any other manner not explicitly authorized in writing by us. You cannot use any of the Marks or any other marks, names, or indicia of origin that are or may be confusingly similar to the Marks as part of a corporate name or other legal name. After the termination, non-renewal, or expiration of the Franchise Agreement, you may not, except with respect to the Franchised Businesses operated by you according to Franchise Agreements granted by us, at any time or in any manner identify yourself or any business as a franchisee or former franchisee of, or otherwise associated with, us or use in any manner or for any purpose any Mark or other distinguishing signs of our Franchised Business or any colorable imitation of same.

You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Marks. You must promptly notify us of any claim of apparent infringement or claim of any person to rights in a similar trade name, trademark, or service Mark. Our affiliate has the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. Our affiliate has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks or challenge your use of the Marks or make claims about unfair competition arising out of your use of the Marks. You may not communicate with any person other than us, our affiliate, and our counsel in connection with any such infringement, challenge or claim.

If you comply with the Franchise Agreement, we must indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding in which your use of any Mark in compliance with the Franchise Agreement is held to constitute trademark infringement.

We reserve the right to substitute different proprietary marks for use in identifying the System and the business operating under it if we, in our sole discretion, determine that substitution of different marks as Marks will be beneficial to the System. You must comply with such change, revision, or substitution and bear all expenses associated with such changes.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent, patent application, or copyright registration, but you can use the proprietary information in our Manuals and our business processes all of which are trade secrets owned by us. Although we have filed no applications for a copyright registration for the Manuals or our affiliate's software code, we or our affiliate claim a copyright and the information is proprietary.

You must strictly limit your employees' access to the trade secrets, proprietary information, and confidential information (together "Confidential Information"). You must share Confidential Information with them only to the extent they have a "need to know" to perform their jobs. All persons to whom you grant access to the Manuals or any other Confidential Information, any person who attends any training program we conduct, and all of your managerial employees must

sign our form of confidentiality agreement. If you are a partnership, limited liability company or corporation, all of your owners, officers, or directors and any of these individuals' spouses will sign a form of the confidentiality provisions. You must use the Confidential Information only in the manner required by us. You must fully and strictly comply with all security measures required by us for maintaining the confidentiality of the Confidential Information.

If you or your owners, officers, managers, or employees conceive, invent, create, design and/or develop any ideas, techniques, methods, processes or procedures, formulae, products, services, or other concepts and features relating to Franchised Business operations, business practices or the manufacturing, production, marketing or sale of mobile car care services, or related goods in connection with the Franchised Business (the "Innovations"), you (or they) will be deemed to have assigned all of your (or other) rights, title and interests in the Innovations, including any intellectual property rights, to us. You and your owners, officers, managers and employees also must cooperate with us in connection with protecting the Innovations, including executing any and all instruments and do any and all acts necessary to establish our ownership of the Innovations.

You will not have the exclusive right to use the Innovations or any of our patents or patent applications, copyrights or Confidential Information, nor will you acquire, by use or otherwise, any right, title or interest in or to the Innovations, the copyrights or the Confidential Information, other than as expressly contained in, and limited by, the Franchise Agreement. Your right to use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information is limited and temporary. Upon expiration, non-renewal, or termination of the Franchise Agreement for any reason, you may not, directly or indirectly, use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights or the Confidential Information in any manner or for any purpose whatsoever.

You must immediately notify us of any conduct that could constitute infringement of or challenge to the Innovations, the patents or patent applications, the copyrights, and the Confidential Information. We will decide, in our sole discretion, whether to institute any action in connection with infringement of or challenge to the Innovations, the patents or patent applications, the copyrights and the Confidential Information, and will control any proceedings and litigation. We are not required to protect your right to use the Innovations, the patents or patent applications, the copyrights, or the Confidential Information. We will not indemnify you for losses arising out of use or misuse of the Innovations, patents or patent applications, copyrights, or Confidential Information. There are no material determinations of any administrative body or court, no pending proceedings in any administrative body or court, nor any agreements that limit our ability to license to you the copyrights. We do not know of any patent or copyright infringement that could materially affect you.

We may, in our sole discretion, modify or discontinue use of the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information and/or use other information and/or rights in their place. If we decide to modify or discontinue use of the Innovations for any reason, you must do so also, at your expense.

During the term of the Franchise Agreement, you must maintain, to the extent collected, a current list of the names, home addresses, work addresses, e-mail addresses and telephone numbers

of the customers who supply you this information (the "Customer List"). You must provide the Customer List to us upon request. The Customer List will be our property at all times, and you must not disclose the Customer List to any person or entity other than us, or sell the Customer List (or any portion of it) to any person or entity without our express written consent.

You and each of your principals, officers, managers and employees having access to the Confidential Information will be bound by certain provisions protecting our proprietary rights.

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

We encourage but do not require you to personally supervise the Franchised Business, and prefer to select franchisees who favor and appear committed to a "hands on" and well-informed approach to the business. We strongly recommend that you devote a substantial amount of time to your SPIFFY business, whether or not you hire a manager. Franchisees who do not devote their full time and efforts to the establishment and operation of their businesses may have lower gross revenues, higher operating costs, and lesser name recognition in their areas than those franchisees who do devote their full efforts to the business. The business must be directly supervised and managed on-site by a qualified person, identified to us and approved by us, who has undergone and successfully completed our training program ("Operations Manager"). The Operations Manager must execute a confidentiality and non-competition agreement similar to the one you will execute if you purchase a franchise from us. The Operations Manager is not required to have an ownership interest in the franchise entity.

If you are a legal or business entity, each individual who has any ownership interest in your business, directly or indirectly, must sign the guaranty and the nondisclosure and noncompetition Agreement. Additionally, your spouse, or, if you are a legal or business entity, the spouses of your owners must sign the guaranty and nondisclosure and noncompetition agreement. By signing both the nondisclosure and noncompetition agreement and the guaranty, you (or each of your owners) agree to be bound by the restrictive covenants, the confidentiality provisions and certain other provisions contained in the Franchise Agreement.

All personnel employed by you in connection with the operation of your SPIFFY business must maintain the strict standards of safety, sanitation, environmental safety, cleanliness, and demeanor as may be established by us and by local law. All personnel must wear clothing appropriate to the SPIFFY image.

The people you retain to work in your Franchised Business will be your agents and employees. They are not our agents or employees and we are not a joint employer of such persons. You will be solely responsible for recruiting and hiring the persons you employ to operate the Franchised Business and must determine whom to hire, how many people to hire, retain, and train, and how you will compensate such persons. You are responsible for your employees' and agents' training, wages, taxes, benefits, safety, schedules, work condition, assignments, discipline, and termination. You must comply with all applicable employment laws. We will not operate your Franchised Business, direct your employees, or oversee your employment policies or practices.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Under the Franchise Agreement, you must offer and sell all products and services that we require, and only the products and services that we have approved and authorized you to offer. For example, to be authorized to provide Expanded Services, you must have been operating for at least three months, attend our additional training, and obtain the required Expanded Service Van. When serving the National Account customers you must also do so in accordance with our standards and pricing. We may add, eliminate, and change products and service items periodically, and you must comply with all directives. We impose these requirements to control the quality and uniformity of the goods and services you and other franchisees may offer through use of our trade name and trademarks. We reserve the right to charge you a fine up to $1,000 per occurrence if you provide an unauthorized service or sell any unauthorized good.

The Franchise Agreement requires you to assign a security interest in certain assets to us as collateral in the event you default on your Franchise Agreement. The pledged assets include the Van(s), accounts, credit card receivables, cash, equipment, and your franchise rights. We will agree to subordinate our rights to the security interest in the Van(s) to those of a prime lender for the purchase of the franchise and/or Van(s) and/or development of your Franchised Business.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN AGREEMENT	SUMMARY
a. Length of the franchise term	Franchise Agreement § 2(a) Area Development Agreement §1.2	Franchise Agreement: Initial term is 10 years. Area Development Agreement: Months to be negotiated by parties.
b. Renewal or extension of the term	Franchise Agreement § 2(b) Area Development Agreement § 1.2	Franchise Agreement: One 5-year renewal term provided you remain a franchisee in good standing. Area Development Agreement: No right to renew.

PROVISION	SECTION IN AGREEMENT	SUMMARY
c. Requirements for Franchisee to renew or extend	Franchise Agreement § 2(b)	Franchise Agreement: You must be in good standing and exercise your option within a window of time. You must agree to the terms of the Franchise Agreement then being offered, make required upgrades to your business, secure a sufficiently long lease term of your office, present evidence that you have the right to remain in possession of your Van(s) for the renewal term, sign a release, and pay your renewal fee of $5,000. You may be asked to sign a contract with materially different terms and conditions than your original contract, including different terms for the royalties or territory size. Area Development Agreement: N/A
d. Termination by Franchisee	Franchise Agreement §§ 2(d) and 17(e)	Franchise Agreement: For cause, if we breach a material provision of the contract and fail to cure 90 days after written notice then you can terminate with 30 days' notice if you are compliant with the terms of your agreement. Also upon expiration of the franchise term if you do not exercise your option to renew. Subject to state law. Area Development Agreement: N/A
e. Termination by Franchisor without cause	N/A	We cannot terminate except for cause.
f. Termination by Franchisor with cause	Franchise Agreement §§ 17(a) – (d) Area Development Agreement § 9	Franchise Agreement: Section 17(a) deals with automatic termination. Section 17(b) describes causes for termination upon notice. Section 17(c) describes causes for termination upon notice and failure to cure, including your cure rights. The laws of your state may provide additional rights to you concerning termination of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control. Area Development Agreement: Section 9.1 describes automatic termination. Section 9.2 describes causes for termination after notice

PROVISION	SECTION IN AGREEMENT	SUMMARY
		and opportunity to cure, including your cure rights. A default under any Franchise Agreement will be a default under all Franchise Agreements and Area Development Agreements with us. A default under any Area Development Agreement will be a default under all Area Development Agreements with us.
g. "Cause" defined – defaults that can be cured	Franchise Agreement § 17(c) Area Development Agreement § 9.2	Franchise Agreement: Non-compliance; non-payment; unauthorized transfer; operating the Franchised Business in a way that is a health or safety hazard; unauthorized or misuse of the Marks and/or System; maintaining or submitting false records; failing to maintain a good credit rating; defaulting under an agreement that covers the Van(s); unauthorized use of the Van(s); unauthorized providing of services outside your Territory; misuse of your computer systems; failure to provide services to National Account customers in a way that meets our standards; customer rating below the acceptable level; vehicle damage rate of greater than 3%; failure to add a required Van; failure to have sufficient funds in your account; assigning, subleases, or transferring the Van without our consent. Generally, you will have 15 days to totally cure the default if we deliver a notice of default. Area Development Agreement: Failure to comply with the law, unauthorized transfer, breach of the franchise agreements; failure to meet the development schedule. Franchisor's remedies include reduction of the size of the Development Area, modification of the Development Schedule, and terminate the agreement, among others. A default under any Franchise Agreement will be a default under all Franchise Agreements and Area Development Agreements with us. A default under any Area Development Agreement will be a default under all Area Development Agreements with us.

PROVISION	SECTION IN AGREEMENT	SUMMARY
h. "Cause" defined – defaults that cannot be cured	Franchise Agreement §§ 17(a), (b), and (d) Area Development Agreement § 9.1	Franchise Agreement: Making an assignment for the benefit of creditors, bankruptcy, appointment of a receiver, dissolution and the like; abandonment; unauthorized transfer; criminal conduct; failure to transfer after death or incapacity of an owner; two or more notices of default within a 12 month period or three or more notices in a three year period; failure to comply with covenants; misrepresentation; false statements and records; any behavior that impairs the value of the Marks or System; dishonesty with employees, loss of a required license; liability for discrimination; failure to comply with a government order related to health and safety; failure to timely open the business; illegal behavior; repeating a cured default within six months; commencing operations without our permission; operating under unauthorized trademarks. Area Development Agreement: Bankruptcy, receivership, insolvency and the like. A default under any Franchise Agreement will be a default under all Franchise Agreements and Area Development Agreements with us. A default under any Area Development Agreement will be a default under all Area Development Agreements with us.

PROVISION	SECTION IN AGREEMENT	SUMMARY
i. Franchisee's obligations on termination/ non-renewal	Franchise Agreement §§ 14, 15, and 18 Area Development Agreement § 9.4	Franchise Agreement: Cease to operate the business; pay us sums due without set-off; return our property including the Manuals and business data; discontinue use of Marks; cooperate with our lease assignment rights, if any; unless we take over the premises, immediately remove all signs with Marks; cease representing self as a present or past SPIFFY franchisee; destroy or surrender marks, names, indicia; discontinue ads; assign us phone numbers; comply with our instructions regarding your computer systems and mobile applications; sell us such inventory and other business assets as we request, including Van(s) and related equipment for fair market value (as defined in the Franchise Agreement); if we do not exercise our purchase rights, de-identify the Van(s). Area Development Agreement: Cease development of businesses that are not subject to a then-existing Franchise Agreement.
j. Assignment of contract by franchisor	Franchise; Agreement §§ 13(a) and (e) Area Development Agreement § 6.1	Franchise Agreement and Area Development Agreement: We may freely assign our rights and duties under the Franchise Agreement and Area Development Agreement.
k. "Transfer" by franchisee – definition	Franchise Agreement § 13(b) Area development Agreement § 6.2	Franchise Agreement: Broadly defined to include any issuance, sale, assignment, gift, pledge, mortgage or any other encumbrance, merger, consolidation, or consolidation. Area Development Agreement: Broadly defined to include sales, transfer, or assignment of rights.

PROVISION	SECTION IN AGREEMENT	SUMMARY
l. Franchisor's approval of transfer by franchisee	Franchise Agreement §§ 13(c)(ii) and (d) Area Development Agreement § 6.2	Franchise Agreement: Except for a limited set of transfers to other owners or to an entity wholly owned by the original owners, our prior written agreement is required for all transfers. You must give us notice of all transfers. The franchise can be terminated for non-compliance. We will not unreasonably withhold approval. Area Development Agreement: You may not sell, transfer, or assign any right without our prior written consent, which may be withheld in our sole discretion.
m. Conditions for franchisor's approval of transfer	Franchise Agreement § 13(d) – (g) Area Development Agreement § 6.2	Franchise Agreement: Transferee must assume your obligations under the franchise agreement; attend and successfully complete our training; provide all requested documents; make updates to the Franchised Business and Vans; present evidence that transferee will have possession of the lease and vehicles; execute a franchise and collateral agreements in the then current form; have a credit rating, moral character, reputation and business qualifications satisfactory to us; meet the then-current requirements for new franchisees. You must release us of all claims, be in compliance, and pay a transfer fee $10,000. Guarantees and share restriction agreements are required if to a corporation or LLC. If a sale is involved, you must offer us a 45-day right of first refusal. Area Development Agreement: Franchisor's sole discretion
n. Franchisor's right of first refusal to acquire franchisee's business	Franchise Agreement § 13(c)	Franchise Agreement: 45 days. We may assign it to another. Area Development Agreement: N/A

PROVISION	SECTION IN AGREEMENT	SUMMARY
o. Franchisor's option to purchase franchisee's business	Franchise Agreement: §§ 10(e), 13(c), and 18(b)	Franchise Agreement: Upon termination, non-renewal, or expiration and if we require it, you must sell to us some or all of the assets of the business, including the Van(s) for their fair market value (as defined in the Franchise Agreement). Area Development Agreement: N/A
p. Franchisee's death or disability	Franchise Agreement § 13(h)	Franchise Agreement: If you or one of your owners dies or becomes disabled, the business or the interest must be transferred to someone we approve. During the period between death or disability and transfer, the business must be operated by someone we approve. You or your representatives will have 9 months to complete any transfers of the franchise agreement terminates. Area Development Agreement: N/A
q. Non-competition covenants during the term of the franchise	Franchise Agreement §§ 14(a), (c) – (e), (g), and Attachment 4 Area Development Agreement § 7.1	Franchise and Area Development Agreement: You must not own or otherwise engage in any other business that provides mobile car care services or develops technology to provide mobile car care services. You will be required to get your managerial staff to agree to agree to this same non-competition covenant.
r. Non-competition covenants after the franchise is terminated/ expires	Franchise Agreement §§ 14(b) – (g), and Attachment 4 Area Development Agreement § 7.2	Franchise Agreement and Area Development Agreement: For 2 years after termination, non-renewal or expiration of the franchise for any reason, you must not own or engage in any other similar business located within a radius of your Territory or Development Area or the territory of any other SPIFFY business then in operation. You will be required to get your managerial staff to agree to agree to this same non-competition covenant.

PROVISION	SECTION IN AGREEMENT	SUMMARY
s. Modification of the agreement	Franchise Agreement § 23(e) and (g) Area Development Agreement § 12.7	Franchise Agreement: We reserve the right to amend this Agreement if a Franchise Agreement change proposed by us is agreed to by 75% of the then-current Franchisees. Otherwise no modifications to the Agreement other than in writing. Area Development Agreement: No modifications to the Area Development Agreement other than in writing.
t. Integration/ merger clause	Franchise Agreement § 23(c) Area Development Agreement § 12.7	Franchise Agreement: Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. Area Development Agreement: Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Franchise Agreement §§ 21(a) – (b) Area Development Agreement § 11	Franchise Agreement and Area Development Agreement: Except for certain claims, all disputes not first settled informally must be arbitrated in Durham, North Carolina, under rules of the American Arbitration Association.
v. Choice of forum	Franchise Agreement §§ 21(a), (b), and (h) Area Development Agreement § 12.6	Franchise Agreement and Area Development Agreement: AAA, Durham, North Carolina; North Carolina courts (if applicable), which provision is subject to individual state laws.
w. Choice of law	Franchise Agreement § 21(h) Area Development Agreement § 12.6	Franchise Agreement and Area Development Agreement: North Carolina law, except federal Lanham Act and Federal Arbitration Act, which choice of law is subject to individual state laws.

For information particular to your state, please see the state addendums in Exhibit D.

ITEM 18. PUBLIC FIGURES

We use no public figures to promote the 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.

Unless otherwise explained below, these financial performance representations disclose historical information for the 21 affiliate-owned SPIFFY businesses that have been open for at least twelve months and that operated for the full duration of the reporting period of January 1, 2021 to December 31, 2021 ("Reporting Period"). These financial performance representations are for the outlets owned and operated by our affiliate Get Spiffy, Inc. in 21 cities ("Reporting Units"), and which have opened between 2014 and 2020. Data from nine affiliate-owned SPIFFY business are not included because they either were not open for at twelve months or did not operate for the full duration of the Reporting Period. Each Reporting Unit operates multiple Vans and offers services to the three customer sectors: office, fleet, and residential.

No units operated by franchisees are included in this financial performance representation because none had operated for twelve months as of December 31, 2021.

The affiliate-owned SPIFFY businesses in this financial performance representation are substantially similar to the SPIFFY Franchised Businesses for which we are offering franchises in this disclosure document. Affiliate businesses in the Reporting Cities offer substantially the same car maintenance, cleaning, and repair services as will be offered by franchised SPIFFY businesses. Note that the affiliate-owned SPIFFY businesses do not pay the Royalty or Brand Fund fees. Under the Franchise Agreement, you are required to pay to us Royalties in the amount of 7.0% of Gross Revenues. You are also currently required to contribute to the Brand Fund 2.0% of your Gross Revenues. We can increase this requirement to 3.0% of Gross Revenues at any time.

For purposes of the tables below, "Gross Revenues" means the total revenue generated by the SPIFFY business, including all revenue generated from the sale and provision of any and all approved products and services at or through the business and all proceeds from any business interruption insurance related to the non-operation of the business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" does not include (a) tips received by employees through their employment with the business or (b) any sales tax and equivalent taxes that are collected by the business for or on behalf of any governmental taxing authority and paid thereto. Royalties are assessed on gift cards when redeemed, not sold.

Services provided to "residential" customers are services performed at customers' residential locations. Services provided to "office" customers are services performed at customers' workplaces. Services provided to "fleet" customers are services performed for customers that own and operate fleets of vehicles and the services may have been provided at the customers' central office or wherever the fleet vehicles may have been dispatched.

Table 1
Unit Gross Revenues and Customer Sector Percentages
For the Reporting Units – Jan. 1, 2021 – Dec. 31, 2021

	High	Low	Median	Average
Unit Gross Revenues	$3,396,362.94	$105,854.50	$844,309.47	$1,098,715.07
Number of Units Surpassing High/Low/Median Unit Gross Revenues	1	21	11	7
Percent of Gross Revenues for Residential Customers	1.03%	1.98%	5.35%	
Percent of Gross Revenues for Office Customers	0%	0%	0%	
Percent of Gross Revenues for Fleet (Passenger Vehicle) Customers	97.59%	96.51%	94.34%	
Percent of Gross Revenues for Fleet (Medium / Heavy Duty Vehicle) Customers	1.38%	1.51%	0.31%	

Table 1 discloses (a) the Gross Revenues of the units with the highest Gross Revenues and lowest Gross Revenues, (b) the percentage of Gross Revenues attributed to each customer sector for the highest and lowest units, (c) the average and median unit Gross Revenues, and (d) the percentage of Gross Revenues attributed to each customer sector for the median unit. Because the average unit is not an actual Reporting Unit, we have not included any figures for the customer sectors.

Table 2
Gross Revenues by Number of Years Operating
For the Reporting Units – Jan. 1, 2015 – Dec. 31, 2021

	Average Gross Revenues per Unit	Number of Units in each Year	Number of Units Surpassing Average	High	Median	Low
Year 1	$167,722	21	8	$544,990	$103,737	$1,690
Year 2	$564,838	16	8	$1,287,082	$492,790	$134,291
Year 3	$1,134,951	15	5	$3,396,363	$939,889	$205,775
Year 4	$834,617	7	3	$1,366,180	$731,472	$436,241
Year 5	$1,158,474	5	2	$1,738,824	$1,009,686	$743,672
Year 6	$1,486,442	3	1	$2,251,107	$1,431,064	$777,155
Year 7	$1,361,564	2	1	$1,724,728	$1,361,564	$998,400

Table 2 discloses the average, high, median, and low Gross Revenues achieved by the Reporting Units during their first, second, third, fourth, fifth, sixth and seventh years of operation, as applicable. For example, all 21 Reporting Units have been in operation for at least one year while only two Reporting Units have been in operation for seven or more years.

Table 3
Percent of 2021 Gross Revenues by Month
For the Reporting Units – Jan. 1, 2021 – Dec. 31, 2021

Month	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Average	6.25%	5.26%	6.96%	7.78%	7.50%	8.61%	8.81%	10.02%	9.20%	10.14%	9.59%	9.89%
Median	6.00%	4.84%	6.65%	6.80%	7.52%	8.33%	9.07%	10.20%	9.25%	9.52%	9.34%	10.41%
High	18.53%	13.08%	17.54%	19.14%	11.66%	16.27%	11.63%	13.68%	13.99%	18.51%	16.72%	14.00%
Low	3.36%	0.57%	2.24%	3.68%	4.01%	3.55%	3.48%	2.55%	2.81%	5.03%	4.55%	4.89%

Table 3 discloses (a) the average and median percent of 2021 Gross Revenues a unit earned in each month of 2021 and (b) the percent of 2021 Gross Revenues that the highest unit and lowest unit in the month earned for that month.

Table 4
Wash/Detail and Oil Change Services Sales Performed in 2018 to 2021
Jan. 1, 2018 – Dec. 31, 2021

Type of Service	Percent of Sales in 2018	Percent of Sales in 2019	Percent of Sales in 2020	Percent of Sales in 2021
Wash/Detail	84.49%	74.87%	40.52%	35.24%
Oil Change	15.35%	24.07%	54.47%	59.75%
Other	0.16%	1.05%	5.01%	5.01%

Table 4 discloses the percent of sales from 2018 to 2021 that were in the categories of wash and/or detail services, the percent that were oil change services, and the percent that were other services.

Table 5
Service Price (ASP) and Daily Revenue Per Van (DRV) by Line of Business
For the Reporting Units –Jan. 1, 2021 – Dec. 31, 2021

	Average Service Price	Median Service Price	Average Daily Revenue Per Van	Median Daily Revenue Per Van
Residential	$124.82	$117.09	$315.15	$341.19
Office	$120.52	$105.20	$294.28	$295.00

		Average Service Price	Median Service Price	Average Daily Revenue Per Van	Median Daily Revenue Per Van
Fleet	**Passenger Vehicles**	$41.53	$36.08	$430.93	$400.00
	Medium / Heavy Duty Vehicles	$154.24	$139.70	$494.66	$412.50
Aggregate		$65.46	$41.40	$405.26	$380.60

For purpose of Table 5, "Medium/Heavy Duty Vehicles" refers to services for box truck fleet vehicles as compared to fleet services for passenger vehicles.

Table 5 discloses the (a) average and median service price by line of business in 2021 and (b) aggregate average and median service price (not divided by line of business). The service price is the amount that a customer is charged for the service provided by the Reporting Unit.

Additionally, Table 5 discloses the (a) average and median daily revenue per Van by line of business in 2021 and (b) aggregate average and median daily revenue per Van (not divided by line of business). The daily revenue per Van is calculated by dividing the total revenue received (in a line of business or in the aggregate) by the number of Vans being operated by the Reporting Units in 2021.

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

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

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our President, in writing at 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. LIST OF OUTLETS AND FRANCHISE INFORMATION

Table 1
System-wide Outlet Summary for years 2019, 2020, and 2021

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2019	0	0	0
	2020	0	0	0
	2021	0	8	+8
Company Owned	2019	8	18	+10
	2020	18	23	+5
	2021	23	30	+7
Total Outlets	**2019**	**8**	**18**	**+10**
	2020	**18**	**23**	**+5**
	2021	**23**	**38**	**+15**

Table 2
Transfers from Franchisees to New Owners (Other than the Franchisor)
for years 2019, 2020, and 2021

STATE	YEAR	NUMBER OF TRANSFERS
All States	2019	0
	2020	0
	2021	0
Totals	**2019**	**0**
	2020	**0**
	2021	**0**

Table 3
Status of Franchised Outlets
For years 2019, 2020, and 2021

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMIN -ATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF THE YEAR
California	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Delaware*	2019	0	0	0	0	0	0	0

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMIN -ATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF THE YEAR
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Indiana	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Maryland*	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
North Carolina	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	2
Ohio	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Oklahoma	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
South Carolina	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Totals	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	8*	0	0	0	0	8*

*Indicates that a franchisee's market area covers two states. One franchisee has territory in both Delaware and Maryland.

Table 4
Status of Company-Owned Outlets
For years 2019, 2020, and 2021

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Arizona	2019	0	1	0	0	0	1
	2020	1	1	0	0	0	2
	2021	2	0	0	0	0	2
California	2019	1	1	0	0	0	2
	2020	2	2	0	0	0	4
	2021	4	0	0	0	0	4

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Colorado	2019	0	1	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Florida	2019	0	4***	0	0	0	4
	2020	4	0	0	0	0	4
	2021	4	1	0	0	0	5
Georgia	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Illinois	2019	0	1	0	0	0	1
	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
Maryland	2019	0	0	0	0	0	0
	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1
Missouri	2019	0	0	0	0	0	0
	2020	0	1	0	0	0	1
	2021	1	0	0	0	0	1
New Jersey*	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
New York*	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
North Carolina	2019	2	0	0	0	0	2
	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
Nevada	2019	0	1	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Oregon	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	1	0	0	0	1
Pennsylvania	2019	0	1	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Tennessee	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	3	0	0	0	3
Texas	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	2	0	0	0	3
Virginia*	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Washington	**2019**	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2019	1	0	0	0	0	1

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
Washington D.C.*	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Totals	**2019**	**8**	**10*** **	**0**	**0**	**0**	**18*** **
	2020	**18**	**5**	**0**	**0**	**0**	**23**
	2021	**23**	**7**	**0**	**0**	**0**	**30**

*Indicates that a company-owned location's market area covers two states. One location has territory in both New Jersey and New York and another location has territory in both Virginia and Washington D.C.

***Three outlets were formerly Your Location Lubrication outlets and were acquired by Franchisor and re-branded with the SPIFFY trademarks and System.

Table 5
Projected Openings as of December 31, 2021
For Year 2022

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR
Florida	0	3	0
New Jersey	0	1	0
New York	1	0	0
Massachusetts	0	0	1
Puerto Rico	0	0	1
South Carolina	1	0	0
Texas	0	0	2
Virginia	0	2	0
TOTALS	**2**	**6**	**4**

Among the attached Exhibits you will find:

Exhibit B-1 BUSINESS DIRECTORY/Listing of Current Franchisees lists the names of all current franchisees and the addresses and telephone numbers of their Businesses as of the effective date.

Exhibit B-2 LISTING OF CERTAIN PAST FRANCHISEES lists the name, city, state, and the current business telephone number (or, if unknown, the last known home telephone

number) of every franchisee who had a SPIFFY outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this FDD.

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

During the last three fiscal years, we have not signed confidentiality clauses with any current or former franchisees.

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

There are no independent franchisee organizations that have been asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit C are audited financial reports for the period ending December 31, 2021 and December 31, 2020. Because we have not been franchising for 3 years or more, we do not have 3 years of audited financial statements. Our fiscal year ends in December.

ITEM 22. CONTRACTS

Copies of the following contracts or documents are also attached as Exhibits hereto:

Exhibit A SPIFFY FRANCHISE AGREEMENT, with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider); Attachment 3 (Personal Guaranty), Attachment 4 (Nondisclosure and Noncompetition Agreement), Attachment 5 (Telephone Listing and Internet Authorization Agreement)
Exhibit F Spiffy Software License Agreement
Exhibit G Form of Vehicle Lease
Exhibit I General Release Agreement
Exhibit J ACH/EFT Transfer Agreement

ITEM 23. RECEIPT

You will find copies of a detachable receipt in Exhibit P at the very end of this disclosure document. Please sign both acknowledging receipt of this disclosure document and return one of them to us for our files.

EXHIBIT A
FRANCHISE AGREEMENT

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Attachment 1 Franchise Rider
Attachment 2 Lease Rider
Attachment 3 Guaranty and Assumption of Franchisee's Obligations
Attachment 4 Nondisclosure and Noncompetition Agreement
Attachment 5 Telephone Listing and Internet Authorization Agreement

SPIFFY FRANCHISING, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into as of _____ by and between SPIFFY FRANCHISING, LLC, a Delaware limited liability company ("Franchisor"), and _____, a _____, ("Franchisee"). If Franchisee is a corporation, partnership, limited liability company or other legal entity, certain provisions to this Agreement also apply to its owners, shareholders, partners, principals, or members (collectively, "Owners").

RECITALS:

A. Franchisor has expended time, money, and effort to develop a unique system for providing mobile, on-demand, and environmentally friendly car care services, including wash, detail, oil change, tire installation and repair, and fueling. (The methods of operation, know-how, experience and form of operation acquired, devised, and/or established by Franchisor are referred to herein as the "System"; the chain of current and future SPIFFY businesses are referred to herein as the "Chain".)

B. The distinguishing characteristics of the System include the name "SPIFFY," a distinctive method of providing mobile, on-demand, and environmentally friendly car care services, and consistency and uniformity of products, services, and technology, all of which may be improved, amended, and further developed by Franchisor from time to time.

C. Franchisor has the rights to license certain service marks, trade names and trademarks, including, but not limited to, the "SPIFFY" trademark (Registration Number 5114933 entered in the Principal Registry on January 3, 2017), as well as certain other trademarks, service marks, slogans, logos and emblems which have been and which may hereafter be designated by Franchisor for use in connection with the System (the "Marks").

D. Franchisee desires to obtain a license from Franchisor for use of the Marks and the System solely for the operation of a business utilizing a combination of the concepts provided for in this Agreement within the Territory identified below (the "Franchised Business"), and Franchisee desires to use the Marks and the System, and other benefits derived from this franchise relationship strictly in accordance with the provisions set forth below.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Grant.

Franchisor hereby grants to Franchisee, on the terms and conditions contained in this Agreement, and Franchisee accepts from Franchisor, a license ("License") to establish, own, and operate under the System, one Franchised Business within the Territory (as defined in Section 5 and specified in the Franchise Rider). Franchisee agrees to identify the Franchised Business and

all of the products and services Franchisee sells or offers for sale only by the Marks. Franchisee has no right to use the System or the Marks for any purpose other than as expressly provided herein.

Pursuant to this grant, Franchisee, at its own expense, shall construct or remodel, equip, staff, open and operate the Franchised Business within the Territory in accordance with this Agreement and headquarter the Franchised Business at the location Franchisor approves ("Location") and which is specified in the Franchise Rider. Unless otherwise agreed in a writing executed by Franchisor, Franchisee shall commence operating the Franchised Business within six (6) months after the execution of this Agreement, and shall diligently operate such business in accordance with this Agreement for the Term stated herein. Failure to timely open the Franchised Business shall constitute an event of default under the Agreement.

Franchisor and Franchisor's affiliates reserve any and all rights not expressly granted to Franchisee under this Agreement.

2. Term, Expiration, and Additional License Period.

(a) Initial Term. The initial term of this Agreement shall commence upon the execution of this Agreement, and shall expire at midnight on the day preceding the tenth (10^{th}) annual anniversary date of execution of this Agreement (the "Term" or the "Initial Term"), unless this Agreement has been sooner terminated in accordance with the terms and conditions herein.

(b) Additional License Period. Upon expiration of the Initial Term, Franchisee will have the right to be granted a renewal of the License for one (1) additional consecutive period of five (5) years from date of expiration on the Initial Term (the "Renewal Term"), provided the following conditions have been met:

(i) Notice. Franchisee has given Franchisor written notice of its intent to renew the License not less than six (6) months nor more than nine (9) months prior to the expiration of the Initial Term; provided that if Franchisor has not received notice from Franchisee of its desire to renew within such period, Franchisor will notify Franchisee in writing and Franchisee shall have a period of ten (10) days from the date notice is given to provide Franchisor with notice of its intent to renew;

(ii) Compliance. Franchisee is not in default of any of the provisions of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates, both at the time Franchisee gives notice of its intent to exercise its rights under the terms of this Section 2(b) and at the commencement of the Renewal Term;

(iii) Debts Current. All debts and obligations of Franchisee under this Agreement shall be current, including but not limited to Franchisee's obligations to make contributions to the Brand Fund (as defined in Section 8(a)(i));

(iv) Notice of Default. Franchisee has not received more than three (3) notices of default during any consecutive twelve-month (12) month period during the Initial Term;

(v) Renewal Agreement. Franchisee, its Owners, and its guarantors execute and deliver to Franchisor, within thirty (30) days after delivery to Franchisee, the then-current form of SPIFFY franchise agreement and Franchisor's other then-current ancillary agreements, which agreements shall supersede this Agreement in all respects, and the terms, conditions, obligations, rights, and other provisions of which may be substantially and materially different from those spelled out in this Agreement (including for example, different performance standards, fee structures, increased fees, and/or reduced territory protections) (collectively, the "Renewal Agreement");

(vi) Continued Possession. Franchisee secures the right to continue possession of the Premises (as defined in Section 6(a)) and the Service Vehicle(s) (as defined in Section 10(a)) for the duration of the Renewal Term, or alternatively Franchisee secures a premises at another location approved by Franchisor or secures another vehicle approved by Franchisor for the same period; unless Franchisor determines that the location of Franchisee's business is no longer viable for the operation of Franchisee's business, in which case Franchisor may condition Franchisee's right to renew on Franchisee's obtaining a new site for Franchisee's business that Franchisor approves;

(vii) Renewal Fee. Franchisee has paid to Franchisor a renewal fee equal to Five Thousand Dollars ($5,000), which fee shall be due in immediately available funds upon the execution of the Renewal Agreement;

(viii) Release. Franchisee, its Owners, and its guarantors execute and deliver to Franchisor a general release, in the form prescribed by Franchisor, releasing, to the fullest extent permitted by law, all claims that Franchisee, its Owners, and its guarantors may have against Franchisor and its affiliates and subsidiaries, and their respective officers, directors, shareholders, members, and employees in both their corporate and individual capacities;

(ix) Renovation. Franchisee shall make or provide for in a manner satisfactory to Franchisor, such renovating, upgrading, and re-equipping of the Franchised Business as Franchisor may require, including, without limitation, renovation, upgrading, and/or replacement of signs, equipment, furnishings, fixtures, technology, Computer Systems (as defined in Section 11(p)(i) below), and decor, to reflect the then-current standards and image of the System;

(x) Update of Service Vehicles. Franchisee shall repair, update, replace, or upgrade its Service Vehicle(s) to comply with Franchisor's then-current standards for Service Vehicle(s) and Franchisee shall add Service Vehicle(s) to comply with the then-current standards for the number of Service Vehicle(s) to be operated in a territory; provided, however, that Franchisee shall not be required to replace a Service Vehicle that has been leased or purchased less than sixty (60) months prior to the date of the execution of the Renewal Agreement;

(xi) Current Training. Franchisee complies with Franchisor's then-current qualifications and training requirements.

(c) Failure to Act. If Franchisee fails to perform any of the acts set forth in subsections (i) through (xi) of Section 2(b) in a timely fashion, such failure will be deemed an election by Franchisee not to exercise its right to enter into a Renewal Agreement, and will cause Franchisee's right to enter into a Renewal Agreement to expire without further notice or action by Franchisor.

(d) Expiration. Renewal of the License after the Initial Term shall not constitute a renewal or extension of this Agreement, but shall be conditioned upon satisfaction of the above provisions and shall, upon expiration of the Initial Term, be governed by the Renewal Agreement then executed by Franchisee. If Franchisee fails to meet any of the conditions under this Section 2 with respect to renewal of the License, then the License shall automatically expire at the end of the Initial Term.

(e) Continued Operation Following Expiration. Unless Franchisee exercises its option to renew the License granted under this agreement in accordance with this Section 2, Franchisee has no right to continue to operate the Franchised Business after the expiration date. If Franchisor permits Franchisee to continue to operate the Franchised Business after the expiration date, but before the execution by Franchisee of a Renewal Agreement for a new term as required by Section 2(b) above, then the temporary continuation of the Franchised Business will be on a month-to-month basis, and will be terminable at Franchisor's will by giving Franchisee written notice of termination at least thirty (30) days before the termination is effective. If Franchisor allows Franchisee to continue to operate the Franchised Business on a month-to-month basis after termination, non-renewal, or expiration of this Agreement for any reason, then Franchisee must pay to Franchisor weekly an additional fee equal to the greater of One Thousand Dollars ($1,000) or One Hundred Fifty Percent (150%) of the Royalties due for the same week for every week of month-to-month operation after the Expiration Date, up to Franchisor's then-current initial franchise fee, which fee shall be in addition to the Royalties, Brand Fund contributions, and any other payments due to Franchisor under this Agreement. If the law of the jurisdiction in which Franchisor is located requires a longer notice period, the thirty (30) day period will be deemed modified to be the shortest notice period required by the laws of such jurisdiction.

3. Franchise Fees and Payments.

(a) Initial Franchise Fee, Royalties, and Other Payments. In consideration of Franchisor's execution of this Agreement and the services that Franchisor will perform, Franchisee agrees to pay to Franchisor the following fees in such manner as Franchisor may from time to time designate and on the due dates (each a "Due Date") specified below or in the Franchise Rider:

(i) Initial Franchise Fee. An initial franchise fee ("Initial Franchise Fee") in the amount set forth on the Franchise Rider attached hereto. The Initial Franchise Fee shall primarily compensate Franchisor for Franchisor's pre-opening obligations under this Agreement. The parties recognize the value of the Initial Franchise Fee approximates the market value of the pre-opening services. The Initial Franchise Fee shall be deemed earned upon receipt.

(ii) Management Training Fee. An initial management training fee ("Management Training Fee") of Five Thousand Dollars ($5,000). The Management Training Fee shall cover the cost for up to three (3) people to attend the Initial Training Program more fully described in Section 4(a)(iv).

(iii) Royalties. In further consideration of the grant of the License and in consideration of Franchisor's ongoing services to Franchisee, Franchisee agrees to pay to Franchisor one or multiple monthly Royalty fee (the "Royalties"), as set forth on the Franchise Rider attached hereto. The Royalties are due and payable on the Due Date set forth on the Franchise Rider or on such other date(s) Franchisor designates with thirty (30) days' advanced written notice to Franchisee.

(iv) Spiffy Technology Fee. Franchisor reserves the right to require Franchisee to pay Franchisor's then-current technology fee for the development and maintenance of technologies for use at the Franchised Business ("Spiffy Technology Fee"). Franchisor has the right to increase the Spiffy Technology Fee with thirty (30) days' notice to Franchisee based on supplier pricing increases, modification to or upgrades of the technology used in the System, and introduction of new technology.

(v) Set Up and Support Fees. Franchisor and its affiliates reserve the right to require Franchisee to pay Franchisor's or its affiliates' then-current set up and support fees for any Computer Systems or Mobile Applications Franchisee is required to use.

(vi) Supplier Fees. If Franchisor or any of its affiliates is the designated supplier for any required product or service for the Franchised Business (including but not limited to equipment, Computer Systems or marketing or Online Presence services), Franchisee shall pay Franchisor's or its affiliate's then-current rates for such products or services.

(vii) Shared Fees. Franchisor reserves the right to have suppliers bill it or an affiliate for goods and services that benefit the system of SPIFFY franchisees. Franchisee agrees to pay Franchisor its pro rata share of these goods and services costs and fees.

(b) Method of Payment.

(i) Account. Unless otherwise designated by Franchisor, on each Due Date, Franchisor may transfer from the Franchisee's bank operating account ("Account") the amount reported to Franchisor in Franchisee's sales report or determined by Franchisor by the records obtained by Franchisor, as well as any other amounts due to Franchisor under this Agreement or any other agreement between Franchisor and Franchisee. If a transfer from Franchisee's Account is refused, an administrative fee of Fifty Dollars ($50) will be assessed, as well as reimbursement to Franchisor of any fee its bank charges for uncollected deposit funds. If Franchisee has not reported Gross Revenues to Franchisor for any fiscal period, Franchisor may transfer from the Account an amount calculated in accordance with its estimate of the Gross Revenues during the fiscal period. If, at any time, Franchisor determines that Franchisee has underreported its Gross Revenues, or underpaid the

Royalties or other amounts due to Franchisor under this Agreement, or any other agreement, Franchisor may initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided in this Agreement. Any overpayment will be credited to the Account effective as of the first reporting date after Franchisor and Franchisee determine that such credit is due. Alternatively, Franchisor shall have the right in lieu of the report submission procedure outlined above to obtain Gross Revenues data derived directly from electronic communication with any Computer System designated by Franchisor.

(ii) **EFT**. Franchisor may require Franchisee to remit payment of the Royalties and other fees by electronic funds transfer ("EFT"). In connection with payment of the royalties fee by EFT, Franchisee shall: (1) comply with procedures specified by Franchisor in the Operations Manuals; (2) perform those acts and sign and deliver those documents as may be necessary to accomplish payment by EFT as described in this Section 3; (3) give Franchisor an authorization in the form designated by Franchisor to initiate debit entries and/or credit correction entries to the Account for payments of the royalties and other amounts payable under this Agreement, including any interest charges; and (4) make sufficient funds available in the Account for withdrawal by EFT no later than the Due Date for payment thereof; and (5) maintain a single bank account to make all payments required by this Agreement. Franchisee must advise Franchisor at least fifteen (15) business days prior to any change in Franchisee's bank account or financial institution; no such change will be permitted without the prior written authorization of Franchisor. To ensure the orderly electronic transfer of the royalties and all other fees as outlined in this Section 3, Franchisee will enter into and maintain a banking agreement with the financial institution which will be responsible for the transfer and payment of the fees owed by Franchisee to Franchisor, and a copy of that agreement will be submitted to Franchisor prior to the effective date of this Agreement. Franchisee shall not withhold any payments required to be made under this Agreement on any grounds, including any allegations of Franchisor's non-performance. Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement and may subject this Agreement to termination for cause as hereinafter set forth.

(iii) **Other Billing Systems.** Franchisor may also, at its option, collect the royalties and any other fee due to Franchisor under this Agreement at the time that Franchisee's customers make a payment for goods and services provided by Franchisee through the billing systems that Franchisor has designated.

(c) **Application of Payment**. If Franchisee is delinquent in the payment of any obligation to Franchisor, its subsidiaries, affiliates, or designees, then Franchisor (or such subsidiaries, affiliates or designees), will have the right to apply any payment from Franchisee to any obligation due, including the oldest obligation due, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to such application. For the avoidance of doubt, Franchisor has the right to offset the payments owed to or amounts collected on behalf of Franchisee.

(d) Inflation Adjustments. Franchisor and its affiliates reserve the right to increase the amount of any fee provided for hereunder, including, without limitation, the royalties, or Brand Fund contribution due Franchisor or an affiliate under this Agreement or a related agreement ("Inflation Adjustment"). An Inflation Adjustment shall be in relation to the changes in the Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor, the cost-of-living-adjustment ("COLA") using the COLA factors determined by the United States Department of Labor, or such other measure determined reliable by Franchisor. Franchisor will notify Franchisee of the amount or percentage adjustment thirty (30) days prior to their effective date.

(e) No Offset or Retention of Funds. Franchisee may not offset or withhold payments owed to Franchisor or its affiliates for amounts purportedly due Franchisee as a result of any dispute of any nature or otherwise, but will pay such amounts to Franchisor or its affiliates and only thereafter seek reimbursement.

(f) Interest and Late Fees. If Franchisee fails to pay the full amount of the royalties or any other amount due to Franchisor when due or Franchisee has insufficient funds to cover the electronic transfer when initiated by Franchisor, Franchisee shall pay interest on the amount due and unpaid at an interest rate equal to the lower of eighteen percent (18%) or the maximum interest rate allowed by law. Additionally, Franchisee shall pay a late fee in the amount of two percent (2%) of the fees due to Franchisor. For any report that Franchisee fails to submit to Franchisor within fifteen days (15) of the due date, Franchisor shall charge an additional fee of Two Hundred Dollars ($200). If Franchisor is unable to collect amounts due to Franchisee under customer invoices for a period of greater than ninety (90) days for accounts which Franchisee is responsible for billing and collecting, Franchisor may charge Franchisee an additional fee of up to ten percent (10%) of the amount on the unpaid customer invoice.

4. Franchisor Services.

(a) Franchisor Services. During the Term, Franchisor agrees to provide to Franchisee the following services:

(i) Specifications and Approved Suppliers. To the extent Franchisor has specifications, approved suppliers, or designated suppliers, Franchisor shall provide Franchisee with specifications and/or a list of required or approved suppliers for the Service Vehicle(s) and any other required or recommended good or service to be used in connection with the Franchised Business; provided that Franchisor reserves the right to amend and/or modify such specifications or supplier lists at any time;

(ii) Vehicle Upfit. After Franchisee has purchased or leased the required equipment and Service Vehicle(s), Franchisor shall upfit each Service Vehicle with the equipment and custom vinyl wrapping necessary to begin operations;

(iii) Additional Specifications and Standards. To the extent Franchisor has standards and specifications for them, Franchisor shall provide Franchisee with standards and specifications for all services to be provided at the Franchised Business, and, if

relevant, goods and merchandise to be sold, as well as other products and materials used in connection with the operation of the Franchised Business;

(iv) Initial Training Program. Franchisor shall provide Franchisee with a single pre-opening Initial Training Program for the Operations Manager (as defined in Section 11(y)) and up to two (2) other people selected by Franchisee and approved by Franchisor and such other persons as Franchisor may reasonably designate; provided that Franchisee shall be responsible for all expenses incurred by such persons in connection with training, including, without limitation, all cost of travel, lodging, meals and wages;

(v) Additional Training. In Franchisor's sole discretion and/or at the request or Franchisee, Franchisor may offer additional or supplemental training. Franchisee shall be responsible for all expenses incurred by such persons in connection with additional or supplemental training, including, without limitation, all cost of travel, lodging, meals and wages. Franchisor also reserve the right to charge an additional fee and to require attendance at additional trainings;

(vi) Advice. At Franchisee's reasonable request, Franchisor will promptly provide such advice and information as it considers reasonably appropriate to assist Franchisee with all methods and procedures associated with the System, including marketing, advertising, management, and administration. Franchisee understands and agrees that such advice and information may be rendered by phone, video conference, electronically, through the Operations Manuals, training and/or by such other means as Franchisor deems appropriate in its sole discretion. Franchisor may, in its discretion, convene meetings of franchisees as it considers necessary or appropriate, in its discretion. If Franchisee requests advice, information, or assistance at a level greater than what is provided to other franchisees, Franchisor reserves the right to charge Franchisee its then-current training fee;

(vii) Information. Franchisor shall communicate to Franchisee information relating to the operation of a SPIFFY business, and to the extent necessary or pertinent to the operation of the Franchised Business, Franchisor's know-how, new developments, techniques, and improvements in the areas of management, employee training, inventory management, marketing, sales, and customer service.

(b) Site Evaluation Expenses. Franchisor reserves the right to charge Franchisee for Franchisor's or its designee's costs and expenses to inspect or evaluate (1) Franchisee's proposed site or approved Location and (2) Franchisee's ongoing operations at its customer's locations or the approved Location.

(c) Legal Expenses. Franchisor may in certain situations incur legal expenses while providing assistance to Franchisee with respect to, without limitation, lease negotiations, or other legal compliance issues. Such assistance may be at the request of Franchisee or required by Franchisor and may be provided by Franchisor in-house or by outside counsel; provided however, that Franchisor shall have the sole discretion as to whether or not to provide legal assistance. In the event Franchisor does incur legal expenses on behalf of Franchisee, Franchisee shall reimburse

Franchisor for such expenses immediately upon notice from Franchisor. Franchisor may, at its option, be reimbursed by EFT.

(d) Acknowledgement. FRANCHISEE AGREES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY TRAINING OR ASSISTANCE TO FRANCHISEE'S PARTICULAR LEVEL OF SATISFACTION, BUT AS A FUNCTION OF FRANCHISOR'S EXPERIENCE, KNOWLEDGE AND JUDGMENT. FRANCHISEE ALSO ACKNOWLEDGES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY SERVICES TO FRANCHISEE THAT ARE NOT SET FORTH IN THIS AGREEMENT. IF FRANCHISEE BELIEVES FRANCHISOR HAS FAILED TO ADEQUATELY PROVIDE ANY PRE-OPENING OR POST-OPENING SERVICES TO FRANCHISEE OR TO FRANCHISEE'S EMPLOYEES, WHETHER WITH RESPECT TO SITE SELECTION, SELECTION AND PURCHASE OF EQUIPMENT AND SUPPLIES, TRAINING, OR ANY OTHER MATTER AFFECTING THE ESTABLISHMENT OF THE FRANCHISED BUSINESS, FRANCHISEE MUST NOTIFY FRANCHISOR IN WRITING WITHIN THIRTY (30) DAYS FOLLOWING THE OPENING OF THE FRANCHISED BUSINESS OR FRANCHISEE WILL BE DEEMED TO CONCLUSIVELY ACKNOWLEDGE THAT ALL PRE-OPENING AND OPENING SERVICES REQUIRED TO BE PROVIDED BY FRANCHISOR WERE SUFFICIENT AND SATISFACTORY IN FRANCHISEE'S JUDGMENT, AND COMPLIED WITH ALL REPRESENTATIONS MADE TO FRANCHISEE. IF FRANCHISEE FAILS TO SO NOTIFY FRANCHISOR, FRANCHISEE WILL BE DEEMED TO HAVE WAIVED ALL CLAIMS RELATING TO OR ARISING FROM FRANCHISOR'S OBLIGATIONS TO PROVIDE PRE-OPENING ASSISTANCE.

5. Territorial Provisions.

(a) Territory Grant. Subject to the provisions of this Section 5, provided Franchisee is in compliance with its obligations under this Agreement, Franchisor agrees that until the earlier of the termination, expiration, or non-renewal of this Agreement, it will not establish and operate, nor license any party other than Franchisee to establish and operate, a SPIFFY-branded mobile car care business which operates using the Marks and the System within the territory set forth in the Franchise Rider attached hereto (the "Territory"), except as otherwise reserved by Franchisor. Until such time as the Location is identified and agreed upon in the Franchise Rider or in the Site Selection Approval Letter (as defined in the Franchise Rider), no Territory will be granted to Franchisee and Franchisor shall have the right to locate other franchises anywhere Franchisor determines without interfering with any territorial rights of Franchisee.

(b) Territory Activities. Franchisee recognizes and acknowledges that (i) it will compete with other SPIFFY businesses which are now, or which may in the future be, located near or adjacent to Franchisee's Territory and (ii) that such businesses may be owned by Franchisor, its affiliates, and/or third parties. Franchisee may offer and sell approved products and services only within the Territory, except as Franchisor otherwise approves in advance, and in such event only in accordance with the requirements of this Agreement and the procedures set forth in the Operations Manuals. Franchisee may not offer, market, or sell products and services through any other means or locations, including via the internet, except as permitted by Franchisor using Franchisor's approved mobile application(s) and/or e-commerce systems ("Mobile Applications").

(c) **Reasonable Efforts**. Franchisee must use commercially reasonable efforts to develop demand for the services offered by the Franchised Business and to service its customers, all in accordance with the standards and policies established by Franchisor.

(d) **Sufficiency.** Franchisee hereby acknowledges and agrees that the Territory is of sufficient size and scope to support the Franchised Business.

(e) **Out-of-Territory Activities.** Franchisee shall not solicit nor market to customers who are outside of its Territory, or provide goods or services to customers located outside of its Territory, without receiving Franchisor's prior written permission. Franchisee shall follow all of Franchisor's standards, procedures, and instructions regarding any activities outside of the Territory. If Franchisor grants Franchisee permission to conduct any out-of-Territory activities, Franchisee acknowledges and agrees that Franchisee does not gain any additional territory or exclusivity rights. Franchisor has the right to terminate or suspend Franchisee's approval to conduct any out-of-Territory activities, and Franchisee shall immediately comply and cease operations outside of the Territory. Franchisee shall provide Franchisor with the information for any customers it has serviced outside of the Territory. Such out-of-Territory customers may be serviced by Franchisor, an affiliate of Franchisor, or any of Franchisor's franchisees. Notwithstanding the foregoing, Franchisor does not warrant or represent that no other SPIFFY business will solicit or make any sales within the Territory, and Franchisee hereby expressly acknowledges and agrees that such solicitations or sales could occur within the Territory. Franchisor shall have no duty to protect Franchisee from any such sales, solicitations, or attempted sales.

(f) **Reserved Rights** Franchisor grants franchises and the rights to develop and operate SPIFFY franchised businesses only pursuant to the express terms of written agreements and not orally. All rights that are not granted to Franchisee in this Agreement are specifically reserved to Franchisor, and Franchisor will not be restricted in any manner from exercising them nor will Franchisor be required to compensate Franchisee should Franchisor exercise them. This includes the right, directly or through others and regardless of either (a) proximity to Franchisee's Location or Territory or (b) any actual or threatened impact on sales of Franchisee's business to:

(i) use the Marks and System in connection with establishing and operating SPIFFY businesses at any location outside the Territory;

(ii) use the Marks or other marks in connection with selling or distributing any goods (including branded merchandise and products) or services anywhere in the world (including within the Territory), whether or not Franchisee also offers them, through channels of distribution other than a SPIFFY-branded mobile car care business that operates in the Territory using the Marks and the System (including, for example, brick-and-mortar locations, kiosks, catalogs, mail order, or the internet, e-commerce, or other electronic means);

(iii) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory);

(iv) use the Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory);

(v) use and license to any party to use, Franchisor's or its affiliate's (1) intellectual property and/or (2) software, anywhere in the world (including within the Territory); provided, however, that such licenses shall not include the right to use the Marks in connection with a SPIFFY-branded mobile car care business in the Territory;

(vi) directly, or through an authorized third party, advertise, solicit, enter into contracts with and service National Account customers in any area, including in the Territory, whether or not Franchisee has or is currently providing services to the customer, subject to the terms of Section 9. If (1) Franchisee declines to service a National Account customer within twenty-four (24) hours of receiving notice of the service request, (2) Franchisee fails to service the National Account customer in accordance with Franchisor's standards or by any specified deadlines, (3) Franchisor reasonably determines that Franchisee is not able to reliably service the National Account customer, or (4) the National Account customer requests that Franchisee not fulfill the service order, Franchisor may designate another party to service the National Account customer in the Territory from that time on without paying any compensation to Franchisee. Such designated parties could be Franchisor, Franchisor's affiliates, other franchisees, or another third party. Franchisor's exercise of the reserved rights described in this subsection are not a default of this Agreement or any other agreement between the parties; and

(vii) use the Marks or other marks to directly, or through Franchisor's affiliates or a third party, offer, sell, and provide goods and services other than those that Franchisee is authorized to offer, sell, and provide under the then-current System, through any channel of distribution.

(g) **No Additional Rights**. Franchisee has no right of first refusal or other options or rights to open any additional SPIFFY businesses.

6. Premises, Inspections, and Refurbishment.

(a) **Premises.** Franchisee shall obtain Franchisor's approval of the Location. The building at the approved Location that will serve as the headquarters for the Franchised Business (the "Premises") is subject to the following:

(i) **Leased Premises.** Within ninety (90) days after the Effective Date of this Agreement, Franchisee shall acquire or lease, at Franchisee's expense, commercial real estate that is properly zoned for the operation of the Franchised Business. Franchisee shall obtain Franchisor's approval of the lease. Failure by Franchisee to acquire or lease a site for the Franchised Business within the time required herein shall constitute a default under this Agreement, and Franchisor, in its sole discretion, may terminate the Franchise Agreement pursuant to the terms of Section 17 of this Agreement. If Franchisee intends to lease the Premises, Franchisee shall submit to Franchisor executed copies of all such leases immediately after execution and at such other times as Franchisor may request. The term of the leases plus all options for Franchisee to renew shall together equal or exceed the Term. All leases pertaining to the Premises shall also include an Addendum in the form of Attachment 2 attached hereto, or shall contain terms and conditions substantially similar to those contained in Attachment 2 which Franchisor has approved in writing.

(ii) Owned Premises. If Franchisee intends to own the Premises, Franchisee shall obtain approval of the Premises from Franchisor and furnish Franchisor proof of ownership prior to the date Franchisee commences any construction, build-out or remodeling of the Premises. In the event that Franchisee proposes to lease the Premises from any Owner, manager, partner, director, or officer of Franchisee, or from any person or entity related to or affiliated with Franchisee or one or more of Franchisee's Owners, directors, officers or other principals (the "Related Party"), Franchisor may require the Related Party to sign this Agreement and/or separate agreements for the purpose of binding the Related Party to applicable provisions of this Agreement, as determined by Franchisor. Franchisee shall also execute a written lease agreement approved by the Franchisor with the Related Party and deliver a copy to Franchisor. The terms of any such lease must comply with the terms set forth in Section 6(a)(i).

(iii) Premises Identification. Subject to Franchisor's rights in Section 18 and regardless of whether the Premises are owned or leased, Franchisee shall remove all signs and other items and indicia which serve, directly or indirectly, to identify the Premises as a SPIFFY business within ten (10) days of the expiration, non-renewal, or termination of this Agreement for any reason. In the event Franchisee does not comply with this requirement, Franchisor may enter the Premises, without being guilty of trespass and without incurring any liability to Franchisee, to remove all signs and other items identifying the Premises as a SPIFFY business and to make such other modifications as are reasonably necessary to protect the Marks and the System, and to distinguish the Premises from other SPIFFY businesses. Provided, however, that this obligation of Franchisee shall be conditioned upon Franchisor giving Franchisee prior written notice of the modifications to be made and the items to be removed.

(iv) Suitability of Premises. Regardless of whether the Premises are owned or leased, it shall be the responsibility of Franchisee to determine that the Premises can be used, under all applicable laws and ordinances, for the purposes provided herein and that the Premises can be constructed or remodeled in accordance with the terms of this Agreement. Franchisee shall obtain all permits and licenses that may be required to construct, remodel and operate the Franchised Business. Franchisee agrees that the Premises will not be used for any purpose other than the operation of the Franchised Business in compliance with this Agreement. Franchisee is responsible for constructing, renovating or upfitting or causing to be constructed, renovated or upfitted, the Franchised Business and the Premises. Franchisor may, but is not obligated to, offer assistance to Franchisee in selecting a site for the location and advising Franchisee in negotiating an acceptable lease agreement for the site. Franchisor shall not represent Franchisee in a legal capacity and advises Franchisee to seek independent legal counsel in the review and negotiation of its lease agreement. FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT FRANCHISOR'S APPROVAL OF A SITE FOR FRANCHISEE'S FRANCHISED BUSINESS IS NOT AND SHALL NOT BE CONSTRUED AS A GUARANTEE OR ASSURANCE THAT THE BUSINESS WILL BE PROFITABLE. If Franchisor does not approve of a site proposed by Franchisee within thirty (30) days after receiving the proposal thereof, such site shall be deemed disapproved by Franchisor and Franchisee shall not locate its Franchised Business at such site.

(v) Relocation. Franchisee shall not, without first obtaining Franchisor's written consent, which shall not be unreasonably withheld: (i) relocate the Franchised Business; or (ii) renew or materially alter, amend or modify any lease, or make or allow any transfer, sublease or assignment of its rights pertaining to the Premises. In the event that Franchisee relocates, Franchisee shall reimburse Franchisor for all of its costs associated with evaluating and approving or rejecting Franchisee's relocation proposal. If Franchisee relocates the Franchised Business without Franchisor's written consent, the new location will be treated as an entirely new franchise sale subject to new initial franchise fees as provided in Section 3 of this Agreement and to such other provisions as would apply to new franchise sales. If Franchisee's landlord terminates Franchisee's right to possess the Premises before the expiration of the Term, Franchisor and Franchisee shall choose a new location within sixty (60) days of Franchisee's loss of possession.

(vi) Parking. Any Premises approved by Franchisor shall have adequate parking for the Service Vehicle(s), unless otherwise designated by Franchisor in writing.

(vii) Construction. If construction is necessary to modify the Premises to fit Franchisor's specifications and requirements, Franchisee is solely responsible for the construction of the Premises and the Franchised Business. Franchisee will commence any required construction promptly after execution of a lease for or closing on the purchase of the Premises. Franchisee shall maintain continuous construction of the Franchised Business and Premises until completion. It is Franchisee's sole responsibility to make sure that the design and construction of the Franchised Business and the Premises are in compliance with all applicable laws including without limitation, the Americans with Disabilities Act. Franchisee shall indemnify and hold Franchisor harmless against any and all claims, actions, causes of action, costs, fees, fines and penalties, of every kind and nature, should the design and/or construction of the Franchised Business fail in any way to comply with any applicable laws, including, without the limitation, the Americans with Disabilities Act. Franchisee shall maintain the interior and exterior decor in such manner as may be prescribed from time to time by Franchisor.

(viii) Signs. Franchisee shall prominently display, at its own expense, both on the interior and exterior of the Premises of any Franchised Business advertising signs in such form, color, number, location and size, and containing such Marks, logos and designs as Franchisor shall designate. Franchisee will be responsible for ordering any required signage, including an exterior sign for the Franchised Business, from an approved vendor at Franchisee's expense. Franchisee shall obtain all permits and licenses required for such signs and shall also be responsible for ensuring that all signs comply with all laws and ordinances. Franchisee shall not display in or upon the Premises any sign or advertising of any kind to which Franchisor objects.

(b) Pre-Operations Inspection. Franchisee hereby grants Franchisor and its agents the right to inspect the operations of the Franchised Business and Service Vehicle(s), whether at the Premises or at customers' locations. Franchisor may enter the Premises and Service Vehicle(s) at

any time prior to the beginning of operations in order to inspect, photograph, and/or videotape on-going new construction or leasehold improvements, designs, purchased and installed equipment, operations and the performance of any and all services by Franchisee and/or Franchisee's employees, invitees or agents. Franchisee also grants Franchisor and its agents the right to enter and inspect the Service Vehicle(s) at any time prior to use by the Franchisee in order to assess its compliance with Franchisor's standards. Franchisee shall cooperate with Franchisor's representatives with those inspections by rendering whatever assistance they may reasonably request, including assistance necessary to enable Franchisor to contact and interview any architect, designer, vendor, contractor, sub-contractor or Franchisee employee. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee, at its sole expense, shall take such steps as deemed to be necessary by the Franchisor to immediately correct any and all deficiencies detected during any such inspection, including without limitation, correcting construction deficiencies or defects, replacing equipment and supplies, repairing or replacing the Service Vehicle(s), and requiring the Franchisee to desist from the further use of any equipment, designs, advertising materials, products, and/or supplies that do not conform with Franchisor's then-current plans and specifications, standards or requirements. Franchisee acknowledges and agrees that any and all inspections by Franchisor and all demands made by Franchisor to correct deficiencies and conform to Franchisor's standards and specifications will not constitute a representation or warranty by Franchisor that the Franchised Business, the Premises, or the Service Vehicle(s) comply with applicable laws, codes, ordinances, regulations or governmental standards.

(c) Operations Inspections. Franchisor and its agents have the right to inspect the Service Vehicle(s) (wherever they may be located, including at customers' locations), Premises, and/or Franchised Business, with or without notice, in person or remotely via communications technology, in order to inspect, photograph, and/or videotape use and operations of the Service Vehicle(s) and Franchised Business to ensure compliance with all requirements of this Agreement and the Operations Manual. Franchisee will cooperate with Franchisor's representatives in those inspections by rendering whatever assistance Franchisor may reasonably request, including using communications or audiovisual technology, such as a smartphone, to facilitate the remote inspection by Franchisor or Franchisor's agents and the assistance necessary to enable Franchisor to contact and interview contractors, vendors, and suppliers, as well as Franchisee's customers and former customers. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee will take such steps as may be necessary to correct the deficiencies detected during any such inspection and immediately desisting from the further use of the Service Vehicle(s) or Premises that does not conform to Franchisor's then-current plans and specifications, the Operations Manuals, or other standards or requirements, and to repair or replace anything in the Franchised Business that does not so conform. Franchisee acknowledges and agrees that any and all inspections by Franchisor and all demands made by Franchisor to correct deficiencies and conform to Franchisor's standards and specifications will not constitute a representation or warranty by Franchisor that the Service Vehicle(s), Premises, Franchised Business, or its operations comply with applicable laws, codes, ordinances, regulations or governmental standards. Upon reasonable written notification from Franchisor of a scheduled inspection, one of Franchisee's Owners must be present during such inspection.

(d) Remodeling and Re-equipping. Subject to the limitations below, Franchisor reserves the right to require Franchisee to generally refurbish the Franchised Business, the Premises, and/or the Service Vehicle(s) at Franchisee's expense, in order to conform to the building design, trade dress, color schemes and presentation of the Marks in a manner consistent with the then-current image for SPIFFY franchises and may include, without limitation, structural changes, installation of new materials and equipment, remodeling, redecoration, changing color schemes, and modifications and/or repairs to existing improvements. Such remodeling and re-equipping may include, without limitation, replacing worn out, obsolete, or dated equipment, fixtures, furnishings, and signs; structural modifications, redecorating; purchasing more efficient or improved equipment; or requiring replacement of the wrap or equipment on the Service Vehicle(s) to meet Franchisor's then-current specifications. Franchisor may require Franchisee to perform remodeling and to purchase equipment at such times as Franchisor, in its sole discretion, deems necessary and reasonable. However, Franchisor shall not require Franchisee to replace a Service Vehicle within sixty (60) months of the purchase or lease of such vehicle and Franchisor shall not require Franchisee to purchase, lease, or implement any additional or replacement equipment until Franchisee has had twelve (12) months' notice of the required change. FRANCHISEE ACKNOWLEDGES THAT EQUIPMENT, ALTERATIONS AND RENOVATIONS REQUIRED BY FRANCHISOR MAY INVOLVE SUBSTANTIAL ADDITIONAL INVESTMENT BY FRANCHISEE DURING THE TERM OF THIS AGREEMENT. In the event of Franchisee's delay, refusal, or failure to make repairs or modifications to the Premises or Service Vehicle(s) as specified by this Section 6(d), Franchisor or its agents may enter the Premises or Service Vehicle(s), without further notice and without liability for trespass or other tort and with Franchisee's complete cooperation, and remove, repair, and/or replace, at Franchisee's expense, any items which do not conform to Franchisor's then-current standards and specifications or which are not in conformity with Franchisee's obligation to maintain the Franchised Business, the Service Vehicle(s), and the Premises in the highest degree of repair and condition. In addition to any and all other remedies that the Franchisor may have in law or in equity, Franchisee shall reimburse the Franchisor for all out-of-pocket expenses incurred by Franchisor in connection with any refurbishing work performed by the Franchisor pursuant to this Section 6(d), plus an administrative fee of fifteen percent (15%) of the total aggregate amount of expenses incurred by the Franchisor. In the event that the Franchisee fails to reimburse Franchisor within seven (7) days of the date Franchisee is billed for all such amounts, Franchisee authorizes Franchisor to collect all amounts due in accordance with the terms of this Agreement, including any applicable late fees or interest.

7. Proprietary System and Marks; Franchisor Property Rights.

(a) Ownership; Use by Others. Franchisor and its affiliates shall have and retain all rights associated with the Marks other than those expressly licensed herein, including, but not limited to the following: (a) to use the Marks in connection with selling products and services; (b) to grant licenses to others for the Marks, in addition to those licenses already granted to existing franchisees or affiliates; (c) to develop and establish other systems using the Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee; and (d) to sell and distribute products via alternate distribution channels bearing the Marks. Franchisee acknowledges that any unauthorized use of the System or the Marks is and shall be deemed an infringement of Franchisor's rights.

Franchisee shall execute any documents deemed necessary by Franchisor and its affiliates or their counsel for the protection of the System and the Marks or to maintain their validity or enforceability, or to aid Franchisor and its affiliates in acquiring rights in or in registering any of the System and the Marks or any trademarks, trade names, service marks, slogans, logos and emblems subsequently adopted by Franchisor. Franchisee shall give notice to Franchisor of any knowledge that Franchisee acquires of use by others of the same or similar names or marks or of any claim or litigation instituted by any person or legal entity against Franchisee involving the System or any of the Marks. Franchisee shall cooperate with Franchisor and its affiliates in any suit, claim or proceeding involving the System or the Marks or their use to protect Franchisor's and its affiliates' rights and interest in the System and the Marks. In the event of any settlement, award or judgment rendered in favor of Franchisor and its affiliates relating to the use or ownership of the System or the Marks, such settlement, award or judgment shall be the sole property of Franchisor and its affiliates and Franchisee shall not be entitled to or make any claim for all or any part of it.

(b) Use of Marks. During the term of this Agreement or thereafter, directly or indirectly, Franchisee shall not commit any act of infringement or contest or aid in contesting the validity or ownership of the System or the Marks, or take any other action to disparage them. Franchisee shall use the Marks only in connection with the operation of the Franchised Business, and shall use them only in the manner authorized by Franchisor. Franchisee shall prominently display the Marks in the manner prescribed by Franchisor on all signs and other supplies and packaging materials designated by Franchisor. Franchisee shall not fail to perform any act required under this Agreement, or commit any act which would impair the value of the Marks or the goodwill associated with the Marks. Franchisee shall not at any time engage in any business or market any products or service under any name or mark which is confusingly or deceptively similar to any of the Marks. Franchisee shall not use any of the Marks as part of its corporate or trade name and shall not use any trademark, trade name, service mark, logo, slogan or emblem in connection with the Franchised Business that has not been authorized by Franchisor. Franchisee shall obtain such fictitious or assumed name registrations as may be required by Franchisor or applicable state law. Franchisee shall not attempt to register or otherwise obtain any interest in any Online Presence containing or utilizing any of the Marks or any other word, name, symbol or device which is likely to cause confusion with any of the Marks. Franchisee also acknowledges that its use of the Marks pursuant to this Agreement does not give Franchisee any ownership or other interest in or to the Marks, except the license granted by this Agreement.

(c) Designation as Franchisee. Franchisee shall take such additional action as may be necessary under the laws of the state in which the Franchised Business is operated to make clear to the public that Franchisee is an independent franchisee of Franchisor and not owned by Franchisor. Franchisee shall post on invoices, purchase orders, marketing materials and the like for all Franchised Business concepts that "This SPIFFY franchise is independently owned and operated by [name of franchisee entity] under license from SPIFFY FRANCHISING, LLC".

(d) Discontinuance of Use: Additional Marks. Franchisor has the right to change, revise, or substitute different Marks for use in identifying the System, the Franchised Business, and the products or services sold or offered for sale through the Franchised Business, if Franchisor, in its sole discretion, determines that change, revision, or substitution of different Marks will be

beneficial to the System. In such circumstances, the use of the substitute proprietary marks shall be governed by the terms of this Agreement. Franchisee shall comply with each such change, revision, or substitution and bear all expenses associated therewith. In the event that a court of competent jurisdiction should order, or if Franchisor in its sole discretion should deem it necessary or advisable, Franchisee shall modify or discontinue use of any Mark. Franchisee shall comply with Franchisor's directions regarding any such Mark within thirty (30) days after receipt of notice from Franchisor or, if such modification or discontinuance is court-ordered, immediately. Franchisor shall not be obligated to compensate Franchisee for any costs or expenses incurred by Franchisee in connection with any such modification or discontinuance. Franchisee shall also use such additional or substitute Marks as Franchisor shall direct.

(e) Changes in Law Affecting Marks. In the event that the trademark law is amended so as to render inapplicable any of the provisions of this Agreement, Franchisee shall sign any documents and do such other act and think as in the opinion of Franchisor may be necessary to effect the intent and purpose of the provisions of this Agreement.

(f) Copyrights and Patents. Franchisee acknowledges that as between Franchisee and Franchisor, any and all present or future copyrights relating to the System or SPIFFY concept, including, but not limited to, the Confidential Operations Manual, electronic code, software, equipment and vehicle plans and specifications, and marketing materials, belong solely and exclusively to Franchisor. Franchisee acknowledges that as between Franchisee and Franchisor, any and all present or future patents relating to the System or SPIFFY concept belong solely and exclusively to Franchisor. Franchisee has no interest in Franchisor's copyrights or patents beyond the nonexclusive License granted in this Agreement.

(g) Ideas and Innovations. All concepts, designs, inventions, ideas, applications, trademarks, service marks, enhancements, modifications, improvements or other processes, methods and designs, technologies, techniques, materials, computer software, electronic code, original works or authorship, formulas, patents, copyrights, marketing and business plans and ideas, and all improvements and enhancements thereto that Franchisee or any of its Owners, guarantors, directors, officers, or employees may develop, invent, discover, conceive or originate, alone or in conjunction with any other person or persons during the Term that relate in any way, either directly or indirectly, to the Franchised Business and/or the System (collectively referred to as "Inventions and Ideas"), either in whole or in part during the Term, shall be the exclusive property of Franchisor. Franchisee must promptly disclose the existence of any and all Inventions and Ideas to Franchisor. To the extent any Inventions or Ideas does not qualify as a "work for hire" for Franchisor, Franchisee or any of its Owners, guarantors, directors, officers, or employees hereby assign to Franchisor, without compensation, all right, title and interest in such Inventions and Ideas, and agree that they will execute any and all instruments and do any and all acts necessary or desirable to establish and perfect in Franchisor the entire right, title and interest in such Inventions and Ideas. Franchisor may incorporate such Inventions or Ideas into the System. As Franchisor may reasonably request, Franchisee shall, at Franchisor's expense, take all actions reasonably necessary to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

(h) Customer and Other Data. Franchisee shall maintain a current list of the names, vehicle types, service history, home addresses, work addresses, e-mail addresses and telephone numbers of the customers and past customers who have provided such information to the Franchised Business (the "Customer List"). Franchisee shall provide the Customer List to the Franchisor upon request. The Customer List shall be the property of Franchisor and Franchisor shall have the right to use the Customer List for any purposes, in Franchisor's sole discretion. Franchisee shall not disclose such information to any person or entity other than Franchisor, or sell such list(s) or any portions thereof to any person or entity without the express written consent of Franchisor. Likewise, other data collected by Franchisee or Franchisee's Computer Systems (Customer List and the other data collectively referred to herein as "Franchisee Data") is deemed to be owned by Franchisor, and Franchisee agrees to furnish the Franchisee Data to Franchisor at any time that Franchisor requests it. Franchisor hereby grants Franchisee a limited license to use Franchisee Data while this Agreement or a successor franchise agreement is in effect, but only in accordance with the policies that Franchisor establishes periodically and applicable law. Upon termination, non-renewal, transfer, or expiration of this Agreement for any reason, Franchisor shall be the exclusive owner of Franchisee Data and Franchisee shall not use or disclose the Franchisee Data in any form or manner. Franchisee shall not be due any compensation based upon Franchisor use of the Franchisee Data. Franchisee may not sell, transfer, or use Franchisee Data for any purpose other than marketing SPIFFY products and services.

(i) Indemnification With Respect to Use of the Marks. Provided Franchisee complies at all times with this Section 7, Franchisor shall indemnify Franchisee against and reimburse Franchisee for damages assessed against Franchisee, if any, based on Franchisee's use of the Marks. Otherwise, Franchisor shall not be required to indemnify Franchisee against or reimburse Franchisee for any loss or damages arising out of Franchisee's use or misuse of any Mark. Franchisor shall not indemnify Franchisee for any use or misuse of Franchisor's copyrights, patents, Customer Lists, Franchisee Data, or indicia.

8. Advertising.

(a) Contributions and Expenditures. Recognizing the value of advertising and the importance of the standardization of advertising to the furtherance of the goodwill and public image of the System, Franchisor and Franchisee agree as follows:

(i) Monthly Brand Fund Contributions and Expenditures. Each month during the Term for which a brand development fund ("Brand Fund") has been established, Franchisee shall contribute to the Brand Fund an amount equal to Two Percent (2%) of Gross Revenues, which amount may be increased as set forth in Section 8(a)(ii). Franchisor has the sole discretion to settle or forgive any accrued and unpaid Brand Fund contributions owed by any franchisee. Franchisee shall make its contribution to the Brand Fund on the date and in the manner as Franchisor may designate from time to time. Franchisee agrees to make such contributions by EFT or in such other manner as the Franchisor may require on the Due Date that Franchisor may designate from time to time.

(ii) Increases in Contributions. The Franchisor may increase the required contribution to the Brand Fund to no greater than three percent (3%) of Gross Revenues.

(iii) Brand Fund.

(1) Use. Franchisor has the sole discretion to determine how and where the Brand Fund contributions are spent to promote, enhance, or further the growth of the System, the businesses, and the brand. Uses of the Brand Fund include but are not limited to, providing administrative or centralized services such as billing, payment processing, scheduling, and dispatch services; research; promotional marketing, public relationships and advertising expenses; developing new sources of franchisee revenue; hiring marketing, public relations, and advertising agencies, technology companies, or in-house personnel to assist in developing the SPIFFY brand name; developing, evaluating, or using technologies that Franchisor believes may benefit the brand, the customers, the franchisees, or the brand's reputation; expenses associated with listings in online directories, digital marketing content, influencer marketing, radio, billboard, TV, print, or internet advertising, and events and promotions designed to garner media attention and promote the brand name; expenses associated with conducting market research; travel expenses in connection with promotions and marketing meetings, training, development of trademarks and trademarked materials; production of marketing, public relations, digital, or social media content, including but not limited to advertisements, coupons, and promotional materials (including point of purchase materials); technology development and enhancements for the brand; expenses incurred in developing and maintaining non-franchise sales portions of any Online Presence; developing and maintaining one or more Online Presence; expenses incurred in using search engine optimization, pay per click advertising, or other digital marketing software, services or companies to help promote the brand; and for any other use Franchisor determines. Sums paid by Franchisee shall not be used to defray any of Franchisor's expenses, except for such reasonable administrative costs and overhead, if any, that Franchisor may incur in activities reasonably related to the administration or direction of the Brand Fund and promotion and advertising programs for franchisees, the SPIFFY brand, and the System, including, among other things, the cost of personnel for creating and implementing programs paid for by the Brand Fund.

(2) Administration. The Brand Fund is not and shall not be an asset of Franchisor or its designee. The Brand Fund is administered by Franchisor's accounting and marketing personnel under Franchisor's direction. The Brand Fund is not audited. Unless required by state law, Franchisor has no obligation to provide Franchisee with an accounting. At Franchisor's option, Franchisor can create a separate entity to be the recipient of Franchisee's Brand Fund contributions and Franchisee agrees, upon Franchisor's request, to tender Brand Fund payments to said entity. Franchisor, in Franchisor's sole discretion, may spend in any fiscal year an amount greater or less than the aggregate contributions to the Brand Fund in that year, and the Brand Fund may borrow from Franchisor or other lenders to cover deficits of the Brand Fund or cause the Brand Fund to invest any surplus. Franchisee acknowledges that other franchisees may not be required to contribute

to the Brand Fund or may be required to contribute at a different rate. Franchisor is not obligated to maintain the Brand Fund contributions or income earned in a separate account from other Franchisor funds.

(3) Non-Variable Payment Option. For administrative convenience and at Franchisor's option, in lieu of collecting the Brand Fund percentage designated in Section 8(a)(i), Franchisor, at its option, may designate an amount certain as a weekly payment, which will be drafted instead of the variable amount. Franchisor will use commercially reasonable efforts to have the amount certain reasonably relate to the anticipated annual Brand Fund contribution which would otherwise be due if the exact percentage were calculated. Upon delivery by thirty (30) days' prior written notice by Franchisee to Franchisor, Franchisee can thereafter elect to abandon the sum certain contribution in lieu of the Brand Fund contribution percentage designated in Section 8(a)(i).

(4) No Proportionality. Franchisee agrees and acknowledges that Franchisor does not undertake any obligation to ensure that expenditures from the Brand Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Brand Fund by franchisees operating in such geographic area or that Franchisee or the Franchised Business will benefit directly or in proportion to its contribution to the Brand Fund.

(5) Liability. Neither Franchisor and its affiliates nor any of their respective officers, directors, agents or employees, shall be liable to Franchisee with respect to the maintenance, direction or administration of the Brand Fund, including without limitation, with respect to contributions, expenditures, investments or borrowing, except for acts constituting willful misconduct. THE BRAND FUND IS NOT A TRUST FUND. FRANCHISOR SHALL HAVE NO FIDUCIARY DUTY TO FRANCHISEE IN CONNECTION WITH THE COLLECTION OR USE OF THE BRAND FUND MONIES OR ANY ASPECT OF THE OPERATION OF THE BRAND FUND. FRANCHISEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR WILL HAVE NO LIABILITY TO FRANCHISEE FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED TO THE BRAND FUND OR ANY ADVERTISING PROGRAMS OR FRANCHISOR'S MODIFICATION OR DISCONTINUANCE FOR ANY REASON OF THE BRAND FUND OR ANY MARKETING, BRANDING, OR ADVERTISING PROGRAMS, OR FRANCHISEE'S PARTICIPATION THEREIN.

(b) Regional Cooperative Advertising. Franchisor shall not have the right to establish or to mandate that Franchisee participate in or pay fees to an advertising cooperative (a "Cooperative"). If SPIFFY franchisees elect to create a Cooperative, Franchisor and its affiliates shall have no obligation to (i) organize or govern the Cooperative, (ii) make any contributions to the Cooperative; (iii) provide any advertising materials to the Cooperative; or (iv) establish any fees to be paid to the Cooperative. If a Cooperative is established by SPIFFY franchisees,

Franchisor shall have the right to approve all advertising used by the Cooperative and to request reports of the expenditures made by the Cooperative and fees charged by the Cooperative. Franchisor shall have no fiduciary duty to Franchisee in connection with the collection or use of any Cooperative monies or any aspect of the operation of the Cooperative if one is created by SPIFFY franchisees.

(c) Local Advertising.

(i) Grand Opening Marketing. Franchisee shall pay to Franchisor at least the amount of money identified as the "Grand Opening Marketing Spend" in the Franchise Rider to publicize the existence and opening of the Franchised Business. This amount will not count toward the amount Franchisee must pay toward Franchisor's Brand Fund. Grand Opening Marketing expenditures shall be used in the manner and for the uses approved by Franchisor and shall be expended during the time period that is thirty (30) days before the launch of the Franchised Business and thirty (30) days thereafter. Franchisee may expend additional amounts on such advertising, provided the form and content is approved by Franchisor as provided in Section 8(f). Franchisor may require Franchisee to provide proof of expenditures upon demand.

(ii) Local Advertising Requirement. Franchisor reserves the right to require Franchisee to spend a minimum amount of money on advertising and promotions in each month, in accordance with the Operations Manuals; provided however, all such local advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(f). Franchisor shall not require Franchisee to spend more than Two Thousand Dollars ($2,000) on local advertising per month. If Franchisee fails to spend the required amount on local advertising, Franchisee must pay to the Brand Fund the amount Franchisee is required to spend on local advertising, less the amount Franchisee actually spent on local advertising that month.

(d) Supplemental Advertising. Franchisee shall have the right to conduct, at its separate expense, supplemental advertising in addition to the expenditures specified in this Section 8. All such supplemental advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(f).

(e) Directory Advertising. Franchisee shall arrange for the listing of the Franchised Business's telephone number and email address in any print or online directory designated by Franchisor under the name "SPIFFY" or such other name as the Franchisor may designate. All advertising and promotion in such media (beyond a simple listing of name, address, and telephone number) shall be subject to Franchisor's approval. Franchisor has the right to arrange for directory listings for franchisees operating Franchised Businesses under the System and, at Franchisee's expense, for Franchisee; in which case Franchisee shall pay Franchisor as Franchisor may designate. Franchisee's rights to use and benefit from its assigned telephone number, email address, and directory listings are subject to the provisions of Section 18 of this Agreement.

(f) Approval by Franchisor. Any and all advertising and promotional materials Franchisee uses must be approved by the Franchisor. Prior to their use by any Cooperative or by

Franchisee, all advertising and promotional materials not prepared or previously approved by Franchisor within the ninety (90) day period preceding their intended use shall be submitted to Franchisor for approval. If approval is not received within twenty (20) days from the date of receipt by Franchisor of such materials, the materials shall be deemed disapproved by Franchisor. Franchisor may disapprove of any advertising or promotional materials at any time. Neither any Cooperative nor Franchisee shall use any disapproved advertising or promotional materials regardless of whether any such items had been previously approved by Franchisor.

(g) Franchisor Advertising. Franchisor may, from time to time, expend its own funds to produce such promotional materials and conduct such advertising as it deems necessary or desirable. In any advertising conducted solely by or for Franchisor, Franchisor shall have the sole discretion to determine the products and geographical markets to be included, and the medium employed and Franchisor shall not have any duty or obligation to supply Franchisee with any advertising or promotional materials produced by or for Franchisor at its sole expense. Franchisor may, from time to time, offer to provide to Franchisee such approved advertising and promotional plans and materials as Franchisor deems advisable. Franchisor expressly disclaims and Franchisee hereby acknowledges that Franchisee has not received or relied upon any warranty regarding the success of any advertising and/or promotional plans or materials recommended by Franchisor for use by Franchisee. Further, Franchisee acknowledges and agrees that all advertising and promotional plans and materials created in whole or in part by Franchisor are and remain the exclusive property of Franchisor. Franchisor shall have the right to include promotion of available franchises in all marketing and advertising materials, including, but not limited to, signage in Franchised Business, an Online Presence, print media, and TV or radio spots.

(h) Ownership of Advertising. Franchisor shall be the sole and exclusive owner of all materials and rights which result from advertising and marketing program produced and conducted, whether by Franchisee, Franchisor, a Cooperative or the Brand Fund. Any participation by Franchisee in any advertising, whether by monetary contribution or otherwise, shall not vest Franchisee with any rights in the Marks employed in such advertising or in any tangible or intangible materials or rights, including, copyrights, generated by such advertising. If requested by Franchisor, Franchisee shall assign to Franchisor any contractual rights or copyright it acquires in any advertising.

(i) Online Presence and Email Address. Franchisee will not, directly or indirectly, establish or operate an Online Presence that in any way concerns, discusses or alludes to the Franchisor, the System or the Franchisee's Franchised Business without Franchisor's written consent, which Franchisor is not obligated to provide. An "Online Presence" includes (1) a website, other webpages, URLs, or domain names, (2) accounts, pages, or profiles on social media sites, social networking sites, news sites and groups, online, internet, or digital directories, video, photography, audio, and messaging services, blogs, or forums, (3) e-commerce sites or accounts, (4) digital or online advertising and marketing content and services, (5) mobile applications, (6) virtual reality platforms, (7) identifiers of an Online Presence, or (8) a presence on any other type of online, internet, or digital tool, good, or service that may be developed. Further, the Marks may not be used as part of, in conjunction with, to establish or to operate any Online Presence or email address, unless specifically approved by the Franchisor, which approval Franchisor is not obligated to provide. Franchisee will not post, and will take such steps as necessary to ensure that its

employees do not post, any information to an Online Presence relating to the Franchisor, the System, the Marks, or the Franchised Business that (a) does not comply with the Franchisor's then-current brand, social media, or Online Presence guidelines described in the Operations Manuals, (b) is derogatory, disparaging, or critical of the Franchisor, the System or the Marks, (c) is offensive, inflammatory or indecent, or (d) harms the goodwill and/or public image of the System and/or the Marks. Franchisee shall not establish or permit or aid anyone else to establish any links to any Online Presence which Franchisor may create. Franchisee specifically acknowledges and agrees that any Online Presence will be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's approval under this Agreement. Franchisor alone has the right, but not the obligation, to establish, maintain, modify or discontinue all internet and electronic commerce activities pertaining to the System, including through any Online Presence. Franchisor shall not be liable for downtime that may occur to any such Online Presence or email address, whether such downtime is caused by Franchisor or a third-party. Franchisor alone will be, and at all times remain, the sole owner of the copyrights to all material which appears on any Online Presence, including any and all material Franchisee may furnish to Franchisor for use on an Online Presence. Ownership of all URLs and other identifiers with any such Online Presence shall vest exclusively in Franchisor. Franchisor shall have the right, but not the obligation, to designate one or more webpage(s) or other form of Online Presence to describe Franchisee and/or the Franchised Businesses, with such webpage(s) or Online Presence to be located within Franchisor's website or another Online Presence. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance and content of any such web page(s) and any other Online Presence and email addresses; and Franchisor shall have the right to refuse to post and/or discontinue posing any content and/or the operation of any webpage or Online Presence. Franchisee shall not establish a separate website or Online Presence or business email address, without Franchisor's prior written approval (which Franchisor shall not be obligated to provide). If approved to establish an Online Presence or email address, Franchisee shall comply with Franchisor's policies, standards and specifications with respect to the creation, maintenance and content of any such Online Presence or email address. Franchisor shall have the right to modify the provisions of this Section 8(i) relating to any Online Presence as Franchisor shall solely determine is necessary or appropriate. Franchisee shall not use the Marks or any abbreviation or other name associated with Franchisor and/or the System as part of any Online Presence or email address of Franchisee, except as permitted by Franchisor's then-current policies. Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without Franchisor's prior written consent as to Franchisee's plan for transmitting such advertisements. For any Online Presence (and all URLS and other identifiers related to any Online Presence) or email address Franchisee is approved to create or use, Franchisor reserves the right, at its sole option and discretion, to have the Online Presence directly owned by Franchisor or to require any such Online Presence or email address be transferred to Franchisor upon the termination, expiration, or non-renewal of this Agreement for any reason. Franchisor has the right to require that any Online Presence or email address Franchisee is permitted to create, use, or maintain be registered in Franchisor's name. Upon request, Franchisee must provide Franchisor with any login credentials for any Online Presence or email address Franchisee is authorized to create, use, or maintain. Franchisor has the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of Franchisor's policies and Franchisor may take ownership of any Online Presence upon expiration, non-renewal, transfer, or termination of this Agreement and operate it in Franchisor's sole discretion.

9. National Accounts.

(a) Establishing a National Account. At Franchisor's option and not obligation, Franchisor may enter into agreements with third parties to provide services to customers with multiple locations, whether those locations are all within Franchisee's Territory or not ("National Account"). Franchisee shall have the right and obligation to provide services to National Account customers at the prices Franchisor establishes in the (i) Territory and/or (ii) if such area is not the territory of another SPIFFY business, within the ten (10) mile radius surrounding the Territory; otherwise, if a National Account is located outside Franchisee's Territory, Franchisor reserves the right to designate any of its franchisees or affiliates to service the National Account. Franchisee shall provide the National Account services at the rate Franchisor establishes. Franchisor reserves the right to manage all billing of National Account customers and Franchisee shall comply with Franchisor's billing requirements. Franchisor and its affiliates may solicit prospective National Account customers in Franchisee's Territory, whether or not Franchisee currently provides services to them. Franchisee shall comply with Franchisor's standards and requirements for providing services and products to National Account customers, which standards and requirements may be specific to each National Account customer.

(b) Pricing. Franchisee agrees and acknowledges that Franchisor will negotiate the pricing for National Accounts and that such negotiations may result in discounted prices and higher volumes. Pricing for National Accounts may result in less revenue for Franchisees than if Franchisee were servicing the National Account customer independently. Franchisee acknowledges and agrees that Franchisor may set discounts, commissions, price structures, and performance and maintenance standards for National Accounts.

(c) Service by Another Party. If (1) Franchisee declines to service a National Account customer within twenty-four (24) hours of receiving notice of the service request, (2) Franchisee fails to service the National Account customer in accordance with Franchisor's standards or by any specified deadlines, (3) Franchisor reasonably determines that Franchisee is not able to reliably service the National Account customer, or (4) the National Account customer requests that Franchisee not fulfill the service order, Franchisor may designate another party to service the National Account customer in the Territory from that time on without paying any compensation to Franchisee. Such designated parties could be Franchisor, Franchisor's affiliates, other franchisees, or another third party. Failing to service National Account customers according to the terms of this Agreement, the Operations Manual, and/or the terms of the contract with the National Account customer is a default under this Agreement. Neither Franchisor nor any of its designated parties will be liable for or obligated to pay Franchisee any compensation for providing such services and neither Franchisor nor any of its designated parties will be considered in breach of any provision of this Agreement or any other agreement between the parties. Franchisor shall not be liable to Franchisee for the National Account services performed within Franchisee's territory pursuant to the terms of this Section 9(c).

10. Service Vehicle(s).

(a) Required Vehicle. Franchisee shall be obligated to lease one (1) or more vehicles to provide approved goods and services to customers (each a "Service Vehicle"). Service Vehicle(s) required by Franchisor to be used in the operation of the Franchised Business, the specifications for which are set forth in the Operations Manuals and are subject to change from time to time. All Service Vehicle(s) utilized in the Franchised Business must meet the System standards and must meet Franchisor's specifications for equipment, safety, layout, appearance, decor and model. The Service Vehicle(s) must be wrapped and otherwise decorated in accordance with the System standards, which will include utilizing logos and designs that Franchisor specifies or approves. Additionally, the Service Vehicle(s) must be outfitted with the required equipment. Franchisor may require Franchisee to obtain equipment, wrapping and other decorative services for the Service Vehicle(s) from designated suppliers. Franchisor reserves the right to require Franchisee to utilize tracking systems and/or cameras with the Service Vehicle(s). Franchisor's approval of a Service Vehicle(s) will not constitute a representation or warranty as to the safety of the Service Vehicle(s), nor does it constitute a representation or warranty by Franchisor that the Service Vehicle(s) complies with applicable laws, codes, ordinances, regulations or governmental standards.

(b) Number of Service Vehicle(s). Franchisee must have available a sufficient number of Service Vehicle(s) and equipment to promptly and adequately service all customers within the Territory. Franchisee shall begin operations of the Franchised Business with at least one (1) Service Vehicle(s). Franchisee shall add a second or subsequent Service Vehicle(s) each time Franchisee's average Service Cancellation Rate is greater than ten percent (10%) over a thirty (30) day period ("Triggering Percentage"). "Service Cancellation Rate" shall mean the percentage of customers that request or order a service from the Franchised Business that cannot be provided due to a lack of open appointments. Franchisee shall obtain the additional Service Vehicle(s) within thirty (30) days of reaching the Triggering Percentage. Subject to Franchisor's approval, which shall not be unreasonably withheld, Franchisee may also add additional Service Vehicle(s) to meet the needs of the Franchised Business and its customers.

(c) Approved Uses. Franchisee and Franchisee's employees shall provide the services of the Franchised Business only with the approved Service Vehicle(s). Franchisee shall not use any vehicle other than the Service Vehicle(s) in the operation of any part of the Franchised Business without Franchisor's prior written consent. The Service Vehicle(s) must be used solely for the Franchised Business. Franchisor must give prior written permission for any other use of the Service Vehicle(s). It is acknowledged that such restrictions are necessary to present a uniform appearance to the public and preserve the goodwill associated with the Marks. Franchisee understands and acknowledges that the Service Vehicle(s) shall only be used for projects and work approved and/or authorized by Franchisor, and for no other purpose. Operators of the Service Vehicle(s) shall drive the Service Vehicle(s) in a manner consistent with federal, state, and local law and maintain all required drivers' licenses. Franchisee shall promptly pay all license and use charges and taxes assessed on or pertaining to the Service Vehicle(s) and shall hold Franchisor harmless therefrom. Franchisor shall have the right to approve certain types and/or models of Service Vehicle(s) for certain services. Franchisee shall not provide services to customers without the approved type and/or model of Service Vehicle. Franchisee may be required to attend

additional training, at Franchisor's then-current additional training rate, before Franchisee is approved to use certain types and or/models of Service Vehicles in its Franchised Business.

(d) **Maintenance and Condition**. At its sole expense, Franchisee must maintain the Service Vehicle(s) in good working order and in compliance with System standards specified in in the Operations Manuals and other Franchisor communications from time to time, including appearance, logos, wraps, colors, signage, and equipment. All Service Vehicle(s) must be kept neat and clean. Franchisor shall not require Franchisee to replace a Service Vehicle within sixty (60) months of the purchase or lease of such vehicle and Franchisor shall not require Franchisee to purchase, lease, or implement any additional or replacement equipment for the Service Vehicle until Franchisee has had twelve (12) months' notice of the required change.

(e) **Disposition**. Franchisee shall not assign or sublet the lease for the Service Vehicle(s), sell or transfer the Service Vehicle(s), or otherwise part with possession of the whole or any portion of the Service Vehicle(s) during the Term without first obtaining the prior written consent of Franchisor, which consent shall not be unreasonably withheld. If Franchisee receives Franchisor's approval to assign, sublet, sell, or change possession of the Service Vehicle(s), Franchisee shall de-identify the Service Vehicle(s) as SPIFFY vehicles, including taking action to remove all references to SPIFFY and remove any uses of the Marks from the Service Vehicle(s). Franchisee shall provide Franchisor evidence of these steps at Franchisor's request. Franchisee shall provide Franchisor with a report identifying the party that is the assignee, sublessee, purchaser, or new possessor, such party's purchaser's contact information, and other information that Franchisor may require.

(f) **Lease**. Franchisor has the right to require Franchisee to lease the Service Vehicle(s) from a supplier that Franchisor approves. Franchisor or Franchisor's affiliate may be the designated supplier. Any lease of a Service Vehicle(s) shall be approved by Franchisor prior to Franchisee's execution of the lease. Franchisee shall provide Franchisor a copy of the lease at least ten (10) days prior to executing the lease and a copy of the executed lease no more than five (5) days after execution.

(g) **Purchase**. Franchisor has the right to require Franchisor to purchase the Service Vehicle(s) from a supplier that Franchisor approves. Franchisor or Franchisor's affiliate may be the designated supplier. Franchisee's purchase contract and/or financing documents shall contain the provisions that Franchisor may require from time to time, including, but not limited to the following provisions:

(i) a provision which requires any lender concurrently to provide Franchisor with a copy of any written notice of deficiency or default under the terms of the loan sent to Franchisee or its affiliate as the purchaser; and

(ii) a provision granting Franchisor, at its option, the right (but not the obligation) to cure any deficiency or default under the loan should Franchisee fail to do so, within ten (10) days after the expiration of any period in which Franchisee may cure such default or deficiency. Franchisee shall thereafter reimburse Franchisor for such amounts immediately upon demand.

11. Operations, Standards of Quality, Inspections.

(a) Operations Manuals. Franchisor will provide Franchisee with one (1) or more manuals, policy and procedure statements, or other written notice of standards and specifications which shall contain (i) the mandatory and suggested specifications, standards and operating procedures prescribed from time to time by Franchisor and (ii) information relative to other obligations of Franchisee hereunder and the operation of the Franchised Business (collectively the "Operations Manuals"). For purposes of this Agreement "Operations Manuals" also includes separate manuals and alternative or supplemental communications of the Franchisor such as by bulletins, emails, video, audio, and other electronic or print methods. The Operations Manuals shall at all times remain the sole property of Franchisor and shall promptly be returned to Franchisor upon the expiration, non-renewal, or other termination of this Agreement for any reason. Franchisor may, from time to time, revise the contents of the Operations Manuals. To the extent that Franchisor shall deem it necessary or appropriate, Franchisor will provide Franchisee with policy and procedure statements or other written notice of specifications standards and procedures, policies, and other standards and specifications contained in the Operations Manuals, policy and procedure statements and other written notices as issued from time to time by Franchisor. Franchisee acknowledges and agrees that all information in the Operations Manuals, policy and procedure statements and other notices constitute confidential information and trade secrets, and shall not be disclosed at any time by Franchisee. Franchisee shall not copy, disclose, duplicate, record or otherwise reproduce, in whole or in part, for whatever reason, the Operations Manuals or any other communication or information provided by Franchisor. Franchisor shall have the right to modify the policies and procedures of the Operations Manuals at any time, which modifications shall be binding upon Franchisee.

(b) Compliance with Specifications and Procedures. Franchisee acknowledges that the Operations Manuals are designed to protect Franchisor's Marks, brand image, goodwill, and standards and systems, and not to control the day-to-day operation of the business. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all mandatory standards, specifications and procedures contained in the Operations Manuals, as amended from time to time.

(c) Compliance with Franchisor's Standards. Franchisee shall operate the Franchised Business through strict adherence to Franchisor's standards, specifications and policies as they now exist, and as they may from time to time be modified. Such standards and policies include, without limitation: (i) services and products offered; (ii) hours of operation for a Franchised Business; (iii) safety standards; (iv) employee uniform requirements and specifications; and (v) use of specified emblems and Marks on uniforms, the Service Vehicle(s), and other products. Franchisee agrees to follow and to require its employees to follow the instructions of Franchisor.

(d) Variations in Standards. Because complete and detailed uniformity under varying conditions may not be possible or practical, Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary

standards for the Franchised Business or any other Franchised Business in the Chain based upon peculiarities of particular locations or circumstances, including, but not limited to, density of population and other demographic factors, size of Franchisee's Territory, business practices or customs, or any other condition which Franchisor deems to be of importance to the operation of such Franchised Business or the Chain. Franchisee acknowledges that because of these factor and others, there may be variations from standard specifications and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee.

(e) Compliance with Laws. Franchisee shall at all times during the Term comply with all laws, ordinances, rules and regulations of all applicable governmental bodies, and pay any and all taxes, assessments, fines and penalties arising out of the operation of the Franchised Business, including state and federal unemployment taxes and sales taxes. Franchises shall comply with all environmental laws applicable to the services provided by the Franchised Business. Franchisee shall obtain and maintain all licenses and permits necessary to operate the Franchised Business. If Franchisee fails to make a tax payment and Franchisor does so on Franchisee's behalf, Franchisee must reimburse Franchisor.

(f) Courtesy, Cooperation, Fair Dealing and Ethical Business Practices. In all dealings with customers, suppliers, Franchisor and others, Franchisee will act according to the highest standards of honesty, integrity, fair dealing and ethical conduct. At all times and under all circumstances, Franchisee and its employees shall treat all customers and other persons, including Franchisor's agents, officers, and employees with the utmost respect and courtesy, and shall fully cooperate with Franchisor and its agents, officers, and employees in all aspects of the franchise relationship. Franchisee will operate Franchisee's business in full compliance with all applicable laws, ordinances and regulations, including all licensing requirements. Franchisee will not engage in any illegal discriminatory practices. Franchisor makes no representations as to what (if any) licenses, permits, authorizations or otherwise will be required in connection with Franchisee's establishment or operation of Franchisee's business. It is Franchisee's sole responsibility to determine what licenses, permits, authorizations or otherwise are required and to obtain them, all at Franchisee's expense. Franchisee will refrain from any practice which may injure the goodwill associated with the Marks. Franchisee will notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which relates to, or which may affect the operation or financial condition of, Franchisee, Franchisee's business and/or the Marks.

Franchisee agrees to comply and/or assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise. Franchisee agrees to comply and assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities, including, without limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, Franchisee agrees not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to Franchisee's business as may be required by Franchisor or by law. Franchisee confirms that Franchisee is not listed in the Annex to Executive Order 13224 and agrees not to hire any

person so listed or have any dealing with a person so listed (the Annex is currently available at http://www.treasury.gov). Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that Franchisee's indemnification responsibilities as provided in Section 19 of this Agreement pertain to Franchisee's obligations hereunder.

(g) Franchisee Control. Franchisee acknowledges that it is responsible for the day-to-day operation of its Franchised Business, including hiring, setting the conditions of employment, supervision, discipline and termination of all personnel, purchases and maintenance of equipment and supplies, preparing Franchisee's own marketing plans and funding and implementing those marketing plans, maintenance of employment records, and daily maintenance, safety, security and the achievement of compliance with the Operations Manuals. Franchisor's ability to approve certain matters, to inspect the Franchised Business and its operations and to enforce its rights, exists only to the extent necessary to protect its interest in the System and the Marks. Neither the retention nor the exercise of these rights is for the purpose of establishing any control, or the duty to take control, over those matters that are clearly reserved to Franchisee.

(h) Training. It will be solely Franchisee's responsibility to ensure that all new employees and current employees are trained to perform their duties in a proper manner at the Franchised Business and Franchisee shall implement and maintain an employee training program, at Franchisee's expense, pursuant to all specifications, standards and procedures prescribed by Franchisor. Franchisee shall ensure that all employees have all necessary certifications and credentials as required by applicable state laws and licensing regulations, and that all employees must satisfy all continuing educational training requirements as may be specified by applicable laws, regulations. In the event that Franchisee is unable to, or fails to, provide the employee training required by this Section 11(h), Franchisor may train Franchisee's employees at Franchisee's then-current training rates, and Franchisee shall reimburse Franchisor for all expenses, including reimbursement for mileage at the then-current IRS reimbursement rate, living and travel expenses incurred by Franchisor as a result of such training. Training by Franchisor will be at reasonable times and subject to availability of Franchisor's representatives. In the event that Franchisor provides training to Franchisee's employees upon Franchisee's request, Franchisee hereby releases, indemnifies and holds harmless Franchisor and its affiliates, agents and employees from all claims, causes of action, expenses, costs, debts, fees, liabilities and damages of every kind arising out of or related to the training and/or the continuing education of Franchisee's employees as set forth herein. Franchisor reserves the right to assess a training fee or attendance fee for any conferences, conventions, or other training Franchisor or its approved suppliers provide.

(i) Employment Matters. Franchisee's employees are not Franchisor's agents or employees, and Franchisor is not a joint employer of these individuals. Franchisee is solely responsible for performing all administrative functions at the Franchised Business, including payroll and providing workers' compensation insurance. Franchisee acknowledges that it is not economically dependent on Franchisor, and that Franchisor does not provide facilities, equipment or house or transport Franchisee's employees or provide to Franchisee's employees tools or materials required for Franchisee's employees to perform services for Franchisee. Franchisee shall comply with all employment laws and regulations. At all times, Franchisee shall ensure that Franchisee and Franchisee's employees are in compliance with federal, state, and local tax laws.

(j) Employer Acknowledgment. Franchisee shall obtain from each of its employees an acknowledgment signed by such persons providing that such individual understands, acknowledges, and agrees that (i) he or she is an employee of Franchisee and not Franchisor and (ii) he or she shall look solely to Franchisee, and not to Franchisor or its affiliates, agents, or employees, for his or her compensation and for all other employment matters.

(k) Franchisee Developments. Franchisor shall be deemed the owner and have the right to use and incorporate into the System for the benefit of other franchisees and Franchisor any modifications, ideas or improvements, in whole or in part, developed or discovered by Franchisee or Franchisee's employees or agents, without any liability or obligation to Franchisee or the developer thereof.

(l) Business Relations. Franchisee shall at all times operate the Franchised Business in a financially sound, prudent and business-like manner and, without limiting the generality of the foregoing, pay all its bills and accounts promptly when due and shall take no action, or omit to take any action, the result of which would be to tend to disrupt, damage or jeopardize Franchisee's relationship with suppliers or customers, Franchisor's good reputation, or the good reputation of Franchisor's other franchisees. Franchisee will not engage in any trade practice or other activity which is harmful to the goodwill or reflects unfavorably on the reputation of Franchisee, Franchisor, the Franchised Business, the Marks, the services and/or products sold at the Franchised Business, or constitutes deceptive or unfair competition or otherwise is in violation of any applicable laws.

(m) Crisis Situations. Franchisee shall notify Franchisor immediately upon the occurrence of any situation that may have a material impact on the Franchisee, Franchisor, Franchised Business, or which could have a deleterious effect on the SPIFFY brand, Marks or System. Franchisee shall follow all of Franchisor's policies, procedures, and instructions in every such situation, including, without limitation, managing public relations and communications, as directed by the Franchisor or as specified in the Operations Manuals, whether or not Franchisee has retained outside counsel or a public relations firm to assist with such matters. A Crisis includes, but is not limited to, any event that occurs at, with, or about the Premises or Service Vehicle(s) that has or may cause harm or injury to customers or employees. Examples include, but are not limited to, car accidents, contagious diseases, natural disasters, terrorist acts, shootings, or any other circumstance which may damage the System, Marks, or image or reputation of the Franchised Business, the System or Franchisor. Franchisee will cooperate fully with Franchisor with respect to Franchisor's response to the Crisis. In the event of the occurrence of a Crisis, Franchisor may establish emergency procedures which may require Franchisee to temporarily cease to operate the Franchised Business to provide services to customers, in which event Franchisor shall not be liable to Franchisee for any loss or costs, including consequential damages or lost profits occasioned thereby.

(n) Change in Marital Status. If Franchisee or one of its Owners has a change in marital status, Franchisee shall promptly inform Franchisor of that change and Franchisee agrees that any new spouse will sign Franchisor's form guaranty, and noncompetition and confidentiality agreements.

(o) Books and Records; Financial Reporting.

(i) Books and Records. Franchisee shall maintain during the term of this Agreement, and shall preserve for at least five (5) years from the dates of their preparation, and shall make available to Franchisor at Franchisor's request and at Franchisee's expense, full, complete and accurate books, records, and accounts in accordance with generally accepted accounting principles. Franchisee shall maintain such records, unless otherwise authorized by Franchisor, at the Premises. Franchisee agrees at all times to use the chart of accounts and accounting procedures established from time to time by Franchisor.

(ii) Submission of Performance Reports. Franchisee shall submit to Franchisor, for review or auditing the following performance reports: (a) Gross Revenues reports and performance reports for the prior month; and (b) monthly financial statements, including a balance sheet and income statement, and such forms, reports, records, information, and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, including without limitation, by electronic telecommunications data transmission methods, upon request and as specified from time to time in the Operations Manuals or otherwise in writing. If Franchisee prepares and submits to Franchisor monthly profit and loss statements, Franchisor may require Franchisee to have a certified public accountant review such statements on a quarterly basis, the expense of which shall be borne entirely by the Franchisee, and then submit such quarterly reviews to the Franchisor. Franchisee also shall immediately notify Franchisor in writing when one (1) or more liens or judgments are filed against the Franchisee, the Franchised Business and/or any of the personal guarantors (if any) under this Agreement.

(iii) Submission of Financial Statements and Tax Returns. Franchisee shall, Franchisee shall submit, within sixty (60) days following the close of business of Franchisee's fiscal year, copies of a balance sheet, profit and loss statement and cash flow report prepared and certified by a certified public accountant which cover the previous twelve (12) months of operations of the Franchised Business. The statements shall include a statement of income and a balance sheet certified by Franchisee as true and correct and shall be furnished within forty-five (45) days after the end of each fiscal year of the Franchised Business. The fiscal year of the Franchised Business must coincide with the calendar year. Franchisee also shall submit, within five (5) days of their filing, its federal and state tax returns for each year during the term of this Agreement; provided, however, that if Franchisee is not a corporation or partnership, Franchisee may, at its option, submit only those schedules to its personal tax filings which reflect the revenues and expenses of the Franchised Business.

(iv) Audit of Franchisee's Records. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at Franchisor's expense, the books, records, and tax returns of the Franchised Business and remove copies thereof from the Premises and/or Service Vehicle(s). Franchisor shall also have the right at any time, at Franchisor's expense, to have an independent audit made of the Franchised Business books, records and accounts. If any inspection or audit reveals that an underpayment exists,

Franchisee shall immediately pay to Franchisor the amount owing to Franchisor, as determined by the inspection or audit. Upon discovery of an understatement of two percent (2%) or more, in addition to prompt payment of the underreported amount, Franchisee shall reimburse Franchisor for any and all expense connected with such inspections or audits, including but not limited to reasonable accounting and legal fees as well as interest as provided for in Section 3 of this Agreement. Such payments shall be without prejudice to any other remedies Franchisor may have under this Agreement or otherwise at law. If a discrepancy of less than two percent (2%) is revealed, Franchisor will bear the costs of the audit.

(v) Forms. Franchisee will use only such forms, including, without limitation, those used in and generated by the required Computer Systems, as are approved by Franchisor in the Operations Manuals or otherwise in writing. Franchisee will obtain all forms specified by Franchisor and/or the required Computer Systems, at Franchisee's expense, from suppliers approved by Franchisor. Franchisor may maintain and make available to Franchisee all or a portion of such forms on the intranet system in addition to, or in lieu of, providing hard copies to Franchisee.

(p) Computer Systems.

(i) Obligation to Obtain Computer Systems. Franchisee, at its expense, shall purchase or lease and thereafter maintain such computer hardware and software, mobile application(s) (including Mobile Applications), cloud-based systems and/or software, smartphone(s), tablet, broadband high-speed internet service, active e-mail account, required dedicated telephone and power lines, modem(s) printer(s), point-of-sale systems, scheduling systems, electronics, communications systems, and other computer-related or technology-related accessories or peripheral equipment as Franchisor specifies ("Computer Systems"). Franchisor's requirements for the Computer Systems will be updated from time to time as deemed necessary by Franchisor in accordance with changing technology and industry standards and may include the requirement to purchase or lease new Computer Systems. Franchisee must periodically update, as required by the Franchisor and/or the Computer Systems' manufacturers or vendors, all Computer Systems solely at the Franchisee's expense. Franchisee may be required to license proprietary Computer Systems directly from Franchisor or Franchisor's affiliates. Franchisee may be required to enter into license agreement(s) with Franchisor or other suppliers to provide all or part of the Computer Systems. Franchisor and its agents shall have the right to access all information related to the operation of the Franchised Business that is accessed or stored on the Computer Systems, whether in-person or from a remote location, without the need for Franchisee's consent, at the times and in the manner prescribed by Franchisor. Franchisor may use data from the Computer Systems in any way it deems fit. Notwithstanding anything in this Agreement to the contrary, Franchisor shall not require Franchisee to purchase, lease, or implement any additional or replacement Computer Systems provided by third parties until Franchisee has had twelve (12) months' notice of the required change. For the avoidance of doubt, Franchisee shall comply with any required updates, upgrades, or replacements for Computer Systems supplied by Franchisor or its affiliates. Despite the fact that Franchisee agrees to buy, use, and maintain the Computer

Systems according to Franchisor's standards and specifications, Franchisee will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer Systems; (2) the manner in which the Computer Systems interfaces with Franchisor's and any third party's computer system; and (3) any and all consequences if the Computer Systems is not properly operated, maintained, and upgraded. Franchisee may not install any software, other than authorized upgrades, or make any hardware modifications to the Computer Systems that might hamper or interfere with the operation of the Computer Systems in the manner Franchisor requires. Franchisee acknowledges and agrees that Franchisor shall have no responsibility under any circumstances for any malfunction or "crash" of any Computer System provided by or approved by Franchisor, including, but not limited to, for any data lost as a result of such malfunction or "crash." Franchisor shall have unlimited, independent access to all information and data (including the Franchisee Data) produced by or otherwise located on any of Franchisee's Computer Systems.

(ii) **Connection to Franchisor's Systems**. Franchisor has the right to require Franchisee to connect to Franchisor's computer or wireless system. If required, Franchisee shall provide such assistance as may be required to connect its Computer Systems with Franchisor's computer or wireless system. Franchisor shall thereafter have the right from time to time and at any time to retrieve and use for any purpose such data and information from Franchisee's Computer Systems, or from any third party or Franchisor-provided Computer Systems as Franchisor, in its sole and exclusive discretion, deems necessary or desirable. In view of the contemplated interconnection of Computer Systems and the necessity that such systems be compatible with each other, Franchisee expressly agrees that it will strictly comply with Franchisor's standards and specifications for all item(s) associated with Franchisee's Computer Systems. Franchisor shall have no liability to Franchisee as a result of Franchisor access or failing to access the Computer Systems. Franchisee shall provide Franchisor with all required passwords or login credentials to access the Computer Systems.

(iii) **Telephone and Connectivity.** Franchisee will secure and maintain separate business telephone lines for telephone, email and facsimile use at the Franchised Business as specified by Franchisor in the Operations Manuals or otherwise. Franchisee will also secure and maintain high speed Internet connection at the Franchised Business as specified by Franchisor in the Operations Manuals or otherwise. Franchisee will provide continuous telephone answering coverage by an employee whenever the Franchised Business is open for business. Franchisee will be solely responsible for the payment of all bills which result from the use and/or maintenance of the telephone lines and Internet connections at the Franchised Business and the operation of all Computer Systems.

(iv) **Data**. All data provided by Franchisee, uploaded to Franchisor's system from Franchisee's system, and/or downloaded from Franchisee's system to Franchisor's system, is, and will be owned exclusively by Franchisor and Franchisor will have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee. In addition, all other data created or collected by Franchisee in connection with the System, or in connection with Franchisee's operation of the Franchised Business

(including but not limited to consumer and transaction data), is and will be owned exclusively by Franchisor during the term of, and following termination, non-renewal, or expiration of, this Agreement for any reason. Copies and/or originals of such data must be provided to Franchisor upon Franchisor's request. Franchisor hereby licenses use of such data back to Franchisee, at no additional cost, solely for the term of this Agreement and solely for Franchisee's use in connection with the establishment and operation of the Franchised Business pursuant to this Agreement.

(v) Franchisee Phones. If Franchisor supplies Franchisee with smartphones and/or cell phone service plans for the Franchised Business, Franchisee shall pay Franchisor's then-current rates for such smartphones and/or cell phone service plans.

(q) Franchise Advisory Council. Franchisor may, but is not obligated to, form a Franchise Advisory Council selected by Franchisor in Franchisor's sole discretion, which shall provide Franchisor input as Franchisor may request from time to time ("FAC"). The FAC exists at Franchisor's pleasure, and Franchisor is not obligated or bound by any input provided by the FAC. The FAC will consist of franchisees in full compliance with this Agreement and/or Franchisor's representatives. Franchisor has the right to add or remove members of the FAC in Franchisor's sole discretion.

(r) Data Protection; Privacy.

(i) Data Protection and Security Policies. Franchisee shall comply with, or, as applicable, adopt policies consistent with the then-current version of Franchisor's data protection and security policies as may be described in Franchisor's Operations Manuals ("Data Protection and Security Policies"). Such policies may govern how Franchisee Data and Personal Information (as defined below) contained in such data shall be accessed, shared, stored, protected, disposed of, or destroyed. Franchisor has the right, but not the obligation to create such Data Protection and Security Policies. Franchisee acknowledges that Franchisor may supplement, modify or amend the Data Protection and Security Policies from time to time in its sole discretion, and that Franchisee shall comply with such modifications or amendments within thirty (30) days of notice from Franchisor. Franchisor may require Franchisee to institute a data privacy policy for its Franchised Business. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent as to said policy.

(ii) Privacy Laws. Franchisee warrants and represents and covenants that it shall comply with (i) applicable prevailing industry standards concerning privacy, data protection, confidentiality and information security, including, without limitation, the then-current Payment Card Industry Data Security Standard of the PCI Security Standards Council (the "PCI-DSS"), (ii) those Security and Data Protection Policies mandated by the Operations Manuals, if any, and (iii) all applicable international, federal, state, and local laws, rules, and regulations, as the same may be amended or supplemented from time to time, pertaining in any way to the privacy, confidentiality, security, management, disclosure, reporting, and any other obligations related to the possession or use of Personal Information (collectively, "Privacy Laws").

(iii) Marketing; Consumer Protection. Franchisee warrants and represents not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without first obtaining Franchisor's written consent as to: (a) the content of such e-mail advertisements or solicitations; and (b) Franchisee's plan for transmitting such advertisements. In addition to any other provision of this Agreement, Franchisee shall be solely responsible for compliance with all laws pertaining to e-mails, including, but not limited to, the U.S. Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003"), and to use of automatic dialing systems, SMS text messages, and artificial or prerecorded voice messages, including but not limited to the Telephone Consumer Protection Act of 1991 ("TCPA"). Franchisee must comply with the Fair and Accurate Credit Transactions Act (FACTA) and all other consumer protection laws and regulations.

(iv) Security Breach. Franchisee shall cooperate with Franchisor in any audit that Franchisor may conduct from time to time of its data storage and management systems and Franchisee's storage of Personal Information. In addition, if Franchisee becomes aware of any actual or suspected unauthorized access, processing, loss, use, disclosure, alteration, destruction or other compromise or acquisition of or access to any information, whether such information is stored in paper or electronic form, (i) that can be used to identify, locate or contact an individual, including but not limited to Franchisee's employees and customers (collectively, "Personal Information"); (ii) that is subject to any of the Privacy Laws and/or PCI-DSS; or (iii) that might reasonably expose Franchisor to any harm or prejudice of any type or actual or suspected intrusion by an unauthorized third party into Franchisee's or Franchisor's computers, networks, servers, IT resources, or paper files (a "Security Breach"), Franchisee shall immediately notify the Franchisor's President via telephone of such matter and shall thereafter cooperate with Franchisor to investigate and remedy such matter. Except to the extent required by applicable law, no public disclosure of any instance of such unauthorized access or breach shall be made by Franchisee unless Franchisor has authorized the provision of notice and the form of such notice in writing. Franchisee shall reimburse Franchisor for all reasonable Notification and Remediation Related Costs (hereinafter defined) incurred by Franchisor arising out of or in connection with any such Security Breach that is directly or indirectly caused by Franchisee or its personnel. "Notification and Remediation Related Costs" shall include Franchisor's internal and external costs associated with addressing and responding to the Security Breach, including but not limited to: (i) preparation and mailing or other transmission of legally required notifications to affected individuals, regulators and attorneys general; (ii) preparation and mailing or other transmission of such other communications to customers, agents or others as Franchisor deems reasonably appropriate; (iii) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (iv) engagement of information technology consultants, public relations and other similar crisis management services; (v) payment of legal and accounting fees and expenses associated with Franchisor's investigation of and response to the Security Breach; and (vi) payment of costs for commercially reasonable credit reporting services that are associated with legally required notifications or are advisable under the circumstances. Franchisee agrees to hold harmless,

defend and indemnify Franchisor and its officers, directors, agents, and employees from and against any and all losses, expenses, judgments, claims, attorney fees and damages arising out of or in connection with any claim or cause of action in which Franchisor shall be a named defendant and which arises, directly or indirectly, out of the operation of, or in connection with a Security Breach or Franchisee's or Franchisee's officers, directors, agents or employees' violation of any Privacy Law or regulation, consumer protection-related law or regulation, e-mail marketing and other marketing laws and regulations, and the PCI-DSS.

(v) Inspection. Franchisor, through its employees and/or any agents designated by Franchisor from time to time, may at any time during business hours, and without prior notice to Franchisee enter upon and inspect the Premises and/or Service Vehicle(s) and examine Franchisee's Computer Systems, databases, business records and other supporting records and documents in order to verify compliance with its Data Protection and Security Policies, and Privacy Laws. Any such inspection shall be made at Franchisor's expense, provided that if such inspection is necessitated by Franchisee's repeated or continuing failure to comply with the Data Protection and Security Policies, Privacy Laws, this Agreement or the Franchise Agreement, Franchisor may charge Franchisee for the costs of making such inspection, including without limitation, travel expenses, room and board, and compensation of Franchisor's employees and/or agents.

(vi) Personal Information Requests. Franchisee shall fully comply with Data Protection and Security Policies as they relate to requests regarding individuals' personal information, as it may be defined under international, federal, state, and local law. If requested by Franchisor, Franchisee must cooperate or coordinate with Franchisor to identify personal information Franchisee has accessed, collected, retained, or used in any way.

(vii) Use of Personal Information. Franchisee shall not use, disclose, retain, transfer, share, or sell Personal Information, or personal information as it may be defined under international, federal, state, and local law, unless such action is permitted by (i) the terms of this Agreement, (ii) the terms of the Data Protection and Security Policies, (iii) the standards in the Operations Manuals, and/or (iv) written approval of Franchisor.

(s) Credit Card Processing. Franchisee agrees to use such credit card processing services approved by Franchisor and to purchase and maintain, at Franchisee's expense, any equipment necessary to permit such credit card processing functionality. Notwithstanding the credit card processing requirement, Franchisor does not represent, nor does it certify or warrant, to Franchisee or Franchisee's customers that the credit card processing service approved by Franchisor is compliant, whether or not certified as such, with the PCI Data Security Standards.

(t) Warranty and Customer Service. Franchisee must guaranty the satisfaction of customers. Franchisee must follow the procedures for customer complaints found in the Operations Manual. Resolution of customer concerns may involve discounting products or services and other such measures that affect the Gross Revenues of the Franchisee. Franchisor reserves the right to

charge Franchisee for Franchisor's costs to respond and/or resolve a complaint by Franchisee's customers that Franchisee does not satisfactorily resolve.

(u) Evidence of Relationship. Franchisee shall hold itself out to the public as an independent contractor by, without limitation: (i) clearly identifying itself in all dealings with third parties as a franchised, independently owned and operated entity, including on all public records, checks, stationery, contracts, receipts, marketing materials, envelopes, letterhead, business cards, employment applications, and other employment documents, invoices and other communications, electronic or otherwise; and (ii) displaying a sign in the Franchised Business and Service Vehicle(s) so as to be clearly visible to the general public indicating that the Franchised Business is independently owned and operated as a franchised business.

(v) Secret Shoppers; Toll-Free Number; Etc. Franchisor may, at its sole discretion, institute various programs for verifying customer satisfaction and/or Franchisee's compliance with all operational and other aspects of the System, including, without limitation, marketing research surveys, a toll-free number, customer comment cards, secret shoppers, or otherwise. Franchisor will share with Franchisee the results of such programs as they pertain to Franchisee's business and Franchisee agrees to reimburse Franchisor for all costs associated with any and all such programs, which cost may be drafted by EFT at the sole discretion of Franchisor.

(w) Telephone Number. Franchisee shall establish a local telephone number for the Franchised Business. Franchisee shall keep Franchisor notified as to the current telephone number for the Franchised Business. In no event shall Franchisee use such number for any other business. Franchisee further covenants that in the event it obtains any additional or substitute telephone service or telephone number at the Franchised Business, it will promptly notify Franchisor and such additional or substitute number shall be subject to the terms of this subsection.

(x) Payment of Taxes. Franchisee shall promptly pay to Franchisor an amount equal to all taxes levied or assessed, including, but not limited to, unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipt taxes, taxes on royalties, any similar taxes or levies, imposed upon or required to be collected or paid by Franchisor or Franchisor's affiliates by reason of the furnishing of products, intangible property (including trademarks and trade names) or services by Franchisor to Franchisee through the sale, license, or lease of property or property rights provided by this Agreement, other than taxes on Franchisor's net income.

(y) Operations Manager. Franchisee shall designate an individual to serve as the "Operations Manager" for the Franchised Business, which may be Franchisee, an Owner of Franchisee or another Franchisee employee. The Operations Manager shall meet the following qualifications:

(i) Management Responsibility. The Operations Manager shall devote full time and best efforts to the management, supervision, and conduct of the development and operation of the Franchised Business in order to ensure compliance with this Agreement and to maintain Franchisor's high standards. Management responsibility shall include, without limitation, maintaining the highest standards of service, environmental safety,

sanitation, product quality and consistency and supervising employees to ensure that the highest standard of service is provided and to ensure that Franchisee's employees deal with customers, suppliers, Franchisor, and all other persons in a courteous and polite manner.

(ii) Qualifications. The Operations Manager shall be approved by Franchisor, complete Franchisor's initial training requirements, participate in and complete to Franchisor's satisfaction all additional training as may be reasonably required by Franchisor. The Operations Manager shall agree in writing to be bound by non-compete and confidentiality provisions substantially similar to those contained in Sections 14 and 15 of this Agreement.

(iii) Change. If at any time for any reason the Operations Manager no longer qualifies to act as such, Franchisee shall promptly designate another Operations Manager subject to the same qualifications set forth in this Section 11. The Franchisor shall receive advanced written notice of any change in the Operations Manager.

(z) Requirements for Employees. Franchisee must employ a sufficient number of employees to ensure efficient service to customers. Franchisee is required to obtain background checks on its employees. Franchisor may designate a required supplier of background checks that Franchisee must use. Franchisee is solely responsible for ensuring that its employees have the necessary permits and licenses to work in the Franchised Business, including driver's licenses.

(aa) Third Party Partners. From time to time, Franchisor may require Franchisee to partner with designated third party vendors ("Third Party Service Partners") to provide vehicle services that Franchisee cannot ("Third Party Services"). Franchisee shall comply with Franchisor's requirements to coordinate or facilitate Third Party Services or assist Third Party Service Partners as Franchisor may designate from time to time. Franchisee shall receive the then-current "Proceed Share Percentage" as designated by Franchisor, which is a percentage of the net proceeds Franchisor receives from contracts with Third Party Service Partners who provide Third Party Services in the Territory. The current Proceed Share Percentage is identified in the Operations Manuals and is subject to change upon thirty (30) days written notice to Franchisee. The amounts from Franchisee Proceed Share Portion will be counted as Gross Revenues for purposes of this Agreement, including royalty payments due.

12. Products; Services.

(a) Products and Supplies. In the operation of the Franchised Business, Franchisee shall use and sell only those vehicles, products, materials, supplies, equipment, and technology that have been specifically designated or approved by Franchisor. To the extent that Franchisor has established designated or approved suppliers, Franchisee shall obtain all vehicles, products, materials, supplies, equipment, technology, and services that are used in operation of the Franchised Business from suppliers that Franchisor shall have specifically designated or approved. Franchisee may be required to purchase from Franchisor certain products or services, or Franchisor may designate an affiliate as the designated supplier of any vehicles, products, materials, supplies, equipment, technology, or service used in the operation of the Franchised Business. Franchisor may designate exclusive suppliers for any vehicles, products, materials, supplies, equipment,

technology and services. Franchisor or its affiliates may receive payments or other compensation from suppliers on account of the suppliers' dealings with Franchisor, Franchisee, or other franchised businesses in the System. Franchisor may use any amounts that it receives from suppliers for any purpose that Franchisor deems appropriate. Franchisor and its affiliates may negotiate supply contracts with its suppliers under which Franchisor is able to purchase vehicles, products, equipment, supplies, and services at a price lower than that at which franchisees are able to purchase the same items. Franchisor may, from time to time, amend the list of approved products, equipment, vehicles, and suppliers, and Franchisee must comply with any such changes within thirty (30) days after receiving notice of the change. Products and services other than those required to be obtained from Franchisor or a designated supplier may be purchased from any source provided that the particular supplier, services, and products have been approved by Franchisor. Franchisor may, from time to time, amend the list and this section of approved products, services, and suppliers. If Franchisee requests that Franchisor review a new or alternate supplier, service, or product, Franchisee shall pay Franchisor's then-current evaluation fee plus any costs and expenses Franchisor incurs as a result of its evaluation.

(b) Services. Franchisee agrees that it will offer and sell only those services specifically designated or approved by Franchisor and do so in accordance with the terms of this Agreement and the Operations Manuals.

(c) Pricing. Franchisee shall have the right during the Term to set prices provided that, subject to applicable antitrust laws, such pricing: (1) complies with any minimum or maximum prices set by Franchisor; and (2) complies with any and all prices specified by Franchisor; (3) conforms to any bona fide promotional programs periodically established by the Franchisor; (4) complies with Franchisor's National Account program; (5) comply with the Franchisor's standards and are approved by the Franchisor. Franchisor reserves the right to approve Franchisee's pricing requests on a case-by-case basis if the requested prices differ from Franchisor's standards. Franchisor retains the right to modify its pricing policies from time to time in its sole discretion. Franchisee must provide to Franchisor a price list containing all of the prices charged for the products supplied by the Franchised Business. The price list must be updated and supplied to Franchisor every time Franchisee alters its prices and, in any event, at least annually. Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary pricing standards and policies within the Franchised Business or any other Franchised Business in the Chain based upon peculiarities of particular location or circumstances, including, but not limited to, density of population and other demographic factors, size of a franchisee's territory, business practices or customs, cost of a franchisee's rent or mortgage payments, or any other condition which Franchisor deems to be of importance to the operation of such Franchised Business or the Chain. Franchisee acknowledges that because of these factors and others, there may be variations from standard pricing policies and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee.

(d) System Changes. Franchisee acknowledges that the System, the services, and products offered by the Franchised Business may be modified (such as, but not limited to, the addition, deletion, and/or modification of operating procedures, products, and services) from time to time by Franchisor; and Franchisee agrees to comply, at its expense, with all such modifications,

including, without limitation, all requirements needed to implement the modifications. Franchisee agrees there is no limit to Franchisor's ability to modify the System. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors, as a result of these System changes.

(e) Technology Changes. Franchisee acknowledges and agrees that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees that Franchisor shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and Franchisee agrees that it will abide by those reasonable new standards established by Franchisor, at Franchisee's sole cost and expense. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors, as a result of these changes to technology.

(f) Promotional Requirements. Franchisor has the right to require Franchisee to participate in national, regional, and local giveaways and promotions. Franchisee may be required to provide free or discounted products or services as a result of such giveaways or promotions. Franchisor is not required to reimburse Franchisee for Franchisee's costs and expenses incurred as a result of these giveaways and promotions.

FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS FRANCHISOR APPROVES AND FRANCHISOR EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT (INCLUDING WITHOUT LIMITATION AND ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, OR OTHER APPROVED ITEMS.

13. Transfer; Franchisor's Right of First Refusal.

(a) Transfers by Franchisor. This Agreement, and any and/or all of Franchisor's rights and/or obligations under it, are fully transferable by Franchisor in Franchisor's sole discretion and will inure to the benefit of any person or entity to whom Franchisor transfers it, or to any other legal successor to Franchisor's interest in this Agreement. If Franchisor transfers this Agreement, or any and/or all of Franchisor's rights and/or obligations under it, all past, current and future obligations of Franchisor to Franchisee will cease and be forever extinguished. Franchisor shall be released from all obligations and liabilities arising or accruing in connection with this Agreement after the date of such transfer or assignment, and Franchisee's obligations and duties shall be and will remain the same notwithstanding any such assignment. Franchisor may be sold and/or Franchisor may sell any or all of its assets to a competitive or other entity; or Franchisor may participate in an initial, or other, public offering or private placement of Franchisor's stock; may merge, acquire other entities and/or assets (competitive or not); may be acquired by a competitive or other entity; and/or may undertake any refinancing, leveraged buy-out and/or other transaction. Franchisee waives any and all claims, demands and/or damages with respect to any transaction or otherwise allowed under this section or otherwise.

(b) Transfers by Franchisee. The rights and interest of Franchisee under this Agreement are and shall remain personal to Franchisee. Franchisee recognizes that Franchisor has granted the License in reliance on the business and financial capacity and other attributes of Franchisee, the personal skill, qualifications and representations of the Owners of Franchisee and in reliance upon Section 14, 15 and 23 of this Agreement. Therefore, neither Franchisee's interest, rights or privileges in the Agreement, the License, substantially all of the assets of the Franchised Business, or the Franchised Business, nor any Owner's interest in Franchisee or the Owner(s), shall be transferred in whole or in part, voluntarily or involuntarily, by operation of law or otherwise, in any manner, except as provided in this Section 13. For purposes of this Agreement, the term "transfer" shall mean any issuance, sale, assignment, gift, pledge, mortgage or any other encumbrance (other than a lien against Franchisee's assets to secure a loan for the construction, remodeling, equipping or operation of the Franchised Business), transfer by bankruptcy, transfer by judicial order, merger, consolidation share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary. Except as provided below, any ownership or structural changes in Franchisee including but not limited to, any merger, reorganization, issuance of additional shares or classes of stock or additional partnership interests, shall constitute and be deemed a transfer and shall be subject to the provisions of Section 13(d).

(c) Franchisor's Right of First Refusal.

(i) Exercise of Right. If Franchisee or an Owner proposes to transfer this Agreement or its interest herein or in the Franchised Business, in whole or in part, Franchisee must first deliver a statement to Franchisor offering to sell to Franchisor the Franchisee's or Owner's interest in this Agreement and the Service Vehicle(s), land, building, equipment, furniture and fixtures and any other assets or leasehold interests used in the operation of the business. If the proposed transfer involves an offer from a third party, then Franchisee must obtain from the third-party offeror and deliver to Franchisor a statement, in writing, signed by the offeror and by Franchisee, of the binding terms of the offer. If the transfer does not involve an offer from a third party, then the purchase price for Franchisor's purchase of assets described above will be the fair market value of the assets, but shall not include the value of any goodwill of the business, as the goodwill of the business is attributable to the Marks and the System. If Franchisee disagrees with the value of the Franchised Business as determined by Franchisor, then Franchisee and Franchisor shall each hire an appraiser (or a single appraiser, if they so agree) to value the assets. If the appraisals are within twenty percent (20%) of each other, then the difference between the two shall be equally divided to establish the price at which Franchisor may exercise its first right and option. If the difference between the appraisals is greater than twenty percent (20%), then the issue of the fair market value of such consideration shall be determined by a third appraiser selected by the other two appraisers and whose decisions shall be final, except that it may not be lower or higher than the lowest appraisal and highest appraisal, respectively, determined by the first two appraisers. Franchisor and Franchisee will each pay one-half of the appraiser's fees and expenses. Franchisor then has forty-five (45) days from its receipt of the statement setting forth the third-party offer or the appraiser's report, as applicable (and all other information requested by Franchisor) to accept the offer by delivering written notice of acceptance to Franchisee. Franchisor will

have an additional forty-five (45) days to complete the purchase if Franchisor elects to exercise its right of first refusal. Franchisor's acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to Franchisor; provided, however (and regardless of whether the following are inconsistent with the price and terms set forth in the statement) (1) Franchisor has the right to substitute equivalent cash for any noncash consideration included in the offer, (2) Franchisor will prepare the transaction documents for the transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification), and (3) Franchisor's purchase may be limited to any assets related to the business.

(ii) Approval of Transfers. If Franchisor decides not to exercise its right of refusal, Franchisor shall have the right to approve or disapprove the proposed transfer; provided, however, Franchisor's consent shall not be unreasonably withheld as provided in Section 13(d). If Franchisor approves the transfer in writing, Franchisee (or an Owner, as applicable) may make the proposed transfer on the exact terms and conditions specified in Franchisee's notice to Franchisor within sixty (60) days after the expiration of Franchisor's right of first refusal. If the transfer is not consummated within such 60-day period, Franchisee may not thereafter transfer such interest without again complying with this Section 13.

(d) Conditions on Transfer: Provided Franchisor chooses not to exercise its right of first refusal, Franchisor agrees that it will not unreasonably withhold its consent to a proposed transfer if all the following conditions are satisfied:

(i) Compliance. Franchisee is in full compliance with this Agreement and there are no uncured defaults by Franchisee hereunder, Franchisee is in full compliance with the other agreements between Franchisee and Franchisor or Franchisor's affiliates, and all debts and financial obligations of Franchisee under this Agreement are current, including Franchisee's obligations to the Brand Fund, and all vendors, including, if applicable, Franchisor and its affiliates. Franchisee will remain liable for all obligations to Franchisor in connection with the Franchised Business which arose prior to the effective date of the transfer;

(ii) Agreements. The proposed transferee executes such documents as Franchisor may reasonably require to evidence that it has assumed the obligations of Franchisee under this Agreement, including, but not limited to, the then-current version of the Franchise Agreement, and if required by Franchisor, the proposed transferee executes, and in appropriate circumstances, causes such other parties as Franchisor may require to execute, Franchisor's then-current ancillary agreements to this Agreement, which documents may be substantially different than those executed contemporaneously with the execution of this Agreement. This Agreement between Franchisor and Franchisee will terminate once an approved transfer is completed;

(iii) Release. Franchisee, its Owners, and all of the personal guarantors of this Agreement, if any, execute a general release, in a form prescribed by Franchisor, releasing Franchisor and its affiliates, predecessors, successors and assigns, and their respective

members, managers, officers, directors, owners and employees, in their corporate and individual capacities, from any and all claims, causes of action, demands, debts, liabilities, obligations, fees, costs and expenses, including without limitation, claims and causes of action arising under federal, state and local laws, rules, regulations and ordinances, arising prior to and including the date the transfer becomes effective.;

(iv) Training. Prior to the date of the proposed transfer, the proposed transferee' owners, principal operator and managers undertake and complete, to the satisfaction of Franchisor, such training and instruction as Franchisor shall deem necessary;

(v) Qualifications. Franchisor is satisfied that the proposed transferee (and if the proposed transferee is an entity, all owners of any interest in such entity) meets all of the requirement for Franchisor's new franchisees applicable on the date Franchisor receives notice of the proposed transfer and including, but not limited to, good reputation and character, business experience, management experience, and financial strength and liquidity;

(vi) Continuing Obligations. The Owner(s) transferring an interest in Franchisee acknowledges and agrees in writing that it is bound by Section 14, 15 and 23 of this Agreement, and all Owners and personal guarantors sign general releases in the form Franchisor requires;

(vii) Transfer Fee. Franchisee or the Owner, as applicable, pays to Franchisor a transfer fee equal to Ten Thousand Dollars ($10,000).

(viii) Required Documents. The proposed transferee and all owners of any interest in a transferee that is an entity provided Franchisor, at least forty-five (45) days prior to the proposed transfer date, copies of financial statements for the preceding three (3) years, and where applicable, its certificate of incorporation and bylaws (and any amendments or modifications thereof), minutes and resolutions and all other documents, records and information pertaining to the transferee's existence and ownership;

(ix) Update. Within the time specified by Franchisor, Franchisee, at its expense, shall refurbish, update, or upgrade the Franchised Business and Service Vehicle(s), as necessary, to conform the Franchised Business and Service Vehicle(s) to Franchisor's then-current standards and specifications, including, without limitation, specifications regarding, size, color, trade dress, presentation of the Marks, fixtures, make, model, and installed equipment; provided, however, that Franchisee shall not be required to replace a Service Vehicle that has been leased or purchased less than sixty (60) months prior to the date of the transfer;

(x) Continued Possession. Franchisee shall provide evidence sufficient to Franchisor, acting reasonably, that the transferee has either taken an assignment or deemed assignment of the Service Vehicle(s) lease(s) (with the consent of the lessor), or that the Service Vehicle(s) lease(s) have been terminated and the proposed transferee has entered into new lease(s) meeting Franchisor's then current specifications.

(e) Transfer of License. Franchisee may not transfer its rights and interest in this Agreement and/or the License without the prior written consent of Franchisor, which consent may be granted or denied in the reasonable discretion of Franchisor. In the event Franchisor approves a transfer pursuant to this Section 13(e), the following requirements shall be met prior to the approved transfer:

(i) Documents. The proposed transferee shall execute such documents as Franchisor may reasonably require to evidence that it has assumed the obligations of Franchisee under this Agreement, and any then-current ancillary agreements, which documents may be substantially different than those executed contemporaneously with the execution of this Agreement;

(ii) Acknowledgement. The Franchisee acknowledges and agrees in writing that it is bound by Sections 14, 15 and 23 of this Agreement; and

(iii) Transfer Fee. Franchisee pays to Franchisor the Transfer Fee.

(f) Permitted Transferees. Notwithstanding the foregoing, providing Franchisee is in compliance with this Agreement, an Owner of less than Fifty One Percent (51%) of Franchisee's business ownership interests may transfer all or a portion of his interest in Franchisee to another Owner or to Franchisee (such person or entity being referred to as a "Permitted Transferee") and such a transfer shall not be subject to the restrictions of this Section 13; provided, however, Franchisee shall promptly notify Franchisor of any such transfer and the exiting Owner shall sign Franchisor's form of termination agreement and release.

(g) Transfer to a Wholly-Owned Entity. Notwithstanding the foregoing, if Franchisee consists of one or more individual(s), Franchisee may transfer its interest under this Agreement to a corporation, limited liability company or other legal entity without such a transfer being subject to the restrictions of this Section 13 so long as: (1) the legal entity is owned entirely by all of the original individual franchisees or personal guarantors hereof; (2) each and all of the obligations of Franchisee and the new legal entity are personally guaranteed by the original individual franchisees or personal guarantors hereof; (3) Franchisor receives prior written notice of the transfer along with a complete set of the new legal entity's filed, date stamped formation documents; and (4) Franchisee and the new legal entity enter into a written assignment and assumption agreement in a form prescribed by Franchisor pursuant to which the new legal entity assumes and agrees to discharge all of Franchisee's obligations under this Agreement.

(h) Death or Disability.

(i) Transfer Upon Death or Disability. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must transfer the Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, to a third party (which may be Franchisee's or the Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed nine (9)

months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. Failure to transfer Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, within this period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Owner from operating the Franchised Business in the manner required by this Agreement and the Operations Manuals or from performing its, his, or her obligations under this Agreement and the Operations Manuals.

(ii) Operation upon Death or Disability. During the period between death or disability of Franchisee or any Owner of Franchisee and the completion of the transfer described in Section 13(h)(i), the Franchised Business still must be operated in accordance with the terms and conditions of this Agreement. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed thirty (30) days from the date of death or disability, appoint an Operations Manager (unless Franchisee or the Owner had previously appointed an Operations Manager who remains responsible for the day-to-day operation of the Franchised Business). Any new Operations Manager must complete Franchisor's standard training program at Franchisee's expense, sign Franchisor's then-current form of confidentiality and non-compete agreement, and comply with any of Franchisor's then-current requirements for approval of an Operations Manager.

(iii) Step-in on Death or Disability. Not in lieu of any additional rights Franchisor may have, upon death or disability of Franchisee or any Owner of Franchisee, Franchisor may, but need not, assume operational authority for the Franchised Business (or appoint a third party to assume operational authority) and take possession of the Premises and Service Vehicles until the transfer pursuant to Section 13(h)(i) is completed. The terms and conditions for the exercise of Franchisor's step-in right are set forth in Section 19(c).

(i) Non-Waiver. Franchisor's consent to a transfer of any interest in Franchisee or the Franchised Business granted through this Agreement will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

14. Covenants Against Unfair Competition.

(a) Franchisee's Non-Compete and Non-Solicit – During Term. Franchisee acknowledges it will receive valuable, specialized training and Confidential Information (as defined in Section 15) regarding the service, operational, sales, promotional, and marketing methods of the SPIFFY mobile car care services concept that Franchisor has developed through monetary and other resource expenditures that provide competitive advantages to Franchisor's System. During the Term, Franchisee and its Owners will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) own, manage engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any Competitive Business (as defined in Section 14(d)); or

(ii) offer or grant franchises or licenses for any Competitive Business; or

(iii) become a franchisee or licensee of any Competitive Business; or

(iv) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(v) solicit, divert or attempt to solicit or divert any customer that has done business with or has been a customer of Franchised Business at any time during the term of this Agreement, to any Competitive Business, by direct or indirect inducement or otherwise, as Franchisee agrees that all goodwill associated with Franchisee's operation under the Marks and the System, and all customer information associated therewith, inure to Franchisor; or

(vi) use any vendor relationship established through Franchisee's association with Franchisor for any purpose other than to purchase supplies, products, equipment, merchandise, or services for use or retail sale in the Franchised Business.

(b) Franchisee's Non-Compete and Non-Solicit – Post-Term. In partial consideration for Franchisor allowing Franchisee to license Franchisor's Marks and Confidential Information, Franchisee and each of the Franchisee's Owners covenant and agree that for a period of two (2) years after the termination, expiration, or non-renewal of this Agreement, regardless of the reason for such termination, expiration, or non-renewal ("Restrictive Period"), Franchisee and its Owners shall not, within the Protected Territory (as defined in Section 14(c) below) engage in any of the following:

(i) franchise, license, engage in, own, manage, operate, or have any operational or management authority in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in itself be deemed violative of this Section 14(b) so long as Franchisee does not own themselves or through their spouses or partners more than one percent (1%) of the securities of such corporation; or

(ii) engage in any Competitive Business as an employee, consultant, or independent contractor in any capacity in which Franchisee or its Owners would be in a position to use or disclose Confidential Information; or

(iii) solicit, divert, or induce or attempt to solicit, divert, or induce for, or on behalf of, any Competitive Business any person or entity who was an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business as of the date of termination, expiration, or non-renewal of this Agreement or who was an employee of, independent contractor to, consultant to, or other service provider

to the Franchised Business during the one (1) year period prior to the date of termination, expiration, or non-renewal of this Agreement, to work for the Competitive Business; or

(iv) solicit, divert, induce or attempt to solicit, divert, or induce any person or entity who is an employee of, independent contractor to, consultant to, or other service provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees to terminate or alter in any way its, his, or her relationship with Franchisor, Franchisor's affiliates, or Franchisor's other franchisees; or

(v) solicit, divert, or induce or attempt to solicit, divert, or induce any persons who were employees of, independent contractors to, consultants to, or any other service provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees at the time of the termination, expiration, or non-renewal of this Agreement for, or on behalf of, any Competitive Business to work for any Competitive Business; or

(vi) solicit, divert, or attempt to solicit or divert to any Competitive Business any Customer (as defined in Section 14(e)).

(c) Protected Territory. For purposes of this Section 14, the term "Protected Territory" means the following:

(i) An area which combined includes (a) the Territory defined in Attachment 1 as of the date of termination, expiration, or non-renewal of this Agreement, (b) the territories in which Franchisor or its affiliates or other franchisees operate any SPIFFY businesses or locations as of the date of termination, expiration, or non-renewal of this Agreement, and (c) any area which is within ten (10) miles of the boundaries of any of those territories; or

(ii) Only in the event the foregoing is determined by a court of law to be too broad, an area which combined includes (a) the Territory defined in Attachment 1 as of the date of termination, expiration, or non-renewal of this Agreement and (b) any area which is within ten (10) miles of the boundaries of the Territory; or

(iii) Only in the event the foregoing is determined by a court of law to be too broad, the Territory defined in Attachment 1 as of the date of termination, expiration or non-renewal of this Agreement.

(d) Competitive Business. For purposes of this Section 14, the term "Competitive Business" means any business or commercial activity, other than a SPIFFY business that Franchisee is authorized by Franchisor to operate, that:

(i) provides mobile car care services, including, but not limited to wash, detail, oil change, tire installation and repair, and/or fueling; or

(ii) develops, markets, sells, or licenses technology used in the delivery of mobile car care services; or

(iii) provides any of the products or services offered by the Franchised Business at the time of or during the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement.

(e) Customer. For purposes of this Section 14(e), the term "Customer" means (i) any customer to which the Franchised Business sold any product or for which the Franchised Business performed any service at any time within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement, or (ii) any prospective customer that the Franchised Business called on at any time or had any communications within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement, or (iii) any prospective customer about whom the Franchised Business gathered information at any time within the one (1) year period prior to the termination, expiration, or non-renewal of this Agreement that could be used to the competitive disadvantage of the Franchisor, Franchisor's affiliates, or Franchisor's other franchisees at the time of termination, expiration, or non-renewal of this Agreement.

(f) Reasonableness. The foregoing in-term and post-termination covenants against unfair competition with respect to similar Competitive Businesses shall apply regardless of how or why the Agreement terminates, expires, or does not renew. The parties agree that the foregoing covenants contained in this Section 14 contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect Franchisor's goodwill or Franchisor's other business interest and its franchisees and the provisions do not prevent Franchisee or its Owners from earning a living. Franchisee agrees that the scope of activities prohibited in this Section 14, and the length of the term and geographical restrictions in this Section 14, are necessary to protect the legitimate business interests and are fair and reasonable and are not the result of overreaching, duress, or coercion of any kind. Franchisee's full, uninhibited, and faithful observance of each of the covenants in this Section 14 will not cause any undue hardship, financial or otherwise. Enforcement of each of the covenants in this Section 14 will not impair Franchisee's or its Owners' ability to obtain employment commensurate with Franchisee's or its Owners' abilities or on terms fully acceptable to Franchisee or otherwise to obtain income required for the comfortable support of Franchisee and its Owners and their families, and the satisfaction of the needs of all of Franchisee's and its Owners' creditors. Franchisee's and its Owners' special knowledge of the Franchised Business and of Competitive Businesses (and anyone acquiring this knowledge through Franchisee or its Owners) is such as it would cause Franchisor serious injury and loss if Franchisee or its Owners (or anyone acquiring this knowledge through Franchisee or its Owners) were to use this knowledge to the benefit of a competitor or were to compete with Franchisor or its franchisees. The covenants in this Section 14 are to be construed as independent of any other covenant or provision of this Agreement. The existence of any claim Franchisee or any of its Owners may have against Franchisor or any of its affiliates (regardless of whether arising under this Agreement) is not a defense to the enforcement of these covenants against Franchisee or its Owners. In the event of any violation of the provisions of this Section 14, the Restrictive Period shall be extended by a period of time equal to the period of the violation. Franchisee and Franchisor agree that the running of the applicable post-termination Restrictive Period shall be tolled during any period of such violation.

(g) Managerial and Supervisory Employees. Franchisee covenants that it shall cause all persons who are involved in managerial or supervisory positions with Franchisee to enter into an agreement to be bound by provisions substantially similar to Sections 14 and 15 of this Agreement. Franchisee agrees to provide Franchisor with copies of such executed agreement upon request. If Franchisee has reason to believe that any person has violated any such provisions of this Agreement, Franchisee shall promptly notify Franchisor and cooperate with Franchisor to protect Franchisor against unfair competition, infringement, or other unlawful use of the Marks, trade secrets, service methods, or System of the Franchisor. Franchisee further grants Franchisor the right, but not the obligation, to prosecute any such lawsuits at Franchisor's expense on behalf of Franchisee.

15. Trade Secrets and Confidential Information.

Franchisee understands and agrees that Franchisor has disclosed or will hereafter disclose to Franchisee certain confidential or proprietary information and trade secrets. Except as necessary in connection with the operation of the Franchised Business and as approved by Franchisor, Franchisee shall not, during the Term or at any time after the expiration, non-renewal, transfer, or termination of this Agreement, regardless of the cause thereof, directly or indirectly, use for its own benefit or communicate or divulge to, or use for the benefit of any other person or entity Confidential Information. "Confidential Information" means all trade secrets, knowledge, know-how, standards, methods and procedures related to the establishment and operation of the Franchised Business not generally known to the public and all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business, including, without limitation, all databases (whether in print, electronic or other form); designs; electronic code; computer software; all names, addresses, phone numbers, e-mail addresses, and service records of customers; mail lists; manuals; promotional and marketing materials; marketing strategies; information about proprietary equipment and methods of operation; and any other data and information that the Franchisor or its affiliates designates as confidential including all information contained in the Operations Manuals, which may be provided as one or more separate manuals, written instructional guides, electronic files, or other communications from the Franchisor or its affiliates, which may be changed or supplemented from time to time. Franchisee shall disclose to its employees only such Confidential Information as is necessary to operate its business hereunder and then only while this Agreement is in effect. Any and all information, knowledge, or know-how, including without limitation, electronic code, materials, equipment, marketing, and other data which Franchisor designates as secret or confidential shall be deemed secret and confidential for purposes of this Agreement. Franchisee will require all personnel having access to any Confidential Information from Franchisor to execute an agreement requiring them to maintain the confidentiality of information they receive in connection with their employment at the Franchised Business. Those confidentiality agreements will be in a form satisfactory to Franchisor.

16. Insurance.

(a) Types and Extent of Coverage for a Franchised Business. Franchisee shall, at its sole expense, obtain and maintain throughout the Term such insurance coverages with such limits as specified below or as modified from time to time in the then-current version of the

Operations Manuals (or such greater amounts of insurance as may be required by the terms of any lease or mortgage relating to the Premises, Service Vehicle(s), or agreement with customers):

(i) Commercial general liability insurance with a general aggregate limit of at least One Million Dollars ($1,000,000);

(ii) Owned and non-owned automobile insurance with a combined single limit of at least One Million Dollars ($1,000,000);

(iii) Employer practices liability insurance with a limit of at least One Million Dollars ($1,000,000);

(iv) Worker's compensation insurance that complies with the statutory requirements of the state in which the Franchised Business is located;

(v) Garage keepers legal liability insurance with limits of at least One Hundred Thousand Dollars ($100,000); and

(vi) Franchisee shall obtain and maintain in effect a theft and/or dishonesty bond in the amount of Twenty Five Thousand Dollars ($25,000) to cover Franchisee's employees from and against any intentional act(s) (including any intentional tortious acts) by Franchisee's employees in the course of their employment with the Franchised Business; and shall send Franchisor a copy of such bond. This bond must provide the Franchisor shall be given thirty (30) days' prior written notice of termination, cancellation, or expiration.

(b) Other Insurance Requirements. Franchisee shall obtain from a nationally recognized insurance company and at all times during the term of this Agreement maintain in force and pay the premiums for all types of insurance listed above with complete operations coverage. All policies of insurance required to be maintained hereunder shall: (i) be written as primary policy coverage and not "excess over" or contributory with any other applicable insurance, including Franchisor's insurance; (ii) shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer(s)' liability; (iii) shall not contain any special limitations on the scope of coverage afforded to Franchisor; (iv) shall provide that any failure by Franchisee or any of Franchisee's employees, agents, subcontractors, or suppliers, to comply with any notice, reporting, or other similar provisions of such policies shall not affect the coverage provided to Franchisor. From time to time in Franchisor's sole discretion, Franchisor may increase or modify such limits of liability or require additional types of coverage (including but not limited to cyber liability coverage). The insurance policies shall name Franchisor and any affiliates, officers, members, owners, subsidiaries, and employees Franchisee designates as an "additional insured" and shall expressly protect both Franchisor and Franchisee (and any other additional insured) on a primary and non-contributory basis and shall require the insurer to defend both Franchisee and Franchisor (and any other additional insured) in any action while reserving Franchisor's right to involve counsel of Franchisor's own choosing in protection of its own and system wide interests. Additionally, Franchisee's insurance policy must waive on behalf of Franchisee's insurer any right of subrogation by the insurance company against Franchisor and

Franchisor's officers, shareholders, and employees. Franchisee understands that doing so does not necessarily furnish Franchisee with protection levels adequate to Franchisee's needs and that Franchisee's obligation to indemnify Franchisor as set forth above in this Agreement may exceed the amount of insurance Franchisee is required to obtain or does obtain. At least thirty (30) days prior to the time any insurance is first required to be carried by Franchisee, Franchisee will deliver or caused to be delivered to Franchisor Certificates of Insurance evidencing the proper coverage with limits not less than those required by this Agreement and evidencing that Franchisor is named as an additional insured under such policy on a primary and non-contributory basis as required in this Agreement. At least thirty (30) days prior to expiration of any such policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing that Franchisee has procured proper renewal or replacement coverage with limits not less than those required by this Agreement and reflecting that Franchisor and its affiliates are additional insured under the policy on a primary and non-contributory basis as required herein. All Certificates will expressly provide that at least thirty (30) days' prior written notice will be given to Franchisor in the event of any alteration to, or cancellation of, the coverage evidenced by the Certificates of Insurance. Franchisor, or its insurer, shall have the right to participate in discussions with Franchisee's insurance company or any claimant (in conjunction with Franchisee's insurance company) regarding any claim of liability, and Franchisee agrees to adopt Franchisor's reasonable recommendations to its insurance carrier regarding the settlement of any such claims.

(c) Failure to Acquire Insurance. Should Franchisee for any reason fail to procure or maintain the insurance required by this Agreement, Franchisor will have the right and authority to immediately procure such insurance deemed to be necessary and to charge the amount of the cost to procure and maintain such insurance to Franchisee, along with a reasonable fee for Franchisor's expenses in procuring the insurance, Franchisor is authorized to collect from Franchisee all insurance related expenses paid on behalf of Franchisee through automatic EFT as provided for in Section 3 of this Agreement.

17. Termination.

(a) Automatic Termination. Franchisee shall be in default under this Agreement, and this Agreement and all rights granted to Franchisee herein shall automatically terminate without notice to Franchisee in the following events:

(i) Franchisee makes a general assignment for the benefit of creditors or a petition in bankruptcy is filed by Franchisee;

(ii) a petition in bankruptcy is filed against and not opposed by Franchisee;

(iii) Franchisee is adjudicated as bankrupt or insolvent;

(iv) a bill in equity or other proceeding is filed for the appointment of a receiver or other custodian for Franchisee's business or assets if filed and consented to by Franchisee;

(v) 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;

(vi) proceeding for a composition with creditors under any state or federal law should be instituted by or against Franchisee;

(vii) a final judgment remains unsatisfied or of records for thirty (30) days or longer (unless an appeal or supersedeas bond is filed);

(viii) Franchisee is dissolved;

(ix) any portion of Franchisee's interest in the Franchised Business becomes subject to an attachment, garnishments, levy or seizure by any credit or any other person claiming against or in the rights of Franchisee;

(x) execution is levied against Franchisee's business or property; or

(xi) the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

(b) **Termination with Notice; No Opportunity to Cure.** Franchisee shall be in default and Franchisor may, at its option, terminate this Agreement and all rights granted herein, without affording Franchisee any opportunity to cure the default, effective upon the date the notice is deemed received pursuant to Section 22 and in no event longer than five (5) days after Franchisor sent the notice, upon the occurrence of any of the following events:

(i) Franchisee at any time ceases to operate or fails to respond to communications or otherwise abandons the Franchised Business for more than three (3) days without Franchisor's prior written permission;

(ii) Franchisee forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located;

(iii) Except as otherwise permitted in this Agreement, any Owner of more than twenty-five percent (25%) interest in Franchisee transfers all or part of such interest or Franchisee transfers any interest in the Franchised Business, a material portion of the assets of the Franchised Business or Franchisee;

(iv) Franchisee, the Operations Manager, or an Owner of more than twenty-five percent (25%) of Franchisee (a) is proven to have engaged in fraudulent conduct, (b) is convicted of, or pleads guilty or no contest to a felony or a crime involving moral turpitude, or (c) is convicted of, or pleads guilty or no contest to any other crime or offense that is reasonably likely to have an adverse effect on the Chain, the System, the Marks or the goodwill associated therewith; provided, that if the act or conviction involves an Owner of Franchisee, Franchisor will not terminate this Agreement if Franchisee notifies Franchisor promptly after it learns of the event constituting the default, and within fifteen (15) days of

the date of the notice, either (a) the person or entity that committed the wrongful act divests his or its entire interest in Franchisee, or (b) Franchisee obtains Franchisor's consent for such Owner to maintain his or its ownership interest;

(v) An approved transfer is not effected within nine (9) months of the death or disability of any individual Franchisee; or the death or disability of any Owner of an interest in Franchisee;

(vi) Twice within a twelve (12) month period or three (3) times within a three (3) year period, Franchisee is given notice of being in default under any of the terms or requirements of this Agreement, whether or not such defaults are timely cured after notice;

(vii) Franchisee fails to comply with any of the covenants of Franchisee set forth in this Agreement;

(viii) Franchisee makes any material misrepresentation to Franchisor, or breaches any warranty or representation made to Franchisor, whether in this Agreement or otherwise;

(ix) Franchisee knowingly or intentionally maintains false books or records or submits any false records, statement or report to Franchisor;

(x) Franchisee, its Owners, or any Operations Manager, by act or omission, materially impairs the value of, or the goodwill associated with, the Chain, any of the Marks or the System;

(xi) Franchisee, its Owners, or any Operations Manager takes, withholds, misdirects, or appropriates for Franchisee's own use any funds from Franchisee's employees' wages for employees' taxes, FICA, insurance or benefits, or generally fails to deal fairly and honestly with Franchisee's employees or customers;

(xii) Franchisee loses or is denied any federal, state or local license the Franchisee must possess in order to operate the Franchised Business;

(xiii) Franchisee is found liable by any judicial, administrative, or arbitral body for violation of federal, state, or local laws barring discrimination on the basis of race, sex, national origin, age or sexual orientation, or is found liable for any common law civil claim the facts of which are grounded in allegations of discrimination on the basis of race, sex, national origin, age, or sexual orientation;

(xiv) Franchisee fails to rectify diligently any order issued by a governmental or regulatory authority concerning breach of any health, safety or other regulation or legal requirement applicable to the Franchised Business within the time frame required by the government authority, or Franchisee fails to rectify a violation of health and safety law or regulation within forty-eight (48) hours of notice from Franchisor;

(xv) Franchisee fails to open the Franchised Business within six (6) months following the execution of this Agreement;

(xvi) Franchisee, any Owner, or Operations Manager is convicted of or pleads guilty or nolo contendere to a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is injurious to the Chain, the Marks, or the goodwill associated therewith, or Franchisor has proof Franchisee, or any Owner, has committed such a felony, crime or offense, including, but not limited to, abuse, abuse of customers, use of employees who do not meet Franchisor's then-current standards and training requirements, health or safety hazards, drug or alcohol problems, or permitting unlawful activities at Franchisee's business;

(xvii) Franchisee, after curing a default pursuant to this Section 17 of this Agreement, commits the same act of default again within six (6) months;

(xviii) Franchisee begins operation of the Franchised Business prior to receiving prior written approval from Franchisor that Franchisee may open for business; or

(xix) Franchisee operates under any trademark not approved by Franchisor or otherwise uses any trademark not approved by Franchisor in the operation of the Franchised Business.

(xx) Any of the following occur prior to the opening date: (a) any representations or warranties of Franchisee and/or its Owners prove to be inaccurate or false, (b) the Operations Manager fails to take or pass any of Franchisor's required training, (c) the Operations Manager or an Owner fails to pass any credit or character check performed by or on behalf of the Franchisor, and/or (d) Operations Manager or an Owner fail to timely or diligently perform any duties or obligations during the period prior to the opening date.

(c) **Termination After Failure to Cure**. Except for those defaults provided for under Section 17(a) or 17(b), Franchisee shall be in default hereunder for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures or requirements imposed by this Agreement or in any manual, policy and procedure statement or other written document provided by Franchisor, or to carry out the terms of this Agreement in good faith. For such defaults, Franchisor will provide Franchisee with written notice and, to the extent curable, fifteen (15) days to cure or, if a default cannot reasonably be cured within fifteen (15) days, to initiate within that time substantial and continuing action to cure such default and to provide Franchisor with evidence of such actions. If the defaults specified in such notice are not cured within the fifteen (15) day period, if substantial and continuing action to cure has not been initiated, or if the default is not curable, Franchisor may, at its option, terminate this Agreement upon written notice to Franchisee.

Such defaults shall include, without limitation, the occurrence of any of the following events:

(i) Franchisee fails to construct or remodel the Premises, identify a site for the Premises within the time set forth in this Agreement, have the Premises lease approved by

Franchisor (if applicable) within the time set forth in this Agreement, update or acquire new Service Vehicle(s) in accordance with this Agreement;

(ii) Franchisee fails, refuses, or neglects to promptly pay any monies owing to Franchisor or its affiliates any fee or Brand Fund contribution when due or to submit the financial or other information required under this Agreement;

(iii) Any Owner of twenty five percent (25%) or less of Franchisee makes a transfer of such interest in violation of this Agreement; provided, however, that Franchisee's right to cure such a default shall be conditioned upon Franchisee immediately notifying Franchisor of the improper transfer and taking all actions necessary to either (a) obtain Franchisor's approval thereof, or (b) if approval is not desired or the transfer or transferee is not approved by Franchisor, to re-acquire the interest so transferred;

(iv) The operation of the Franchised Business presents a health or safety hazard to the public or to customers, employees, or independent contractors;

(v) Franchisee, any of its Owners, Operations Manager, or employees misuses or makes any unauthorized use of the System or the Marks;

(vi) Franchisee maintains false books or records, or knowingly submits any false reports to Franchisor;

(vii) Franchisee submits to Franchisor on two (2) or more separate occasions at any time during the Term or any renewal hereof, any reports or other data, information or supporting records which understate the Gross Revenues of the Franchised Business, the royalties, and/or any other sums owed to Franchisor for any period of, or periods aggregating, three (3) or more weeks, and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

(viii) Franchisee fails to make prompt payment of undisputed bills, invoices or statements from suppliers of products and services or fails to maintain a good credit rating;

(ix) Franchisee defaults under any lease or agreement with any third party covering the Service Vehicle(s), and Franchisee fails to cure such default to the satisfaction of such third party within any applicable cure period granted to Franchisee by such third party; or Franchisee does or omits to do anything which gives anyone the right to terminate the Service Vehicle(s) leases(s) or take possession of any Service Vehicle(s);

(x) Franchisee fails to use the Service Vehicle(s) in compliance with this Agreement, the Operations Manual, Franchisor's standards, or with federal, state, or local law or uses an unauthorized vehicle in the operations of the Franchised Business;

(xi) Franchisee fails to obtain Franchisor's prior permission to conduct any out-of-Territory activities or Franchisee fails to cease any out-of-Territory activities upon notice from Franchisor;

(xii) Franchisee fails to comply with any supplier of Computer Systems material requirements for use of the Computer Systems, including Franchisor's or Franchisor's affiliates' requirements if Franchisor is a supplier;

(xiii) Franchisee fails to provide services to National Account customers according to Franchisor's standards, including standards relating to pricing, timing, and service quality, or fails to coordinate or facilitate or assist Third Party Partners in providing Third Party Services according to Franchisor's standards;

(xiv) Franchisee has a customer rating that is below the acceptable level described in the Operations Manual, currently below a 4.6 customer rating on a 5 point scale using Franchisor's internal ratings methodology or has repeated customer complaints about the Franchised Business;

(xv) Franchisee and/or Franchisee's employee has a vehicle damage rate of greater than Three Percent (3%);

(xvi) Franchisee fails to have sufficient funds in the Account;

(xvii) Franchisee assigns or sublets the lease for the Service Vehicle(s), sells or transfers the Service Vehicle(s), or otherwise parts with possession of the whole or any portion of the Service Vehicle(s) during the Term without first obtaining the prior written consent of Franchisor; or

(xviii) Franchisee fails to add a Service Vehicle when it is required under the terms of this Agreement.

Franchisee hereby authorizes Franchisor to notify any lender, creditor, customer, vendor, or landlord of the Franchisee or Franchised Business upon the occurrence of any default under this Section 17, or any event or circumstances which the giving or notice or passage of time or both would constitute an event of default under this Section 17, and to otherwise communicate with such lenders, creditors, customers, vendors, or landlords with respect to any such default, or any such event or circumstance.

(d) Relief in Equity. Franchisee agrees that neither termination of this Agreement, nor an action at law, nor both, would be an adequate remedy for a breach or default by Franchisee, or by any other persons bound by this Agreement, in the performance of any obligation relating to Franchisor's Marks or indicia, the trade secrets revealed to Franchisee in confidence pursuant to this Agreement or the obligations of Franchisee and such other persons upon and after termination of this Agreement. The parties therefore agree that in the event of any such breach or default, in addition to all other remedies provided elsewhere in this Agreement or by law, Franchisor shall be entitled to relief in equity from a judge or arbitrator, at its option, (including a temporary restraining order, temporary or preliminary injunction and permanent mandatory or prohibitory injunction) to restrain the continuation of any such breach or default or to compel compliance with such provisions of this Agreement.

(e) Termination by Franchisee. If Franchisor fails to perform any material obligation imposed upon it by this Agreement, and such failure is not cured within ninety (90) days after Franchisee delivers written notice of such failure to Franchisor, then, provided Franchisee is otherwise compliant with Franchisee's obligation under this Agreement and any other agreement with Franchisor, Franchisee may terminate this Agreement at any time thereafter by delivering thirty (30) days' written termination notice to Franchisor.

(f) Limitation of Services or Benefits. The Franchisor shall have the right, but not the obligation, to temporarily or permanently limit or remove certain services or benefits provided or required to be provided to Franchisee hereunder in lieu of exercising its right to terminate this Agreement pursuant to the terms hereof, including, without limitation, eliminating Franchisee's right to use any of Franchisor's Online Presences free of charge, restricting or removing Franchisee's right to purchase products directly or indirectly from the Franchisor or its affiliates, limiting the Franchisor's advertising and promotional assistance, and restricting or removing Franchisee's right to use the Computer Systems or Mobile Applications. Nothing in this subsection constitutes a waiver of any other right or remedy of the Franchisor under this Agreement. Franchisee acknowledges that the Franchisor's exercise of its rights pursuant to this subsection shall not be deemed a constructive termination. Any services or benefits removed or limited pursuant to this subsection may be reinstated at any time in the Franchisor's sole discretion.

(g) Step-In Rights. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right, or any other rights Franchisor may have against Franchisee, upon a failure to meet any of the requirements of this Agreement or upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to, assume operational authority for the Franchised Business (or appoint a third party to assume operational authority) and take possession of the Premises and Service Vehicles until such time as Franchisor determines that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. The terms and conditions for the exercise of Franchisor's step-in right are set forth in Section 19(c).

(h) Cross-Defaults. Any default by Franchisee under this Agreement shall be a default under any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any Owner or affiliate of Franchisee). Any such default under any other agreement or any other obligation between Franchisor (or any affiliate of Franchisor) and Franchisee (or any Owner or affiliate of Franchisee) shall be a default under this Agreement. Any default by Franchisee (or any Owner or affiliate of Franchisee) under any lease, sublease, loan agreement, or security interest may be regarded as a default under this Agreement, regardless of whether or not any such agreements are between Franchisee (or any Owner or affiliate of Franchisee) and Franchisor (or any affiliate of Franchisor).

(i) Extended Cure Period. Notwithstanding anything to the contrary in this Agreement, Franchisor reserves the right to grant to Franchisee in Franchisor's sole discretion an extended cure period for any breach. Franchisee acknowledges that Franchisor's decision to grant such an extended cure period shall not operate as a waiver of any of Franchisor's rights and that Franchisor may choose to condition such an extension upon the signing of a general release by

Franchisee and/or its Owners and affiliates. If any law applicable to this Section requires a longer notice period prior to termination of this Agreement than is specified in this Agreement, a different standard of "good cause," or the taking of some other action not required under this Agreement, the prior notice, "good cause" standard, and/or other action required by such law will be substituted for the comparable provisions in this Agreement.

(j) Noncompliance. Without waiving any rights that Franchisor may have, and in Franchisor's sole discretion, Franchisor may elect not to terminate Franchisee's franchise agreement as a result of a default. In the event a default occurs, Franchisor may elect to give written notification (a "Notice of Noncompliance") to Franchisee that the Franchised Business is not in compliance with the terms and conditions of this Agreement. Such Notice of Noncompliance shall state a period for Franchisee to cure the noncompliance, which shall be a period not less than thirty (30) days. For a period of six (6) months from and after the date of such Notice of Noncompliance, Franchisee shall reimburse Franchisor for reasonable costs that Franchisor incurs with respect to the Franchised Business, including without limitation the costs of any audit or inspection of the Franchised Business in excess of Franchisor's audit program, any mystery shopping for the Franchised Business during such six (6) month period in excess of Franchisor's normal mystery shopping program applied to all Franchised Businesses, additional training that Franchisor determines is required to bring the Franchised Business up to Franchisor's standards, and any personnel costs incurred by Franchisor at the Franchised Business site to ensure the proper management and operation of the Franchised Business. Nothing in this subsection shall limit Franchisor's termination rights as otherwise set forth in this Agreement, which Franchisor reserves the right to exercise at any time.

18. Obligations upon Termination, Non-Renewal, or Expiration.

(a) Franchisee's Obligations. Upon termination, non-renewal, or expiration of this Agreement for any reason, all rights granted hereunder to Franchisee shall terminate and revert to Franchisor, and Franchisee shall have the following obligations with respect to the Franchised Business:

(i) Cease to Operate. Franchisee shall immediately cease to operate the business licensed under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a SPIFFY franchisee with respect to such business.

(ii) Cease to use Information. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, all trade secrets, Confidential Information, methods, procedures and techniques used by or associated with the System, and the proprietary Marks SPIFFY and all other trademarks and distinctive forms, slogans, signs, symbols, logos and devices associated with the SPIFFY Chain.

(iii) Cease to Use Marks. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, the Mark "SPIFFY" and all other Marks and distinctive forms, slogans, signs, symbols, logos and devices associated with the SPIFFY Chain and System.

(iv) Return of Franchisor's Property. Franchisee shall immediately return to Franchisor any property held or used by Franchisee which is owned by Franchisor, including the Customer List, and shall cease to use, and either destroy or convey to Franchisor, all signs, advertising materials, stationery, forms and any other materials that bear or display the Marks. Franchisee shall deliver to Franchisor all login credentials associated with any Online Presence, including Mobile Application, directory, marketing, website, point-of-sale, social media, and all other accounts and systems affiliated with the Franchised Business. Franchisee shall immediately deliver to Franchisor all Operations Manuals, policy and procedure statements, instructions, and other materials related to operating the Franchised Business, including, without limitation, Franchisee Data, Customer Lists, marketing collateral, brochures, charts and any other materials provided by Franchisor and all copies thereof, and shall neither retain nor convey to another any copy or record of any of the foregoing.

(v) Cancel Assumed Names. Franchisee shall take such actions as may be necessary to cancel any assumed name or similar registration which contains the mark SPIFFY or any other Marks of Franchisor, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with its obligation within thirty (30) days after termination, non-renewal, or expiration of this Agreement.

(vi) Pay Amounts Due. Franchisee shall promptly pay all sums owed to Franchisor. Such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default and the termination. Any outstanding obligations to Franchisor shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by Franchisee located on the Premises or in the Service Vehicle(s) on the date this Agreement is terminated, expires, or does not renew.

(vii) Pay Subsequent Amounts Due. Franchisee shall promptly pay to Franchisor all damages, costs and expenses including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination, non-renewal, or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any term, covenant or provision of this Agreement.

(viii) Cooperate with Franchisor's Assumption Rights. Franchisor shall have the option, to be exercised within thirty (30) days of termination, expiration, or non-renewal of this Agreement, to assume any of Franchisee's Online Presence(s), assumed name or equivalent registration, business licenses, telephone numbers, white and yellow pages and online telephone directory listings and advertisements, and e-mail addresses and/or Internet domain names which contain the Mark of Franchisor or its affiliates, and Franchisee shall sign all documents necessary to permit Franchisor to assume Franchisee's rights in such items. If Franchisor elects not to exercise this option, Franchisee shall take all action necessary to cancel each of the items listed above and shall furnish Franchisor with evidence satisfactory to prove its compliance within fifteen (15) days after receiving

notice of Franchisor's termination or expiration of this Agreement and the expiration of the option granted herein. In the event Franchisee fails to timely do so, Franchisor shall have the right, for which purpose Franchisee hereby appoints Franchisor as its attorney-in-fact, to obtain such cancellation on Franchisee's behalf and at Franchisee's expense.

(ix) **Comply with Covenants**. Franchisee shall comply with the covenants contained in this Agreement, including, but not limited to, the covenants against unfair competition and the covenants not to disclose trade secrets or Confidential Information.

(x) **Remove Equipment**. If Franchisor does not exercise its rights to purchase as described in Section 18(b), Franchisee shall remove all equipment related to the operation of the Franchised Business from the Service Vehicle(s) within forty-eight (48) hours of notice from Franchisor that Franchisor is not going to exercise its rights.

(xi) **Computer Systems.** Franchisee shall comply with Franchisor's instructions relating to the Computer Systems and Mobile Applications.

(xii) **Deidentify**. If Franchisor does not exercise its right to purchase as described in Section 18(b), Franchisee shall de-identify the Service Vehicle(s) within forty-eight (48) hours notice from Franchisor that Franchisor is not going to exercise its rights, which de-identification procedures shall include removing all references to SPIFFY and removing any uses of the Marks from the Service Vehicle(s).

(b) Right to Purchase.

(i) **Franchised Business and its Assets**. Upon the termination, non-renewal, or expiration of this Agreement, Franchisor, or Franchisor's designee, shall also have the option, but not the obligation, to purchase, f.o.b., some or all of the assets of the Franchised Business, including the Service Vehicle(s), by providing Franchisee written notice of Franchisor's election within thirty (30) business days, unless otherwise specified below, after such termination, non-renewal, or expiration. Franchisor has the unrestricted right to assign this option. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of Franchisee's assets, including, without limitation, representations and warranties as to the ownership and condition of and title to the assets; liens and encumbrances on the assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise. Franchisor has the right to purchase all or only a portion of the assets of the Franchised Business and may exclude from its purchase any assets or cash, for any reason, in Franchisor's sole discretion. Franchisor shall have the right to set off and apply any amounts due to Franchisee pursuant to this subsection against any and all other amounts which may be due from Franchisee to Franchisor. If Franchisor exercises Franchisor's option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the Franchised Business, or Franchisor may require that Franchisee close the Franchised Business during such period without removing any assets. Franchisee is required to maintain in force all insurance policies required under this Agreement until the date of such closing.

(ii) Acquisition of Service Vehicles. Franchisor shall have the right to purchase the Service Vehicle(s) upon the terms established in this Section 18(b). If Franchisee has leased or subleased the Service Vehicle(s), at Franchisor's option, and subject to the lessor's consent, Franchisee shall assign to Franchisor any interest which Franchisee has in any lease or sublease for the Service Vehicle(s). Franchisor may exercise its rights to acquire the lease or sublease for the Service Vehicle(s) even if Franchisor elects not to purchase the assets of the Franchised Business pursuant to this Section 18.

(iii) Fair Market Value. If Franchisor exercises its right to purchase, Franchisor shall pay Franchisee the Fair Market Value of the assets. For purposes of this Section 18 "Fair Market Value" shall mean the fair market value of the assets excluding the value of the franchise License, the trademarks, Mobile Application, customer base, and other assets owned by Franchisor and the associated goodwill. If Franchisee disagrees with Franchisor's determination of Fair Market Value, then Franchisee must, within ten (10) days of receiving Franchisor's proposal of the Fair Market Value, give Franchisor notice, which notice shall contain Franchisee's alternative calculation of the Fair Market Value of the assets, applying the same methodology discussed above. Within ten (10) days of Franchisee giving notice of its disagreement, Franchisor and Franchisee shall mutually agree upon a qualified independent appraiser who shall select from the two proposals of Fair Market Value the one that is the most commercially reasonable. The independent appraiser's determination shall be binding on the parties. If Franchisee does not provide written notice of its disagreement with the Fair Market Value determined by Franchisor within ten (10) days of receiving Franchisor's proposal, then Franchisor's determination of the Fair Market Value shall be deemed accepted and Franchisor's purchase of the assets must close within thirty (30) days of conclusion of the ten (10) day notice period. Notwithstanding the foregoing, to the extent that Franchisor exercises Franchisor's right to purchase any assets that is subject to a lease or finance agreement, the purchase price of such asset shall equal the amount of Franchisee's remaining obligations under the lease or finance agreement, as applicable. Franchisor shall be entitled to offset the purchase price by the amount of money owed by Franchisee to Franchisor for any payments necessary to acquire clear title to property or for any other debt.

19. Independent Contractor; Indemnification; Step-In Rights.

(a) Independent Contractor. It is understood and agreed by the parties that this Agreement creates only a contractual relationship between the parties subject to the normal rule of contract law. This Agreement does not create a fiduciary relationship between the parties and Franchisee is and shall remain an independent contractor. Franchisee agrees to hold itself out to the public as an independent contractor, separate and apart from Franchisor. Franchisee agrees that it shall not make any contract, agreement, warranty, or representation on the Franchisor's behalf without Franchisor's prior written consent, and Franchisee agrees that it shall not incur any debt or other obligation in Franchisor's name. This Agreement shall not be deemed to confer any rights or benefits to any person or entity not expressly named herein.

(b) Indemnification. Franchisee hereby waives all claims against Franchisor for damages to property or injuries to persons arising out of the operation of the Franchised Business.

Franchisee must fully protect, indemnify, defend, reimburse and hold Franchisor and its owners, directors, officers, insurers, successors and assigns and Franchisor's affiliates harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with, or incidental to the operation of, the Franchised Business (regardless of cause or any concurrent or contributing fault or negligence of Franchisor or its affiliates) or any breach by Franchisee or Franchisee's failure to comply with the terms and conditions of this Agreement. Franchisor also reserves the right to select its own legal counsel to represent its interests, and Franchisee must reimburse Franchisor for all of Franchisor's costs and all attorneys' fees immediately upon Franchisor's request as they are incurred.

(c) Step-In Rights Generally. In the event Franchisor exercises its step-in rights in accordance with the terms as set forth above, Franchisee must (in addition to paying all other amounts owed due under this Agreement) reimburse Franchisor or a designated third party for all reasonable costs and overhead, if any, incurred in connection with its operation of the Franchised Business including, without limitation, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations, plus Franchisor's then-current Management Fee. Franchisee agrees that Franchisor or the third party may use monies from the Gross Revenues of the Franchised Business for these reimbursements and fees. If Franchisor (or a third party it appoints) undertakes to operate the Franchised Business pursuant to the exercise of Franchisor's step-in rights, Franchisee agrees to indemnify and hold Franchisor or the third party (and Franchisor's or the third party's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's or the third party's operation of the Franchised Business. Franchisor (or a third party) has a duty to utilize only reasonable efforts to operate the Franchised Business and will not be liable to Franchisee, Franchisee's Owners, or their respective heirs, beneficiaries, or devisees for any debts, losses, or obligations the Franchised Business incurs, or to any of Franchisee's or its Owners' creditors for any products, other assets, or services the Franchised Business purchases, while Franchisor (or a third party) manages it. The Management Fee shall be equal to Franchisor's costs and expenses incurred with the operations ("Management Fee"). The Franchisee shall pay the Management Fee for as long as the Franchisor or the third party is operating the Franchised Business. The Management Fee is due weekly.

20. Franchisee Representations.

(a) FRANCHISEE ACKNOWLEDGES THAT IT HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE PROPOSED FRANCHISE AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS AND THAT ITS SUCCESS WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS OWNER OR BUSINESS. FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT IT HAS NOT RECEIVED, ANY WARRANTY, OR GUARANTEE, OR REPRESENTATION OTHER THAN AS SET FORTH IN THE DISCLOSURE DOCUMENT, EXPRESS OR IMPLIED, FROM ANY EMPLOYEE OR AGENT OF THE FRANCHISOR AS TO THE POTENTIAL SALES VOLUMES, PROFITS, OR LEVEL OF SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT

OR THE SUITABILITY OF THE PREMISES OR THE SERVICE VEHICLE(S). FRANCHISOR HAS NOT REPRESENTED THAT (I) FRANCHISEE WILL EARN, CAN EARN, OR IS LIKELY TO EARN A GROSS OR NET PROFIT, (II) FRANCHISOR HAS KNOWLEDGE OF THE RELEVANT MARKET, OR (III) THE MARKET DEMAND WILL ENABLE FRANCHISEE TO EARN A PROFIT FROM THE FRANCHISED BUSINESS;

(b) FRANCHISEE ACKNOWLEDGES THAT IT RECEIVED A COPY OF THE COMPLETE FRANCHISOR'S DISCLOSURE DOCUMENT, AGREEMENTS RELATED THERETO, IF ANY, AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS SIGNED OR CONSIDERATION WAS PAID.

(c) FRANCHISEE ACCEPTS THE TERMS, CONDITIONS AND COVENANTS CONTAINED IN THIS AGREEMENT AS BEING REASONABLE AND NECESSARY TO MAINTAIN FRANCHISOR'S STANDARDS OF QUALITY, SERVICE AND UNIFORMITY AND IN ORDER TO PROTECT AND PRESERVE THE GOODWILL OF THE MARKS. FRANCHISEE ACKNOWLEDGES THAT OTHER FRANCHISEES OF FRANCHISOR HAVE BEEN OR WILL BE GRANTED FRANCHISES AT DIFFERENT TIMES AND IN DIFFERENT SITUATIONS. FRANCHISEE FURTHER ACKNOWLEDGES THAT THE PROVISION OF THE FRANCHISE AGREEMENTS PURSUANT TO WHICH SUCH FRANCHISES WERE GRANTED MAY VARY MATERIALLY FROM THOSE CONTAINED IN THIS AGREEMENT AND THAT FRANCHISEE'S OBLIGATION ARISING HEREUNDER MAY DIFFER SUBSTANTIALLY FROM OTHER FRANCHISEES.

(d) FRANCHISEE RECOGNIZES THAT THE SYSTEM MAY EVOLVE AND CHANGE OVER TIME AND THAT THE LICENSE AND OPERATION OF THE FRANCHISED BUSINESS INVOLVE AN INVESTMENT OF SUBSTANTIAL RISK AND ITS SUCCESS IS DEPENDENT PRIMARILY UPON THE BUSINESS ACUMEN AND EFFORTS OF FRANCHISEE AND OTHER FACTORS BEYOND FRANCHISOR'S CONTROL. FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE FRANCHISE AND HAD AMPLE TIME AND OPPORTUNITY TO CONSULT WITH INDEPENDENT PROFESSIONAL ADVISORS, INCLUDING BUT NOT LIMITED TO LAWYERS AND ACCOUNTANTS, AND HAS NOT RELIED UPON ANY EXPRESS OR IMPLIED GUARANTEE AS TO POTENTIAL VOLUMES, REVENUES, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY FRANCHISEE. EVEN THOUGH THIS AGREEMENT CONTAINS PROVISIONS REQUIRING FRANCHISEE TO OPERATE THE FRANCHISED BUSINESS IN COMPLIANCE WITH FRANCHISOR'S SYSTEM: (1) FRANCHISOR OR ITS AFFILIATES DO NOT HAVE ACTUAL OR APPARENT AUTHORITY TO CONTROL THE DAY-TO-DAY CONDUCT AND OPERATION OF FRANCHISEE'S BUSINESS OR EMPLOYMENT DECISIONS; AND (2) FRANCHISEE AND FRANCHISOR DO NOT INTEND FOR FRANCHISOR OR FRANCHISOR'S AFFILIATES TO INCUR ANY LIABILITY IN CONNECTION WITH OR ARISING FROM ANY ASPECT OF FRANCHISOR'S SYSTEM OR FRANCHISEE'S USE OF THE FRANCHISOR SYSTEM OR THE OPERATION OF THE FRANCHISED BUSINESS, WHETHER OR NOT IN ACCORDANCE WITH THE REQUIREMENTS OF THE OPERATIONS MANUALS.

(e) If Franchisee is a corporation, a limited liability company or a partnership, Franchisee makes the following representations and warranties: (1) Franchisee is duly organized and validly existing under the laws of the state of its formation; (2) Franchisee is qualified to do business in the state or states in which the Franchised Business is located; (3) execution of this Agreement and the development and operation of the Franchised Business is permitted by its governing documents; and (4) Franchisee's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that Franchisee's activities are limited exclusively to the development and operation of the SPIFFY Franchised Business.

(f) If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following additional representations and warranties: (a) each individual has executed this Agreement; (b) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (c) notwithstanding any transfer for convenience of ownership, pursuant to this Agreement, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

(g) If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following additional representations and warranties: (a) each individual has executed this Agreement; (b) each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and (c) notwithstanding any transfer for convenience of ownership, pursuant to this Agreement, each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement. If Franchisee violates a term or condition contained within this Agreement, including but not limited to, withholding any monies owed to Franchisor in the absence of a court order permitting the withholding of such monies, Franchisee shall reimburse Franchisor for all reasonable costs incurred by Franchisor in pursuing the enforcement of this Agreement. These costs shall include, but not be limited to, court costs and fees, accounting costs and fees, expert witness costs and fees, reasonable attorneys' fees, the reasonable value of Franchisor's employees' time, witness fees and travel expenses incurred by Franchisor. The recovery of the costs and fees specified above shall include the recovery of all costs and fees incurred by Franchisor relating to or arising from any and all defenses, counterclaims and/or crossclaims asserted by Franchisee or the personal guarantors under this Agreement. This obligation will give rise to and remain a lien in favor of Franchisor against any and all of the personal property, goodwill, cash, furnishings, equipment, signs, fixtures and inventory owned by Franchisee and located on and around the Premises operated pursuant to this Agreement until Franchisee is in full compliance with this Agreement and any amounts owed are paid in full. All costs to be collected by Franchisor pursuant to this provision shall be collected via electronic bank transfer as specified in this Agreement.

(h) If Franchisee is a corporation, a limited liability company or a partnership, Franchisee has provided to Franchisor a current list of all owners and Franchisee agrees that Franchisee will advise Franchisor of any and all changes in ownership.

(i) If Franchisee is a corporation, Franchisee shall maintain stop-transfer instructions against the transfer on its records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of this stock is subject to the restriction imposed on assignment by Franchisor, Franchise Agreement(s) to which the corporation is a party." If Franchisee is a limited liability company, each membership or management certificate or other evidence of interest in Franchisee shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Franchisor, Franchisee Agreement(s) to which the limited liability company is a party." If Franchisee is a partnership, its written agreement shall provide that ownership of an interest in the partnership is held subject to, and that further assignment or transfer is subject to, all restrictions imposed on assignment by this Agreement.

(j) Franchisee covenants that during the Term, it will at all times faithfully, honestly and diligently perform its obligations under this Agreement, and that it will continuously exert its best efforts to promote and enhance the business of the Franchised Business and other Franchised Businesses established and operated by Franchisee under the System.

(k) Franchisee and all guarantors hereof acknowledge and agree that the obligations regarding the use of Confidential Information and trade secrets set forth in this Agreement will apply throughout the Term and after the expiration, non-renewal, or termination of this Agreement for any reason, without limitation as to time or geographic scope. Franchisee covenants that upon termination, non-renewal, or expiration of this Agreement for any reason, Franchisee will immediately and permanently cease to use, in any manner whatsoever, any Confidential Information, trade secrets, methods, procedures and techniques associated with the System.

(l) Franchisee hereby acknowledges and agrees that Franchisor's approval of a site does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site for the Franchised Business or for any other purpose. Franchisor's approval of a site indicates only that Franchisor believes the site complies with acceptable minimum criteria established by Franchisor solely for its purposes as of the time of the evaluation. Both Franchisee and Franchisor acknowledge that application of criteria that may have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to Franchisor's approval of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from Franchisor's criteria could change, thereby altering the potential of a site or lease. Such factors are unpredictable and are beyond Franchisor's control. Franchisor shall not be responsible for the failure of a site approved by Franchisee to meet Franchisee's expectations as to revenue or operational criteria. Franchisee further acknowledges and agrees that its acceptance of a franchise for the operation of the Franchised Business at the site is based on its own independent investigation of the suitability of the site.

21. Governing law, Jurisdiction and Venue.

(a) **Mediation.** Before Franchisee and Franchisor may bring an action against the other, Franchisor and Franchisee must first meet to mediate the dispute (except as otherwise

provided below). Any such mediation shall be non-binding. Mediation shall be conducted by the CPR Center for Alternative Dispute Resolution, under the rules established by the International Franchise Association endorsed National Franchise Mediation Program, and in accordance with its then-current rules for mediation of franchise disputes (and in the event such program is not then in existence, by the American Arbitration Association in accordance with its then-current rules for mediation of commercial disputes). Notwithstanding the previous sentence, the parties may mutually agree on a mediator and/or procedures and/or venue for mediation. The non-binding mediation provided for herein shall be commenced by the party requesting mediation (the "complainant") providing written notice of the request for mediation (the "request") to the party with whom mediation is sought (the "respondent"). The request shall specify with reasonable particularity the matter or matters on which non-binding mediation is sought. A copy of the request shall be given by the complainant simultaneously to Franchisor if Franchisor is not a complainant or respondent. Non-binding mediation commenced under this Section 21(a) shall be concluded within sixty (60) days of the issuance of the request or such longer period as may be agreed upon by the parties in writing. All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatever. Complainant and respondent shall each bear its own costs of mediation, and each shall bear fifty percent (50%) of the cost of the mediator or mediation service. The mediator selected shall have experience in franchise matters.

(b) Arbitration. Franchisee acknowledges that it has and will continue to develop a substantial and continuing relationship with Franchisor at its principal offices in the State of North Carolina, where Franchisor's decision-making authority is vested, franchise operations are conducted and supervised, and where Agreement was rendered binding. Therefore, the parties agree that, to the extent that any disputes cannot be resolved directly between Franchisee and Franchisor, and following compliance with the applicable mediation requirements set forth in Section 21(a) above, any action arising out of or relating to this Agreement or the making, performance, or interpretation thereof shall upon thirty (30) days written notice by either party be resolved, except as elsewhere expressly provided in this Agreement, upon application by any such party by binding arbitration in Durham, North Carolina, in accordance with the Federal Arbitration Act under the Commercial Arbitration Rules then prevailing of the American Arbitration Association, including without limitation the Optional Rules for Emergency Measures of Protection ("AAA"), and not under any state arbitration laws, and judgment on the arbitration award may be entered in any court of competent jurisdiction. Franchisee and Franchisor agree that arbitration shall be conducted on an individual - not a class-wide basis. The Federal Arbitration Act shall apply to all arbitration and arbitration venue questions. Any award by the arbitrator(s) shall be final, binding and non-appealable, except for errors of law. The matter shall be heard by one (1) arbitrator mutually selected by the parties who shall have at least ten (10) years' experience in practicing franchise law during which franchise law is or has been their primary area of practice and shall have substantial experience in the preparation of franchise agreements and franchise disclosure documents. Franchisee understands that by agreeing to arbitrate it gives up jury and appeal and other rights it might have in court.

(c) Injunctive Relief. Notwithstanding the provisions of Section 21(a) above, Franchisee agrees that Franchisor, at its option, will have the right to seek preliminary injunctive relief from a court of competent jurisdiction, or in the first instance from an Arbitrator, to restrain any conduct by Franchisee in the development or operation of the Franchised Business that could

materially damage the good will associated with the System, the Marks and the Chain, provided that if Franchisee counters, as Franchisee may, by initiating arbitration, Franchisor agrees to arbitrate the entire dispute thereafter except preliminary injunctive relief (and permanent injunctive relief also, if Franchisee will not agree that the preliminary injunction shall remain effective indefinitely until the arbitrator shall dissolve it), leaving the court action pending, if it chooses, to facilitate enforcement. Franchisee agrees Franchisor will not be required to post a bond to obtain any injunctive relief with respect to use of the Marks.

(d) Attorneys' Fees and Costs. The non-prevailing party agrees to reimburse the prevailing party for all expenses reasonably incurred (including attorney's fees): (i) to enforce the terms of this Agreement, an obligation owed to Franchisor by Franchisee and/or the Owners, or an obligation owed to Franchisee by Franchisor; and (ii) in the defense of any claim that one party asserts against the other party on which the prevailing party substantially prevails in court, arbitration or other formal legal proceedings, whether incurred prior to or in preparation for such proceedings or thereafter. In the event Franchisor is the prevailing party, Franchisor has the right to reimburse Franchisor through EFT transfer for any legal fees.

(e) JURY TRIAL AND CLASS ACTION WAIVER. FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS AND GUARANTORS, IF APPLICABLE) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY FRANCHISOR AND FRANCHISEE. NEITHER FRANCHISEE NOR FRANCHISOR SHALL SEEK TO LITIGATE OR ARBITRATE AGAINST THE OTHER PARTY TO THIS AGREEMENT OR SUCH PARTY'S AFFILIATES, EITHER AS A REPRESENTATIVE OF, OR ON BEHALF OF, ANY OTHER PERSON, CLASS, OR ENTITY ANY DISPUTE, CONTROVERSY, OR CLAIM OF ANY KIND ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES, THE SALE OF THE FRANCHISE, OR OTHER CLAIMS OR CAUSES OF ACTION RELATING TO THE PERFORMANCE OF EITHER PARTY TO THIS AGREEMENT. NO LITIGATION, ARBITRATION OR OTHER ACTION OR PROCEEDING UNDER THIS AGREEMENT SHALL ADD AS A PARTY, BY CONSOLIDATION, JOINDER, OR IN ANY OTHER MANNER, ANY PERSON OR PARTY OTHER THAN FRANCHISEE AND FRANCHISOR AND ANY PERSON IN PRIVITY WITH, OR CLAIMING THROUGH, IN THE RIGHT OF, OR ON BEHALF OF, FRANCHISEE OR FRANCHISOR, UNLESS BOTH FRANCHISEE AND FRANCHISOR CONSENT IN WRITING. FRANCHISOR HAS THE ABSOLUTE RIGHT TO REFUSE SUCH CONSENT. FRANCHISEE AGREES AND ACKNOWLEDGES THAT ANY PROCEEDING DIRECTLY OR INDIRECTLY ARISING FROM OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP BETWEEN THE PARTIES, OR ANY AGREEMENT OR RELATIONSHIP BETWEEN FRANCHISEE AND ANY AFFILIATE OF FRANCHISOR WILL BE CONSIDERED UNIQUE ON ITS FACTS AND SHALL NOT BE BROUGHT AS A CLASS OR GROUP ACTION. IN THE EVENT FRANCHISOR IS THE PREVAILING PARTY, FRANCHISOR HAS THE RIGHT TO REIMBURSE FRANCHISOR THROUGH EFT TRANSFER FOR ANY LEGAL FEES.

(f) WAIVER OF CERTAIN DAMAGES. EXCEPT FOR FRANCHISEE'S OBLIGATIONS TO INDEMNIFY FRANCHISOR UNDER THIS AGREEMENT AND CLAIMS FRANCHISOR BRINGS AGAINST FRANCHISEE FOR FRANCHISEE'S UNAUTHORIZED USE OF THE MARKS, UNAUTHORIZED USE OR DISCLOSURE OF

CONFIDENTIAL INFORMATION, OR BREACH OF FRANCHISEE'S NON-COMPETITION COVENANTS, FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS AND GUARANTORS, IF APPLICABLE) WAIVE ANY RIGHT TO OR CLAIM FOR PUNITIVE, EXEMPLARY, CONSEQUENTIAL, MULTIPLE, INCIDENTAL OR OTHER DAMAGES IN EXCESS OF THE ECONOMIC DAMAGES ACTUALLY SUSTAINED BY THE NON BREACHING PARTY, WHETHER ASSERTED AS A RELATED OR INDEPENDENT TORT, AS A BREACH OF CONTRACT, OR AS ANY OTHER CLAIM OR CAUSE OF ACTION BASED ON STATUTORY OR COMMON LAW. EXCEPT FOR ANY SPECIFIC WRITTEN WARRANTIES EXPRESSLY PROVIDED IN CONNECTION WITH A SPECIFIC ITEM, FRANCHISOR SHALL NOT BE LIABLE TO ANY PERSON OR ENTITY IN RELATION TO ANY GOODS AND/OR SERVICES (INCLUDING ANY ASPECT OF THE LABOR OR INSTALLATION OF ANY EQUIPMENT, OR PRODUCTS) PROVIDED BY FRANCHISOR, FRANCHISOR'S AFFILIATES AND/OR ANY PERSON/COMPANY REFERRED/APPROVED BY FRANCHISOR OR THEM. SUCH ITEMS ARE PROVIDED WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE BEING EXPRESSLY DISCLAIMED. FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS AND GUARANTORS, IF APPLICABLE), HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN FRANCHISOR AND FRANCHISEE EACH SHALL BE LIMITED SOLELY TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY THE NON-BREACHING PARTY.

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE THEIR RIGHT TO (AND FRANCHISEE'S OWNERS AND GUARANTORS, IF APPLICABLE) IRREVOCABLY WAIVE AND SURRENDER THEIR RIGHT TO PURSUE A JUDICIAL REMEDY OF ANY CLAIM ARISING OUT OF, OR RELATED TO THIS DISPUTE, EXCEPT AS ELSEWHERE EXPRESSLY PROVIDED IN THIS AGREEMENT.

(g) Remedies Cumulative. All rights and remedies conferred upon Franchisee and Franchisor by this Agreement and by law shall be cumulative of each other, and neither the exercise nor the failure to exercise any such right or remedy shall preclude the exercise of any other such right or remedy.

(h) Governing Law. This Agreement and any claim or controversy arising out of or relating to rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed under the laws of the State of North Carolina and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina and the Federal Arbitration Act, which laws shall prevail in the event of any conflict of law. The venue for any arbitration concerned with the enforcement and interpretation of this Agreement shall be Durham, North Carolina. Nothing in this Section 21(h) is intended, or shall be deemed, to make any North Carolina law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable. Any and all claims and actions arising out of or relating to this agreement, the relationship of franchisee and franchisor, or franchisee's operation of the Franchised Business, brought by franchisee against franchisor, shall

be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred.

22. Notices.

Except as otherwise provided in this Agreement, all notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be given (i) by personal delivery, (ii) by registered or certified mail, return receipt requested, postage prepared, or (iii) by delivery to a nationally recognized overnight courier service, in each case, addressed as follows:

If intended for Franchisor, addressed to

SPIFFY FRANCHISING, LLC
4506 S Miami Blvd, Suite 150
Durham, North Carolina 27703

If intended for Franchisee, addressed to

the notice address set forth in the Franchise Rider, or,

if Franchisee has opened its Franchised Business, the address of the approved Location of the Franchised Business, or

in either case, to such other address as may have been designated by notice to the other party. Notice shall be deemed given and effective upon the first to occur of receipt, when proper delivery is refused, or two (2) calendar days after deposit in registered or certified U.S. Mail or with a nationally recognized overnight courier, as described above. Any notice that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery.

Additionally, Franchisor may provide the notice described in this section by email or other electronic system to (a) the email address set forth on the Franchise Rider, (b) the email address Franchisor has approved or provided for Franchisee to use with the Franchised Business, or (c) another electronic account that Franchisor has approved or provided for Franchisee to use with the Franchised Business. Such email notices shall be deemed given and effective upon the day on which the email was sent, unless Franchisor receives notice of rejected delivery by the email account or other electronic account.

23. Miscellaneous.

(a) Severability. The invalidity or unenforceability of any one or more provision of this Agreement shall in no way affect any other provision. If any court of competent jurisdiction determines any provision of this Agreement to be invalid, illegal or unenforceable, that portion

shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of this Agreement.

(b) Construction. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, as the case may require. All acknowledgements, warranties, representations, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Agreement as Franchisee.

(c) Entire Agreement. This Agreement, the documents incorporated herein by reference and the exhibits attached hereto, comprise the entire agreement between the parties and all prior understands or agreements concerning the subject matter hereof are canceled and superseded by this Agreement. This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that the obligations of the Franchisor are confined exclusively to those set forth in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise. Notwithstanding the foregoing, nothing in this Agreement or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document

(d) Assignees. This Agreement shall be binding upon the heirs, successors, permitted assigns and legal representatives of the parties.

(e) Amendments. Franchisor reserves the right to amend this Agreement if a Franchise Agreement change proposed by Franchisor is agreed to by Seventy Five Percent (75%) of the then-current Franchisees. Further, except for those permitted to be made unilaterally by Franchisor, no supplement, amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

(f) Waivers. No failure of Franchisor to exercise any right given to it hereunder, or to insist upon strict compliance by Franchisee with any obligation, agreement or undertaking hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand full and exact compliance by Franchisee and shall not affect or impair Franchisor's rights with respect to any subsequent default of the same or of a different nature, nor shall any delay or omission of Franchisor to exercise any right arising from such default affect or impair Franchisor's rights as to such default or any subsequent default. Franchisor has the unrestricted right to elect to not enforce (or to selectively enforce) any provision of this Agreement or any other agreement, standard or policy, whether with respect to Franchisee and/or any other franchisee or other person, or any affiliate of Franchisee or Franchisor, without liability.

(g) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. The parties to this Agreement may utilize electronic means, including electronic mail and facsimile, to execute and transmit the Agreement or PDF copies of the Agreement and all such electronically transmitted copies of the Agreement shall be deemed as valid as originals.

(h) Headings. The headings used in the Agreement are for convenience only, and the paragraphs shall be interpreted as if such headings were omitted.

(i) Time of Essence. Franchisee agrees and acknowledges that time is of the essence with regard to Franchisee's obligations hereunder, and that all of Franchisee's obligations are material to Franchisor and this Agreement.

(j) Agreement Binding Upon Signature of Franchisor. Franchisee acknowledges that this Agreement shall not take effect until its acceptance and execution by an authorized officer of Franchisor.

(k) Evolving Agreements. Franchisee acknowledges that Franchisor has entered, and will continue to enter, into agreements with other Franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that Franchisor and Franchisees other than Franchisee may have different rights and obligations does not affect the parties' duty to comply with this Agreement.

(l) Delegation. Franchisor shall have the right to delegate Franchisor's duties under this Agreement to any affiliated or non-affiliated entity, agent, or employee and Franchisee agrees to such assignment without any right to approve such actions.

(m) Fines. For each instance where Franchisee fails to obtain prior written approval for advertisements, fails to attend required training or Franchisor sponsored conventions, offers unauthorized products or services or otherwise fails to comply with Franchisor's operating standards set forth in the Operations Manual or this Agreement, Franchisor shall, at Franchisor's option, have the right to levy a fine in an amount up to One Thousand Dollars ($1,000) per occurrence. Alternatively, in the case of failure to attend required training or franchisor sponsored conventions, Franchisee's royalties for the balance of the calendar year shall increase by one percent (1%). The imposition of a fine pursuant to this subsection shall not act as a waiver of any of Franchisor's other remedies under this Agreement. Franchisor has the right to collect any such fines by means of EFT.

(n) Final Act. The last signature applied to this Agreement shall be the signature of Franchisor's officer at Franchisor's headquarters in North Carolina. The Agreement shall not be binding on Franchisor until signed by Franchisor.

(o) Covenant of Good Faith. No covenant of good faith and fair dealing shall be implied into this Agreement, except that if applicable law shall imply such a covenant in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such a covenant, Franchisee acknowledges that (a) this Agreement grants Franchisor the discretion to make decisions, take actions, and refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations hereunder that may favorably or adversely affect Franchisee's interests; (b) Franchisor will use its judgment in

exercising such discretion based on Franchisor's assessment of its own interests and balancing those interests against the interests of Franchisee and other franchisees within the Chain generally; and (c) Franchisor will have no liability to Franchisee for the exercise of its discretion, so long as such discretion is not exercised in bad faith toward Franchisee; and (d) in absence of such bad faith, no trier of fact in any legal action shall substitute its judgment for Franchisor's judgment so exercised.

(p) Security Agreement. Franchisee agrees to give no security interests, pledges or encumbrances in Franchisee's inventory, leasehold, fixtures, vehicles (including Service Vehicle(s)), equipment, securities or franchise agreement without the prior written approval of Franchisor, which shall not be deemed a consent to assignment. Franchisor will not unreasonably withhold approval but is legitimately concerned to ensure: (a) that Franchisee not lose the business; (b) that the business not be lost to the franchise system; and (c) that Franchisor not have to defend a claim to franchisee rights by anyone it shall not have agreed to accept as a franchisee. In order to secure the prompt performance of Franchisee's obligations under this Agreement, Franchisee grants Franchisor and Franchisor takes a first priority security interest in all of Franchisee's assets, including without limitation, all present and after acquired inventory and equipment wherever located, accounts, deposit accounts, chattel paper, instruments, contract rights (including Franchisee's rights under this Agreement) and general intangibles, including payment intangibles, and all proceeds and products thereof including insurance proceeds. All items in which a security interest is granted are referred to as the "Collateral". This Agreement and the License granted to Franchisee hereunder may not be used by Franchisee as collateral or be the subject of a security interest, lien, levy, attachment or execution by Franchisee's creditors, any financial institution, or any other party, except with Franchisor's prior written approval. Franchisor agrees to subordinate Franchisor's security interest in the Service Vehicle(s) to the prime lender for the purchase of the Franchised Business and/or Service Vehicle(s), and/or development of the Franchised Business.

The security interest is to secure payment of the following (the "Indebtedness"): (a) all amounts due under this Agreement or otherwise by Franchisee; (b) all sums which Franchisor may, at Franchisor's option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness; (c) all expenses, including reasonable attorneys' fees, which Franchisor incurs in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting Franchisor's rights under the security interest and this Agreement; and (d) all other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of Franchisee to Franchisor or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not Franchisor executes any extension agreement or renewal instruments. Franchisee will from time to time as Franchisor requires join with Franchisor in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to Franchisor. Upon default and termination of Franchisee's rights under this Agreement, Franchisor shall have the immediate right to possession and use of the Collateral. Franchisee agrees that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at Franchisor's option and without notice, become due and payable immediately, and Franchisor shall

then have the rights, options, duties, and remedies of a secured party under, and Franchisee shall have the rights and duties of a debtor under the Uniform Commercial Code of North Carolina (or other applicable law), including, without limitation, Franchisor's right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by Franchisor in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to Franchisee pursuant to the notice provisions set forth above. This Agreement shall be deemed a security agreement and a financing statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a financing statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

FRANCHISEE ACKNOWLEDGES THAT, IN ALL OF ITS DEALINGS WITH FRANCHISOR'S OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, AND REPRESENTATIVES, THESE INDIVIDUALS ACT ONLY IN THEIR REPRESENTATIVE CAPACITY AND NOT IN AN INDIVIDUAL CAPACITY. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT AND ALL BUSINESS DEALINGS BETWEEN FRANCHISEE AND THESE INDIVIDUALS AS A RESULT OF THIS AGREEMENT ARE SOLELY BETWEEN FRANCHISEE AND FRANCHISOR. NOTWITHSTANDING THE FOREGOING, IF FRANCHISOR ENGAGES ANY BROKER, THAT BROKER WILL BE SOLELY LIABLE FOR ITS CONDUCT WITH FRANCHISEE EXCEPT THAT FRANCHISOR WILL REMAIN LIABLE FOR THE BROKER'S CONDUCT SOLELY TO THE EXTENT OF FRANCHISOR'S OWN CRIMINAL, INTENTIONAL OR GROSSLY NEGLIGENT CONDUCT IN ENGAGING THE BROKER. IN ADDITION, FRANCHISOR MAKES NO WARRANTY AS TO FRANCHISEE'S ABILITY TO OPERATE THE FRANCHISED BUSINESS IN THE JURISDICTION IN WHICH THE FRANCHISED BUSINESS WILL BE OPERATED. FRANCHISEE MUST SEEK OR OBTAIN ADVICE OF COUNSEL SPECIFICALLY ON THIS ISSUE. IF LEGISLATION IS ENACTED, OR A REGULATION PROMULGATED, BY ANY GOVERNMENTAL BODY THAT PREVENTS FRANCHISEE FROM OPERATING THE FRANCHISED BUSINESS, FRANCHISOR IS NOT LIABLE FOR DAMAGES NOR REQUIRED TO INDEMNIFY FRANCHISEE IN ANY MANNER WHATSOEVER OR TO RETURN ANY MONIES RECEIVED FROM FRANCHISEE.

IN WITNESS WHEREOF, parties hereto have duly executed this Agreement on the day, month and year first written above.

Franchisor:

SPIFFY FRANCHISING, LLC

By: _____
Name: _____
Title: _____

FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO: You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Franchisee:

_____

By: _____
Name: _____
Title: _____

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver by hand or overnight courier service, a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to SPIFFY FRANCHISING LLC, 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743, not later than midnight of _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

_____
(Date)

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver by hand or overnight courier service, a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to SPIFFY FRANCHISING LLC, 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743, not later than midnight of _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

_____
(Date)

ATTACHMENT 1 TO FRANCHISE AGREEMENT
FRANCHISE RIDER

Fees

Initial Franchise Fee

The Initial Franchise Fee, which is due and payable upon execution of this Franchise Agreement, is:

_____Forty Thousand Dollars ($40,000) for the right to open a SPIFFY business.

_____Thirty-Six Thousand Dollars ($36,000) for the right to open a SPIFFY business with a veteran's discount.

Software Set Up Fee

_____Two Thousand Dollars ($2,000)

Royalties

For purposes of this Attachment 1, "Gross Revenues" shall mean the total revenue generated by Franchisee's SPIFFY business, including all revenue generated from the sale and provision of any and all approved products and services at or through Franchisee's Franchised Business, amounts from the Proceed Share Percentage, and all proceeds from any business interruption insurance related to the non-operation of Franchisee's Franchised Business, whether such revenues are evidenced by cash, check, credit, charge, account, barter or exchange. "Gross Revenues" does not include (a) tips received by employees through their employment with the Franchised Business or (b) any sales tax and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto.

Franchisee shall pay a royalty equal to Seven Percent (7%) of Gross Revenues per month, excluding Tire Sales Revenue (the "Standard Royalty.")

Franchisee shall pay a royalty equal to Four Percent (4%) of Tire Sales Revenue per month (the "Tire Sales Royalty."). "Tires Sales Revenue" shall mean the total revenue generated by Franchisee's sale of tires, not including labor. "Tire Sales Revenue" does not include (a) revenue derived from the servicing of the tire product, such as installation, recycling, or any other service, (b) tips received by employees through their employment with the Franchised Business, or (c) any sales tax and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto.

Unless otherwise specified by Franchisor, the Standard Royalty and Tire Sales Royalty (collectively "Royalties") shall be due on the fifteenth (15^{th}) day of each month for the prior month or immediately upon customer payment if Franchisor is billing the customer.

Grand Opening Marketing Spend

_____ Dollars ($_____)

Notice

The following address is Franchisee's address under Section 22 of the Franchise Agreement.

Franchisee's Address for Notice

_____

_____

_____

_____

Franchisee's Email Address:

_____

Already-Approved Location and Territory (If Applicable)

If the Location has already been selected by Franchisee and approved by Franchisor, then the following are Franchisee's Location and Territory for the term of the Franchise Agreement:

Location: _____

Territory: _____

Unassigned Location and Territory (If Applicable)

If no Location has been determined at the time this Franchise Agreement is executed, then the Location will be within the following area, provided the exact location will be subject to Franchisor's review and approval: _____ (the "Prospective Market Area").

If Franchisee has not been approved to operate at a specific Location at the time the Franchise Agreement is approved, Franchisor reserves the right to sell franchises—and grant territories to others who will operate SPIFFY Franchised Businesses—in and around the Prospective Market Area. Franchisee may then be required to choose a final location outside of any territory given to any other franchisee, and that territory may be outside of the Prospective Market Area set forth above.

When Franchisee selects its desired location for the Franchised Business, Franchisee must follow the approval process set forth in Section 6 of the Franchise Agreement and Franchisor's Operations Manuals. If Franchisor approves of Franchisee's proposed location, Franchisor will send Franchisee its form site approval letter ("Site Selection Approval Letter"). The location set forth in the Site Selection Approval Letter shall constitute the "Location" of the Franchised Business pursuant to Section 1 of the Franchise Agreement. Franchisee's Territory shall be the lesser of (i) 100,000 people or (ii) a twenty (20) mile radius surrounding the Location.

ATTACHMENT 2 TO FRANCHISE AGREEMENT
LEASE RIDER

This Lease Rider is executed as of this date of _____, by and between _____ ("Tenant") and _____ ("Landlord") as a Rider to the lease dated _____ (as amended, renewed, and/or extended from time to time, the "Form Lease") for the Premises located at _____ ("Premises").

In the event of a conflict between the terms and conditions set forth within this Rider and the terms and conditions set forth in the Form Lease to which this Rider is attached, the terms and conditions set forth within this Rider shall govern and control.

1. Permitted Use. The Premises are leased to Tenant for the operation of a franchised mobile, on-demand, environmentally friendly car care service business.

2. Signage. Notwithstanding anything contained within the Form Lease to the contrary, Tenant shall, subject to the requirements of local law, have the right to utilize its standard signage and other Proprietary Marks and identification on both the exterior and within the interior of the Premises as approved by SPIFFY FRANCHISING, LLC, a Delaware limited liability company and franchisor of the SPIFFY concept **("Franchisor")**.

3. Assignment and Subletting. Landlord's consent to an assignment of the Form Lease or subletting of the Premises shall not be required in connection with an assignment or subletting as a part of a merger, reorganization or sale of all or substantially all of Tenant's assets or business or an assignment or sublet to Franchisor, any parent, subsidiary or affiliated corporation of Tenant or Franchisor, or another SPIFFY franchisee. Landlord shall approve as an assignee or sublettee any tenant who has become a transferee of the Franchise Agreement by and between Tenant and Franchisor (the Franchise Agreement") as a result of a merger, reorganization or sale of all or substantially all of Tenant's assets. Tenant shall also have the right, without the consent of Landlord, to assign the Form Lease to a company incorporated or to be incorporated by Tenant or a partnership formed or to be formed by Tenant, provided that Tenant owns or beneficially controls a majority of the issued and outstanding shares of capital stock of the company or is the managing general partner of the partnership.

4. Notices; Opportunity to Cure. Copies of any demand letters, default notices or other similar notices of non-compliance **("Notice")** sent by Landlord to Tenant shall also be sent to Franchisor at the following address:

President
SPIFFY FRANCHISING, LLC
4506 S Miami Blvd, Suite 150
Durham, North Carolina 27703

In the event Tenant fails to cure or otherwise remedy the subject matter of the Notice, and prior to exercising any remedies under the Form Lease, Landlord shall grant Franchisor the identical period of time in which to cure same (said cure period to commence immediately upon

Notice from Landlord to Franchisor (at the address set forth herein) that Tenant has failed to cure in a timely manner) and Landlord agrees to accept the performance of Franchisor within said period of time as performance by Tenant pursuant to the terms of the Form Lease.

5. Option to Lease. Landlord hereby agrees that, in the event of (a) the termination or expiration of the Franchise Agreement by and between Tenant and Franchisor; (b) the termination of the Form Lease for any cause whatsoever including, without limitation, a default by Tenant under the Form Lease after expiration of any applicable notice and cure periods; or (c) Tenant's failure to exercise any extension option contained in the Form Lease, Franchisor shall have the option to lease the Premises pursuant to the same terms and conditions as are contained in the Form Lease, in accordance with the following:

(a) Landlord agrees to promptly give Notice to Franchisor (at the address set forth herein) in the event the Form Lease is terminated as the result of a default by Tenant or in the event Tenant fails to exercise any remaining options to extend the term of the Form Lease;

(b) If Franchisor elects to lease the Premises, Franchisor shall notify Landlord in writing of its election to exercise this option to lease within thirty (30) days after (1) termination or expiration of the Franchise Agreement; (2) Franchisor's receipt of Notice from Landlord that the Form Lease has been terminated; or (3) receipt of Notice from Landlord that Tenant has failed to exercise an option to extend the term of the Form Lease;

(c) If Franchisor elects to lease the Premises, Franchisor shall sign and deliver to Landlord a lease containing all of the same terms and conditions (including rental rates, terms and remaining options to extend the term of the Form Lease) as are contained in the Form Lease; provided, however, that Franchisor's leasehold interest shall not be subject to any defaults or claims that may exist between Landlord and Tenant and any such lease shall permit Franchisor to assign the lease or sublease the Premises to a franchisee of Franchisor for use as a SPIFFY franchised location; and

(d) Nothing contained herein shall affect Landlord's right to recover any and all amounts due under the Form Lease from Tenant or to exercise any right of Landlord against Tenant as provided under the Form Lease.

6. De-identification. Landlord and Tenant hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Tenant is obligated under the Franchise Agreement to take certain steps to de-identify the location as a SPIFFY franchise location operated by Tenant. Landlord agrees to cooperate fully with Franchisor in enforcing such provisions of the Franchise Agreement against Tenant, including allowing Franchisor, its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of Franchisor; provided, however, that Landlord shall not be required to bear any expense thereof. Tenant agrees that if Tenant fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, Franchisor may cause all required de-identification to be completed at Tenant's sole cost and expense.

7. **Assignment of Interest.** This Rider is binding and shall inure to the benefit of Landlord, Tenant, and Franchisor, their assigns, and successors-in-interest. Franchisor is an intended beneficiary of this Rider, provided Franchisor shall have no liability for any of Tenant's obligations under the Form Lease. Franchisor signs below for the limited purpose of acknowledging and agreeing to the provisions of this Rider.

8. **Non-disturbance from Mortgage Lenders.** It is a condition of the Form Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agrees not to disturb Tenant's rights under the Form Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Form Lease beyond any applicable grace or cure period provided therein. If a mortgage, deed of trust or deed to secure debt currently encumbers the Premises, it is a condition precedent to Tenant's obligations under the Form Lease that the holder of such encumbrance enter into a written recordable form of subordination and non-disturbance agreement with Tenant, in a form reasonably acceptable to Tenant, as described above.

9. **Security Interest.** Any security interest and/or landlord's lien of Landlord in Tenant's trade fixtures, trade dress, signage, equipment and other personal property is hereby subordinated to any security interest and pledge granted to Franchisor in such items.

LANDLORD:	**TENANT:**
_____	_____
By: _____	By: _____
Its: _____	Its: _____
Name: _____	Name: _____

Agreed to:

FRANCHISOR:

SPIFFY FRANCHISING, LLC

By: _____
Name: _____
Title: _____

ATTACHMENT 3 TO FRANCHISE AGREEMENT

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

In consideration of the execution of the Franchise Agreement (the "Agreement") between SPIFFY FRANCHISING, LLC ("Franchisor") and _____ ("Franchisee") dated of even date herewith, 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 Agreement, to be paid, kept and performed by the Franchisee, including without limitation the dispute resolution provisions of the Agreement.

Further, except for those designated as "Spouse" and not "Owner" in the signature block below, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement, including but not limited to the non-compete provisions, and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed an agreement containing the identical terms and conditions of the Agreement.

The undersigned's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other guarantors of Franchisee. The undersigned shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so. Franchisor may proceed against the undersigned and Franchisee jointly and severally, or Franchisor may, at its option, proceed against the undersigned, without having commenced any action, or having obtained any judgment against Franchisee. The undersigned agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against guarantor.

In addition, 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; (2) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; (3) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Personal Guaranty, which shall be continuing and irrevocable during the term of the Agreement; and (4) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Franchisee with or without the undersigned receiving notice thereof.

The undersigned waive: (1) notice of demand for payment of any indebtedness or on performance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (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; (4) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and (5) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of Franchisor's successors and assigns.

PERSONAL GUARANTORS:

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
Owner or Spouse: _____

ATTACHMENT 4 TO FRANCHISE AGREEMENT
NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement ("Agreement") is made and entered into as of _____ by and between SPIFFY FRANCHISING, LLC, a Delaware limited liability company ("Company") and _____ ("Associate"), who resides at _____. All initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of a business that provides mobile, on-demand, and environmentally friendly car care services, including wash, detail, oil change, tire installation and repair, and fueling ("Franchised Business"). The Franchised Businesses are operated under the trademark "SPIFFY" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "Marks");

B. The Franchisor has developed methods for establishing, operating and promoting Franchised Businesses pursuant to the Franchisor's Confidential Information (defined below) and Trade Secrets (defined below) and such Confidential Information and Trade Secrets as may be further developed from time to time by the Franchisor ("System");

C. The Franchisor and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of products and customer service, which goodwill and reputation have been and will continue to be of major benefit to the Franchisor;

D. Associate desires to become involved with a _____ ("Franchisee"), a franchisee of the Franchisor that operates a Franchised Business in _____ in the capacity of an owner, officer, partner, director, or agent of the Franchised Business, or is a spouse or domestic partner of an owner of a Franchised Business, and will become privileged as to certain Confidential Information and Trade Secrets. Associate may or may not have signed the Franchise Agreement or personal guaranty; and

E. Associate and the Franchisor have reached an understanding with regard to nondisclosure by Associate of Confidential Information and Trade Secrets and with respect to noncompetition by Associate with the Franchisor and other franchisees of the Franchisor. Associate agrees to the terms of this Agreement as partial consideration for the Franchisor's willingness to allow Associate to engage in a business relationship with Franchisor or Franchisee using the Franchisor's Confidential Information and Trade Secrets.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Franchisor, intending legally to be bound, agree as follows:

1. Definitions.

(a) "Associate" shall mean the individual described in the first paragraph of this Agreement.

(b) "Competitive Business" as used in this Agreement means any business or commercial activity, other than a SPIFFY business that Franchisee is authorized by Franchisor to operate, that (i) provides mobile car care services, including, but not limited to wash, detail, oil change, tire installation and repair, and fueling; or (ii) develops, markets, sells, or licenses technology used in the delivery of mobile car care services; or (iii) provides any of the products or services offered by the Franchised Business at the time of or during the one (1) year period prior to the Restrictive Period.

(c) "Confidential Information" shall include, without limitation, all knowledge, know-how, formats, plans, data processes, supply systems, marketing systems, techniques, designs, layouts, standards, and procedures related to the establishment and operation of the Franchised Business, and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business including, without limitation, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, e-mail addresses, customer purchase records, mail lists, manuals, promotional and marketing materials, marketing strategies and any other data and information that the Franchisor or its affiliates designates as confidential including all information contained in the Operations Manuals, which may be provided as one or more separate manuals, written instructional guides, electronic files, or other communications from the Franchisor or its affiliates, which may be changed or supplemented from time to time.

(d) "Customer" shall means (i) any customer to which the Franchised Business sold any product or for which the Franchised Business performed any service at any time within the one (1) year period prior to the Restrictive Period and whom Associate had a business relationship through Associate's association with Franchisor or Franchisee (ii) any prospective customer that the Associated called on at any time or had any communications within the one (1) year period prior to the Restrictive Period, or (iii) any prospective customer about whom the Associate gathered information at any time within the one (1) year period prior to the Restrictive Period that could be used to the competitive disadvantage of the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first date of the Restrictive Period.

(e) "Franchise Agreement" shall mean the franchise agreement between Franchisor and Franchisee dated _____ as amended or renewed from time to time.

(f) "Location" shall mean the approved location of Franchisee's Franchised Business.

(g) "Protected Territory" shall mean:

(i) An area which combined includes (a) the Territory as of the first date of the Restrictive Period, (b) the territories in which Franchisor or its affiliates

or other franchisees operate any SPIFFY businesses or locations as of the first date of the Restrictive Period, and (c) any area which is within ten (10) miles of the boundaries of any of those territories; or

(ii) An area which combined includes (a) the Territory as of the first date of the Restrictive Period and (b) any area which is within ten (10) miles of the boundaries of the Territory; or

(iii) The Territory as of the first date of the Restrictive Period.

(h) "Restrictive Period" shall mean a period of two (2) years that begins the earlier of (i) the date of termination, expiration, or non-renewal of the Franchise Agreement, regardless of the reason for such termination, expiration, or non-renewal, or (ii) the date Associate's association with Franchisee or the Franchised Business ends for any reason, including but not limited to, divorce, separation, sale, termination, or transfer.

(i) "Term" shall have the meaning defined in the Franchise Agreement.

(j) "Territory" shall have the meaning defined in the Franchise Agreement.

(k) "Trade Secret(s)" shall mean information, including a customer lists, pattern, compilation, program, device, method, technique or process related to the Franchised Business that both derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. Confidential Information and Trade Secrets. Associate and the Franchisor acknowledge that the Confidential Information and Trade Secrets that are developed and utilized in connection with the operation of the Franchised Business are unique and the exclusive property of the Franchisor or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information and Trade Secrets would be wrongful and would cause irreparable injury and harm to the Franchisor or its affiliates. Associate further acknowledges that the Franchisor or its affiliates have expended a great amount of effort and money in obtaining and developing the Confidential Information and Trade Secrets, that the Franchisor or its affiliates have taken numerous precautions to guard the secrecy of the Confidential Information and Trade Secrets, and that it would be very costly for competitors to acquire or duplicate the Confidential Information and Trade Secrets.

3. Nondisclosure of Confidential Information. During the Term and any renewal Term of the Franchise Agreement and for all periods after the Term and any renewal Term of the Franchise Agreement, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Franchisor or the Franchised Business, any of the Confidential Information of the Franchisor or its affiliates.

4. Exceptions to Disclosing Confidential Information. Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply

to the following: (a) information that was in the public domain prior to being communicated to Associate through no fault of Associate; (b) information that entered the public domain after it was Communicated to Associate through no fault of Associate; (c) information that was in Associate's possession free of any obligation of confidence at the time it was communicated to Associate; or (d) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Associate is legally compelled to disclose the information, if Associate has notified the Franchisor before disclosure and used Associate's best efforts, and afforded the Franchisor the opportunity, to obtain an appropriate protective order or other assurance satisfactory to the Franchisor of confidential treatment for the information required to be so disclosed.

5. Nondisclosure of Trade Secrets. During the Term and any renewal Term of the Franchise Agreement and for as long as such information constitutes a Trade Secret, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Franchisor or the Franchised Business, any of the Trade Secrets of the Franchisor or its affiliates.

6. In-Term Covenant Against Unfair Competition. During the Term, Associate will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) own, manage engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any Competitive Business; or

(ii) offer or grant franchises or licenses for any Competitive Business; or

(iii) become a franchisee or licensee of any Competitive Business; or

(iv) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

(v) use any vendor relationship established through Associate's association with Franchisor or Franchisee for any purpose other than to purchase supplies, products, equipment, merchandise, or services for use or retail sale in the Franchised Business; or

(vi) solicit, divert or attempt to solicit or divert any customer of the Franchisee at any time during the Term of the Franchise Agreement, to any Competitive Business, by direct or indirect inducement or otherwise.

7. Post-Termination Covenant Against Unfair Competition. Associate covenants and agrees that for the Restrictive Period Associate shall not, within the Protected Territory, engage in any of the following:

(i) franchise, license, engage in, own, manage, operate, or have any operational or management authority in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a

corporation engaged in such business or service shall not in itself be deemed violative of this Section 7 so long as Associate does not own themselves or through his or her spouses or partners more than one percent (1%) of the securities of such corporation; or

(ii) engage in any Competitive Business as an employee, consultant, or independent contractor in any capacity in which Associate would be in a position to use or disclose Confidential Information; or

(iii) solicit, divert, or induce or attempt to solicit, divert, or induce for, or on behalf of, any Competitive Business any person or entity who was an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business as of the first day of the Restrictive Period with whom Associate had a business relationship through Associate's association with Franchisee or who was an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business within one (1) year prior to the Restrictive Period with whom Associate had a business relationship through Associate's association with Franchisee, to work for the Competitive Business; or

(iv) solicit, induce or attempt to solicit or induce any person or entity who is an employee of, independent contractor to, consultant to, or other service provider to the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first day of the Restrictive Period or within one (1) year of the Restrictive Period to terminate or alter in any way its, his, or her relationship with the Franchised Business, Franchisee, Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the date of the Restrictive Period; or

(v) solicit, divert, or induce or attempt to solicit, divert, or induce any persons who were employees of, independent contractors to, consultants to, or any other service provider to Franchisor, Franchisor's affiliates, or Franchisor's other franchisees as of the first day of the Restrictive Period or within one (1) year of the Restrictive Period for, or on behalf of, any Competitive Business to work for any Competitive Business; or

(vi) solicit, divert, or attempt to solicit or divert to any Competitive Business any Customer.

8. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Franchisor may be entitled. Associate agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds totaling Five Hundred Dollars ($500) or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

9. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of the

Confidential Information and Trade Secrets and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Associate or Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information and Trade Secrets. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "prior breach" on the part of the Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Franchisor will entitle or permit Associate to disclose any such Confidential Information or Trade Secrets in any circumstances.

10. Effect of Waiver. The waiver by Franchisor of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

11. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Franchisor and their respective heirs, executors, representatives, successors and assigns.

12. Entire Agreement. This instrument contains the entire agreement of Associate and the Franchisor relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

13. Governing Law; Jurisdiction and Venue. The laws of North Carolina (without giving effect to its conflicts of law principles) govern all matters arising under and relating to this Agreement, including torts. In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of North Carolina, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of North Carolina. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of North Carolina. Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

14. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

15. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

16. Miscellaneous. Due to the importance of this Agreement to Franchisor, any claim Associate has against Franchisor is a separate matter and does not entitle Associate to violate, or justify any violation of, this Agreement. Associate agrees that all the words and phrases used in this Agreement will have the same meaning as used in the Franchise Agreement, or as otherwise defined herein.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

ASSOCIATE:

_____

_____

SPIFFY FRANCHISING, LLC

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

ATTACHMENT 5 TO FRANCHISE AGREEMENT
TELEPHONE LISTING AND INTERNET AUTHORIZATION AGREEMENT

THIS AGREEMENT is entered into as of _____ by and between SPIFFY FRANCHISING, LLC, a Delaware limited liability company, and _____, a _____ _____ (hereinafter referred to as "Franchisee").

WITNESSETH THAT:

WHEREAS, SPIFFY FRANCHISING, LLC has developed and refined a business known as "SPIFFY," which uses distinctive innovations and marketing features (such business is referred to herein as the "SPIFFY System"); and

WHEREAS, SPIFFY FRANCHISING, LLC is the franchisor of the SPIFFY System and the licensor of the trademarks, service marks, copyrights and other intellectual property used in the SPIFFY System, including without limitation, the mark SPIFFY (collectively referred to herein as the "SPIFFY Intellectual Property"); and

WHEREAS, SPIFFY FRANCHISING, LLC and Franchisee have entered into a Franchise Agreement (the "Franchise Agreement") pursuant to which SPIFFY FRANCHISING, LLC granted to Franchisee the non-exclusive limited right to use the SPIFFY Intellectual Property and related commercial symbols (the "Franchised Business") in Franchisee's business telephone directory listings marketing the Franchised Business and otherwise identifying Franchisee; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Franchisee is authorized to obtain separate telephone service, and/or participate in a central telephone service for Franchisee's Franchised Business as created by or on behalf of SPIFFY FRANCHISING, LLC. Such service shall not be used in conjunction with any other business or residential telephone service at Franchisee's home and/or principal place of business.

2. Franchisee is authorized and agrees to secure white pages, Yellow Pages and directory assistance listings only as "SPIFFY." No other names or modifications of "SPIFFY" may be used in conjunction with the SPIFFY Intellectual Property, and no additional listings may be used with the telephone number so assigned to Franchisee unless approved in writing in advance by SPIFFY FRANCHISING, LLC

3. All telephone listings, Yellow Page display advertising, layout and copy desired to be used by or requested by Franchisee shall be approved in advance in writing by SPIFFY FRANCHISING, LLC, and Franchisee agrees not to deliver to any telephone company placements of any such copy unless written approval by SPIFFY FRANCHISING, LLC is attached.

4. Franchisee shall be responsible for the timely and complete payment of all service charges for telephone service, directory listings and Yellow Page advertising and/or all service

charges for the Franchisee's reasonable share of central numbers, associated listings and advertising.

5. Franchisee agrees such telephone number(s), listings and advertisements shall be considered to be the sole and exclusive property of SPIFFY FRANCHISING, LLC. Upon termination, non-renewal, or expiration of the Franchise Agreement for whatever reason, Franchisee agrees to immediately cease all use of such telephone number(s), cell phone number(s), email addresses, social networking logins and passwords, Twitter handles, listings and advertisements ("Property") and Franchisee agrees to take all actions necessary to immediately transfer all such Property to SPIFFY FRANCHISING, LLC, and to the extent allowed by applicable law, Franchisee shall take all actions necessary to ensure the same shall become the sole and exclusive property of SPIFFY FRANCHISING, LLC, at its option, subject to SPIFFY FRANCHISING, LLC's obligation to pay all fees due therefor becoming due and payable after the date of cessation of use by Franchisee. Franchisee shall immediately deliver all information related to such Property to SPIFFY FRANCHISING, LLC.

6. Franchisee, by this Agreement, hereby releases and forever discharges SPIFFY FRANCHISING, LLC and its successors or assigns and the telephone company, internet provider, or other service provider from liability of any kind or character which results or may result directly or indirectly from SPIFFY FRANCHISING, LLC's exercise of its rights hereunder or from such telephone company, internet provider or other service provider's cooperation with SPIFFY FRANCHISING, LLC in effecting the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SPIFFY FRANCHISING, LLC

By: _____
Name: _____
Title: _____

EXHIBIT B

EXHIBIT B-1 TO FRANCHISE DISCLOSURE DOCUMENT
BUSINESS DIRECTORY AND LISTING OF CURRENT FRANCHISEES
February 1, 2022

Market	Franchisee Name	Address	Phone Number
San Jose, CA	A4H LLC	3979 Yerba Buena Ave. San Jose, CA 95121	408-712-7692
Upper Chesapeake, DE	QUALISPROS LLC	137 Cool Springs Rd. North East, MD 21901	410-322-7302
Indianapolis, IN	INDY MOBILE SERVICES, INC.	9820 Association Ct, Indianapolis, IN 46280	317-581-7608
Greensboro, NC	JBODKIN ENTERPRISES, LLC	4008 Shiland Dr. Greensboro, NC 27406	336-860-8273
Wilmington, NC	MHF VENTURES LLC	PO Box 1385, Wrightsville Beach, NC 28480	910-538-1158
Albany, NY ∞***	KMC CAPITAL LLC	111 Troy Schenectady Road, Lathan NY 12110	917-339-6105
Greater Cincinnati, OH	HINSON HOLDINGS, LLC	5910 Woodthrush Ln. West Chester, OH 45069	513-939-5402
Oklahoma City, OK	SNIRT LLC	2725 W California, Ave, Oklahoma City, OK 73107	405-550-4382
Columbia, SC ∞	PSD VENTURES, LLC	5515 Shakespeare Road, Suite 340, Columbia SC, 29223	864-908-0086
Greenville, SC ∞ ***	PSD VENTURES, LLC	4 West Tallulah Dr. Greenville, SC 29605	864-908-0086

∞ Indicates that the franchisee is an area developer.

*** Indicates agreement is signed but unit is not yet open.

EXHIBIT B-2 TO FRANCHISE DISCLOSURE DOCUMENT
LISTING OF CERTAIN PAST FRANCHISEES
or Franchisees who have not been in communication within 10 weeks

No franchisees have departed the system during 2021 or have failed to communicate with us within the last 10 weeks.

EXHIBIT C
FINANCIAL STATEMENTS

Audited Financial Statements

SPIFFY FRANCHISING, LLC

Year Ended December 31, 2021 and
Period May 26, 2020 (Inception) to December 31, 2020

Audited Financial Statements

Spiffy Franchising, LLC

Year Ended December 31, 2021 and Period May 26, 2020 (Inception)
to December 31, 2020

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Independent Auditors' Report

To the Owner
Spiffy Franchising, LLC

We have audited the accompanying financial statements of Spiffy Franchising, LLC (a Delaware LLC) which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations and member's equity, and cash flows for the year ended December 31, 2021 and the period May 26, 2020 (inception) to December 31, 2020, and the related notes to the financial statements.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Spiffy Franchising, LLC as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the year ended December 31, 2021 and the period May 26, 2020 (inception) to December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted audits in accordance with auditing standards generally accepted in the United State of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Spiffy Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report--Continued

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Spiffy Franchising, LLC 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Spiffy Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Romeo, Wiggins & Company, L.L.P.

Raleigh, North Carolina
March 25, 2022

Balance Sheets

Spiffy Franchising, LLC

December 31, 2021 and 2020

	2021	2020
ASSETS		
Current assets:		
Cash	$ 276,247	$ 87,827
Accounts receivable	28,628	0
TOTAL CURRENT ASSETS	304,875	87,827
Due from parent, Get Spiffy, Inc.	205,978	0
TOTAL ASSETS	$ 510,853	$ 87,827
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable - franchise owners	$ 24,115	$ 0
Deferred revenues	35,500	5,800
Deposits	214,625	0
Due to parent, Get Spiffy, Inc.	0	115,618
TOTAL CURRENT LIABILITIES	274,240	121,418
Long-term liabilities:		
Deferred revenues, less current portion	255,875	31,716
TOTAL LIABILITIES	530,115	153,134
MEMBER'S EQUITY	(19,262)	(65,307)
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 510,853	$ 87,827

See independent auditors' report and notes to financial statements.

Statements of Operations and Member's Equity

Spiffy Franchising, LLC

Year Ended December 31, 2021 and Period May 26, 2020 (Inception) to December 31, 2020

	2021	2020
Franchise revenue	$ 163,530	$ 483
Equipment and supplies revenue	156,683	0
	320,213	483
Operating costs:		
Cost of revenues	114,061	0
Selling, general and administrative	160,107	65,790
	274,168	65,790
NET INCOME (LOSS)	46,045	(65,307)
Member's equity, Beginning of year	(65,307)	0
Member's equity, End of year	$ (19,262)	$ (65,307)

See independent auditors' report and notes to financial statements.

Statements of Cash Flows

Spiffy Franchising, LLC

Year Ended December 31, 2021 and Period May 26, 2020 (Inception) to December 31, 2020

	2021	2020
Cash flows from operating activities:		
Net income (loss)	$ 46,045	$ (65,307)
Changes in operating assets and liabilities:		
Accounts receivable	(28,628)	0
Accounts payable	24,115	0
Deposits	214,625	0
Deferred revenue	253,859	37,516
Due to/from parent, Get Spiffy, Inc.	(321,596)	115,618
NET CASH PROVIDED BY OPERATING ACTIVITIES	188,420	87,827
NET INCREASE IN CASH	188,420	87,827
Cash and cash equivalents, beginning of year	87,827	0
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 276,247	$ 87,827

See independent auditors' report and notes to financial statements.

NOTE A--THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

Company Operations: Spiffy Franchising, LLC ("the Company") is located in Durham, North Carolina. The Company was established to market and sell franchises of Get Spiffy, Inc. The Company is a wholly-owned subsidiary of Get Spiffy, Inc.

These financial statements include accounts of Spiffy Franchising, LLC and none of the accounts of its parent, Get Spiffy, Inc. Effective January 1, 2021, the Company and its parent, Get Spiffy, Inc., had a management agreement in place whereby Get Spiffy, Inc. provides all administrative functions on behalf of the Company and provides all supplies sold by the Company to its franchise owners. The agreement calls for a management fee of 50% of the Company's gross revenue and a supplies fee equal to the amount charged by the Company to its franchise owners less 30%. Actual costs incurred by Get Spiffy, Inc. on behalf of Spiffy Franchising, LLC may exceed amounts charged to the Company.

For the year ended December 31, 2021, management fees of $160,107 and supplies fees of $109,678 were billed to the Company.

Cash Equivalents: The Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable: Accounts receivable is primarily comprised of amounts owed to the Company resulting from equipment and supplies and other revenue. The Company evaluates its accounts receivable on an ongoing basis and may establish an allowance for doubtful accounts based on collections and current credit conditions. Accounts are written off as uncollectible when it is determined that further collection efforts will be unsuccessful. The Company has not established an allowance for doubtful accounts as of December 31, 2021.

Accounts Payable - Franchise Owners: The Company collects certain amounts from its franchise owners' customers, nets all franchise related fees due and pays the net balance due. At December 31, 2021, franchise owners were due $24,115.

Deferred Revenue: Deferred revenue consists of initial franchise fees that are generally recognized on a straight-line basis over the franchise term.

Cost of Revenue: Cost of revenue consists primarily of direct costs and amounts due to its parent for supplies sold to its franchise owners.

Selling, General and Administrative: Selling, general and administrative expenses represent amounts billed and/or paid to the Company's parent under its management agreement. As noted above, the agreement calls for a management fee equal to 50% of the Company's gross revenue.

Basis of Presentation: The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America.

Income Taxes: The Company has elected to be taxed for income tax purposes as a Limited Liability Company under the provisions of the Internal Revenue Code; consequently, income, losses and credits are passed through directly to the members, rather than being taxed at the corporate level.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE A--THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES--Continued

Fair Value Measurements: FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority.

As of December 31, 2021 and 2020, the Company has no assets or liabilities classified within Levels 1, 2 or 3 of the fair value hierarchy.

Fair Value of Financial Instruments: The carrying amounts of cash were assumed to approximate the fair value of such due to the short maturities of those instruments.

Revenue Recognition: The Company recognizes revenue in accordance with FASB Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606) and ASC Subtopic 952-605, *Franchisors-Revenue Recognition.*

The Company's revenues from franchise agreements consist of initial franchise fees, royalties, and other related fees.

The Company's primary performance obligation under the franchise license agreement is granting certain rights to use the Company's intellectual property and pre-opening services, advertising services and ongoing support services are highly interrelated, not distinct within the agreement and therefore, accounted for under ASC 606 as a single performance obligation, which is satisfied by granting certain rights to use the Company's intellectual property over the term of each franchise agreement.

Upfront franchise fees, renewal fees and transfer fees, are recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

Royalty and marketing fees are based on a percentage of franchise revenue and are recognized as those revenues are earned.

The Company also has revenues from the upfit of vehicles leased by franchise owners. The Company considers itself an agent for transactions involving the sale of equipment to franchise owners and accordingly records this revenue at net. Installation service fees for the upfit are recorded at gross.

The Company has revenues from the sale of supplies to its franchise owners. These revenues are recognized when earned. The Company purchases the supplies from its parent Get Spiffy, Inc. under the supplies agreement as noted above.

NOTE B--CONCENTRATIONS OF RISK

Management Fees and Costs of Revenues: The Company relies on its parent for all administrative functions as well as all supplies sold to its franchise owners. The Company expects this relationship to continue for the foreseeable future. Should the Company's parent encounter unanticipated adverse circumstances, it would have a negative impact on the Company.

Concentration of Credit Risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of temporary cash investments. The Company had $0 on deposit with a financial institution in excess of federally insured limits at December 31, 2021 and 2020.

Spiffy Franchising, LLC

NOTE C--DEFERRED REVENUE

Deferred revenue represents initial franchise fees that are being recognized on a straight-line basis over the term of the applicable franchise agreement. Revenues expected to be recognized within one year are classified as a current liability with revenues expected to be recognized outside of one year classified as long-term. The following table provides expected future revenue recognition:

2022	$ 35,500
2023	35,500
2024	35,500
2025	35,167
2026	28,167
Thereafter	121,541
	$ 291,375

NOTE D--DEPOSITS

The Company assists its franchise owners with the upfit of vehicles required to provide mobile services. The franchise owners pay deposits to the Company so the necessary equipment can be purchased. At December 31, 2021 and 2020, the Company had $214,625 and $0 in deposits related to vehicle upfits, respectively.

NOTE E--RELATED PARTY TRANSACTIONS

As noted above, the Company's parent provides administrative functions on behalf of the Company owners. As part of this administrative assistance, the Company's parent collects all funds received from franchise owners and their customers. These funds are remitted to the Company on a periodic basis. The Company's parent also charges the Company a management fee and supplies fee as discussed in Note A. At December 31, 2021, the Company is due $205,978 from its parent, Get Spiffy, Inc. At December 31, 2020, the Company owed its parent $115,618 for amounts provided while the Company had limited revenue.

NOTE F--SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 25, 2022, the date which the financial statements were available to be issued.

Audited Financial Statements

SPIFFY FRANCHISING, LLC

December 31, 2020

Audited Financial Statements

Spiffy Franchising, LLC

December 31, 2020

Audited Financial Statements

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Independent Auditors' Report

To the Owner
Spiffy Franchising, LLC

We have audited the accompanying financial statements of Spiffy Franchising, LLC (a Delaware LLC) which comprise the balance sheet as of December 31, 2020 and the related statements of operations and member's equity, and cash flows for the period May 26, 2020 (Inception) to December 31, 2020, 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 is 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 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 statement is 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' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Spiffy Franchising, LLC as of December 31, 2020, and the results of their operations and their cash flows for the period May 26, 2020 (Inception) to December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Romeo, Wiggins + Company, L.L.P.

Raleigh, North Carolina
February 24, 2021

Balance Sheet

Spiffy Franchising, LLC

December 31, 2020

ASSETS	
Current assets:	
Cash	$ 87,827
TOTAL CURRENT ASSETS	87,827
TOTAL ASSETS	$ 87,827
LIABILITIES AND MEMBER'S EQUITY	
Current liabilities:	
Deferred revenues	$ 5,800
Due to parent, Get Spiffy, Inc.	115,618
TOTAL CURRENT LIABILITIES	121,418
Long-term liabilities:	
Deferred revenues, less current portion	31,716
TOTAL LIABILITIES	153,134
MEMBER'S EQUITY	(65,307)
TOTAL LIABILITIES AND MEMBER'S EQUITY	$ 87,827

See independent auditors' report and notes to financial statements.

Statement of Operations and Member's Equity

Spiffy Franchising, LLC

Period May 26, 2020 (Inception) to December 31, 2020

Revenue - franchise	$	483
Operating costs:		
Selling, general and administrative		65,790
NET LOSS		(65,307)
Member's equity, Beginning of year		0
Member's equity, End of year	$	(65,307)

See independent auditors' report and notes to financial statements.

Statement of Cash Flows

Spiffy Franchising, LLC

Period May 26, 2020 (Inception) to December 31, 2020

Cash flows from operating activities:		
Net loss	$	(65,307)
Changes in operating assets and liabilities:		
Deferred revenue		37,516
Due to parent, Get Spiffy, Inc.		115,618
NET CASH PROVIDED BY OPERATING ACTIVITIES		87,827
NET INCREASE IN CASH		87,827
Cash and cash equivalents, beginning of period (May 26, 2020)		0
CASH AND CASH EQUIVALENTS, END OF YEAR	$	87,827

See independent auditors' report and notes to financial statements.

Notes to Financial Statements

Spiffy Franchising, LLC

December 31, 2020

NOTE A--THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

Company Operations: Spiffy Franchising, LLC ("the Company") is located in Durham, North Carolina. The Company was established to market and sell franchises of Get Spiffy, Inc. The Company is a wholly-owned subsidiary of Get Spiffy, Inc.

This financial statement includes accounts of Spiffy Franchising, LLC and none of the accounts of its parent, Get Spiffy, Inc.

Cash Equivalents: The Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Deferred Revenue: Deferred revenue consists of initial franchise fees that are generally recognized on a straight-line basis over the franchise term.

Basis of Presentation: The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America.

Income Taxes: The Company has elected to be taxed for income tax purposes as a Limited Liability Company under the provisions of the Internal Revenue Code; consequently, income, losses and credits are passed through directly to the members, rather than being taxed at the corporate level.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements: FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority.

As of December 31, 2020 and 2019, the Company has no assets or liabilities classified within Levels 1, 2 or 3 of the fair value hierarchy.

Fair Value of Financial Instruments: The carrying amounts of cash were assumed to approximate the fair value of such due to the short maturities of those instruments.

Revenue Recognition: The Company recognizes revenue in accordance with FASB Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606) and ASC Subtopic 952-605, *Franchisors-Revenue Recognition.*

The Company's revenues from franchise agreements consist of initial franchise fees, royalties, and other related fees. During 2020, the Company signed two franchise agreements and collected initial franchise fees. These initial franchise fees are recognized as the Company satisfies the performance obligation over the franchise term.

Spiffy Franchising, LLC

NOTE B--CONCENTRATIONS OF RISK

Concentration of Credit Risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of temporary cash investments. The Company had $0 on deposit with a financial institution in excess of federally insured limits at December 31, 2020.

NOTE C--DEFERRED REVENUE

Deferred revenue represents initial franchise fees that are being recognized on a straight-line basis over the term of the applicable franchise agreement. Revenues expected to be recognized within one year are classified as a current liability with revenues expected to be recognized outside of one year classified as long-term. The following table provides expected future revenue recognition:

2021	$ 5,800
2022	5,800
2023	5,800
2024	5,800
2025	5,466
Thereafter	8,850
	$ 37,516

NOTE D--RELATED PARTY TRANSACTIONS

The Company has relied on its parent company to fund its operations and expects this to continue until franchise related revenues are enough to fund its operations. At December 31, 2020, the Company owed its parent $115,618.

NOTE E--SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 24, 2021, the date which the financial statements were available to be issued.

EXHIBIT D
STATE SPECIFIC ADDENDUM TO
FRANCHISE AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC STATES

If any one of the following Riders to the Franchise Agreement for Specific States ("Riders") is checked as an "Applicable Rider" below, then that Rider shall be incorporated into the Franchise Agreement entered into by SPIFFY FRANCHISING, LLC and the undersigned Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Franchise Agreement, the terms of the Applicable Rider shall supersede the terms of the Franchise Agreement.

Applicable Rider

- ☐ California
- ☐ Illinois
- ☐ Maryland
- ☐ Minnesota
- ☐ New York
- ☐ Rhode Island
- ☐ Virginia
- ☐ Washington

SPIFFY FRANCHISING, LLC

_____
FRANCHISEE (Print Name)

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

CALIFORNIA APPENDIX FOR OFFERINGS

OF FRANCHISES IN CALIFORNIA

If your franchise is located in California, the following will apply:

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.

PAYMENT OF THE INITIAL FRANCHISE FEES IS POSTPONED UNTIL AFTER THE FRANCHISOR'S INITIAL OBLIGATIONS ARE COMPLETE.

1. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

2. No person or franchise broker listed in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a, et seq., suspending or expelling such persons from membership in such association or exchange.

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

4. Item 17 Additional Paragraphs:

   A. California Business and Professional Code Sections §§ 20000 through 20043 provide rights to the franchisee concerning the 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.

   B. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, et seq.).

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

   D. The franchise agreement requires litigation to occur in North Carolina with the costs being borne by each party, unless the disputed provision in the franchise agreement provides for payment by the losing party of the prevailing party's attorneys' fees and costs of litigation. This provision may not be enforceable under California law.

E. The franchise agreement requires application of the laws of North Carolina. This provision may not be enforceable under California law.

5. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as business and Professions Code § 20040.S, Code of Civil Procedures 1281, and the Federal Arbitrations Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

6. 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.

7. 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).

California Addendum to the Franchise Agreement:

1. The Franchise Agreement is hereby amended to include the following:

> No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Agreed to as of: _____

Franchisor:

SPIFFY FRANCHISING, LLC

By:_____
Name: _____
Title: _____

Franchisee:

_____

By: _____
Name: _____
Title: _____

ILLINOIS

Illinois Addendum to the Disclosure Document:

1. Item 5 of the Disclosure Document is amended to include the following:

   The collection of initial franchise fees shall be deferred until franchisor has satisfied its pre-opening obligations to franchisee and franchisee has commenced doing business (Section 200.508 of the Illinois Administrative Rules). The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

2. Item 17 of the Disclosure Document is amended to include the following:

   Illinois law shall apply to and govern the Franchise Agreement.

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

   Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Illinois Addendum to the Franchise Agreement:

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

   The collection of initial franchise fees shall be deferred until franchisor has satisfied its pre-opening obligations to franchisee and franchisee has commenced doing business (Section 200.508 of the Illinois Administrative Rules). The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

2. The Franchise Agreement is amended to include the following:

   Illinois law shall apply to and govern the Franchise Agreement(s).

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

   Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Franchisor:

SPIFFY FRANCHISING, LLC

By:_____
Name: _____
Title: _____

Franchisee:

_____

By: _____
Name: _____
Title: _____

[Signatures Continue on the Following Page]

Guarantors:

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

Illinois Addendum to the Area Development Agreement:

1. Section 3 of the Area Development Agreement is amended to include the following:

   The collection of initial franchise fees shall be deferred until franchisor has satisfied its pre-opening obligations to franchisee and franchisee has commenced doing business (Section 200.508 of the Illinois Administrative Rules). The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

2. The Area Development Agreement is amended to include the following:

   Illinois law shall apply to and govern the Area Development Agreement and Franchise Agreements.

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

   Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Franchisor:

SPIFFY FRANCHISING, LLC

By:_____
Name: _____
Title: _____

Area Developer:

_____

By: _____
Name: _____
Title: _____

[Signatures Continue on the Following Page]

Guarantors:

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

MARYLAND

Franchise Disclosure Document

Item 5 of the Franchise Disclosure Document is revised to include the following:

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

Item 11 of the Franchise Disclosure Document is revised to include the following:

> We are required to provide you an accounting of the advertising fund under Maryland law. You may obtain an unaudited accounting by making a written request to our President with sixty (60) days' prior notice at the following address: 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703.

Item 17 of the Franchise Disclosure Document is revised to include the following:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> The provision in the Franchise Agreement which provides for termination upon bankruptcy of franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

MARYLAND

Franchise Agreement

The Franchise Agreement is amended to include:

> Based upon the Franchisor's financial condition, the Maryland Securities Division has required a financial assurance. Therefore, all fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under this franchise agreement.

Sections 2 and 13 of the Franchise Agreement are amended to include:

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

Sections 9, 11, and 17 of the Franchise Agreement are amended to include:

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

Section 17 of the Franchise Agreement is amended to include:

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

Section 20 of the Franchise Agreement is amended to include:

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

Section 21 of the Franchise Agreement is amended to include:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> Franchisee may bring claims under the Maryland Franchise Registration and Disclosure Act in Maryland.
>
> This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the

Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Franchisor:

SPIFFY FRANCHISING, LLC

By:_____
Name: _____
Title: _____

Franchisee:

_____

By: _____
Name: _____
Title: _____

Guarantors:

By:_____ By:_____
Name: _____ Name: _____
Capacity: _____ Capacity: _____

By:_____ By:_____
Name: _____ Name: _____
Capacity: _____ Capacity: _____

MARYLAND

Area Development Agreement

The Area Development Agreement is amended to include:

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

Section 11 of the Area Development Agreement is amended to include:

> This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Section 12 of the Area Development Agreement is amended to include:

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

Franchisor:

SPIFFY FRANCHISING, LLC

By:_____
Name: _____
Title: _____

[Signatures Continue on the Following Page]

Area Developer:

_____

By: _____
Name: _____
Title: _____

Guarantors:

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

By:_____
Name: _____
Capacity: _____

MINNESOTA

The Franchise Agreement and Franchise Disclosure Document are revised to include the following:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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

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

- The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

- Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release; provided that the foregoing shall not bar the voluntary settlement of disputes.

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

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

- Each provision of this Addendum shall be effective only to the extent that, with respect to such provision, the jurisdictional and procedural requirements of Minnesota Statutes, Chapter 80C and Minn. Rule 2860.440J are met independently without reference to this Addendum.

- Item 5 and 7 of the FDD are revised to include the following statement:

The collection of initial franchise fees shall be deferred until franchisee has commenced doing business.

- Section 3 of the Franchise Agreement is revised to include the following statement:

The collection of initial franchise fees shall be deferred until Franchisee has commenced doing business.

- Section 3 of the Area Development Agreement is revised to include the following statement:

The collection of initial franchise fees shall be deferred until Franchisee has commenced doing business at the first franchised location.

NEW YORK

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

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

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

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

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

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

VIRGINIA

Addendum to the Disclosure Document

The following statement is added to Item 5.

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

The following statements are added to Item 17.h.

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.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

RISK FACTOR:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from $91,300 and $149,150 or $150,300 to $204,150. These amounts exceed the franchisor's stockholder's equity as of December 31, 2020, which is ($65,307).

Addendum to the Franchise Agreement

Section 3 of the Franchise Agreement is amended to include the following statement:

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

Addendum to the Area Development Agreement

Section 3 of the Area Development Agreement is amended to include the following statement:

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

WASHINGTON

Franchise Agreement

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same

franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Under the Franchise Agreement, the franchisor will defer collection of initial franchise fees until the franchisor has fulfilled its pre-opening obligations to the franchisee and the franchisee is open for business. Under an Area Development Agreement, the deferral of the initial franchise fees will be pro-rated, such that the franchisee will pay the franchisor the fees proportionally upon the opening of each unit franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR	FRANCHISEE
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title:_____
Date:_____	Date:_____

EXHIBIT E
FEDERAL AND STATE REGULATORY AUTHORITIES

FEDERAL TRADE COMMISSION

Franchise Rule Coordinator
Federal Trade Commission Division of Marketing Practices
Pennsylvania Avenue at Sixth Street, N.W., Room 238
Washington, D.C. 20580
Telephone: (202) 326-2970

STATE FRANCHISE REGULATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA:
Commissioner of Financial Protection & Innovation
Dept. of Financial Protection and Innovation
320 West 4th St., Ste. 750
Los Angeles, California 90013
Telephone: (213) 576-7500 or
Toll Free Telephone: (866) 275-2677

CONNECTICUT:
Eric Wilder, Director of Securities
Connecticut Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103-1800
Telephone: (860) 240-8233

HAWAII:
Commissioner of Securities
of the State of Hawaii
Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
Telephone: (808) 586-2722

ILLINOIS (Registered Agent):
Tanya Solov, Director of Securities
Office of the Secretary of State
Securities Department
69 West Washington Street, Suite 1220
Chicago, IL 60602
Telephone: (312) 793-3884

ILLINOIS (Regulatory Authority):
Lisa Madigan
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
Telephone: (217) 782-4465

INDIANA:
Chris Naylor, Securities Commissioner
Franchise Section
Indiana Securities Division
Secretary of State
Room E-111
302 West Washington Street
Indianapolis, IN 46204
Telephone: (317) 232-6681

IOWA:
Jim Mumford, Securities Administrator
Director of Regulated Industries Unit
Iowa Securities Bureau
330 Maple Street
Des Moines, IA 50319-0066
Telephone: (515) 281-5705

MARYLAND (Registered Agent):
Maryland Securities Commissioner
200 St. Paul Place,
Baltimore, Maryland 21202-2020
Telephone: (410) 576-6360

MARYLAND (Regulatory Authority):
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202-2020
Telephone: (410) 576-6360

MICHIGAN (Regulatory Authority):
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
525 W. Ottawa Street
Lansing, MI 48909
Telephone: (517) 373-1152

MICHIGAN (Registered Agent):
Linda Cena, Securities Director
Office of Financial & Insurance Regulation
525 West Allegan
1st Floor Constitution Hall
Lansing, MI 48909
Telephone: (517) 241-6345

MINNESOTA (Regulatory Authority):
Minnesota Dept. of Commerce
Securities-Franchise Registration
85 7th Place East, Suite 280
Saint Paul, MN 55101-2198
Telephone: (651) 539-1500

MINNESOTA (Agent for Service of Process):
Commissioner of Commerce
85 7th Place East, Suite 280
Saint Paul, MN 55101-2198
Telephone: (651) 539-1500

NEW YORK (Administrator/Regulatory Authority)
NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st FL
New York, NY 10005
Telephone: (212) 416-8222

NEW YORK (Agent for Service of Process)
Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA:
North Dakota Securities Department
Fifth Floor State Capitol, Dept. 414
600 East Boulevard
Bismarck, ND 58505-0510
Telephone: (701) 328-2910

OKLAHOMA:
Oklahoma Securities Dept.
First National Center
120 N. Robinson Suite 860
Oklahoma City, OK 73102
Telephone: (405) 280-7700

RHODE ISLAND:
Division of Securities
1511 Pontiac Ave
John O. Pastore Complex- Bld 69-1
Cranston, RI 02920
Telephone: (401) 462-9500

SOUTH DAKOTA:
Division of Insurance
Securities Regulation
124 S. Euclid, Ste. 104
Pierre, SD 57501
Telephone: (605) 773-3563

TEXAS:
Hope Andrade
Secretary of State
P.O. Box 12697
Austin, TX 78711-2697
Telephone: (512) 463-5701

UTAH:
Division of Consumer Protection
Utah Department of Commerce
160 East 300 South
SM Box 146704
Salt Lake City, UT 84114-6704
Telephone: (801) 530-6601

VIRGINIA (Registered Agent):
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
Telephone: (804) 371-9733

VIRGINIA (Regulatory Authority)
State Corporation Commission,
Division of Securities and Retail
Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
Telephone: (804) 371-9051

WASHINGTON:
Address for Service of Process:
Department of Financial Institutions
Securities Division
150 Israel Road, SW
Tumwater, WA 98501
Telephone: (360) 902-8760

Mailing Address:
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, WA 98507

WISCONSIN:
Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701
Telephone: (608) 266-3364

EXHIBIT F
SPIFFY SOFTWARE LICENSE AGREEMENT

SPIFFY SOFTWARE SUBSCRIPTION AGREEMENT

This Spiffy Software Subscription Agreement (this "**Agreement**") is made and entered into as of _____ by and between SPIFFY FRANCHISING, LLC, a Delaware limited liability company ("**Franchisor**" or "**we**"), with its principal office located at 4506 S Miami Blvd, Suite 150, Durham, North Carolina 27703, and _____, a _____, with its principal office located at _____, ("**Franchisee**" or "**you**"), and upon execution shall be incorporated into and become a part of that certain Franchise Agreement by and between Franchisor and Franchisee, dated of even date herewith (the "**Franchise Agreement**").

1. Our Services and Software.

   a. Services. During the Term, we will use commercially reasonable efforts to (i) provide the hosting, management and operation of Conductor for remote electronic access and use by you and your Admin Users in accordance with the authorizations granted below, (ii) make the Technician App available for download and use by your technicians in accordance with the license granted below, and (iii) the Support Services described in Section 3.b below (collectively, the "**Services**").

   b. Changes. We may make any changes to our Software (including, without limitation, the design, look and feel, functionality, content, material, information and/or services provided via the Software) that we deem necessary or useful to improve the Software or for any other reason from time-to-time in our sole discretion, and without notice to you. Such changes may include upgrades, bug fixes, patches and other error corrections and/or new features or functionality (collectively, including related Documentation changes, "**Updates**"). All Updates shall be deemed a part of the Software governed by all the provisions of this Agreement pertaining thereto.

   c. Subcontractors. We may, in our discretion, engage subcontractors to aid us in providing the Software and performing our Services under this Agreement, we will remain liable for any act or omission by such subcontractors that would be a breach or violation of this Agreement.

   d. Suspension of Services. We may suspend or deny your, any Admin User's, or any technician's access to or use of all or any part of the Spiffy IP (as defined below) without any liability to you or others, if (i) we are required to do so by law or court order, (ii) you have or any Admin User or technician has accessed or used the Spiffy IP beyond the scope of the rights granted under or otherwise in violation of this Agreement (including a failure to comply with the limitations and restrictions described in Section 2.c below), (iii) you have or any Admin User or technician has been involved in any fraudulent, misleading or unlawful activities relating to or in connection with the Spiffy IP, or (iv) you or any Admin User or technician have otherwise failed to comply with this Agreement and have failed to cure such breach within 10 days after we provide written notice to you. Our remedies in this Section

are in addition to, and not in lieu of, our termination rights in Section 7 or any other rights or remedies under this Agreement, at law or in equity.

e. Responsibility for Users. You shall be responsible and liable to us for the acts, omissions and non-compliance with the terms of this Agreement of all of your Admin Users and technicians to the same extent that as if such performance, acts, omissions and/or non-compliance were by you.

2. Right to Access and Restrictions.

a. License to Technician Apps. So long as you and your technicians comply with this Agreement, we grant you and each such technician, during the Term, a non-exclusive and non-transferable license to download, install and use the Technician App, solely for the Permitted Use, on one or more mobile devices owned or otherwise controlled by you (or, as applicable, the technician) or on one or more mobile devices owned by you and managed by us, solely as (and in the form) in which we have provided the Technician App, and strictly in accordance with this Agreement and the Documentation. Without limiting the foregoing, your access to and use of the Technician App shall also be subject to any applicable usage limitations or restrictions set forth in the Franchise Agreement or in the Spiffy Software Schedule attached hereto as **Appendix A** (the "**Spiffy Software Schedule**"), such as (by way of example only) a maximum number of technicians.

b. Conductor Authorization. So long as you and your Admin Users otherwise comply with this Agreement, we authorize you, during the Term and on a non-exclusive and non-transferable basis, to access and use Conductor by and through your Admin Users only, solely for the Permitted Use, solely as (and in the form) in which we have provided Conductor, and strictly in accordance with this Agreement and the Documentation. Without limiting the foregoing, your access to and use of Conductor shall also be subject to any applicable usage limitations or restrictions set forth in the Franchise Agreement or in the Spiffy Software Schedule, such as (by way of example only) a maximum number of Admin Users.

c. Limitations and Restrictions. You must use commercially reasonable efforts to prevent unauthorized access to or use of the Software. You must not, and you must not permit any other person or entity to, access or use the Spiffy IP except as we've specifically allowed in this Agreement and, in the case of any third-party materials (including open source components) ("**Third-Party Materials**") we provide to you directly or along with the Software, as allowed in the applicable third-party license agreement. You, your Admin Users and your technicians must not do any of the following:

i. copy, modify, adapt, translate or create derivative works or improvements of the Spiffy IP;

ii. make the Spiffy IP available (e.g., rent, sell, sublicense, distribute or transfer) to any other person or entity, including through any time-sharing, service bureau or software as a service arrangement;

iii. reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive, gain access to or discover the source code of the Spiffy IP or the underlying structure, ideas, know-how or algorithms relevant to the Spiffy IP;

iv. input, upload, transmit or otherwise provide to or through the Software or our Services any information or materials that are unlawful or injurious, or contain, transmit or activate any Harmful Code;

v. bypass, breach or disable any security device, copy control or digital rights management tool, or other protection used by our Software;

vi. damage, destroy, disrupt, disable, impair, interfere with or otherwise impede or harm in any manner our Software or our Services or our ability to provide services to any third party;

vii. access or use the Spiffy IP in any way that infringes, misappropriates or otherwise violates any intellectual property right, privacy right or other right of any third party, or that violates any applicable law or regulation;

viii. access or use the Spiffy IP for purposes of benchmarking or competitive analysis, developing, producing, marketing, distributing, licensing or selling any product or service that may compete with our Spiffy IP, or disclosing to our competitors, for any purpose, otherwise non-public information about our Spiffy IP; or

ix. knowingly aid or assist any Admin User, technician or any other person in taking any of the actions prohibited by this Section 2.c.

You must immediately notify us should you learn that you, any Admin User or any technician has taken any action prohibited by this Section 2.c.

d. No Rights to Consumer App. FOR THE AVOIDANCE OF DOUBT, NO RIGHTS OR LICENSES TO ACCESS OR USE THE CONSUMER APP ARE GRANTED OR IMPLIED UNDER THIS AGREEMENT. The rights, duties and obligations of each individual user of the Consumer App with respect to downloading, installing and using the Consumer App on their mobile device or computer are governed by the applicable terms and conditions accepted and agreed to by such user during registration with the Consumer App, which is a separate and distinct agreement from this Agreement. This Agreement governs only your and your Admin Users' use of Conductor and your and your technicians' use of the Technician App.

3. Using the Software.

a. Accessing the Software. We strive to provide a reliable and useful experience when using our Software, but we do not guarantee that our Software will be available at any specific time or that it will be free of errors, and we will not be liable for any reason if you cannot access the Software or if an error in the Software hinders any of its features or functionality.

b. Support. Payment of all Fees in accordance with the terms of this Agreement and **Appendix A** will entitle you to up to 60 minutes per month (the "**Monthly Support Allocation**") of telephone and e-mail support during our normal business hours (8:00 a.m. to 6:00 p.m., Durham, North Carolina time, Monday through Friday, but excluding federal holidays) ("**Support Services**"). Support Services include (i) technical and operational assistance for your use of the Software, responses to questions about the documented features and functionality of the Software and usage thereof, assistance with interpretation and use of the Documentation, and assistance with interpretation of error or warning messages appearing in dashboards or alerts, (ii) good faith attempts to respond and resolve, within a reasonable period of time, any unavailability of the Software or any reproducible failure of the Software to perform in accordance with its Documentation, and (iii) case management to help track the status of any failures reported to us. You must provide all information and assistance that we reasonably request in connection with providing such Support Services. For the avoidance of doubt, unless otherwise expressly agreed in writing, our Support Services do not include: (u) after-hours support, (v) requests for support that exceed the Monthly Support Allocation (which such additional support may be provided in exchange for the Additional Support Fee set forth on the Spiffy Software Schedule), (w) support for software, hardware, network or system that is not ours, (x) assistance with initial configuration of the Software (which is provided at account set-up in conjunction with your payment of the one-time set-up fee), (y) on-site training or assistance, or (z) performance of any professional, customization or consulting services.

c. Account Security. If you, your Admin Users or your technicians choose, or are provided with, a user name, password or any other piece of information as part of our security procedures, you (and the applicable individual) must treat such information as confidential, and you (and the applicable individual) must not disclose it to any other person or entity. If you permit any other person to use your account, you will be responsible for their activities while using the Software. You agree to notify us promptly of any unauthorized access to or use of any user name or password assigned to you or any other breach of security. Accessing the Software without proper user name and password is strictly prohibited, constitutes a breach of this Agreement which may result in the termination of your right to use the Software, and may violate copyright and other laws.

4. Confidentiality. All Data and all non-public information related to the Spiffy IP and the features, functionality and performance thereof are all our Confidential Information, subject to

all of your obligations of confidentiality, non-use and non-disclosure set forth in the Franchise Agreement.

5. Fees and Payment.

a. Fees. You will pay to us the fees and charges described in the Spiffy Software Schedule (the "**Fees**") in accordance with the Spiffy Software Schedule and this Section. Except as otherwise expressly provided in this Agreement, all payment obligations are non-cancelable and all Fees once paid are non-refundable. We reserve the right to modify the Fees, including Fee increases, upon thirty (30) days' notice to you.

b. Taxes. Our Fees do not include taxes and similar assessments. We will pass along to you the cost of all applicable sales and excise (and other similar) taxes, duties and charges of any kind imposed by a governmental authority on amounts payable under this Agreement, other than taxes imposed on our income. If you are exempt from such taxes, you must provide us with a true, up-to-date and complete copy of your direct pay permit or exemption certificate.

c. Payment. You will make all payments in US dollars. Invoiced amounts are due net 30 days from the invoice date. You are responsible for providing complete and accurate billing and contact information and notifying us of any changes to that information. We reserve the right to change the payment method in accordance with the terms of the Franchise Agreement.

6. Intellectual Property Rights.

a. Spiffy IP. We (or the respective rights holders in any Third-Party Materials) own all right, title and interest in and to our name, logos and other trademarks, our Services, and the Software, including all new versions, updates, revisions, improvements and modifications of the foregoing, the look and feel, ideas, algorithms, methods and concepts underlying or embedded in the foregoing and all related intellectual property rights (the "**Spiffy IP**"). To the extent we develop corrections, enhancements, improvements, derivative works or software relating to the Spiffy IP based upon ideas or suggestions submitted by you to us, you hereby irrevocably assign your rights to such ideas or suggestions or joint contributions to us, together with all intellectual property rights in or relating thereto. We are not granting you any right, license or authorization with respect to any of the Spiffy IP or any Third-Party Materials except as we've specifically provided in Section 2 above. We and the respective rights holders in any Third-Party Materials reserve all other rights in and to the Spiffy IP and any Third-Party Materials.

b. Data. As between you and us, we are and will remain the sole and exclusive owner of all right, title and interest in and to all Data, including all intellectual property rights in or relating to Data. All Data shall constitute Franchisee Data and shall be

governed by the terms and conditions relating thereto set forth in the Franchise Agreement.

7. Term and Termination. The term of this Agreement, and the parties' respective rights and obligations under this Agreement, shall be coterminous with the Term of the Franchise Agreement, as set forth in Section 2 therein; provided, however, that if that certain Intercompany License Agreement between us and our affiliate Get Spiffy, Inc. shall expire or terminate, your rights to the Software under this Agreement shall terminate automatically at the end of the then-current term of the Franchise Agreement and may not be renewed. Your breach of this Agreement shall constitute a breach of the terms or requirements of the Franchise Agreement, giving rise to rights of termination set forth in Section 17 of the Franchise Agreement. If this Agreement is terminated, then: (i) all rights, licenses and authorizations granted by one party to the other will immediately terminate, (ii) we may disable your, your Admin Users' and your technicians' access to the Software, and (iii) you will cease all use of our Confidential Information and promptly destroy (or at our request return) all copies of our Confidential Information that you have in your (or that your Admin Users or your technicians have in their) possession. Sections 2.c (Limitations and Restrictions), 4 (Confidentiality), 6 (Intellectual Property Rights), 7 (Effect of Termination), 8 (Disclaimers), 9 (Indemnification), 10 (Limitations of Liability), 11 (Miscellaneous), 12 (Definitions) and this Section will survive any expiration or termination of this Agreement.

8. Disclaimer of Warranties. ALL SERVICES AND ALL SPIFFY IP ARE PROVIDED "AS IS," "AS AVAILABLE," WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHER, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY US OR OUR REPRESENTATIVES SHALL CREATE A WARRANTY. ALL THIRD-PARTY MATERIALS ARE PROVIDED "AS IS" AND ANY REPRESENTATION OR WARRANTY OF OR CONCERNING ANY THIRD PARTY MATERIALS IS STRICTLY BETWEEN YOU AND THE THIRD-PARTY OWNER OR DISTRIBUTOR OF THE THIRD-PARTY MATERIALS.

9. Indemnification. You will, at your expense, defend us and our subcontractors and personnel from and against any Claims brought by a third party, and you will indemnify and hold us and our subcontractors and personnel harmless from any Losses associated with such third party Claims, in each case to the extent the same are based on allegations that you, your Admin Users or your technicians have breached this Agreement.

10. Limitation of Liability. TO THE EXTENT NOT PROHIBITED BY LAW, IN NO EVENT SHALL WE BE LIABLE FOR PERSONAL INJURY OR ANY INCIDENTAL, SPECIAL, INDIRECT, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, COST OF SUBSTITUTE GOODS OR SERVICES, LOSS OF DATA, LOSS OF GOODWILL, BUSINESS INTERRUPTION, MOBILE DEVICE OR COMPUTER FAILURE OR MALFUNCTION, ARISING OUT OF THIS AGREEMENT OR RELATED TO YOUR (OR YOUR ADMIN USERS' OR TECHNICIANS') USE OF OR INABILITY TO USE THE

SOFTWARE, HOWEVER CAUSED, REGARDLESS OF THE THEORY OF LIABILITY (CONTRACT, TORT, OR OTHERWISE) AND EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL OUR TOTAL LIABILITY TO YOU FOR ALL DAMAGES (OTHER THAN AS MAY BE REQUIRED BY APPLICABLE LAW IN CASES INVOLVING PERSONAL INJURY) EXCEED THE AMOUNT OF FIVE HUNDRED DOLLARS ($500.00). THE FOREGOING LIMITATIONS WILL APPLY EVEN IF THE ABOVE STATED REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

11. Miscellaneous.

a. Entire Agreement. This Agreement and the documents referenced herein together constitute the entire agreement between the parties, and supersede all prior negotiations, understandings or agreements (oral or written), between the parties regarding the subject matter of this Agreement (and all past dealing or industry custom).

b. Amendment, Severability and Waiver. No change, consent or waiver under this Agreement will be effective unless in writing and signed by the party against which enforcement is sought. Any delay or failure of either party to enforce its rights, powers or privileges under this Agreement, at any time or for any period, will not be construed as a waiver of such rights, powers and privileges, and the exercise of one right or remedy will not be deemed a waiver of any other right or remedy. If any provision of this Agreement is determined to be illegal or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect and enforceable.

c. Governing Law and Venue. The governing law, jurisdiction and venue provisions set forth in Section 21 of the Franchise Agreement are incorporated herein by reference and shall apply to any disputes under this Agreement the same as if this Agreement were a part of the Franchise Agreement.

d. Notices. All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be given (i) by personal delivery, (ii) by registered or certified mail, return receipt requested, postage prepared, or (iii) by delivery to a nationally-recognized overnight courier service, in each case, addressed in the manner set forth in the Franchise Agreement, or to such other person or entity as either party shall designate by notice to the other in accordance herewith. Notice shall be deemed given and effective upon the first to occur of receipt, when proper delivery is refused, or two (2) days after deposit in registered or certified U.S. Mail as described above.

e. Assignment. We may freely assign or transfer this Agreement, along with the Franchise Agreement, to a third party, as specified in Section 13(a) of the Franchise Agreement. You may not assign or transfer this Agreement except in connection with a permitted assignment or transfer of the Franchise Agreement as specified in

Section 13 of the Franchise Agreement. This Agreement will be binding upon, and inure to the benefit of, the successors and permitted assigns of the parties.

f. No Third Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

g. Relationship of the Parties. The relationship between the parties is that of independent, contracting parties. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party will have authority to contract for or bind the other party in any manner whatsoever.

h. Force Majeure. Neither party will be liable for any delays or non-performance of its obligations (other than obligations of payment) arising out of causes not within such party's reasonable control, including, without limitation, actions or decrees of governmental authorities, criminal acts of third parties, earthquakes, flood, and other natural disasters, epidemic, war, terrorism, acts of God, or fire.

i. Equitable Remedies. Each party acknowledges and agrees that a breach or threatened breach (i) by you of the limitations and restrictions in Section 2 (Right to Access and Authorization), or (ii) by either party of any of its obligations under Section 4 (Confidentiality) would cause the other party irreparable harm for which monetary damages would not be an adequate remedy and that, in the event of such breach or threatened breach, the other party will be entitled to equitable relief, including in a restraining order, an injunction, specific performance and any other relief that may be available from any court of competent jurisdiction, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity or otherwise.

12. Other Definitions. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings given to such terms in the Franchise Agreement. The following capitalized terms used in this Agreement have the meanings described below:

"**Admin User**" means each of your employees that has been granted valid access credentials to log in to Conductor.

"**Claim**" means any claim, suit, action, proceeding or governmental investigation.

"**Conductor**" means our proprietary back-end, business-facing, web-based application, known to us internally as CONDUCTOR, which is used to receive and process data from and communicate data to the Consumer App and the Technician App and which has scheduling,

technician management, service catalog, truck/asset management and other similar features and functionality used in the operation of the Franchised Business.

"**Consumer App**" means our proprietary consumer-facing mobile application for mobile, on-demand car care services, known in the marketplace as SPIFFY.

"**Data**" means all information, data and other materials that relate in any way to the Franchised Business that are collected, created, uploaded, submitted or received in connection with your, your Admin Users' or your technicians' use of the Software.

"**Documentation**" means the online, electronic and written documentation we make available to you which describe the functionality, components, features or requirements of the Software.

"**Harmful Code**" means any software, hardware or other technology, device or means, including any virus, worm, malware or other malicious computer code, the purpose or effect of which is to permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner any (a) computer, software, firmware, hardware, system or network or (b) any application or function of any of the foregoing or the security, integrity, confidentiality or use of any data processed thereby.

"**Loss**" means any and all losses, damages, liabilities, deficiencies, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification and the cost of pursuing any insurance providers.

"**Permitted Use**" means your use of the Software as necessary to support your lawful and valid conduct of the Franchised Business in accordance with the Franchise Agreement.

"**Software**" means, collectively, Conductor and the Technician App.

"**Technician App**" means our proprietary technician-facing mobile application for use by your technicians in conjunction with your use of Conductor.

(SIGNATURE PAGE FOLLOWS)

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

FRANCHISOR:

SPIFFY FRANCHISING, LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

APPENDIX A

SPIFFY SOFTWARE SCHEDULE

One-Time Software Set Up Fee: $2,000, due and payable in full at time of execution. No invoice will be submitted to you for this up-front fee. This corresponds to (and is not in addition to) the Software Set Up Fee set forth in Attachment 1 to the Franchise Agreement.

Monthly Subscription Fee: $500 per month, with the first payment due and payable by the fifth day of the first month following the Effective Date of the Franchise Agreement and each subsequent monthly payment due and payable by the fifth date of each month thereafter, or otherwise required by us in accordance with the terms of the Franchise Agreement. No invoice will be submitted to you for this monthly fee.

Additional Support Fee: $200 per hour, billed in quarter-hour increments, minimum of one hour. Any Additional Support Fees incurred will be invoiced monthly in arrears, and such invoices shall be paid in accordance with Section 5.c of the Agreement.

Maximum Admin Users: _____

Maximum Technicians: _____

EXHIBIT G
FORM OF VEHICLE LEASE

[This lease is a sample form currently in use and is subject to change.]

Mike Albert, Ltd

Automobile and Truck Leasing and Rental Nationwide

COMMERCIAL MOTOR VEHICLE MASTER LEASE AGREEMENT

(OPEN-END)

This MASTER VEHICLE LEASE AGREEMENT #[_____] (as amended, modified or supplemented from time to time, this "Agreement") made as of [_____] (the "Effective Date"), between Mike Albert, Ltd, a Delaware statutory trust (the "Lessor"), with offices at 10340 Evendale Drive, Cincinnati, Ohio 45241, and the undersigned (the "Lessee"). If more than one party executes this Agreement as Lessee, each shall be jointly and severally liable hereunder.

1. LEASE TERMS

A. Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor certain motor vehicles for use in its business (together with its equipment, parts, replacements, additions, accessories, repairs and accessions, each, a "Vehicle" and all such motor vehicles subject to this Agreement, the "Vehicles") in accordance with the terms and conditions of this Agreement. Lessor and Lessee expressly understand and agree that this Agreement is a lease only and that Lessee acquires no right, title or interest in or to any Vehicle except as a Lessee. Lessee agrees that it shall, at its expense, protect and defend the title of Lessor in the Vehicles against creditors of or claiming through Lessee. This Agreement is both a true lease and a statutory "finance lease" (as defined in Ohio Revised Code, Title XIII Commercial Transactions, Section 1310.01). If, despite the intention of the parties that this Agreement be a lease, a judicial determination is made that the transactions contemplated hereunder constitute a loan by Lessor to Lessee, then Lessee shall be deemed to have granted (and Lessee hereby grants) Lessor a security interest in the Vehicles and all proceeds, accessions, documents, instruments, accounts, chattel paper, equipment and general intangibles related thereto to secure all obligations of Lessee to Lessor under this Agreement. Lessee hereby authorizes Lessor to file, at the expense of the Lessee, any financing or continuation statements related to the foregoing. Lessee shall place such tags or registration on any Vehicle leased hereunder as Lessor may request which indicates the ownership interest of the Lessor in such Vehicle, and Lessee acknowledges and agrees that Lessor will be listed as owner and/or lienholder on the certificate of title for each Vehicle.

B. From time to time, Lessee may request that Lessor provide a written proposal in the form attached as Exhibit 1 hereto (a "Vehicle Quotation" or "VQ") with respect to a proposed new Vehicle or group of Vehicles to be leased hereunder. Each VQ shall specify, to the extent applicable, the lease term, programs, financing and servicing procedures and characteristics, year, make and model, equipment, accessories and other details with respect to such Vehicle(s). Each VQ shall also specify a depreciation factor, an estimate of the capitalized cost and lease rate factor for the related lease(s), which will be adjusted to reflect any changes in the cost to Lessor to place the Vehicle in service and interest rates in effect at that time. As used in this Agreement, "Capitalized Cost", "Depreciation Factor" and "Lease Rate Factor" for any Vehicle shall have the meaning set forth on the related Schedule A. Lessee shall order Vehicles for lease by placing a Valid Order with respect to each Vehicle (as defined in Section 10.I. below) (each, a "Vehicle Lease Order" or "VLO") on a Vehicle lease order form in a form approved by Lessor; provided, that such VLO shall become noncancelable as of the date Lessor has placed a noncancelable order with a manufacturer or dealer with respect to such Vehicle; provided further, that if Lessee fails to use an approved lease order form, Lessee is responsible for any and all errors or omissions caused by the failure to use a form approved by Lessor. If Lessee cancels a VLO after such VLO becomes

_____ Lessee Initials _____ Lessor Initials

noncancelable in accordance with the foregoing sentence, then Lessee shall reimburse Lessor for any loss incurred by Lessor as a result of such cancellation (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such cancellation. Each VLO will incorporate (explicitly or by reference) the information set forth in the related VQ and will also specify the order date, requested delivery date, color choice, driver information and location in which the applicable Vehicle will be garaged. Lessor may, in its sole discretion, elect to accept or reject any VLO or all VLOs. In the event that Lessor elects to reject any VLO delivered by Lessee, Lessor will use reasonable efforts to notify Lessee of such rejection.

C. Notwithstanding anything in this Agreement to the contrary, Lessor shall not be required to deliver to Lessee any Vehicle related to a VLO accepted by Lessor (and Lessor shall not be in breach of this Agreement for not delivering such Vehicle) unless all of the following conditions shall be satisfied (as determined in the reasonable discretion of Lessor): (1) no material adverse change in the financial condition of Lessee shall have occurred; (2) no suits or proceedings shall have been filed or instituted (or, to the knowledge of Lessee, threatened) against or affecting Lessee which, if adversely determined, would have a material adverse effect on the business or financial condition of Lessee; (3) Lessee shall have provided Lessor with all writings or documentation that Lessor deems necessary or desirable to assist Lessor in evaluating Lessee's creditworthiness or to otherwise accomplish the purpose of this Agreement; (4) no party executing this Agreement as Lessee shall have denied or revoked its obligations hereunder; and (5) no event shall have occurred or be continuing which, with notice or lapse of time or both, would constitute an "event of default" by Lessee under this Agreement or under any other agreement between Lessee and Lessor or its affiliate.

D. By placing a VLO, Lessee creates an obligation to accept delivery of the Vehicle(s) described therein at the location specified in such VLO, and Lessee hereby agrees to accept the related Vehicle(s) for lease. At the request of Lessee, delivery of a Vehicle may be to a location other than the location specified in the applicable VLO; provided, that Lessee shall pay the additional costs related to delivery to such alternate location. Upon delivery of each Vehicle, Lessor shall provide to Lessee a schedule in the form attached as Exhibit 3 hereto (each, a "Schedule A") identifying the Vehicle, setting forth the monthly rental payments with respect thereto, the in-service date, the Capitalized Cost, the Depreciation Factor, the Lease Rate Factor and other appropriate information related to the lease. Upon delivery of a Vehicle to or at the direction of the Lessee and upon the request of the Lessor, the Lessee (or its designee, including any designated driver) shall execute and deliver a "receipt of delivery" in a form provided by Lessor. (However, Lessor is not required to obtain an executed "receipt of delivery" indicating acceptance of such Vehicle in order to establish delivery and acceptance of a Vehicle). **By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle is in good repair and satisfactory condition, and that Lessee accepts such Vehicle in the condition received.**

E. Each VLO and related Schedule A together shall be deemed to be a separate lease agreement with respect to the Vehicle described therein and each VLO and related Schedule A shall be deemed to incorporate by reference the terms of this Agreement and the related VQ. The invalidity, fulfillment, waiver, termination or other disposition of any rights or obligations of either Lessee or Lessor (or both) in connection with any VLO and related Schedule A shall not affect the rights or obligations of Lessee or Lessor arising under any other VLO and related Schedule A except to the extent set forth in Section 7. Any Schedule A delivered by Lessor to Lessee shall be binding upon Lessor and Lessee from the earlier of acceptance of the Vehicle by Lessee or the date the Schedule A was received by Lessee, subject to Lessee's and Lessor's rights to correct any errors therein.

F. Except as set forth in the next sentence, Lessor is not responsible for any delay in the delivery of any Vehicle to Lessee and Lessee has no right to revoke a VLO or attempt to terminate this Agreement or any Schedule A because of any such delay. Notwithstanding the foregoing, if Lessor is grossly negligent and such negligence causes a material delay in the delivery of any Vehicle to Lessee, then Lessee may revoke the VLO related to such Vehicle (it being agreed that Lessee may not revoke the VLO related to any other Vehicle or terminate this Agreement or any Schedule A because of any such delay). By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle was delivered to Lessee in accordance with this Agreement. If Lessee has delivered a VLO but refuses to accept the related Vehicle for delivery, then Lessee shall reimburse

Lessor for any loss incurred by Lessor as a result of Lessee's failure to accept delivery of such Vehicle (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such failure to accept delivery.

G. The lease term for each Vehicle will be specified in the applicable Schedule A. Lessee's minimum noncancelable lease term for each Vehicle (including any damaged Vehicle deemed a total loss or any lost or stolen Vehicle) shall be twelve months. The lease term for each Vehicle will begin on the date such Vehicle is delivered, as determined in accordance with Section 2.C. After the conclusion of the minimum noncancelable lease term and upon not less than 30 days' prior written notice to Lessor, Lessee may terminate the lease term for a Vehicle as of the first day of any month and return the Vehicle to Lessor or purchase the Vehicle from Lessor in accordance with Section 6.

H. Lessee represents, warrants, and covenants to Lessor on the date hereof and as of the date of each Schedule A that (1) Lessee has full power and authority to execute, deliver and perform as Lessee the terms and provisions of this Agreement in compliance with all applicable laws, judgments and orders binding upon Lessee or its properties, (2) there are no pending or threatened investigations, actions or proceedings before any court or administrative agency which, if adversely determined, would materially affect the rights of the Lessor under this Agreement or with respect to the Vehicles and (3) each Vehicle is, and will be used by Lessee so as to remain, eligible to enable Lessor to take depreciation deductions under Section 167 of the Internal Revenue Code of 1986, as amended, determined in accordance with the provisions of Section 168 of the Internal Revenue Code of 1986, as amended, and Lessee is not taking, and will not take, depreciation deductions for any Vehicle during the lease term for such Vehicle.

2. RENTAL CHARGES; PAYMENT TERMS

A. Lessee agrees to pay to Lessor at its office in Cincinnati, Ohio (or other designated location as provided in writing), the monthly rental for the use and operation of each Vehicle leased hereunder at the monthly rent calculated in accordance with Section 2.B. below, together with all additional charges provided for in this Agreement. **ALL RENT AND ADDITIONAL CHARGES SHALL BE PAID WHEN DUE WITHOUT ABATEMENT, OFFSET OR COUNTERCLAIM ARISING OUT OF ANY CIRCUMSTANCES WHATSOEVER**. Notwithstanding the foregoing, if any Vehicle has a negative or zero Book Value on Lessor's books, then Lessee shall not be required to pay monthly rent for such leased Vehicle and shall instead pay Lessor its then current monthly administrative fee.

B. The monthly rental payment for a leased Vehicle for each month shall be equal to the *product* of (1) the Lease Rate Factor for such month *multiplied* by (2) the Capitalized Cost for such Vehicle. Lessee acknowledges that the monthly rental payment for a leased Vehicle will be established based on a presumed "after tax" return to Lessor with respect to the lease of such Vehicle. If any changes in federal or state laws or regulations cause Lessor's actual "after tax" return related to the lease of a Vehicle to be less than the expected return, Lessor may prospectively adjust the monthly rental payment for such Vehicle in such manner as Lessor reasonably believes fully compensates it for such change.

C. If delivery of a Vehicle is deemed to have occurred on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a partial month rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, that portion being the *product* of (i) the Capitalized Cost *multiplied* by (ii) Depreciation Factor, will be considered as a reserve for depreciation and will be credited back against the Capitalized Cost of the Vehicle for the purposes of computing Book Value of the Vehicle. Lessee shall be required to pay monthly rent for the month in which such Vehicle was surrendered. For the avoidance of doubt, a Vehicle shall be deemed to be delivered for purposes of calculating rent and the commencement of the lease term hereunder on the earlier to occur of (a) the day on which such Vehicle is delivered to Lessee's driver, employee or agent at the location listed on the VLO (or at a location which may be otherwise mutually agreed upon) or (b) forty-

eight (48) hours after the time Lessor or its delivering agent notifies Lessee, its agent or its designee (including the driver designated in the related VLO) that such Vehicle is available for delivery.

D. Notwithstanding Sections 2.B. and 2.C. above, if any Vehicle shall be incomplete when delivered to Lessor by reason of special modifications to be made at Lessee's request and it shall be necessary for Lessor to advance funds for payment for such incomplete Vehicle prior to delivery to Lessee, Lessee agrees to pay to Lessor, at the time of delivery of the complete unit, the cost of financing such payment from the time of payment until delivery. The method for calculating the cost of such interim financing shall be specified by Lessor separately in writing; provided, that if the Lessor has not specified such method, then the cost of interim financing shall equal, for any calendar month or portion thereof, the *product* of (i) the Capitalized Cost of the Vehicle, (ii) the rate per annum identified as the "prime rate" in The Wall Street Journal as of the first business day of such calendar month plus 1.00% and (iii) the number of days in such calendar month or portion thereof divided by 360.

E. Payments received more than ten (10) days late shall accrue interest at a rate equal to the lesser of one and one-half percent ($1^1/_2$%) per month and the maximum legally permissible amount on the outstanding balance. It is the intent of Lessor that it not receive any amount in excess of that amount which may be legally paid, and any excess charges will be credited or refunded to Lessee at the Lessee's option.

F. Lessee agrees to carefully review each invoice or other statement provided by Lessor. If Lessee identifies a billing or other error, Lessee will advise Lessor promptly in writing and in such event, Lessor's sole liability and Lessee's exclusive remedy shall be appropriate adjustment to Lessee's account. No deductions are permitted from invoices without the approval of Lessor.

G. In the event of a security deposit with respect to a Vehicle leased hereunder, the amount will be shown on the related Schedule A. Such deposit shall be per Vehicle as security for the Lessee's full performance of all the terms and conditions of this Agreement with respect to each Vehicle. Lessor shall have the right to apply the security deposit to Lessee's account if Lessee has not fully performed all of the terms and conditions of this Agreement or any other prior or then existing Agreement between Lessee and Lessor, but in no event in the case of a default shall this be construed as the measure of liquidated damages. Lessor shall not be subject to any restrictions or limitations with respect to its use of any security deposit nor shall Lessor be obligated to pay any interest on any security deposit other than to the extent required by law.

H. Lessee's responsibility for payment of all charges due under the terms of this Agreement shall continue and there shall be no abatement of such charges during the time a Vehicle is stolen, converted, destroyed, damaged by accident or otherwise, or during the time required for any repair, adjustment or servicing of such Vehicle. Lessee agrees to immediately reimburse Lessor for any and all costs, losses or damages resulting from confiscation of any Vehicle or damages resulting from impoundment, attachment or confiscation of any Vehicle.

I. The termination of this Agreement either by the expiration thereof or for any other reasons shall not relieve Lessee of its obligation to pay to Lessor any rental or other charges then due or to become due under the terms of this Agreement.

J. If any Vehicle shall be lost, destroyed or stolen, then (subject to the provisions of Section 1.G. with respect to the minimum noncancelable lease term) Lessee may terminate the lease of such Vehicle prior to the expiration of the related lease term. Lessee shall promptly notify Lessor of such event and shall hold the Vehicle (or wreckage thereof) for disposal by Lessor, and such Vehicle shall be deemed to be surrendered by Lessee to Lessor thirty (30) days after the date of Lessor's receipt of such notice. Lessor shall dispose of destroyed Vehicles (or the wreckage thereof, as applicable) in accordance with Section 6. In the case of a lost, stolen or destroyed Vehicle for which the Vehicle or wreckage is not surrendered by Lessee, upon notice by Lessee to Lessor the same shall be deemed to have been sold at a price of zero dollars thirty (30) days after the date of Lessor's receipt of such notice. For the avoidance of doubt, the parties agree that Lessee shall be required to make all payments under this Agreement (including, without

limitation, monthly rental payments and the payments required pursuant to Section 6) with respect to a lost, destroyed or stolen Vehicle to the same extent that Lessee would be required to make payments under this Agreement with respect to a Vehicle surrendered prior to the end of the related lease term.

K. Lessee may elect, at its option and with the prior approval of Lessor (which may be granted or withheld in the sole discretion of Lessor), to finance License Costs and/or Sales Tax (each, a "Specified Cost" and collectively, "Specified Costs") for any Vehicle leased under this Agreement. As used in this Agreement:

i. "License Costs" means, with respect to any leased Vehicle, all fees and costs related to obtaining the initial license plate for such Vehicle, including without limitation all fees, expenses, assessments or charges imposed by any city, county, state or federal government other than sales, personal use or property taxes.

ii. "Sales Tax" means, with respect to any leased Vehicle, all sales, personal use or property taxes imposed by any city, county, state or federal government in connection with the acquisition and/or leasing of such Vehicle.

L. If Lessee has elected to finance Specified Costs for any Vehicle, then Lessee shall identify in writing which Vehicle currently leased under this Agreement will be related to such Specified Costs (such Vehicle, the "Identified Vehicle") in the related VLO or any amendment thereto. Lessee shall pay such Specified Costs in equal monthly installments over the initial Lease Term for the Identified Vehicle and shall pay interest at the rate specified by Lessor on the outstanding amount of Specified Costs financed by Lessor. The foregoing monthly installments and interest on the outstanding Specified Costs shall be due and payable on each monthly rental payment date under this Agreement. Late payments of any installment of Specified Costs or interest thereon shall accrue interest at the rate set forth in Section 2.E.

M. In the event that any lease under the Agreement is terminated prior to the anticipated lease end date, then Lessee shall immediately pay Lessor (1) all Specified Costs unpaid as of the date of such termination and (2) all accrued and unpaid interest thereon.

3. SERVICE

A. This Agreement is a "net lease". Lessee covenants that it will pay all costs, expenses, fees, charges, fines, penalties and taxes (other than federal, state, or local taxes levied on the net income of Lessor) assessed or incurred at any time in connection with (but not limited to) each Vehicle's titling, registration, emissions testing, governmental inspections, delivery, purchase, sale, rental or modification, or arising from the operation or use of the Vehicle during its lease term (including, without limitation, any costs, expenses, fees, charges, fines, penalties and taxes arising from or related to any violations of any statute, law, ordinance, rule or regulation or arising from or relating to any change in the jurisdiction in which the Vehicle is garaged). If Lessee alleges that it is not liable for any tax, then at the request of Lessor, Lessee shall deliver to Lessor certificates of exemption acceptable to Lessor with respect to such tax issued by the appropriate taxing authority. Lessee agrees to perform and pay for, or cause to be paid for, all Vehicle service and maintenance (it being understood that such service and maintenance may be covered by a manufacturer's warranty). Furthermore, Lessee will comply with the conditions set forth in the manufacturer's written instructions in the owner's manual, warranty instructions, service instructions or maintenance provisions required and/or recommended. All repairs to the Vehicle shall be completed with parts and finishes at least comparable in quality to the parts and finishes being repaired or replaced, and title to all replacement parts and finishes shall vest in Lessor. Lessee agrees to take at its own expense all actions required by law with respect to the operation, registration or maintenance of each Vehicle, including without limitation, installing any accessories or equipment and performing any emissions tests or other inspections with respect to any Vehicle leased hereunder. If Lessor pays any of the foregoing amounts under this paragraph (including any operating or maintenance expenses paid by Lessor in order to obtain

the release of a Vehicle from any lien or claim), Lessee shall promptly reimburse Lessor and pay Lessor's then current administrative charge. It is understood that the Vehicles leased hereunder will be enrolled in Lessor's Auto Tag Program unless Lessee otherwise stipulates to be enrolled in the Lessor's Registration Compliance Program (enrollment into one is required). The Auto Tag Program entails the following: Lessor will (excluding Vehicles in Puerto Rico) (a) file all necessary documentation and forward all applicable fees, directly to the state/province, for the annual renewal of vehicle registrations, including city and county stickers where applicable; and (b) invoice Lessee monthly for all Fees and Costs accrued pursuant to Section 3 of this Agreement. Prior to renewal, in order to facilitate these processes, Lessor may request items necessary to complete the processes, which Lessee shall promptly supply. Any such items may include, but are not limited to, vehicle identification number, safety and emissions inspections, mileage readings, proof of insurance and tax receipts. Lessor will use normal business efforts to render the services called for hereunder in a manner reasonably satisfactory to Lessee and Lessor shall not be liable or held accountable for mistakes of fact or law or for any loss or damage to Lessee arising or resulting there from or otherwise from its acts or omissions, except for gross negligence or willful misconduct and Lessor shall not be responsible for incomplete licensing transactions that result from the lack of items which are not promptly supplied by Lessee. The Registration Compliance Program entails the following: Lessor will provide Lessee with a Power of Attorney (POA) for the Vehicles in order for Lessee to obtain registration and/or license plate renewal. Lessee will provide Lessor with a copy of current registration for the Vehicles to ensure Lessor has accurate renewal dates so Lessor can provide Lessee POA documents in a timely fashion for renewal processing. The monthly pricing for the Auto Tag and Registration Compliance Programs can be found on the Fee Schedule to be provided upon request. Said pricing amounts are subject to Lessor's change provided thirty (30) notice is given to Lessee. The distinction between the Auto Tag Program or the Registration Compliance Program will be evidenced on each Vehicle's VQ/VLO.

B. Lessee agrees to keep or cause to be kept, and agrees to make available at Lessor's place of business upon three (3) business days' notice by Lessor any and all necessary records relating to the use of the Vehicle and/or pertaining to aforesaid fees, taxes, assessments and charges.

C. Equipment not included on the VQ and/or VLO and all Lessee requested equipment shall be installed at Lessee's expense and with Lessor's and Lessee's prior approval (which, in the case of Lessor, shall not be unreasonably withheld).

D. Federal law (and, in certain cases, State law) requires that Lessee as lessee disclose, and Lessee shall disclose, the mileage of each Vehicle to Lessor in connection with the transfer of ownership of each Vehicle. Failure to complete an odometer disclosure statement or making a false statement may result in fines and/or imprisonment. Lessee hereby agrees to sign such disclosure statements as may be required by Lessor to properly evidence the mileage on the odometer of each returned Vehicle, and Lessee hereby authorizes its drivers, agents and employees to sign said disclosure statement on Lessee's behalf. Lessee (including its drivers, agents and employees) shall not tamper with or permit the tampering, repair, replacement or adjustment of the odometer of any Vehicle to reflect an odometer reading different than the mileage the Vehicle has actually been driven, and Lessee agrees to indemnify and hold harmless Lessor from and against any and all actions, claims, suits, damages, costs and expenses, including reasonable attorneys' fees, caused by or arising from a violation by Lessee, its drivers, agents or employees, or any one directed by them, of the odometer tampering or disclosure laws of any city, county, state, country, jurisdiction, including without limitation the United States Federal Law, Title IV-Odometer Requirements of Public Law 92-513, as amended from time to time. Should any Vehicle's odometer require service (including replacement), Lessee shall notify Lessor in writing before having such service performed.

4. USE OF VEHICLE

A. Lessee represents and warrants that each Vehicle leased to it pursuant to the terms of this Agreement will be used by such Lessee primarily for commercial use in the United States, Canada and Puerto Rico. Notwithstanding the foregoing, a Vehicle (1) may not be used in Canada or

Puerto Rico unless (i) this Agreement would be a contract enforceable in the United States with respect to the lease of any such Vehicle used in Canada or Puerto Rico, respectively, and (ii) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., and (2) may be used for incidental use in Mexico so long as (i) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., (ii) such Vehicle would not be garaged in Mexico and (iii) no titling or registration of such Vehicle under any Mexican law would be required as a result of such use. For the avoidance of doubt, it is understood that all amounts to be paid by Lessee under this Agreement shall be paid in U.S. dollars in the United States.

B. Use of any Vehicle leased hereunder is restricted to Lessee's drivers, agents and employees and their designees in primary pursuit of Lessee's business. Minors are not permitted to operate any Vehicle leased hereunder. No driver of any Vehicle shall have authority to act for or on behalf of Lessor, or be deemed to be the agent or employee of Lessor, except to the extent (and only for the limited purposes) explicitly authorized in writing by Lessor. Lessee shall not allow any person to operate any Vehicle leased herein unless such person holds a valid driver's license permitting said person to legally operate such Vehicle.

C. Each Vehicle shall be used only for lawful purposes and shall be operated in accordance with applicable federal, state and local law governing Vehicle use, operation, maintenance or alteration. Lessee shall not use any Vehicle negligently or in any way that is prohibited by any insurance policy covering such Vehicle and shall not permit any Vehicle to become subject to any lien, charge, encumbrance or forfeiture. Lessee shall immediately notify Lessor if any Vehicle becomes subject to any lien, charge, encumbrance or forfeiture in violation of the foregoing, or if any Vehicle becomes subject to or involved in any judicial process.

D. Lessee shall not, without prior approval of Lessor (which shall not be unreasonably withheld) place advertising signs, lettering, insignia, or other devices in or upon any Vehicle, paint any Vehicle or change, modify or remove the equipment of any Vehicle.

E. In the event of unauthorized use of any Vehicle, Lessee assumes sole responsibility and shall indemnify and hold Lessor harmless from any and all expenses, claims, liability and costs of every nature associated with such use (except for expenses, claims, liabilities or costs caused by the gross negligence or willful misconduct of the Lessor).

F. Lessee shall immediately notify Lessor in writing of any change of place of permanent garaging of any Vehicle. Unless Lessee advises Lessor otherwise in writing, the place of initial permanent garaging of each Vehicle shall be the address of Lessee's driver noted on the VLO relating to such Vehicle.

G. Vehicles leased hereunder may not be used for any illegal purpose. **No Vehicle leased hereunder may be used for transporting hazardous substances or for hire for transporting persons unless explicitly authorized in writing by Lessor**. Any damage of any nature arising from the use of a Vehicle shall be the sole expense of Lessee, regardless whether Lessor permitted such use. Lessor authorizes Vehicles leased hereunder to be used for towing so long as such Vehicles are equipped with appropriate towing equipment to safely and legally handle items to be towed and that installation and use of such towing equipment will not void the manufacturer's warranty.

5. INSURANCE AND INDEMNIFICATION

A. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide and maintain standard automobile liability insurance, which complies with applicable law and which coverage shall be primary and which shall not include any self-insured retention or deductible in excess of $3,000.00, protecting Lessor against any and all liability, with minimum limits equal to the greater of (1) the minimum limits required by law; and (2) $500,000.00 per person per occurrence

with respect to bodily injury, $500,000.00 for all persons per occurrence with respect to bodily injury and $100,000.00 for damage to property per occurrence.

B. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide full collision and comprehensive automobile physical damage insurance on each leased Vehicle which complies with applicable law with deductibles in amounts satisfactory to Lessor, covering loss from fire, theft, windstorm and other comprehensive hazards as well as collision protection. Notwithstanding Section 5.A. above, Lessor reserves the right to adjust coverage requirements prior to delivery of the Vehicle.

C. Other Requirements.

i. For the avoidance of doubt, it is understood that the insurance described in Sections 5.A. and 5.B. shall cover a Vehicle from the time of delivery to Lessee as determined in accordance with Section 2.C. until title to such Vehicle transfers from Lessor to the purchaser of such Vehicle in accordance with Section 6. Lessee must provide Lessor with acceptable evidence of insurance for such coverages as referred to above concurrently with the placement of a VLO and prior to delivery of any Vehicle, which evidence of insurance shall name Lessor as an additional insured and loss payee. In support of the forgoing, Lessee hereby irrevocably grants to Lessor Lessee's limited power of attorney to make claims for, receive payments of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any insurance policy required by Sections 5.A. and 5.B. Any notice of cancellation, expiration or material change in said insurance coverage to be provided hereunder shall be given to Lessor in writing at least thirty (30) days in advance of such event. All insurance policies must provide that no action, inaction or misrepresentation by Lessee or anyone other than Lessor shall affect Lessor's right to recovery thereunder. At the request of Lessor, Lessee shall deliver a full and complete copy of all insurance policies maintained in accordance with this Section 5. Lessor shall be under no duty to examine such policies or any other evidence of insurance nor to advise Lessee if the insurance coverage fails to comply with the requirements of Section 5 of this Agreement.

ii. Lessee shall cooperate fully with Lessor or any insurer providing insurance hereunder in the investigation, prosecution or defense of all accidents, claims, and suits arising out of or in connection with the use or operation of any Vehicle. Without limiting the foregoing, Lessee shall promptly notify Lessor of any such investigation, prosecution or defense and shall forward to Lessor a copy of every demand, notice, summons or other process or correspondence received in connection therewith.

iii. As between Lessee and Lessor, Lessee shall bear all risk of loss, damage or destruction to each Vehicle leased hereunder (which may exceed the actual cash value of such Vehicle) and all liability, costs, claims or expenses (including any expenses of Lessor in connection with making claims under any insurance policy) arising in connection with such Vehicle, however caused, including without limitation, collision, fire, theft, flood, confiscation, destruction or conversion, abandonment or unauthorized sale or concealment by agents or employees of Lessee, or any other cause or combination of causes which may occur, from the time of delivery to Lessee as determined in accordance with Section 2.C. until title to such Vehicle transfers from Lessor to the purchaser of such Vehicle in accordance with Section 6. The existence of liability insurance or collision or comprehensive insurance obtained by Lessee as required by this Section 5 shall not limit Lessee's liability to Lessor hereunder (it being understood that Lessor shall not be entitled to receive any double recovery hereunder).

iv. Lessee shall immediately notify Lessor by telephone of any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle and

confirm such notice in writing within three (3) business days of the accident or incident. Further, in connection with any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle, Lessee (1) shall permit Lessor to inspect such Vehicle, (2) shall notify Lessor and the appropriate insurance carrier(s) of all claims and demands in connection therewith, (3) shall cause its drivers, agents and employees to cooperate fully with Lessor and any insurance carrier(s) in the investigation, defense and prosecution of any claims or suits arising from the operation or use of such Vehicle and (4) shall forward to Lessor a copy of every demand, notice, summons or other process or communication received in connection with such claim.

D. If Lessee fails to provide and maintain insurance coverages as required by this Section 5, or fails to furnish Lessor with required evidence of such insurance coverage, Lessee shall be in default of this Agreement. Lessor may, at its option, immediately terminate Lessee's rights under this Agreement or obtain such required insurance on behalf of Lessee and Lessee agrees to reimburse Lessor for the premium for any such acquired insurance. It is understood that any insurance acquired by Lessor may not name Lessee as an insured or loss payee and may be more expensive than insurance that Lessee could obtain independently.

E. Indemnification

i. Lessee agrees to indemnify, defend and hold harmless Lessor, its affiliates, agents, successors and assigns from all costs, losses, claims, expenses, damages, suits, or liabilities, including reasonable attorneys' fees and expenses relating to the enforcement of Lessor's rights under this Agreement, of whatever kind and nature, unless prohibited by applicable law, arising out of or in connection with the breach by Lessee of this Agreement, an event of default under this Agreement or the use (whether authorized or unauthorized), misuse, condition, repair, storage, return or operation (including, but not limited to, latent and other defects, whether or not discovered by Lessee) of any Vehicle (collectively, "Indemnified Losses"), except to the extent attributable to the gross negligence or willful misconduct of Lessor.

ii. Lessor shall not be liable for the loss of or damage to any property or goods left in or upon any Vehicle. Lessee agrees to indemnify Lessor for any damages or liability resulting from Lessee's property or goods or any property or goods in Lessee's care or custody while said goods are in or upon such Vehicle, which property or goods are not included in the related VLO and/or Schedule A.

iii. The indemnity set forth in this paragraph E is absolute and unconditional and includes Indemnified Losses arising from, without limitation, negligence, strict liability, breach of contract (including claims by Lessor against Lessee), vicarious liability, defects in manufacture or maintenance and breach of warranty, but does not extend to claims or liability arising from the gross negligence or willful misconduct of Lessor, and shall continue in full force and effect regardless of where, how or by whom any Vehicle is operated, and notwithstanding any insurance coverage or other indemnity obtained by or in favor of Lessee or Lessor. **This indemnity shall survive the termination of this Agreement.**

F. LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS EMPLOYEES, AGENTS OR TO ANY PERSON, FIRM OR CORPORATION, FOR BUSINESS LOSS OR ANY LOSS OR INTERRUPTION OF OR DAMAGE TO BUSINESS OR PROFITS, OR FOR OTHER DAMAGES OF ANY KIND OR NATURE WHATSOEVER, INCLUDING (WITHOUT LIMITATION) ANY LOSS OR DAMAGE CAUSED BY REASON OF THE THEFT, CONVERSION, DESTRUCTION, LOSS, REPAIRS, ADJUSTMENTS, SERVICING, REPLACEMENT, OR ANY INTERRUPTION IN THE SERVICE OR AVAILABILITY FOR ANY REASON OF ANY VEHICLE, WHETHER ORIGINAL OR SUBSTITUTED, PROVIDED UNDER THIS AGREEMENT.

6. RETURN OF VEHICLE; DISPOSITION OF VEHICLES

A. The Lessee agrees that upon expiration, cancellation or termination of the lease with respect to any Vehicle or upon the election of Lessee to return the Vehicle at any time after the end of the minimum noncancelable lease term calculated pursuant to Section 1.G., Lessee shall provide written notice to Lessor that Lessee desires to purchase such Vehicle or to surrender such Vehicle to or at the direction of Lessor. Lessor is not required to notify Lessee that the lease term for any Vehicle is about to expire. However, Lessor shall have the right to demand the return of the Vehicle so specified on the lease end date and at any time thereafter. Lessee agrees to comply with such demand. Notwithstanding anything in this Agreement to the contrary, Lessee shall be required to purchase or surrender any Vehicle that has a positive Book Value (as defined in Exhibit 1) on Lessor's books at the end of the lease term set forth in the Schedule A for such Vehicle. The terms and conditions of this Agreement shall continue in full force and effect and shall be binding upon the Lessee until the fulfillment by Lessee of all of its obligations under this Agreement.

B. Lessee's obligations under this Agreement will continue until such Vehicle is sold to Lessee or to a third party and all amounts due Lessor under this Agreement with respect to such Vehicle have been paid; provided, that upon surrender of such Vehicle to or at the direction of Lessor in accordance with Section 6.C., if the Book Value of the Vehicle at the time of surrender is positive, then Lessee shall pay the related holding fee in lieu of monthly rental for such Vehicle. The holding fee for any Vehicle will be an amount equal to the *product* of (i) the Book Value of the Vehicle at the end of the month in which such Vehicle is surrendered, (ii) the Holding Fee Factor and (iii) the applicable Day Count *divided by* 30. The "Holding Fee Factor" for a Vehicle will be an amount equal to the related Lease Rate Factor *minus* the related Depreciation Factor. The "Day Count" for a Vehicle will be (1) the lesser of thirty (30) days and the number of days from and including the date the Vehicle is surrendered to Lessor to but excluding the date the Vehicle is sold by Lessor *minus* (2) the number of days from and including the date the Vehicle is surrendered to Lessor to and including the last day of the calendar month in which such Vehicle is surrendered.

C. Upon receipt of notice from Lessee that Lessee desires to surrender any Vehicle or demand by Lessor for the return of any Vehicle in accordance with the terms of this Agreement, Lessee shall cooperate with Lessor to arrange for a time and location of surrender. If Lessee and Lessor are unable to agree to a location for surrender, then Lessee shall surrender the Vehicle at the location where such Vehicle was initially delivered to Lessee. Lessee shall surrender each Vehicle to Lessor or its designee in safe operating condition together with a completed vehicle condition report in the form supplied by Lessor and all license plates, registration certificates, documents of title, odometer certifications in accordance with Section 3.D. and any other documentation necessary or useful to consummate the sale or other disposition of the Vehicle. Lessee shall be required to remove any personal property prior to surrender of the Vehicle, it being understood that any personal property remaining in any Vehicle after surrender shall be deemed abandoned and may be sold, retained, donated or discarded by Lessor without liability (including without any accounting of or credit to Lessee for the value of such property). Lessee will pay any and all reasonable and necessary expenses incurred by Lessor as a result of a breach of this paragraph.

D. If Lessee surrenders a Vehicle to Lessor prior to the end of a Step Period (as set forth on Schedule A for such Vehicle), then Lessee shall pay an interest adjustment to Lessor in an amount equal to the difference between the interest component of monthly rent accrued and the interest component of monthly rent paid by Lessee.

E. So long as no event of default shall have occurred and be continuing, at the expiration of the lease with respect to any Vehicle and prior to surrendering such Vehicle to Lessor, Lessee shall have the right to purchase such Vehicle from Lessor for a price equal to the then fair market value of the Vehicle on an "as-is, where-is" basis, without recourse or warranty. To exercise such right with respect to any Vehicle, Lessee must give Lessor irrevocable written notice not less than thirty (30) days prior to the surrender date for such Vehicle. If Lessee elects to not purchase any Vehicle, then Lessee may solicit cash bids from prospective purchasers for such Vehicle on an "as-is, where-is" basis, without recourse or warranty. At the written direction of Lessee, Lessor

shall sell such Vehicle to the prospective purchaser identified by Lessee; provided, that Lessor shall not be required to (but may at its option) sell such Vehicle to the purchaser identified by Lessee if the cash bid for such Vehicle is less than the lesser of (1) fair market value of such Vehicle (as reasonably determined by Lessor) and (2) the Book Value of such Vehicle. If Lessor does not sell Vehicles to a prospective purchaser identified by Lessee or to Lessee, then Lessor shall sell Vehicles surrendered by Lessee in a commercially reasonable manner on an "as-is, where is" basis, without recourse or warranty, for cash payable in full upon delivery. Without limiting the foregoing, Lessor shall have the right to sell Vehicles to any dealer, broker or other party (including affiliates of Lessor), through auction or otherwise. Lessor shall not be required to make any representation or warranty to Lessee or any third-party purchaser as to the condition of such sold Vehicle or as to any other matters in connection with such sale, except for the absence of liens attributable to Lessor.

F. Promptly after the sale of any Vehicle by Lessor in accordance with this Section 6, Lessee shall
   (1) promptly pay Lessor the amount, if any, due to Lessor as calculated pursuant to Exhibit 1 and
   (2) otherwise comply with the provisions of Exhibit 1; provided, that, if Lessee is in default of its Obligations under this Agreement, then Lessee shall pay Lessor the amount calculated in accordance with paragraph v of Section 7.C.

7. DEFAULT OF LESSEE

A. The following shall constitute "events of default" under this Agreement: (1) Lessee shall be in default of the payments required to be made by Lessee hereunder and such default continues unremedied for a period of five (5) business days after written notice of such failure is delivered by Lessor to Lessee, or Lessee shall breach any other material representation, warranty, covenant, term or condition of this Agreement or any other agreement between Lessee and Lessor or any of its affiliates to be kept or performed by Lessee, (2) Lessee shall file a petition in bankruptcy or shall make an assignment for the benefit of creditors, (3) proceedings in bankruptcy shall be instituted against Lessee, (4) Lessee shall be adjudicated a bankrupt or if a receiver shall be appointed for Lessee's property or business, (5) Lessee shall permit or suffer any material distress, attachment, levy or execution against any or all of its property or on any Vehicle, (6) Lessee ceases doing business or transfers a major part in value of its assets, (7) any financial or credit-related information provided to Lessor or any of its affiliates by or on behalf of Lessee was materially incorrect or misleading when provided to Lessor or such affiliate, and (8) an event shall have occurred which, in the reasonable judgment of Lessor, is likely to result in a material adverse change in the business, assets, operations or financial condition of Lessee.

B. If Lessee abandons, attempts to return or returns any Vehicle prior to the end of the minimum noncancelable lease term other than in connection with a damaged Vehicle deemed a total loss or a lost or stolen Vehicle, Lessor may declare Lessee in default with respect to any Vehicle so abandoned or returned in which event Lessee shall pay Lessor all amounts due with respect to such Vehicle and the lease terms related thereto. The remedy set forth in this paragraph shall not limit Lessor from pursuing any further remedies it might have as more clearly defined in Section 7.C.

C. Remedies for Default by Lessee.

   i. In the event of a default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor, Lessor has the option to retain possession, repossess or terminate this Agreement as to all leased Vehicles as collateral security for the payment of all amounts due and owing Lessor. Lessee authorizes Lessor to apply to the payment of any sums due Lessor hereunder as rent or otherwise, any sum of money belonging to Lessee, which may come into Lessor's possession.

   ii. Lessee agrees that Lessor shall have the right, at its option, to set-off and apply any amounts due Lessor against any of Lessee's funds held by Lessor and to charge any such amounts (including any net proceeds from the sale of any Vehicle) to other

Vehicles leased pursuant to this Agreement. If an event of default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor has occurred and if Lessor deems it necessary for its protection, Lessor may repossess all Vehicles wherever found or retain possession of Vehicles in possession of Lessor (and Lessee hereby authorizes Lessor and its agents to conduct such repossession, including by entering any premises where any Vehicle may be and removing such Vehicle therefrom). Repossession shall not terminate Lessee's obligations under the terms of this Agreement and shall be without prejudice to all other remedies available to Lessor for collection of all sums due from Lessee. Lessee shall pay all costs associated with repossession.

iii. Upon an event of default by Lessee, Lessor may (a) declare all sums owing hereunder and/or all monthly rental payments immediately due and payable as liquidated damages and not as penalty, (b) terminate this Agreement by notice in writing to Lessee, and (c) proceed by any appropriate legal or equitable action to enforce performance by Lessee of this Agreement, and to make collection of all of said rentals and amounts of money due, and to recover damages, together with costs of such proceedings (including reasonable attorneys' fees and expenses). Upon termination of this Agreement, all rights (but not all obligations) of Lessee to Vehicles and under this Agreement shall cease.

iv. Following an event of default, Lessor may, but shall not be obligated to, sell the Vehicle at public or private sale for cash or credit.

v. Following an event of default, Lessee shall pay Lessor an amount with respect to each Vehicle equal to the *excess* of (a) the total unpaid monthly rental which would have accrued for the balance of the minimum noncancelable lease term, if any, for such Vehicle *plus* the related Book Value of such Vehicle, *over* (b) the net proceeds of any sale of such Vehicle in accordance with paragraph iv of this Section 7.C. (it being understood that Lessee shall not acquire ownership of such Vehicle by payment of such amount). If the net proceeds from the sale of any Vehicle exceed the amount calculated pursuant to clause (a) of the preceding sentence, then Lessor may apply such excess to any amount owing by Lessee with respect to any Vehicle or otherwise under this Agreement. For the avoidance of doubt, Lessee shall not be relieved of any liability for rental, loss on disposition of any Vehicle or other payments due hereunder, and Lessor is entitled to retain as liquidated damages and not as a penalty any gain on the disposition of any Vehicle.

vi. The remedies provided to Lessor under this Section 7.C. and the other provisions of this Agreement shall not be deemed to be exclusive, but shall be cumulative and shall be in addition to all other remedies in Lessor's favor existing in law, in equity or in bankruptcy. No failure on the part of Lessor to exercise, and no delay on the part of Lessor in exercising, any right or remedy hereunder shall operate as a waiver thereof.

8. DISCLAIMER OF WARRANTY

A. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED BY THIS AGREEMENT, LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND LESSEE SPECIFICALLY WAIVES ALL RIGHTS TO MAKE CLAIMS AGAINST LESSOR WITH RESPECT TO ANY OF THE FOREGOING. NO DEFECT OR UNFITNESS OF THE EQUIPMENT SHALL RELIEVE LESSEE OF ITS OBLIGATION FOR PAYMENT AND OTHER CHARGES TO LESSOR PROVIDED FOR HEREIN OR OF ANY OTHER OBLIGATION UNDER THIS AGREEMENT. ANY WARRANTY COVERAGE PROVIDED TO LESSOR FROM THE MANUFACTURER(S) OF THE VEHICLE LEASED UNDER THIS AGREEMENT SHALL BE PASSED THROUGH TO THE LESSEE FOR THE TERM OF THE LEASE TO THE EXTENT PERMITTED BY MANUFACTURER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS CUSTOMERS OR THIRD PARTIES FOR ANY DEFECTS, EITHER

LATENT OR PATENT, IN ANY VEHICLE, OR FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE DIRECTLY OR INDIRECTLY ARISING OUT OF THIS LEASE OR ANY VEHICLE, OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR NEGLIGENCE, OR FOR LOSS OF ANY VEHICLE, OR FOR ANY INTERRUPTION IN LESSEE'S BUSINESS BY ITS INABILITY TO USE ANY VEHICLE FOR ANY REASON WHATSOEVER. LESSOR MAKES NO REPRESENTATION AS TO THE TREATMENT BY LESSEE OF THIS LEASE FOR FINANCIAL STATEMENT OR TAX PURPOSES. LESSEE IS LEASING ALL VEHICLES FROM LESSOR ON AN "AS IS" BASIS. IN NO EVENT SHALL LESSOR BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHATSOEVER OR HOWSOEVER CAUSED.

B. It is understood and agreed by the parties hereto that no automobile dealer, employee or agent of any dealer or employee or agent of Lessor has authority to make any representation or warranty to Lessee on Lessor's behalf regarding the performance, merchantability or serviceability of any Vehicle, or to make any estimates regarding the salvage value of any Vehicle, or any modification or amendment to any term of this Agreement other than in accordance with Section 10.B.

9. ASSIGNMENT

A. Lessee shall not assign, transfer, encumber or convey any interest in this Agreement or any interest in any Vehicle leased hereunder without the prior written consent of Lessor (which consent will not be unreasonably withheld). Any such consent shall not relieve the Lessee of its obligations and liabilities hereunder without the express written consent of the Lessor (which consent shall be in the sole discretion of the Lessor). In no event may Lessee sublet any interest in this Agreement or any interest in any Vehicle leased hereunder. Any purported assignment, transfer, encumbrance or conveyance without Lessor's prior written consent shall be void. Any person (i) into which Lessee may be merged or consolidated, (ii) resulting from any merger or consolidation to which Lessee shall be a party, (iii) that acquires by conveyance, transfer or lease substantially all of the assets of Lessee or (iv) succeeding to the business of Lessee, must (x) execute an agreement of assumption to perform every obligation of Lessee under this Agreement and (y) provide financial information reasonably requested by Lessor, in each case within ten (10) business days of such event.

B. Subject to Section 9.C. below, Lessor may assign, and Lessee hereby consents to such assignment of, all or any portion of the Vehicle(s) and/or any rights of the Lessor under this Agreement, including (without limitation) all or any rentals due or to become due hereunder. Lessor may also grant a security interest in any Vehicle leased hereunder or any of Lessor's rights under this Agreement. No assignment or execution of a security interest by Lessor shall alter Lessee's primary responsibilities with respect to the Lease or relieve Lessee from any liability hereunder. Lessee agrees that any such security interest and the lien thereof heretofore and hereafter placed by Lessor shall be superior to this Agreement and that Lessee will not assert against any assignee or secured party any claim, defense or set-off it may have against Lessor. Lessor also shall have the right to transfer ownership of Vehicles now or hereafter covered by this Agreement. Lessee shall recognize any such assignment. Lessor may designate other entities (each, a "Lessor Designee") to lease Vehicles to Lessee on the terms set forth in this Agreement and the Addenda. Each Lessor Designee will have the same rights as Lessor under this Agreement, and either Lessor or the Lessor Designee may directly enforce such rights against Lessee. For any rights with respect to any Vehicle leased to Lessee by a Lessor Designee, references in this Agreement to Lessor will be deemed to be references to the Lessor Designee. Lessee agrees that Lessor or any Lessor Designee may appoint one or more agents to act on its behalf and that such agents have the power and right to administer and enforce this Agreement. If Lessor causes the certificate of title or other evidence of ownership of any Vehicle to be issued in the name of any other entity as owner, Lessor shall be deemed to have designated the titled owner as the Lessor Designee with respect to such Vehicle. Lessee agrees to cooperate with Lessor to comply with the requirements of any applicable law in connection with the titling, registration and plating of any Vehicle following any assignment of this Agreement by Lessor or any transfer of ownership by Lessor in any Vehicle to a third party.

C. This Agreement shall be binding on the respective parties, their successors, legal representatives and assigns. So long as Lessee is in compliance with the terms of the lease, Lessee will be entitled to continue quiet enjoyment of Vehicles leased under this Agreement in the event that a third party assumes title to the Vehicles or any other rights of Lessor hereunder.

10. GENERAL

A. This Agreement (including all related amendments, modifications and supplements) constitutes the entire Agreement between the parties with respect to any Vehicle subject to a VLO with respect to an open-end lease placed by Lessee on or after the Effective Date. For the avoidance of doubt, no Vehicle ordered by Lessee for lease or leased by Lessee from Lessor prior to the Effective Date shall be subject to the terms and conditions of this Agreement unless Lessee and Lessor explicitly agree in writing that this Agreement shall apply to such Vehicles, and in no event will a Vehicle ordered by Lessee for lease or leased by Lessee with respect to a closed-end lease be subject to the terms and conditions of this Agreement.

B. Any amendment, modification or supplement to this Agreement (other than any Schedule A) must be in writing signed by Lessor and Lessee. Delivery of an executed counterpart of a signature page to any amendment, modification or supplement to this Agreement (including without limitation, any VLO or VQ) by facsimile or electronic delivery shall be as effective as delivery of a manually executed counterpart of such amendment, modification or supplement. Each Schedule A shall be effective as a supplement to this Agreement upon delivery of such Schedule A to the Lessee in accordance with Section 1.D. above. Notwithstanding the foregoing, any amendment, modification or supplement to this Agreement generated by Lessor that revises specific terms and conditions applicable only to an identified Vehicle and related lease (or an identified group of Vehicles and related leases) shall be effective as a modification to this Agreement with respect to such identified Vehicle(s) and related lease(s) upon delivery to Lessor of such amendment, modification or supplement executed by Lessee.

C. The titles of the various paragraphs in this Agreement are intended to facilitate reference to the Agreement only and shall not be employed in construction of any provision of this Agreement. The terms contained in this Agreement are applicable to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms.

D. Neither the failure of Lessor to insist upon the performance of any term or condition of this Agreement or to exercise any right or privilege conferred by this Agreement nor the waiver by Lessor of any such term or condition shall be construed as thereafter waiving any such term, condition, right or privilege. No waiver of any provision of this Agreement shall be valid unless the same is in writing and signed by Lessor. No waiver of any provision of this Agreement at such time will be deemed a waiver of such provision at any other time.

E. This Agreement shall be interpreted and applied in accordance with the substantive law of the State of Ohio without giving effect to its conflicts of laws rules. Lessee and Lessor agree that this Agreement is an agreement deemed made in Ohio. Lessee and Lessor hereby submit to the non-exclusive jurisdiction of the district court of the United States for the Southern District of Ohio and of any other court of applicable jurisdiction located in Cincinnati, Ohio. To the extent permitted by law, both parties to this Agreement hereby waive any and all right to any trial by jury in any action or proceedings directly or indirectly hereunder, and whether arising in law or equity.

F. Any default notice to be given by either party herein to the other shall be in writing and shall be deemed given when deposited in the United States mail, postage prepaid and sent by either Certified or Registered Mail, to the other party at its address as the same appears herein or at an address of which such other party may have notified the first party in writing. Notices not relating to the default by a party to this Agreement may be given by either party herein to the other via facsimile, electronic mail or any other mutually agreeable form of communication,

provided that such notice shall be deemed to not have been delivered until the sending party receives verbal or written confirmation from the other party that such notice has been received.

G. The creditworthiness of Lessee and any guarantor is a material condition to this Agreement. Lessee shall provide Lessor with financial information reasonably requested by and satisfactory to Lessor during the term of this Agreement. Nothing herein shall be construed to require Lessor to accept any VLO.

H. Should any part, term or provision of the contract be by the courts decided illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected thereby.

I. A "Valid Order", as used in this Agreement, will mean each of the following:

i. An order in writing for a Vehicle signed by a Permitted Signer in the form attached as Exhibit 2 hereto (or in any other form acceptable to Lessor in its sole discretion).

ii. An order submitted electronically through Lessor's "Customer Access System" or similar internet application.

iii. An order sent by a Permitted Signer to Lessor via electronic mail which includes the information specified in Exhibit 2 hereto.

J. A "Permitted Signer", as used in this Agreement, will mean each of the following:

i. Any officer or director of Lessee or an Authorized Affiliate.

ii. Any person identified on a list provided by Lessee or an Authorized Affiliate to Lessor, as such list may be revised from time to time.

iii. If Lessor has not received a list of persons authorized to be "Permitted Signers" from the Lessee or an Authorized Affiliate, then any person whom the Lessor reasonably believes is authorized to act on behalf of Lessee or an Authorized Affiliate.

K. An "Authorized Affiliate", as used in this Agreement, will mean any corporation, limited liability company, partnership, trust or other person designated by Lessee in writing to Lessor as an "Authorized Affiliate" of Lessee or otherwise designated as a person to whom Lessee has granted authority to submit a VLO in connection with this Agreement, as reasonably determined by Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Commercial Motor Vehicle Lease Agreement to be executed as of the dates indicated on the following signatory page.

[Remainder of Page Intentionally Left Blank]

LESSEE _____
BY:

NAME: _____
TITLE: _____
BY: _____
ADDRESS: _____

LESSOR: Mike Albert, Ltd
BY:

NAME: _____
TITLE: _____
DATE: _____

Exhibit 1 to the Lease

[sample only]

MIKE ALBERT

Mike Albert, Ltd
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

Vehicle Quotation "VQ"
Factory Order

MIKE ALBERT

Mike Albert Leasing, Inc.
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

"Lessee": ABC Company

ABC Company
123 Any St.
Cincinnati, OH 45241
Driver Grade Group: U Unassigned

This Vehicle Quotation or "VQ" refers to the following agreements as amended, modified, or supplemented from time to time and incorporates their terms and conditions herein:
Open-End Commercial Motor Vehicle Master Lease Agreement[ ]
Servicer Agreement [ ]

Programs applicable to this VQ and the related leased Vehicles include the following:

Vehicle Details: 2013 Ford Escape SEL 4dr Front-wheel Drive (U0H)
Lease Term: 36
Security Deposit: $0.00
Capital Contribution: $0.00

Standard Equipment:
Engine: 1.6L EcoBoost (99X-01)
Transmission: 6-Speed Automatic w/SelectShift (446-01)
3.21 Axle Ratio (STDAX-02)
GVWR: 4,520 lbs (STDGV-02)
Tires: P235/50R18 A/S (TVC-01)
Wheels: 18" Alloy Sparkle Nickel (64C-01)
Heated Leather-Trimmed Buckets w/60/40 Rear Seat (8-03)
Monotone Paint Application (PAINT-01)
106" Wheelbase (106WB-01)
Radio: AM/FM Single CD/MP3 Capable (STDRD-03)

Optional Factory Equipment:
Equipment Group 300A (300A-01)

After Market Equipment:

One-Time Charge Equipment:

Estimated Capitalized Cost: $25,414.00 Actual "Capitalized Cost" will be set forth in the related Schedule A, and will be based on the Estimated Capitalized Cost set forth above, as increased or reduced to reflect any increase or reduction in the cost to Lessor to acquire such Vehicle and place it in service with Lessee.

Lease Term: 36 months

Lease Rate Factor is comprised of the following:
Depreciation Factor: 2.7778%
Admin. Factor: 0.1000%

Interest Component:
The interest component of your Open-End Lease Rate Factor is indexed to the SWAP Rate obtained from the Federal Reserve Statistical Release (H.15) publication on the last Friday of the month preceding delivery, plus an interest adjustment. Additionally, the interest component of the lease rate may be affected by a "Liquidity Adjustment", which is an amount determined by the Lessor based on an increase in the cost of funds in the relevant credit markets. The Liquidity Adjustment will not change subsequent to Lessor acceptance of a Vehicle Lease Order with respect to a Vehicle that references this VQ.

Invoice Adjustment: Open-End Invoice Adjustment $0.00

Vehicle Quotation "VQ"

Total Monthly Costs:

Step Period:

Step(Months)	Rates	Book Value
1 to 12	$807.72	$16,942.67
13 to 24	$777.72	$8,471.33
25 to 36	$747.72	$0.00
Specified Services/Items		$6.00

The following Specified Services/Items are included in this quotation:

Disposal Agreement - Direct	$0.00
National Account Card	$0.00
Preventative Maintenance Service	$2.00
Maintenance Management	$4.00
Wright Express Fuel Card	$0.00

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

Autotag ($20 per occurrence)	$0.00
24-Hour Emergency Road Services ($25 per occurrence)	$0.00

If the terms and conditions of this VQ are acceptable, please have an authorized officer execute this VQ in the space provided below. By executing this VQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this VQ.

The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement or Telematics Agreement at any time, and that the obligations set forth in any Services Agreement or Telematics Agreement are solely the obligations of Mike Albert Leasing, Inc. (MAL). This VQ expires in 360 days, and after such time no Vehicles may be ordered for the lease pursuant to the terms of this VQ.

Mike Albert, Ltd
10340 Evendale Drive
Cincinnati, OH 45241

_____

By: Lessor under the Master Lease Agreement

MAL
10340 Evendale Drive
Cincinnati, OH 45241

_____

By: MAL under the Services Agreement and/or Telematics Agreement

IN WITNESS WHEREOF, the undersigned has hereto caused this VQ to be executed this __ day of ____, 20___.

By:
Name:
Title:
Address:

_____

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Please review the terms and specifications set forth in the VQ for accuracy. Please fax any necessary modifications to this VQ to (513) 563-9316 or email orders@mikealbert

Exhibit 2 to the Lease

[sample only]

MIKE ALBERT

Mike Albert, Ltd
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

Vehicle Lease Order "VLO"

MIKE ALBERT

Mike Albert Leasing, Inc.
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

ABC Company

ABC Company
123 Any St.
Cincinnati, OH 45241

Vehicle Details: 2013 Ford Escape SEL 4dr Front-wheel Drive (U0H)
Unit #:
Security Deposit:
Capital Contribution: $0.00

Standard Equipment:
Engine: 1.6L EcoBoost (99X-01)
Transmission: 6-Speed Automatic w/SelectShift (446-01)
3.21 Axle Ratio (STDAX-02)
GVWR: 4,520 lbs (STDGV-02)
Tires: P235/50R18 A/S (TVC-01)
Wheels: 18" Alloy Sparkle Nickel (64C-01)
Heated Leather-Trimmed Buckets w/60/40 Rear Seat (8-03)
Monotone Paint Application (PAINT-01)
106" Wheelbase (106WB-01)
Radio: AM/FM Single CD/MP3 Capable (STDRD-03)

Optional Factory Equipment:
Equipment Group 300A (300A-01)

After Market Equipment:

One-Time Charge Equipment

Actual "Capitalized Cost" will be set forth in the related Schedule A.
Lease Term: 36 Months **Months to Anticipated Replacement:** 36 Months
Lease Rate Factor is comprised of the following:
Depreciation Factor: 2.7778%
Admin. Factor: 0.1000%
Interest Component:
Interest: indexed to the SWAP Rate plus an adjustment.

Your Open End Lease Rates are indexed to interest rates and vehicle costs as outlined in the Vehicle Quotation "VQ" Document.

The undersigned requests the following Specified Services/Items:

Disposal Agreement - Direct	$0.00
National Account Card	$0.00
Preventative Maintenance Service	$2.00
Maintenance Management	$4.00
Wright Express Fuel Card	$0.00

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

Autotag ($20 per occurrence)	$0.00
24-Hour Emergency Road Services ($25 per occurrence)	$0.00

Order Date: _____ **Requested Date:** _____

Requested Delivery Dealer / Area: _____ **Replace Unit #:** _____

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior			
2nd Exterior / Interior			

Vehicle Lease Order "VLO"

Driver Name: _____

Driver Grade Group: U Unassigned

Garaged Address For Title & License _____

City / St / Zip: _____

County: _____ **Township:** _____

Bus. Phone: _____ **Cost Center:** _____

Home Phone: _____ **Fleet Ref#:** _____

Cell Number: _____ **Recharge Code:** _____

Email Address: _____

Delivery Location (if different from Driver Garaged Address set forth above): _____

Reference is hereby made to Vehicle Quotation #[ ] (the "VQ") as amended, modified or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Open-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

_____

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Fax to (513) 563-9316 Attn: Order Acceptance

Exhibit 3 / Schedule A to Lease Agreement

[sample only]

MIKE ALBERT

Mike Albert, Ltd
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

MIKE ALBERT

Mike Albert Leasing, Inc.
10340 Evendale Drive
Cincinnati, OH 45241-2564
1-800-886-5828

Schedule "A"
Delivery Notification

"Lessee": 00024364 ABC Company

Peter Piper
ABC Company
1234 Main Street
Cincinnati, OH 45241

Schedule A Reference: 181625/1/3
Driver
John Smith
5678 Anystreet
Anytow, OH 45254

Vehicle Details:
2013 Ford Escape SEL 4dr Front-wheel Drive (U0H)

Unit #:	00966096	**Cost Center:**	D5402195
Lease Start:	02/01/13	**Fleet Ref#:**	
Lease Term:	36	**Recharge Code:**	
Permitted Mileage:	N/A	**In-Service Date:**	01/22/13
Serial Number:	1FMCU0HX5DUC37340	**Security Deposit:**	$0.00
Replaces Unit:	00944311	**Capital Contribution:**	$0.00
		Excess Mileage Rate(s):	

Capitalized Cost: $25,414.00
Lease Rate Factor is comprised of the following:
Depreciation Factor: 2.7778%
Admin Factor: 0.1000%
Interest: indexed to the SWAP Rate plus an adjustment.

Total Monthly Costs:

Steps (Months)	Rates	Book Value
1 to 12	$803.04	$16,942.67
13 to 24	$774.88	$8,471.33
25 to 36	$746.71	$0.00

Specified Services/Items

24-Hour Emergency Road Services ($25 per occurrence)	$0.00
Autotag ($20 per occurrence)	$0.00
Disposal Agreement - Direct	$0.00
Maintenance Management	$4.00
National Account Card	$0.00
Preventative Maintenance Service	$2.00
Wright Express Fuel Card	$0.00

Standard Equipment:
Radio: AM/FM Single CD/MP3 Capable (STDRD-03)
Monotone Paint Application (PAINT-01)
GVWR: 4,520 lbs (STDGV-02)
3.21 Axle Ratio (STDAX-02)
Tires: P235/50R18 A/S (TVC-01)
Heated Leather-Trimmed Buckets w/60/40 Rear Seat (8-03)
Wheels: 18" Alloy Sparkle Nickel (64C-01)
Engine: 1.6L EcoBoost (99X-01)
106" Wheelbase (106WB-01)

Optional Factory Equipment:
Equipment Group 300A (300A-01)

Optional Dealer Equipment:

Schedule "A"
Delivery Notification

Standard Equipment:

Transmission: 6-Speed Automatic w/SelectShift (446-01)

Optional Factory Equipment:

Reference is hereby made to Vehicle Quotation #159466/1/1 (the "VQ") and Quote Reference #181625/1/3 and Open-End Commercial Motor Vehicle Master Lease Agreement #00102576 (as amended, modified or supplemented from time to time, the "Master Lease Agreement"), between Mike Albert, Ltd and Lessee, the terms of which are hereby incorporated by reference.

The Vehicle described herein on this Schedule A of the Master Lease Agreement is incorporated into and made a part of the Master Lease Agreement. By accepting delivery of the vehicle described herein (either directly or through a designee, including any designated driver), Lessee hereby acknowledges and agrees (and no separate writing by the Lessee shall be necessary), that the terms of this Schedule A, the related VQ and the Master Lease Agreement and any other agreements identified on the VQ shall apply to the vehicle described by this Schedule A.

Any Specified Services/Items are provided by and the obligation of Mike Albert Leasing, Inc.

EXHIBIT H

SPIFFY FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

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Exhibit A – Development Schedule
Exhibit B – Development Area and Development Fee
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AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the "Agreement") is made and entered as of _____ (the "Effective Date") by and between SPIFFY FRANCHISING, LLC ("Franchisor") and _____ ("Area Developer"), with reference to the following facts:

RECITALS

A. Franchisor has expended time, money, and effort to develop a unique system for operating a business providing mobile, on-demand, and environmentally friendly car care services, including wash, detail, oil change, tire installation and repair, and fueling. (The methods of operation are referred to herein as the "System"; the chain of current and future SPIFFY mobile car care businesses are referred to herein as the "Chain.") Franchisor and/or its affiliates own certain proprietary and other property rights and interests in and to the "SPIFFY" name and such other trademarks, trade names, service marks, logotypes, insignias, trade dress and designs (collectively "Proprietary Marks") used in connection with the System and Chain.

B. Franchisor desires to expand and develop the Chain and seeks sophisticated and efficient franchisees that will develop one or more SPIFFY mobile car care franchised businesses at specific locations which will operate in designated territories (each a "Mobile Car Care Business").

C. Area Developer desires to open and operate a certain number of Mobile Car Care Businesses and Franchisor desires to grant to Area Developer the right to open and operate a certain number of Mobile Car Care Businesses in the Development Area (as defined below).

The parties therefore agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development Area. Franchisor hereby grants to Area Developer, and Area Developer hereby undertakes the obligation, pursuant to the terms and conditions of this Agreement, to enter into Franchise Agreements for the number of Mobile Car Care Businesses identified in the development schedule set forth in Exhibit A ("Development Schedule") and to develop, own, and operate, under each such Franchise Agreement, a Mobile Car Care Business to be located in the area described in Exhibit B (the "Development Area").

1.2 Term. Unless sooner terminated pursuant to the provisions of Section 9, the term of this Agreement shall expire upon the earlier of (a) the Termination Date listed on Section 2 of Exhibit A, or (b) completion of the obligations of the Development Schedule. Area Developer shall have no right to renew this Agreement.

2. TERRITORIAL PROTECTION/RESERVATION OF RIGHTS

2.1 Development Area Protection. During the Term, Franchisor agrees that neither Franchisor nor its affiliates will own or operate, or grant a franchise for the operation of, a Mobile Car Care Business in the Development Area, provided that Area Developer: (a) timely meets the obligations set forth in the Development Schedule; and (b) is otherwise in material compliance

with the terms and provisions of this Agreement and all of its Franchise Agreements with Franchisor.

2.2 Franchisor's Reservation of Rights. Notwithstanding anything in this Agreement to the contrary, Franchisor reserves all rights not expressly granted to Area Developer in this Agreement, including, but not limited to, the rights to:

(a) Use and license others to use, the Proprietary Marks and the System for the operation of SPIFFY mobile car care businesses at any location outside of the Development Area;

(b) Use the Proprietary Marks or other marks in connection with selling or distributing any goods (including branded merchandise) or services anywhere in the world (including within the Development Area), whether or not the Mobile Car Care Businesses also offer them, through channels of distribution other than a SPIFFY-branded mobile car care business operating in the Development Area using the Proprietary Marks and the System (including, for example, brick-and-mortar locations, kiosks, catalogs, mail order, or the internet, e-commerce, or other electronic means);

(c) Use and license to any party to use, Franchisor's or its affiliate's (i) intellectual property and/or (ii) software, anywhere in the world (including within the Development Area); provided, however, that such licenses shall not include the right to use the Proprietary Marks in connection with a SPIFFY-branded mobile car care business operating in the Development Area using the Proprietary Marks and the System;

(d) Use the Proprietary Marks in connection with soliciting or directing advertising or promotional materials to customers and prospective customers anywhere in the world (including within the Development Area);

(e) Acquire, establish, or operate, without using the Proprietary Marks, any business of any kind at any location anywhere in the world (including within the Development Area);

(f) Acquire, merge, affiliate with, or engage in any transaction with other businesses (whether competitive or not), with locations anywhere, including arrangements in which Franchisor or any of Franchisor's affiliates are acquired, and/or Franchisor-owned, franchised, or other businesses (including Area Developer's Mobile Car Care Businesses) are converted to another format or marks, maintained under the System, or otherwise;

(g) Pursuant to the terms of the Franchise Agreements, exercise Franchisor's rights related to National Accounts (as defined in the Franchise Agreements) in the Development Area; and

(h) Use the Proprietary Marks or other marks to directly, or through Franchisor's affiliates or a third party, offer, sell, and provide goods and services other than those that Area Developer is authorized to offer, sell, and provide under the then-current System, through any channel of distribution.

2.3 Area Developer Acknowledgements. The essence of Franchisor's reservation of rights in this Article 2 is that Franchisor and its affiliates may, and may authorize others to, engage in many business activities, and these business activities may compete with the Mobile Car Care Businesses. Area Developer expressly acknowledges that all SPIFFY mobile car care businesses (whether owned by Franchisor, Area Developer, or other System franchisees) may solicit business from customers without regard to the customers' geographic location. Franchisor does not warrant or represent that no other SPIFFY mobile car care business will solicit or make any sales within the Development Area, and Area Developer hereby expressly acknowledges and agrees that such solicitations or sales may occur within the Development Area. Area Developer recognizes and acknowledges that (i) it will compete with other SPIFFY mobile car care businesses which are now, or which may in the future be, located near or adjacent to the Development Area, and (ii) that such mobile car care businesses may be owned by Franchisor or its affiliates.

3. AREA DEVELOPER'S OBLIGATIONS

3.1 Development Obligation. Area Developer agrees to develop and begin operating the number of Mobile Car Care Business in the Development Area as set forth in the Development Schedule, within the time periods specified therein.

3.2 Franchise Agreements. The parties acknowledge that the operation of each Mobile Car Care Business shall be governed by the then-current franchise agreement signed by Franchisor and Area Developer (each, a "Franchise Agreement"). At or before the signing of this Agreement, Area Developer must sign and deliver to Franchisor at least [one] Franchise Agreement for the [first] Mobile Car Care Business to be opened by Area Developer. Area Developer must comply with the terms and conditions of the Franchise Agreement for each Mobile Car Care Business developed pursuant to this Agreement as a part of Area Developer's obligations hereunder and Area Developer's failure to execute and comply with such Franchise Agreements shall be a breach of this Agreement. The Franchise Agreement for the [second and any subsequent] Mobile Car Care Business shall be executed in accordance with the Development Schedule, after Franchisor's written approval of a location and territory for the Mobile Car Care Business to be operated thereunder. Each Franchise Agreement to be executed by Area Developer for each Mobile Car Care Business to be developed hereunder shall be the then-current form of the Franchise Agreement being offered to new SPIFFY franchisees. Area Developer acknowledges that Franchisor has the right to charge then-current published rates for royalties, advertising fees, and any other fees charged under a Franchise Agreement.

3.3 Development Schedule.

(a) Area Developer acknowledges and agrees that: (i) time is of the essence, and therefore, (ii) it will exercise its development rights strictly in accordance with Section 3.1 and the Development Schedule set forth on Attachment B. The Development Schedule on Attachment B designates the number of Mobile Car Care Businesses that must be developed within each of the designated development periods ("Development Periods").

(b) During any Development Period, Area Developer may, with Franchisor's prior written consent, develop more than the number of Mobile Car Care Businesses that Area Developer is required to develop during that Development Period by executing multiple Franchise Agreements during a single Development Period. Any Franchise

Agreements executed during a Development Period in excess of the minimum number to be executed upon expiration of that Development Period shall be applied to satisfy Area Developer's development obligation during the next succeeding Development Period. Area Developer shall not execute more than the cumulative total number of Franchise Agreements that Area Developer is obligated to execute under this Agreement, as set forth above in the Development Schedule.

(c) Area Developer shall open each Mobile Car Care Business in accordance with the terms of the Franchise Agreement and shall execute the Franchise Agreements in accordance with the Development Schedule set forth on Exhibit A, unless, subject to Franchisor's approval, Area Developer obtains an extension of the Development Period from Franchisor to sign a particular Franchise Agreement. Each extension shall be for an additional 90-day period commencing upon the expiration of the applicable Development Period, including any previous extensions thereof ("Extension Date"). No more than two (2) extensions of any Development Period will be permitted. No extension of any Development Period shall affect the duration of any other Development Period or any of Area Developer's other development obligations. If an extension is requested in the final Development Period, the term of this Agreement shall be extended to the Extension Date, and thereafter Area Developer shall have no further rights under this Agreement. The second extension may be conditioned upon payment of an extension fee ("Extension Fee") of Two Thousand Dollars ($2,000).

(d) Failure by Area Developer to adhere to the Development Schedule (including any extensions approved by Franchisor) shall result in a loss of the territorial rights granted in Section 2.1 of this Agreement. Failure by Area Developer to adhere to the Development Schedule on two (2) or more occasions shall constitute a material event of default under this Agreement and shall result in automatic termination.

(e) Should Area Developer be unable to adhere to the Development Schedule, whether in the timing of the development of the Mobile Car Care Businesses, the number of Mobile Car Care Businesses opened, or otherwise, solely as the result of force majeure, including, but not limited to strikes, war, material shortages, fires, floods, earthquakes, terrorism, pandemics, and other acts of God, or by force of law (including, but not limited to any legal disability of Franchisor to deliver a Franchise Disclosure Document to Area Developer), which result in the inability of Area Developer to construct or operate a Mobile Car Care Business in the Development Area, and which Area Developer could not by the exercise of due diligence have avoided, the Development Schedule shall be adjusted by the amount of time during which such force majeure shall exist.

4. FEES

4.1 Development Fee. In consideration of the grant of the rights granted to Area Developer in this Agreement, Area Developer shall pay Franchisor, upon its execution of this Agreement, a development fee in the amount set forth in Exhibit B. The Development Fee is fully earned and non-refundable upon Area Developer's execution of this Agreement in consideration of the administrative and other expenses Franchisor incurs and for the development opportunities

lost or deferred as a result of Franchisor's granting the development rights under this Agreement to Area Developer.

4.2 Initial Franchise Fee Credit. Franchisor will apply the Development Fee as a credit against the initial franchise fees payable under each Franchise Agreement executed pursuant to this Agreement, and the remaining amount of the initial franchise fees due upon execution of each Franchise Agreement is set forth in Exhibit B.

5. LOCATION OF MOBILE CAR CARE BUSINESSES

5.1 Site Review. When Area Developer has located a proposed site for establishment of an office for a Mobile Car Care Business within the Development Area, Area Developer shall submit to Franchisor such demographic and other information regarding the proposed site and neighboring areas as Franchisor shall require, in the form prescribed by Franchisor ("Site Review Request"). Franchisor may seek such additional information as it deems necessary within thirty (30) days of submission of Area Developer's Site Review Request, and Area Developer shall respond promptly to such request for additional information. If Franchisor shall not deliver written notice to Area Developer that Franchisor accepts the proposed site, within thirty (30) days of receipt of Area Developer's fully and accurately completed Site Review Request, or within thirty (30) days after receipt of such additional requested information, whichever is later, the site shall be deemed rejected. If the Franchisor accepts the proposed site it shall notify Area Developer of its acceptance of the site.

5.2 Franchisor's Assistance. Although Franchisor may voluntarily (without obligation) assist Area Developer in locating an acceptable site for a Mobile Car Care Business, neither Franchisor's said assistance, if any, nor its acceptance of any proposed site, whether initially proposed by Area Developer or by Franchisor, shall be construed to insure or guarantee the profitable or successful operation of the Mobile Car Care Business at that site by Area Developer, and Franchisor hereby expressly disclaims any responsibility therefor. Area Developer acknowledges its sole responsibility for finding each site for the Mobile Car Care Business it develops pursuant to this Agreement.

5.3 Reimbursement of Franchisor. Unless waived by Franchisor in whole or in part, upon submitting a fourth or subsequent Site Review Request to Franchisor for review, Area Developer shall reimburse Franchisor for all costs and expenses of Franchisor incurred in reviewing the Site Review Requests, including payment to consultants and agents retained by Franchisor to assist in conducting such review and including a reasonable allocation of overhead and administrative expenses.

6. ASSIGNABILITY, TRANSFER, AND SUBFRANCHISING

6.1 Franchisor's Right to Transfer. Franchisor shall have the right to transfer or assign this Agreement, and assign or delegate all or any part of Franchisor's rights or obligations under this Agreement, to any person or legal entity, and any designated assignee of Franchisor shall become solely responsible for all of Franchisor's obligations under this Agreement from the date of the assignment. Franchisor shall execute such documents of attornment or other documents as Franchisor may request.

6.2 No Right to Assignment or Transfer for Area Developer. Area Developer's rights under this Agreement are personal and Area Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion.

6.3 No Subfranchising by Area Developer. Area Developer shall not offer, sell, or negotiate the sale of SPIFFY franchises to any third party, either in Area Developer's own name or in the name and on behalf of Franchisor, or otherwise subfranchise, share, divide or partition this Agreement, and nothing in this Agreement will be construed as granting Area Developer the right to do so.

7. COVENANTS AGAINST UNFAIR COMPETITION

7.1 In-Term Competition. During the term of this Agreement, neither Area Developer, its affiliate, nor any shareholder, member, partner, officer, director, or member of Area Developer or its affiliates, without Franchisor's prior written consent, either directly or indirectly, for themselves, or through, on behalf of, or in conjunction with any other person or entity, shall:

(a) Own, manage engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any Competitive Business;

(b) Solicit, divert or attempt to solicit or divert any business or customer to any Competitive Business, by direct or indirect inducement or otherwise;

(c) Perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System; or

(d) Use any vendor relationship established through Area Developer's association with Franchisor for any purpose other than to purchase supplies, products, equipment, merchandise, or services for use in the Mobile Car Care Businesses.

7.2 Post-Term Competition. Area Developer agrees that for a period of two (2) years after the termination or expiration of this Agreement ("Restrictive Period"), regardless of the reason for such termination or expiration, Area Developer, its affiliates, its affiliates, and any shareholder, member, partner, officer, director of Area Developer (each, an "Owner") shall not, within the Protected Territory (as defined below) engage in any of the following:

(a) Engage in any Competitive Business as franchisee, licensee, or area developer; or

(b) Engage in any Competitive Business as an employee, owner, manager, or independent contractor in any capacity which directly competes with the work he or she performed for Area Developer within one (1) year preceding the termination or expiration of this Agreement; or

(c) Engage in any Competitive Business as an employee, owner, manager, or independent contractor in any capacity in which he or she would be in a position to use or disclose Confidential Information of Franchisor; or

(d) Become interested in any such Competitive Business as an individual, partner, shareholder, member, director, officer, principal, agent, employee, lender, consultant, spouse, or in any other relationship or capacity; provided, that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in itself be deemed violative of this section so long as Area Developer, its affiliates, or its Owners does not own themselves or through their spouses or partners more than one percent (1%) of the securities of such corporation; or

(e) Serve, solicit, divert, or attempt to solicit or divert any business or customer located within the Protected Territory with whom Area Developer, its affiliates, or its Owners had any business relationship as of the termination date or within one (1) year preceding the termination or expiration date of this Agreement to any Competitive Business; or

(f) Serve, solicit, divert or attempt to solicit or divert to any Competitive Business any business or customer located within the Protected Territory with whom Franchisor or any of its other franchisees or franchise owners had any business relationship as of the termination date or within one (1) year preceding termination or expiration date of this Agreement.

7.3 Definition of Competitive Business. For purposes of this Section 7, the term "Competitive Business" shall mean any business or commercial activity, other than a SPIFFY business that Area Developer is authorized by Franchisor to operate, that:

(i) Provides mobile car care services, including, but not limited to wash, detail, oil change, tire installation and repair, and fueling; or

(ii) Develops, markets, sells, or licenses technology used in the delivery of mobile car care services; or

(iii) Provides any of the products or services offered by the Mobile Car Care Businesses at the time of or during the one (1) year period prior to the termination or expiration of this Agreement.

7.4 Definition of Confidential Information. For purposes of this Agreement, the term "Confidential Information" means all knowledge, know-how, standards, methods and procedures related to the establishment and operation of the Mobile Car Care Businesses not generally known to the public and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Mobile Car Care Businesses including, without limitation, all databases (whether in print, electronic or other form), designs, names, addresses, phone numbers, e-mail addresses, customer purchase records, mail lists, manuals, promotional and marketing materials, marketing strategies and any other data and information that the Franchisor or its affiliates designates as confidential including all information contained in Franchisor's operations manuals, which may be provided as one or more separate manuals, written instructional guides, electronic files, or other communications from the Franchisor or its affiliates, which may be changed or supplemented from time to time.

7.5 Definition of Protected Territory. For purposes of Section 7, the term "Protected Territory" means the following:

(a) An area which combined includes (i) the Development Area, and (ii) the territories or development areas in which Franchisor, its affiliates, or Franchisor's other franchisees operate any SPIFFY mobile car care businesses as of the date of termination or expiration of this Agreement; or

(b) only in the event the foregoing is determined by a court of law to be too broad, an area which is within a 20-mile radius of:

(i) Area Developer's Mobile Car Care Businesses at the time of termination or expiration of this Agreement, or

(ii) The location of any other SPIFFY mobile car care businesses owned by Franchisor, its affiliates, or Franchisor's other franchisees at the time of termination or expiration of this Agreement; or

(c) only in the event the foregoing is determined by a court of law to be too broad, an area which is within a 10-mile radius of:

(i) Area Developer's Mobile Car Care Businesses at the time of termination or expiration of this Agreement, or

(ii) The location of any other SPIFFY mobile car care businesses owned by Franchisor, its affiliates, or Franchisor's other franchisees at the time of termination or expiration of this Agreement; or

(d) only in the event the foregoing is determined by a court of law to be too broad, the Development Area.

7.6 Area Developer's Acknowledgment. The foregoing in-term and post-termination covenants against unfair competition with respect to similar Competitive Businesses shall apply regardless of how or why the Agreement terminates or expires. The parties agree that the foregoing covenants contained in this Section 7 contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect Franchisor's goodwill or Franchisor's other business interest and its franchisees and the provisions do not prevent Area Developer or its Owners from earning a living. Area Developer agrees that the scope of activities prohibited in this Section 7, and the length of the term and geographical restrictions in this Section 7, are necessary to protect Franchisor's legitimate business interests and are fair and reasonable and are not the result of overreaching, duress, or coercion of any kind. Area Developer's and the Owners' full, uninhibited, and faithful observance of each of the covenants in this Section 7 will not cause any undue hardship, financial or otherwise. Enforcement of each of the covenants in this Section 7 will not impair Area Developer's or its Owners' ability to obtain employment commensurate with Area Developer's or its Owners' abilities or on terms fully acceptable to Area Developer or otherwise to obtain income required for the comfortable support of Area Developer and its Owners and their families, and the satisfaction of the needs of all of Area Developer's and its Owners' creditors. Area Developer's and its

Owners' special knowledge of the SPIFFY mobile car care businesses (and anyone acquiring this knowledge through Area Developer or its Owners) is such as it would cause Franchisor serious injury and loss if Area Developer or its Owners (or anyone acquiring this knowledge through Area Developer or its Owners) were to use this knowledge to the benefit of a competitor or were to compete with Franchisor or its franchisees. The covenants in this Section 7 are to be construed as independent of any other covenant or provision of this Agreement. The existence of any claim Area Developer or any of its Owners may have against Franchisor or any of its affiliates (regardless of whether arising under this Agreement) is not a defense to the enforcement of these covenants against Area Developer or its Owners. In the event of any violation of the provisions of this Section 7, the Restrictive Period shall be extended by a period of time equal to the period of the violation. Area Developer and Franchisor agree that the running of the applicable post-termination Restrictive Period shall be tolled during any period of such violation.

8. CONFIDENTIALITY

8.1 Duty of Confidentiality. Area Developer understands and agrees that Franchisor has disclosed or will hereafter disclose to Area Developer certain Confidential Information or proprietary information and trade secrets. Except as necessary in connection with the performance of obligations under this Agreement and any Franchise Agreement executed with Franchisor, Area Developer shall not, during the term of this Agreement or at any time after the expiration or termination of this Agreement, regardless of the cause of termination or expiration, directly or indirectly, use for its own benefit or communicate or divulge to, or use for the benefit of any other person or entity, any trade secrets, Confidential Information, knowledge or know-how concerning the products, services, advertising, marketing, designs, or methods of operation of the Mobile Car Care Businesses or the System.

8.2 Franchisor's Ownership Rights. All ideas, concepts, techniques, or materials concerning the Mobile Car Care Businesses, whether or not protectable intellectual property and whether created by or for Area Developer or its Owners or employees, must be promptly disclosed to Franchisor and will be deemed the exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation will be due to Area Developer or its Owners or employees therefor. Franchisor may incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Area Developer hereby assigns ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor reasonably requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. As Franchisor may reasonably request, Area Developer shall, at Franchisor's expense, take all actions reasonably necessary to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Area Developer or not.

9. TERMINATION

9.1 Automatic Termination. This Agreement, and all rights granted herein, shall automatically and without notice terminate if Area Developer becomes insolvent or makes a general assignment for the benefit of creditors; if Area Developer files a petition in bankruptcy or such a petition is filed against and consented to by Area Developer; if Area Developer is adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of Area Developer or other custodian for Area Developer's business or assets is filed

and consented to by Area Developer; if a receiver or other custodian (permanent or temporary) of Area Developer's business or assets or any part thereof is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against Area Developer; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against Area Developer's business or assets; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against Area Developer and not dismissed within thirty (30) days; or if the real or personal property of any of Area Developer's Mobile Car Care Businesses shall be sold after levy thereupon by any sheriff, marshal or constable. This Agreement, and all rights granted herein, shall automatically and without notice terminate upon Area Developer's second failure to adhere to the Development Schedule (including any extensions approved by Franchisor).

9.2 Termination Upon Notice with Opportunity to Cure. To the extent that each default listed in this Section 9.2 is curable, Franchisor will give Area Developer written notice of such default and an opportunity to cure such default within fifteen (15) days of Area Developer's receipt of such notice. Franchisor will have the right to terminate this Agreement immediately upon notice to Area Developer if Area Developer fails to cure any default to Franchisor's satisfaction and provide proof of such cure within the fifteen (15)-day period or if the default is not curable. If applicable law requires a longer cure period, such period shall apply to Franchisor's notice of default. Defaults which may be susceptible of cure hereunder include, but are not limited to, the following:

(a) Area Developer fails to comply with all federal, state, and local laws, rules, and regulations with respect to its Mobile Car Care Businesses; or

(b) Area Developer attempts to sell, assign, transfer, or encumber in whole or in part any or all rights and obligations under this Agreement, in violation of the terms of this Agreement; or

(c) Area Developer is in breach of any of the Franchise Agreements between Franchisor and Area Developer.

9.3 Franchisor's Rights Upon Area Developer's Default. Except as otherwise provided in Sections 9.1 and 9.2, upon any default by Area Developer including Area Developer's failure to comply with the Development Schedule, or if Area Developer fails to timely cure any default under Section 9.2, Franchisor will have the right, in its sole discretion, to:

(a) Terminate this Agreement and all rights granted hereunder without affording Area Developer any opportunity to cure the default, effective immediately upon receipt by Area Developer of written notice;

(b) Terminate the territorial protection granted under Section 2.1, and Franchisor will have the right to establish and operate, and license others to establish and operate, SPIFFY mobile car care businesses within the Development Area;

(c) Terminate the initial franchise fee credit provided under Section 4.2 hereof;

(d) Reduce the number of Mobile Car Care Businesses which Area Developer has the right to develop pursuant to the Development Schedule;

(e) Reduce the size of the Development Area;

(f) Withhold evaluation or approval of site proposal packages and refuse to approve the opening of any Mobile Car Care Businesses to be developed hereunder; and

(g) Accelerate the Development Schedule.

9.4 Effect of Termination or Expiration. Upon expiration of the Term, or upon the prior termination of this Agreement, Area Developer shall have no further right to establish, construct, equip, own, open or operate additional Mobile Car Care Businesses which are not, at the time of such termination or expiration the subject of a then-existing Franchise Agreement between Area Developer, or its affiliate, and Franchisor which is in full force and effect, and Franchisor may itself construct, equip, open, own or operate, or license others to construct, equip, open, own or operate Mobile Car Care Businesses in the Development Area, except as may be otherwise be prohibited under the terms of a Franchise Agreement between Area Developer, or its affiliate, and Franchisor which is in full force and effect.

9.5 Survival of Obligations. In the event of termination of this Agreement for any reason, or following expiration of the Term, Area Developer shall remain subject to the provisions of Articles 7 and 8 of this Agreement regarding non-compete and confidentiality covenants, and any other covenants contained in this Agreement which, by their terms, require performance by Area Developer after the expiration or termination of this Agreement.

9.6 Cross-Default. No default under this Agreement shall constitute a default under any Franchise Agreement between the parties hereto unless the basis for such default is also a basis for a default under the terms of the Franchise Agreement. Default under this Agreement shall constitute a default under any other development agreement between Area Developer and Franchisor.

9.7 No Exclusive Right or Remedy. No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law or equity.

10. CORPORATE OR PARTNERSHIP AREA DEVELOPER.

The ownership of Area Developer, if Area Developer is a business organization (a "Business Entity"), is set forth on Exhibit C along with an address where Area Developer's financial records and corporate records, as applicable, are maintained. Area Developer shall notify Franchisor in writing within ten (10) days of any change in the information set forth in Exhibit C. Area Developer promptly shall provide such additional information as Franchisor may from time to time request concerning all persons who may have any direct or indirect financial interest in Area Developer. If Area Developer is a Business Entity, each of the Owners or partners, as applicable, of Area Developer shall, by executing this Agreement, fully, unconditionally and irrevocably guarantee the performance by Area Developer of all of its obligations hereunder. In addition, Area Developer shall upon Franchisor's request cause all of its current and future Owners and partners, as applicable, to execute Franchisor's standard form of guarantee.

11. DISPUTE RESOLUTION

11.1 Mediation. Before Area Developer and Franchisor may bring an action against the other, Franchisor and Area Developer must first meet to mediate the dispute (except as otherwise provided below). Any such mediation shall be non-binding. Mediation shall be conducted by the CPR Center for Alternative Dispute Resolution, under the rules established by the International Franchise Association endorsed National Franchise Mediation Program, and in accordance with its then-current rules for mediation of franchise disputes (and in the event such program is not then in existence, by the American Arbitration Association in accordance with its then-current rules for mediation of commercial disputes). Notwithstanding the previous sentence, the parties may mutually agree on a mediator and/or procedures and/or venue for mediation. The non-binding mediation provided for herein shall be commenced by the party requesting mediation (the "complainant") providing written notice of the request for mediation (the "request") to the party with whom mediation is sought (the "respondent"). The request shall specify with reasonable particularity the matter or matters on which non-binding mediation is sought. A copy of the request shall be given by the complainant simultaneously to Franchisor if Franchisor is not a complainant or respondent. Non-binding mediation commenced under this Section shall be concluded within sixty (60) days of the issuance of the request or such longer period as may be agreed upon by the parties in writing. All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatever. Complainant and respondent shall each bear its own costs of mediation, and each shall bear one-half the cost of the mediator or mediation service. The mediator selected shall have experience in franchise matters.

11.2 Arbitration. Area Developer acknowledges that it has and will continue to develop a substantial and continuing relationship with Franchisor at its principal offices in the State of North Carolina, where Franchisor's decision-making authority is vested, franchise operations are conducted and supervised and where this Agreement was rendered binding. Therefore, the parties agree that, to the extent that any disputes cannot be resolved directly between Area Developer and Franchisor and following compliance with the applicable mediation requirements set forth in Section 11.1 above, any action arising out of or relating to this Agreement or the making, performance, or interpretation thereof shall upon thirty (30) days' written notice by either party be resolved, except as elsewhere expressly provided in this Agreement, upon application by any such party by binding arbitration in Durham, North Carolina in accordance with the Federal Arbitration Act under the Commercial Arbitration Rules then prevailing of the American Arbitration Association, including without limitation the Optional Rules for Emergency Measures of Protection ("AAA"), and not under any state arbitration laws, and judgment on the arbitration award may be entered in any court of competent jurisdiction. Area Developer and Franchisor agree that arbitration shall be conducted on an individual—not a class-wide— basis. Furthermore, Area Developer and Franchisor agree that the arbitrator or arbitrators shall not have authority to declare any Proprietary Mark owned by Franchisor, its affiliate or that is otherwise a part of the System to be generic or invalid. The Federal Arbitration Act shall apply to all arbitration and arbitration venue questions. Any award by the arbitrator(s) shall be final, binding and nonappealable, except for errors of law. The matter shall be heard by one (1) arbitrator mutually selected by the parties who shall have at least ten (10) years' experience in practicing franchise law during which franchise law is or has been their primary area of practice and shall have substantial experience in the preparation of area development agreements, franchise agreements

and franchise disclosure documents. Area Developer understands that by agreeing to arbitrate it gives up jury, appeal, and other rights it might have in court.

11.3 Injunctive Relief. Nothing in this Agreement (including Section 11.1 and Section 11.2 above) shall bar Franchisor's right to obtain injunctive relief from any court of competent jurisdiction against threatened conduct that will cause Franchisor loss or damage, under the usual equity rules, including the applicable rules for obtaining specific performance, retraining orders, and preliminary injunction.

11.4 Limitation of Claims. Area Developer agrees that any and all claims Area Developer has against Franchisor and/or its affiliates, principals, employees, and agents, arising out of, or relating to, this Agreement may not be commenced unless Area Developer brings them before the earlier of (a) the expiration of one (1) year after the act, transaction, or occurrence upon which such claim is based; or (b) one (1) year after this Agreement expires or is terminated for any reason. Area Developer agrees that any claim or action not brought within the periods required under this Section 11.4 shall forever be barred as a claim, counterclaim, defense, or set off.

11.5 Fees and Expenses. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrators' fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in connection with the claims on which it prevailed.

11.6 WAIVER OF RIGHT TO JURY AND PUNITIVE DAMAGES. AREA DEVELOPER AND FRANCHISOR KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY AND WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT FRANCHISOR SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.

12. GENERAL CONDITIONS AND PROVISIONS

12.1 Relationship of Area Developer to Franchisor. It is expressly agreed that the parties intend by this Agreement to establish between Franchisor and Area Developer the relationship of franchisor and franchisee. It is further agreed that Area Developer has no authority to create or assume in Franchisor's name or on behalf of Franchisor, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Franchisor for any purpose whatsoever. Neither Franchisor nor Area Developer is the employer, employee, agent, partner, or co-venturer of or with the other, each being independent. Area Developer agrees that it will not hold itself out as the agent, employee, partner, or co-venturer of Franchisor. All employees hired by or working for Area Developer shall be the employees of Area Developer and shall not, for any purpose, be deemed employees of Franchisor or subject to Franchisor control. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and

operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof.

12.2 Indemnification. Area Developer shall indemnify and hold harmless Franchisor and its affiliated companies and their respective officers, directors, members, managers, agents and representatives ("Indemnified Parties") from all fines, suits, proceedings, claims, demands or actions of any kind or nature, including reasonable attorneys' fees, from anyone whomsoever, directly or indirectly arising or growing out of, or otherwise connected with, Area Developer actions or failure to act, under this Agreement, or the operation of Area Developer's Mobile Car Care Businesses developed under this Agreement. For purposes of this indemnification, claims shall mean and include all obligations, actual and consequential damages and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. Franchisor shall have the right to defend any such claim against Franchisor or its affiliate. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

12.3 Waiver and Delay. No waiver by Franchisor of any breach or series of breaches or defaults in performance by Area Developer, and no failure, refusal or neglect of Franchisor to exercise any right, power or operation given to it hereunder or under any Franchise Agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution hereof or to insist upon strict compliance with or performance of Area Developer's obligations under this Agreement or any Franchise Agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution hereof, shall constitute a waiver of the provisions of this Agreement with respect to any subsequent breach thereof or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

12.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of all the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Area Developer and his or their respective heirs, executors, administrators, successors and assigns, subject to the prohibitions against assignment contained herein.

12.5 Joint and Several Liability. If Area Developer consists of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to Franchisor are joint and several.

12.6 Governing Law. This Agreement and any claim or controversy arising out of or relating to rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed under the laws of the State of North Carolina and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina and the Federal Arbitration Act, which laws shall prevail in the event of any conflict of law.

12.7 Entire Agreement. This Agreement, the documents incorporated herein by reference and the attachments hereto, comprise the entire agreement between the parties and all prior understands or agreements concerning the subject matter hereof are canceled and superseded

by this Agreement, except that nothing in this Agreement or any related agreement is intended to disclaim any representations made in the Franchise Disclosure Document. Area Developer represents that there are no contemporaneous agreements or understandings between the parties relating to the subject matter of this Area Development Agreement that are not contained herein. No officer or employee or agent of Franchisor has any authority to make any representation or promise not contained in this Agreement or any FDD for prospective franchisees required by applicable law, and Area Developer agrees that it has executed this Agreement without reliance upon any such representation or promise. This Agreement cannot be modified or changed except by written instruments signed by all of the parties hereto.

12.8 Titles for Convenience. Section and paragraph titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

12.9 Gender. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any section or paragraph hereof may require.

12.10 Severability. In the event that any part, section, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provisions shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

12.11 Counterparts. This Agreement may be executed electronically and/or in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. One or more counterparts can be delivered by facsimile, .pdf file, or other electronic transmission.

12.12 Notices. All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be given (i) by personal delivery, (ii) by registered or certified mail, return receipt requested, postage prepared, or (iii) by delivery to a nationally recognized overnight courier service, in each case, addressed as follows:

If intended for Franchisor, addressed to

SPIFFY FRANCHISING, LLC

Attn: Vice President of Franchising
4506 S Miami Blvd, Suite 150
Durham, NC 27703

With a copy (which shall not constitute notice) to:

Manning, Fulton & Skinner, P.A.
Attn: Ritchie W. Taylor
3605 Glenwood Avenue, Suite 500
Raleigh, NC 27612

If intended for Area Developer, addressed to

Area Developer's address for notice is set forth on Exhibit C or,

if Area Developer or its affiliate has opened a Mobile Car Care Business, the address of the approved location of the Mobile Car Care Business, or

in either case, to such other address as may have been designated by notice to the other party. Notice shall be deemed given and effective upon the first to occur of receipt, when proper delivery is refused, or two (2) calendar days after deposit in registered or certified U.S. Mail or with a nationally recognized overnight courier, as described above. Any notice that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery.

Additionally, Franchisor may provide the notice described in this section by email or other electronic system to (a) the email address set forth on the Exhibit C, (b) the email address Franchisor has approved or provided for Area Developer to use with the Mobile Car Care Business, or (c) another electronic account that Franchisor has approved or provided for Area Developer to use with the Mobile Car Care Business. Such email notices shall be deemed given and effective upon the day on which the email was sent, unless Franchisor receives notice of rejected delivery by the email account or other electronic account.

13. SUBMISSION OF AGREEMENT AND ACKNOWLEDGEMENT

13.1 Submission of Agreement. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Franchisor and Area Developer. THIS AGREEMENT SHALL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY FRANCHISOR'S CHIEF EXECUTIVE OFFICER, PRESIDENT, OR VICE PRESIDENT OF FRANCHISE OPERATIONS.

13.2 Acknowledgment. AREA DEVELOPER ACKNOWLEDGES THAT IT SHALL HAVE SOLE AND COMPLETE RESPONSIBILITY FOR THE CHOICE OF LOCATIONS AT WHICH THE MOBILE CAR CARE BUSINESSES WILL BE OPERATED; THAT FRANCHISOR HAS NOT GIVEN ANY REPRESENTATION, PROMISE, OR GUARANTEE OF AREA DEVELOPER'S SUCCESS AT THE LOCATION, EVEN BY FRANCHISOR'S ACCEPTANCE OF THE SITES THAT ARE PART OF THE DEVELOPMENT AREA OR THAT WILL BECOME THE LOCATIONS AT WHICH THE MOBILE CAR CARE BUSINESSES WILL BE OPERATED; AND THAT AREA DEVELOPER SHALL BE SOLELY RESPONSIBLE FOR ITS OWN SUCCESS AT THE FRANCHISED BUSINESSES LOCATIONS. AREA DEVELOPER, AND ITS OWNERS AND PARTNERS, AS APPLICABLE, JOINTLY AND SEVERALLY ACKNOWLEDGE THAT THEY HAVE CAREFULLY READ THIS AGREEMENT AND ALL OTHER RELATED DOCUMENTS TO BE EXECUTED CONCURRENTLY OR IN CONJUNCTION WITH THE EXECUTION HEREOF, THAT THEY HAVE OBTAINED THE ADVICE OF COUNSEL IN CONNECTION WITH ENTERING INTO THIS AGREEMENT, THAT THEY UNDERSTAND THE NATURE

OF THIS AGREEMENT, AND THAT THEY INTEND TO COMPLY AND BE BOUND THEREBY.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the first date set forth above.

ACCEPTED ON THIS DATE OF _____.

FRANCHISOR

SPIFFY FRANCHISING, LLC

By _____
Name _____
Its _____

SIGNATURES CONTINUE ON FOLLOWING PAGE

FOR OHIO RESIDENTS AND AREA DEVELOPERS WITH DEVELOPMENT AREAS AND/OR APPROVED LOCATIONS IN OHIO: You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

AREA DEVELOPER

_____

By _____
Name _____
Its _____

[FOR OHIO RESIDENTS AND AREA DEVELOPERS WITH DEVELOPMENT AREAS AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____

(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to SPIFFY FRANCHISING, LLC, 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743, not later than midnight of _____.

I hereby cancel this transaction.

_____

(Purchaser's Signature)

(Date) _____

[FOR OHIO RESIDENTS AND AREA DEVELOPERS WITH DEVELOPMENT AREAS AND/OR APPROVED LOCATIONS IN OHIO]

Notice of cancellation

_____

(Enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to SPIFFY FRANCHISING, LLC, 4506 S. Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743, not later than midnight of _____.

I hereby cancel this transaction.

_____

(Purchaser's Signature)

(Date) _____

EXHIBIT A

DEVELOPMENT SCHEDULE

1. Number of Mobile Car Care Businesses to be developed under this Agreement (including the initial Mobile Car Care Business): _____

2. This Agreement shall terminate the earlier of the date the Development Schedule is complete or _____ ("Termination Date").

3. During the Term, Area Developer shall be obligated to open Mobile Car Care Businesses in the Development Area in accordance with the following Development Schedule:

Number of Mobile Car Care Businesses	Development Period	Franchise Agreement Execution Deadline	Cumulative Number to be in Operation

EXHIBIT B

DEVELOPMENT AREA

DEVELOPMENT FEE

Area Developer's Development Fee shall be $_____ for the right to open ____ Mobile Car Care Businesses.

INITIAL FRANCHISE FEES

Area Developer shall be obligated to pay an initial franchise fee for each Mobile Car Care Businesses developed within the Development Area in accordance with the following Schedule:

	Initial Franchise Fee Due after Crediting the Development Fee
1st Franchise	$10,000
2nd Franchise	$10,000
3rd Franchise	$10,000

EXHIBIT C

OWNERSHIP INFORMATION

1. If Area Developer is a Business Entity (corporation, limited liability company, or limited partnership), there is set forth below the name and address of each shareholder, member, or partner of Area Developer:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE

2. The address where Area Developer's financial records, and corporate, franchise, or partnership records, as applicable, are maintained is:

_____
_____
_____
_____

3. If Area Developer is a Business Entity (corporation, limited liability company, or partnership), there is set forth below the names, and addresses and titles of Area Developer's principal officers, members, or partners who will be devoting their full time to the Mobile Car Care Businesses or Area Developer:

NAME	ADDRESS

4. Area Developer's Address for Notice:

Name: _____

Address: _____

Phone: _____

EXHIBIT D

OWNER'S GUARANTY AND ASSUMPTION OF AREA DEVELOPER'S OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS ("GUARANTY") IS GIVEN AS OF _____, by _____
_____
_____ (the "Guarantor" or collectively the "Guarantors").

In consideration of, and as an inducement to, the execution of that certain Area Developer Agreement of even date (the "Agreement") by SPIFFY FRANCHISING, LLC (the "Franchisor"), and _____ (the "Area Developer"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Area Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; (4) any right he or she may have to require that an action be brought against Area Developer or any other person as a condition of liability. Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty shall be joint and several; (2) he or she shall render any payment or performance required under the Agreement upon demand if Area Developer fails or refuses punctually to do so; (3) liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Area Developer or any other person; (4) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Area Developer or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement; and (5) Guarantor is bound by the restrictive covenants, confidentiality provisions, and indemnification provisions contained in the Agreement.

Each of the undersigned Guarantors represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Guarantor hereby consents and agrees that:

(a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Area Developer and the other owners of Area Developer;

(b) Guarantor shall render any payment or performance required under the Agreement upon demand if Area Developer fails or refuses punctually to do so;

(c) This undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Area Developer or any assignee or successor of Area Developer or by any abandonment of the Agreement by a trustee of Area Developer. Neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Area Developer or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(d) Franchisor may proceed against Guarantor and Area Developer jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Area Developer. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and

(e) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

Guarantor agrees to be personally bound by the arbitration obligations under Section 11.2 of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 11.2 of the Agreement in accordance with its terms. All terms not defined herein shall have the definition set forth in the Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has affixed his signature on the same day and year as the Agreement was executed.

GUARANTOR(S):

Signature: _____
Print Name: _____
Date: _____
Percentage Ownership in Area Developer /Spouse: _____

Signature: _____
Print Name: _____
Date: _____
Percentage Ownership in Area Developer /Spouse: _____

Signature: _____
Print Name: _____
Date: _____
Percentage Ownership in Area Developer /Spouse: _____

Signature: _____
Print Name: _____
Date: _____
Percentage Ownership in Area Developer /Spouse: _____

EXHIBIT I
SPIFFY FULL AND FINAL GENERAL RELEASE

[SAMPLE OF GENERAL RELEASE APPLICABLE UPON TRANSFER OR RENEWAL. NOT FOR EXECUTION WITH THE FRANCHISE AGREEMENT]

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant to fully and mutually release the other as follows:

1. The Franchisee and its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, officers, directors, principals, employees and affiliated parties (collectively, the "Franchisee Parties") do hereby release and forever discharge Franchisor, its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, officers, directors, principals, employees and affiliated parties (collectively, the "Franchisor Parties") from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, including, without limitation: (a) arising out of or related to the Franchisor Parties' obligations under the franchise agreement or (b) otherwise arising from or related to the Franchisee Parties' relationship, from the beginning of time to the date of Franchisee's signature below, with any of the Franchisor Parties.

2. Franchisee, on its own behalf and on behalf of the other Franchisee Parties, further covenant not to sue any of the Franchisor Parties on any of the claims released by the preceding paragraph and represent that Franchisee has not assigned any such claims released by the preceding paragraph to any individual or entity who is not bound by this Release. It is understood and agreed that this Release is not to be construed as an admission of liability with respect to the Franchisor Parties.

3. The consideration expressly mentioned herein is the only consideration paid or to be paid by said parties hereby released. The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, or representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the parties' respective claims, of whatever nature are hereby fully and forever released, compromised and settled. Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the undersigned parties never to sue any of the other parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth.

4. This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all agreements on this subject matter, whether written or oral. The terms contained herein may not be modified or amended except in writing signed by the parties. The terms of this Release are contractual and not a mere recital.

5. The undersigned further state that they have carefully read the foregoing instrument; that they know the contents thereof; that they understand and agree to each and every term and condition contained herein; that they signed the same as their own free act and deed; and that they have not assigned any rights released hereunder to any person or organization, private or governmental.

6. The parties hereby covenant and agree that each shall not make, at any time or place, any disparaging remarks, verbally or in writing, concerning any of the parties' actions or perceived omissions, regarding any matter connected with this Release Agreement or otherwise take any action that would disparage or cast doubt upon the business acumen or judgment of any other party. Each party understands and acknowledges that each other party's business and reputation are of special, unique, and extraordinary character, which gives them a particular value, the loss of which cannot reasonably be compensated in damages in an action at law. Accordingly, each party further agrees that in addition to any other rights or remedies that any other party may possess at law, any aggrieved party shall be entitled to injunctive and other equitable relief in order to prevent or remedy a breach of the provisions of this Agreement by any other party hereto.

7. The terms of this Release arose from discussions between the parties. Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question.

8. This Release shall be governed by and construed pursuant to the laws of the State of North Carolina.

9. This Release may be executed in two copies, each of which shall be deemed an original.

IF THE FRANCHISED BUSINESS FRANCHISEE OPERATES UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF FRANCHISEE IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY FRANCHISEE OR THE FRANCHISEE PARTIES. FRANCHISEE RECOGNIZES THAT FRANCHISEE OR THE FRANCHISEE PARTIES MAY HAVE SOME CLAIM, DEMAND OR CAUSE OF ACTION AGAINST THE FRANCHISOR PARTIES OF WHICH FRANCHISEE, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH FRANCHISEE, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE FRANCHISEE, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT FRANCHISEE, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE FRANCHISOR PARTIES. IN FURTHERANCE OF THIS INTENTION, FRANCHISEE, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, EXPRESSLY WAIVES ANY RIGHTS OR

BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN THE CREDITOR'S FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY THE CREDITOR MUST HAVE MATERIALLY AFFECTED THE CREDITOR'S SETTLEMENT WITH THE DEBTOR."

FRANCHISEE ACKNOWLEDGES AND REPRESENTS THAT FRANCHISEE HAS CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT FRANCHISEE UNDERSTANDS ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENTS THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Franchised Business is located in Maryland or if Franchisee is a resident of Maryland, the following shall apply: Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

All releases given by the Parties are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Parties represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Releasing Parties, in the Releasing Parties independent judgment, believe necessary or appropriate.

[FRANCHISEE]

_____

By: _____

SPIFFY FRANCHISING, LLC

_____

By: _____

EXHIBIT J
ACH/EFT TRANSFER AGREEMENT

The undersigned depositor ("Franchisee" or "Payor") hereby authorizes SPIFFY FRANCHISING, LLC ("Franchisor" or "Payee") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the bank designated below ("Bank") to debit or credit such account(s) pursuant to Franchisor's instructions.

Name of Person or Legal Entity of Franchisee: _____
Bank: _____
Branch: _____
City: _____ State: _____ Zip Code: _____
Bank Transit/ABA Number: _____
Account Number: _____

This authority is to remain in full and force and effect until sixty (60) days after Franchisor has received written notification from Franchisee of its termination.

FRANCHISEE/PAYOR:

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

INDEMNIFICATION AGREEMENT

To the above named Payee and the Bank designated:

The Payor agrees with respect to any action taken pursuant above authorization:

1. To indemnify the Bank and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Bank in the regular course of business for the purpose of payment, including any costs or expenses reasonably in collection therewith.

2. To indemnify Payee and the Bank for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

3. To defend at Payor's cost and expense any action which might be brought by any depositor or any other persons because of any actions taken by the Bank of Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Bank's or Payee's participation therein.

BE SURE THAT ALL INFORMATION ASKED FOR IS PROVIDED

EXHIBIT K
AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

[This Agreement is a sample form currently in use and is subject to change.]

THIS AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER ("Agreement") is made among SPIFFY FRANCHISING, LLC ("Franchisor"), [SELLER NAME(S) OR ENTITY NAME] ("Seller"), and [BUYER NAME(S) OR ENTITY NAME] ("Buyer"), and, if any, the undersigned Guarantors, effective as of the Effective Date.

RECITALS

A. Seller is the franchisee pursuant to that certain franchise agreement between Franchisor and Seller, as franchisee, dated [date of seller franchise agreement] (the "Seller Franchise Agreement"), governing the operation of the SPIFFY business located at [business address], Franchised Business #_____ ("Franchised Location");

B. Buyer is the franchisee under that certain franchise agreement between Franchisor and Buyer, as franchisee, dated [date of buyer franchise agreement], Franchised Business #_____ (as amended, the "Buyer Franchise Agreement");

C. Seller has notified Franchisor that it and Buyer have entered into an Asset Purchase Agreement, dated [date of Asset Purchase Agreement] (the "Purchase Agreement"), pursuant to which Seller has agreed to sell and Buyer has agreed to purchase all of the rights, obligations and assets relating to the Franchised Location (the "Interests") and, further, that Buyer has agreed to assume the lease obligations with regard to the Franchised Location (collectively, the "Transfer"); and

D. Seller and the guarantors of the obligations of Seller (the "Seller Guarantors") have requested that Franchisor consent to the Transfer and release Seller and the Seller Guarantors from all obligations under the Franchise Agreement and guaranty, respectively; and

E. The parties desire to set forth the terms and conditions under which Franchisor will consent to the Transfer and release.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals, which are incorporated herein, the mutual covenants expressed herein and other valuable consideration, receipt, and sufficiency of which are acknowledged, the parties agree as follows:

1. Effective Date. The Effective Date will be the date on which Franchisor signs this Agreement acknowledging its consent to the proposed Transfer.

2. Proposed Transfer. Buyer is purchasing the Interests from Seller in accordance with the terms and conditions of the "Purchase Agreement," a copy of which has been provided to Franchisor by Seller and Buyer. Seller and Buyer represent and warrant that the form of Purchase Agreement

provided to Franchisor is the final version of the agreement and is the version which has been or will be executed by them to effectuate the Transfer.

3. **Conditional Consent; Release of Guaranty**. The Seller Franchise Agreement provides that the Transfer cannot take place without the consent of Franchisor. Franchisor will consent to the Transfer, as provided in the Seller Franchise Agreement, and will release (a) Seller from any obligations arising under the Seller Franchise Agreement and (b) Seller Guarantors under any guaranty agreement (in each case except as described below) from and after the Effective Date; provided, however, such consent and release are expressly contingent upon compliance with the following terms and conditions on or before the date of the closing of the Transfer ("Closing"):

a. **Franchise Agreement.** The Seller Franchise Agreement will terminate as of the Closing, and the operation of the Franchised Location will thereafter be governed by the Buyer Franchise Agreement;

b. **Payment of Amounts Due.** Seller will pay all amounts due and owing to Franchisor through the date of Closing; including but not limited to past due royalty and Brand Fund contributions in the amount of $_____;

c. **Transfer Fee.** Seller shall pay a transfer fee of $_____ as provided in the Seller Franchise Agreement;

d. **Financial Statements.** Seller will provide Franchisor with all required monthly financial statements for the Franchised Location through the date of Closing;

e. **Training.** Buyer or Buyer's designated representative(s) shall have satisfactorily completed the initial training program as described in the Buyer Franchise Agreement prior to the Closing;

f. **Right to Possession.** Buyer will provide satisfactory evidence to Franchisor that Buyer has the right to possession of the premises for the Franchised Location by way of lease assignment (with **all** required landlord consents) or otherwise;

g. **Site Selection Assistance.** Buyer acknowledges and agrees that Franchisor has satisfied any and all obligations under the Buyer Franchise Agreement with respect to site selection and development assistance;

h. **Remodeling.** Seller and Buyer shall ensure that all of the items reflected on the Pre-Sale Inspection which is attached hereto have been completed;

i. **Purchase Agreement.** The Purchase Agreement will not be amended and the terms of the transaction thereunder will not be changed except with the prior written consent of Franchisor;

j. **Buyer Loans.** Buyer shall provide Franchisor with copies of all loan documents or loan commitments evidencing all debt taken on by Buyer in connection with the purchase of the Franchised Location; and

k. **Franchised Location Possession.** Prior to Closing and changing possession of the Franchised Location, Seller and Buyer shall obtain the written consent of Franchisor to change possession.

4. **Waiver of Right of First Refusal.** Franchisor hereby waives any right of first refusal to purchase the Interests as it may have pursuant to the Seller Franchise Agreement.

5. **Release of Franchisor.** Seller, the Seller Guarantors and Buyer, and each of them, for themselves and their affiliates, employees, officers, directors, successors, assigns, and other representatives, hereby fully and forever unconditionally release and discharge Franchisor, and its affiliates, parents, subsidiaries, area directors and agents and their respective employees, owners, members, officers, directors, successors, assigns, guarantors and other representatives (the "Released Parties"), from any and all claims, demands, obligations, actions, liabilities and damages of every kind or nature whatsoever, in law or in equity, whether known or unknown to them, which they may have against the Released Parties as of the date of this Agreement, or which may thereafter be discovered, accrued, or sustained, in connection with, as a result of, or in any way arising from, any relations or transactions with the Released Parties, however characterized or described, including but not limited to, any claims arising from the Seller Franchise Agreement, the Buyer Franchise Agreement or the Purchase Agreement or the transactions described herein.

If the Franchised Location is located in California or if either Buyer or Seller is a resident of California, the following shall apply:

Section 1542 Acknowledgment. It is the intention of Seller and Buyer in executing this Agreement that this instrument be and is a general release which shall be effective as a bar to each and every claim, demand or cause of action released by Seller and/or Buyer. Each of Seller and Buyer recognizes that he, she or it may have some claim, demand or cause of action against the Release Parties of which he, she, or it is totally unaware and unsuspecting, which he, she or it is giving up by executing this Agreement. It is the intention of each of Seller and Buyer in executing this instrument that it will deprive him, her or it of such claim, demand or cause of action and prevent him, her or it from asserting it against the Released Parties. In furtherance of this intention, Seller and Buyer expressly waive any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides as follows:

> "A general release does not extend to claims which the creditor 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."

Each of Seller and Buyer acknowledges and represents that he, she, or it has consulted with legal counsel before executing this Agreement and that he, she, or it understands its meaning, including the effect of Section 1542 of the California Civil Code, and expressly consents that this Agreement shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands and causes of action.

6. **Termination of Seller Franchise Agreement and Guaranties**. Franchisor and Seller acknowledge and agree that, as of the date of Closing, upon the Transfer and upon compliance with the conditions set forth in Section 3 above, the Seller Franchise Agreement and the guaranties (if any) will automatically terminate and neither Seller nor Seller Guarantors shall have any further

rights or obligations thereunder except that neither Seller nor any Seller Guarantor shall be released from:

a. any obligations to pay money to Franchisor owed under either the Seller Franchise Agreement or the guaranty prior to Closing; or

b. the provisions of the Seller Franchise Agreement that, either expressly or by their nature, survive termination of the Seller Franchise Agreement (including without limitation the post-termination restrictive covenants, audit rights, dispute resolution and notice, and confidentiality provisions of the Seller Franchise Agreement).

7. Acknowledgment. Buyer and Seller acknowledge that although Franchisor or its affiliates, employees, officers, directors, successors, assigns, and other representatives may have been involved in Buyer's purchase of the Interests from Seller, Buyer and Seller have assumed sole and full responsibility for making the final decision to purchase and sell the Interests and each has consulted, or has had the opportunity to consult but, of its own accord, elected not to consult, with its own legal and financial advisors. Buyer further understands that as part of analyzing the purchase of the Interests from Seller, it is Buyer's responsibility to meet with or otherwise gather necessary information from the appropriate parties which may or may not affect Buyer's purchase of the Interests from Seller.

8. Additional Documents. Buyer and Seller agree to execute such additional documents as may be necessary to complete the Transfer as contemplated by the Purchase Agreement, the Seller Franchise Agreement and the Buyer Franchise Agreement.

9. Miscellaneous Provisions. This Agreement will be construed and enforced in accordance with, and governed by, the laws of the state of North Carolina. This Agreement may not be modified or amended or any term hereof waived or discharged except in writing signed by the party against whom such amendment, modification, waiver or discharge is sought to be enforced. The headings of this Agreement are for convenience and reference only and will not limit or otherwise affect the meaning hereof. This Agreement may be executed in any number of counterparts and sent via facsimile, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. All capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the applicable franchise agreement.

10. Non-Disparagement. In consideration of the accommodations provided to Seller, the Seller Guarantors and Buyer and concessions made by Franchisor and its affiliates under this Agreement, Seller, the Seller Guarantors and Buyer agree not to, and to use their best efforts to cause their current and former owners, officers, directors principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor or the Released Parties or their respective current and former agents, principals, officers, directors, owners, members, employees, franchisees, representatives, area directors, attorneys, parents, predecessors, affiliates, subsidiaries divisions, and successors and assigns, the SPIFFY brand, SPIFFY system, or any other service-marked or trademarked concept of Franchisor, or which would subject the SPIFFY brand to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of Franchisor or its brand.

THUS signed by the parties shown below and made effective as of the Effective Date.

SELLER(S): If Seller is a legal entity, name of entity:_____

By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____
By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____

SELLER GUARANTORS:

_____	_____
Print Name: _____	**Print Name:** _____
_____	_____
Print Name: _____	**Print Name:** _____

Signatures Continue on Next Page

BUYER(S): If Buyer is a legal entity, name of entity:_____

By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____
By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____

ACCEPTED:

_____
By:_____
Title:_____
Date*: _____
*This date is the Effective Date

EXHIBIT L
FIRST ADDENDUM TO RENEWAL FRANCHISE AGREEMENT
(to be signed by a renewing franchisee concurrently with the Franchise Agreement)

BETWEEN SPIFFY FRANCHISING, LLC

AND

_____

[This Agreement is a sample form currently in use and is subject to change.]

THIS FIRST ADDENDUM ("Addendum") to the Franchise Agreement dated as of the Effective Date ("Agreement") between SPIFFY FRANCHISING, LLC ("Franchisor") and _____ ("Franchisee") is made as of the same date to amend and supplement certain terms and conditions of the Agreement. In the event of any conflict between the terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall control. All capitalized terms not otherwise defined in this Addendum shall have their respective meanings set forth in the Agreement.

1. Franchised Location. Franchisor has previously approved the Franchised Location as required pursuant to the Franchise Agreement. The Franchised Location is: _____.

2. Lease Approval. Franchisor has previously approved the lease for the Franchised Location as required pursuant to the Franchise Agreement and therefore waives the requirement for lease review and approval (and the associated lease review fee); provided, however, that if Franchisee enters into a new lease for the Franchised Location during the term of the Agreement, all lease review and approval requirements shall remain applicable.

3. Commencement of Operations. Franchisor and Franchisee acknowledge that the Franchised Location has commenced operations as required pursuant to the Franchise Agreement.

4. Renewal Fee. Franchisee shall have no obligation to pay an Initial Franchise Fee. Franchisee shall pay a Renewal Fee of Five Thousand Dollars ($5,000).

5. Franchisor's Development Assistance. Franchisee acknowledges and agrees that Franchisor has complied with its obligations under the Agreement (or Franchisee waives, as the case may be, Franchisor's obligation) to (1) assist Franchisee in choosing the Franchised Location and determining fulfillment of the requisite criteria for the Franchised Location, such determination based on information provided by Franchisee (including those obligations set forth in the Franchise Agreement; and (2) to provide opening support services listed in the Franchise Agreement .

6. Grand Opening. The Section of the Franchise Agreement pertaining to a Grand Opening is deleted.

7. Remodeling. Franchisee will complete the remodeling and renovations of the Franchised Business, and Service Vehicle(s), at Franchisee's expense, listed on Exhibit A to this addendum no later than 60 days following the Effective Date of the Agreement or at such different time as set forth in Exhibit A.

8. **Release.** Franchisee, for itself, and its respective heirs, successors, assigns, agents and representatives, hereby fully and forever unconditionally releases and discharges the Franchisor, and its predecessors, affiliates, successors, assigns, agents, representatives, employees, owners, officers, and directors (collectively referred to as "Franchisor Affiliates") from any and all claims, demands, obligations, actions, liabilities, defenses or damages of every kind and nature whatsoever, in law or in equity, whether known or unknown, which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with the Franchisor or the Franchisor Affiliates, however characterized or described, from the beginning of time until the date of this Addendum.

9. **Non-Disparagement.** Franchisee agrees not to, and to use its best efforts to cause its current and former shareholders, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor or the Franchisor Affiliates or their respective current and former agents, principals, officers, directors, shareholders, members, employees, franchisees, representatives, area directors, attorneys, parents, predecessors, affiliates, subsidiaries divisions, and successors and assigns, the SPIFFY brand, the SPIFFY system, or any other service-marked or trademarked concept of Franchisor, or which would subject the SPIFFY brand to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of Franchisor or its brand.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed on the date first set forth above.

SPIFFY FRANCHISING, LLC
By: _____

Title: _____
Date*: _____
(*This is the Effective Date)

FRANCHISEE:

Sign Here if you are taking the franchise as an

INDIVIDUAL(S)

(Note: Use these blocks if you marked in the Franchise Agreement that you are an individual or a partnership but the partnership is not a separate legal entity)

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

Print Legal Name of Entity

_____
By: _____
Signature
Print Name: _____
Title: _____
Date: _____

Exhibit A

Remodeling

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ADDENDUM TO FRANCHISE[1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20___, by and between _____ ("Franchisor"), located at _____, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

renewals) for fair market value.

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 -3733.

Authorized Representative of FRANCHISOR:

By:_____

Print Name:_____

Title:_____

Authorized Representative of FRANCHISEE:

By:_____

Print Name:_____

Title:_____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements

EXHIBIT O
FORM OF FRANCHISE COMPLIANCE CERTIFICATION

The purpose of this Certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally reviewed our Franchise Disclosure Document ("FDD"), Franchise Agreement and each Addendum (if any), and related agreement (i.e., personal guaranty) attached to them?

Yes or No? _____

2. Did you receive the Franchise Agreement and each related agreement, Addendum, or Amendment (if any), containing all material terms, at least 7 days before signing any binding agreement with us or an affiliate?*

Yes or No? _____

* This does not include changes to any agreement mutually agreed upon.

3. Did you receive the FDD at least 14 days before signing the Franchise Agreement, this document or any related agreement, and before paying any funds to us or an affiliate?

Yes or No? _____

4. Do you understand all of the information contained in the FDD, Franchise Agreement and each Addendum (if any), and related agreement provided to you?

Yes or No? _____

If No, what parts of the FDD, Franchise Agreement, Addendum (if any), and/or related agreements do you not understand?

_____

_____

_____

5. Did you sign a receipt for the FDD indicating the date you received it?

Yes or No? _____

6. Have you discussed the benefits and risks of purchasing a SPIFFY franchise with an attorney, accountant or other professional advisor?

Yes or No? _____

If No, do you wish to have more time to do so?

Yes or No? _____

7. Do you understand that the success or failure of your SPIFFY franchise will depend in large part upon your skills and abilities, competition from other businesses, and other economic and business factors?

Yes or No? _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the actual or possible revenues or profits of a SPIFFY franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

9. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a SPIFFY franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a SPIFFY franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

11. If you have answered "Yes" to any one of questions 8-10, please provide a full explanation of each "Yes" answer in the following blank lines.

_____
_____
_____
_____

12. Do you understand that the Franchise Agreement, Addendum (if any) and related agreements contain the entire agreement between you and us concerning the SPIFFY franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement, Addendum (if any) or related agreements will not be binding?

Yes or No? _____

Nothing in this document or any related agreement is intended to disclaim the representations we made in the FDD that we furnished to you.

13. Do you understand that, except as provided in the FDD, nothing stated or promised by us that is not specifically set forth in the Franchise Agreement, Addendum (if any) and related agreements can be relied upon?

Yes or No? _____

14. You signed the Franchise Agreement, and Addendum (if any) and related agreements on _____, and acknowledge that no agreement or addendum is effective until signed and dated by us.

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

SPECIAL NOTE FOR RESIDENTS OF THE STATE OF ILLINOIS AND FRANCHISED BUSINESSES LOCATED IN ILLINOIS: Questions 1 and 5 do not apply to you.

SPECIAL NOTE FOR RESIDENTS OF THE STATE OF MARYLAND AND FRANCHISES TO BE OPERATED IN THE STATE OF MARYLAND: None of the above representations are intended to nor will they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The individuals signing below for the "**Franchisee Applicant**" constitute all of the executive officers, partners, shareholders, investors and/or principals of the Franchisee Applicant, or constitute the duly authorized representatives or agents of the foregoing.

FRANCHISE APPLICANT:

Signature:_____
Name: _____
Date: _____

Signature:_____
Name: _____
Date: _____

Signature:_____
Name: _____
Date: _____

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
Hawaii	Not registered
Illinois	April 12, 2022
Indiana	Pending
Maryland	Pending
Michigan	April 6, 2022
Minnesota	Pending
New York	Pending
North Dakota	Not registered
Rhode Island	Pending
South Dakota	Not registered
Virginia	April 18, 2022
Washington	Pending
Wisconsin	April 11, 2022

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 P
RECEIPT

This disclosure document summarized certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If SPIFFY FRANCHISING, 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, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise 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. Iowa requires you to you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this Franchise Disclosure Document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If SPIFFY FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed on Exhibit E.

The name, principal business address and telephone number of each franchise seller offering the franchise is:

☐	☐	☐	☐	
Scot Wingo 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Karl Murphy 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Connor Finnegan 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Mike Tolzman 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	

Issuance Date: April 11, 2022

See Exhibit E for our registered agent authorized to receive service of process.

I have received a disclosure document with an Issuance Date of April 11, 2022, that included: Exhibit A -- Spiffy Franchise Agreement and Attachments, Exhibit B-1 – Outlet Directory/Listing of Current Franchisees; Exhibit B-2 – Listing of Certain Past Franchisees; Exhibit C – Financial Statements; Exhibit D – State Specific Information; Exhibit E – Federal and State Regulators and Agents for Service of Process; Exhibit F – Spiffy Software License Agreement; Exhibit G – Form of Vehicle Lease; Exhibit H – Area Development Agreement; Exhibit I -- General Release Agreement; Exhibit J – ACH/EFT Agreement; Exhibit K – Agreement and Conditional Consent to Transfer; Exhibit L – First Addendum to Renewal Franchise Agreement; Exhibit M – Operations Manual Table of Contents; Exhibit N – SBA Addendum; Exhibit O – Form of Franchise Compliance Certification; Exhibit P – Receipts

_____ _____

Date Prospective Franchisee

Individually and as an officer, partner, member or manager of _____, a _____ organized under the laws of _____.

You may return one copy of this receipt by signing, dating and mailing it to SPIFFY FRANCHISING, LLC, Franchise Administration, at 4506 S Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743 or by sending it via email to franchise@getspiffy.com.

RECEIPT

This disclosure document summarized certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If SPIFFY FRANCHISING, 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, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise 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. Iowa requires you to you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this Franchise Disclosure Document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If SPIFFY FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed on Exhibit E.

The name, principal business address and telephone number of each franchise seller offering the franchise is:

☐	☐	☐	☐	
Scot Wingo 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Karl Murphy 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Connor Finnegan 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	Mike Tolzman 4506 S. Miami Blvd, Suite 150 Durham, NC 27703 (844) 438-7743	

Issuance Date: April 11, 2022

See Exhibit E for our registered agent authorized to receive service of process.

I have received a disclosure document with an Issuance Date of April 11, 2022, that included: Exhibit A -- Spiffy Franchise Agreement and Attachments, Exhibit B-1 – Outlet Directory/Listing of Current Franchisees; Exhibit B-2 – Listing of Certain Past Franchisees; Exhibit C – Financial Statements; Exhibit D – State Specific Information; Exhibit E – Federal and State Regulators and Agents for Service of Process; Exhibit F – Spiffy Software License Agreement; Exhibit G – Form of Vehicle Lease; Exhibit H – Area Development Agreement; Exhibit I -- General Release Agreement; Exhibit J – ACH/EFT Agreement; Exhibit K – Agreement and Conditional Consent to Transfer; Exhibit L – First Addendum to Renewal Franchise Agreement; Exhibit M – Operations Manual Table of Contents; Exhibit N – SBA Addendum; Exhibit O – Form of Franchise Compliance Certification; Exhibit P – Receipts

_____ _____

Date Prospective Franchisee

Individually and as an officer, partner, member or manager of _____, a _____ organized under the laws of _____.

You may return one copy of this receipt by signing, dating and mailing it to SPIFFY FRANCHISING, LLC, Franchise Administration, at 4506 S Miami Blvd, Suite 150, Durham, North Carolina 27703, (844) 438-7743 or by sending it via email to franchise@getspiffy.com.