



RECEIVED
S.F. MAILROOM

APR 14 2021

DEPARTMENT OF FINANCIAL
PROTECTION AND INNOVATION

FRANCHISE DISCLOSURE DOCUMENT

THE GLASS GURU ENTERPRISES, INC.
a Texas corporation

3751 Main Street Suite 600 #306 The Colony TX 75056
(877) 654-8507 | www.theglassguru.com | info@theglassguru.com

As a franchisee, you will operate a business that will install, repair, and replace residential and commercial glass, mirrors, showers, windows, and doors, and provide other related services and sell other related products to residential and commercial customers.

The total investment necessary to begin operation of a Glass Guru Franchise ranges from \$ 73,555 to \$172,030, as discussed in Item 7. This includes the total amount in Item 5, which ranges from \$25,500 to \$51,000 that must be paid to the Franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Daniel Frey, 3751 Main Street Suite 600 #306, The Colony, TX 75056 Telephone: (877) 654-8507.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read the entire contract carefully. Show your contract and this disclosure document to an advisor, such as 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 specific to your state. Ask your state agencies about them.

The issuance date: April 9, 2021

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. 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 Texas than in your own state.
2. **Minimum Sales Performance.** You must maintain minimum sales performance levels. If you fail to do so, your territory size could be reduced, or the franchisor could terminate your agreement and you could lose your investment.

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

[Balance of this page intentionally left blank.]

FOR THE STATE OF MICHIGAN

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.

1. A prohibition of the right of a Franchisee to join an association of Franchisees.
2. A requirement that a Franchisee assent to a release, assignment, novation, waiver or estoppel that deprives a Franchisee of rights and protections provided in this act. This must not preclude a Franchisee, after entering into a Franchise Agreement, from settling any and all claims.
3. A provision that permits a Franchisor to terminate a franchise prior to the expiration of this term except for good cause. Good cause must include the failure of the Franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
4. 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 that 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: (a) the term of the franchise is less than 5 years, and (b) 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.
5. 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.
6. A provision requiring that arbitration or litigation be conducted outside this state. This must not preclude the franchisee from entering into an agreement, at the time of arbitration or litigation, to conduct arbitration or litigation at a location outside this state.
7. A provision that permits a Franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent a Franchisor from exercising a right of first refusal to purchase the franchise. Good cause must include, but is not limited to:
 - A. The failure of the proposed transferee to meet the Franchisor's then-current reasonable qualifications or standards.
 - B. The fact that the proposed transferee is a competitor of the Franchisor or Sub-franchisor.

- C. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - D. 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.
8. 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 and has failed to cure the breach in the manner provided in subdivision (C).
9. A provision that permits the Franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the Franchisee unless a provision has been made for providing the required contractual services.

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

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

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE SECTION, 525 W. OTTAWA ST., WILLIAMS BUILDING, 6th FLOOR, LANSING, MICHIGAN 48933, TELEPHONE (517) 373-7117.

TABLE OF CONTENTS

ITEM 1.	THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	9
ITEM 2.	BUSINESS EXPERIENCE	10
ITEM 3.	LITIGATION.....	11
ITEM 4.	BANKRUPTCY.....	11
ITEM 5.	INITIAL FEES.....	11
ITEM 6.	OTHER FEES.....	13
ITEM 7.	ESTIMATED INITIAL INVESTMENT	21
ITEM 8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	25
ITEM 9.	FRANCHISEE'S OBLIGATIONS.....	27
ITEM 10.	FINANCING	29
ITEM 11.	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	31
ITEM 12.	TERRITORY	38
ITEM 13.	TRADEMARKS	39
ITEM 14.	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	41
ITEM 15.	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	42
ITEM 16.	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	43
ITEM 17.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	43
ITEM 18.	PUBLIC FIGURES	52
ITEM 19.	FINANCIAL PERFORMANCE REPRESENTATIONS	52
ITEM 20.	OUTLETS AND FRANCHISEE INFORMATION	62
ITEM 21.	FINANCIAL STATEMENTS.....	67
ITEM 22.	CONTRACTS.....	67
ITEM 23.	RECEIPTS.....	68

EXHIBITS

- A. FRANCHISE AGREEMENT
 - 1. SPECIFICS
 - 2. GENERAL RELEASE
 - 3. NONDISCLOSURE AND NON-COMPETITION AGREEMENT
 - 4. GUARANTY AND ASSUMPTION OF OBLIGATIONS
 - 5. HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS
 - 6. ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS
 - 7. MARKETING FUND ADDENDUM
 - 8. ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE
 - 9. MULTI-STATE ADDENDA
- B. LIST OF STATE ADMINISTRATORS
- C. LIST OF STATE AGENTS FOR SERVICE OF PROCESS
- D. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL
- E. FINANCIAL STATEMENTS
- F. LISTS OF CURRENT AND FORMER FRANCHISEES
- G. FRANCHISEE DISCLOSURE QUESTIONNAIRE
- H. MULTI-STATE ADDENDA
- I. FINANCING DOCUMENTS

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

To simplify the language in this Disclosure Document, the words "we," "our" and "us" refer to The Glass Guru Enterprises, Inc., a Texas corporation, the franchisor of this business. "You" and "your" refer to the entity that buys the franchise, whether it be a corporation, limited liability company or other business entity. Certain provisions of this Disclosure Document also apply to your owners and will be noted.

The Franchisor

We changed our name and state of incorporation from California to Texas effective on April 9, 2021 by merger of our predecessor The Glass Guru Franchise Systems, Inc., a California corporation into us with us surviving the merger. Our predecessor was formed on February 14, 2006 and we were formed on January 1, 2021. As the survivor of the merger, we are a successor in interest to our predecessor, and as such will continue the operation of the business of offering the sale of and supporting The Glass Guru franchises. Our principal business address is 3751 Main Street., Suite 600 #300, The Colony Texas 75056. Our predecessor's address was 1382 Blue Oaks Blvd., Suite 213, Roseville, California 95678. We do business under our corporate name The Glass Guru Enterprises, Inc. and the name "The Glass Guru."

Our predecessor offered The Glass Guru franchises from January 2007 up to the date of the merger and we began offering The Glass Guru franchises following the merger. Neither we nor our predecessor have conducted the type of business that you will operate. Neither we nor our predecessor have offered franchises in any other line of business.

The agent for service of process is Daniel Frey, President, 3751 Main Street., Suite. 600 #300, The Colony, TX 75056. Please refer to **Exhibit C** for a list of agents for service of process.

Our Business Activities

We grant franchises to qualified persons or business entities in connection with the service mark "THE GLASS GURU" and other related trademarks and logos (collectively referred to as the "Marks"). We refer to these businesses as "The Glass Guru Business." We refer to The Glass Guru Business you will operate as the "Franchise Business."

The Glass Guru Business installs, repairs and replaces residential and commercial glass, mirrors, showers, windows and doors, and provide other related services and sell other related products to residential and commercial customers. You must operate the Franchise Business in accordance with our standards, methods, procedures, and specifications, which we refer to as our "System" and which is more particularly described in our Franchise Agreement attached as **Exhibit A** to this Disclosure Document. We (and our Affiliate) have custom designed, developed and/or acquired lines of products, such as certain window restoration tools and equipment, and other tools and equipment items especially suited for use in connection with the Franchise Business ("The Glass Guru Restoration Tools"). We are the supplier of The Glass Guru Restoration Tools to our franchisees.

Parents and Affiliates

We do not have a parent.

We have one affiliate, Roseville Glass Partners, Inc. (formally, The Glass Guru, Inc.) (our "Affiliate") which

The Glass Guru Franchise Systems, Inc. Multi-State 2020 FDD

began business in September 2004 as a limited liability company formed under the laws of Nevada. On July 28, 2005, our Affiliate was registered as a limited liability company in California. Our Affiliate was converted into a California corporation on July 28, 2006 and operates as a corporation today and is located at 198 Cirby Way, STE. 120, Roseville, California 95678. Our Affiliate changed its name in March 2011. Our Affiliate has owned and operated one The Glass Guru Business in California since 2004. Our Affiliate does not and has not previously offered franchises in this or in any other line of business.

General Description of the Market and Competition

Our concept is targeted to residential and commercial customers. As a franchisee, you will compete with a variety of other businesses that install, repair, and replace residential and commercial glass, mirrors, showers, windows and doors, and provide other related services and sell other related products to residential and commercial customers. Your competition may be local independently owned businesses or may be part of a regional or national dealership chain or franchise including companies such as the Glass Doctor, Speedy Auto Glass, Window World or Window Medics. You may also compete with other The Glass Guru Business operated by us or other franchisees.

Regulations Specific to the Industry

You must comply with all laws, rules and regulations governing the operation of the Franchise Business and obtain all permits and licenses necessary to operate the Franchise Business. California, Nevada, Arizona, Florida, and other states require licensing to provide glass and window replacement or similar services. You should contact your state to determine if you must obtain a license. California and other states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Franchise Business, including those which: (a) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements, restrictions on smoking, availability of and requirements for public accommodations, including restroom facilities and public access; (b) set standards pertaining to employee health and safety; (c) regulate matters affecting requirements for accommodations for disabled persons; (d) set standards and requirements for fire safety and general emergency preparedness; and (e) regulate the proper use, storage and disposal of waste or other hazardous materials. You should investigate the federal, state or local laws, rules or regulations that apply in the geographic area in which you are interested in locating your Franchise Business and should consider both their effect and cost of compliance. Under the Franchise Agreement, you alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you.

ITEM 2. BUSINESS EXPERIENCE

President | Daniel Frey

Mr. Frey has served as our and our predecessor's President/CEO since 2007. In addition, Dan is also Co-Founder and Director and President/CEO of our Affiliate, The Glass Guru of Roseville, CA since September 2004.

VP Franchise Operations | Dave Hull

Mr. Hull was hired by our predecessor as VP of Franchise Development and appointed a Director in January 2011. Dave was elected as our Chief Development Officer in 2018. In May 2020, Dave's title was changed to VP Franchise Operations. Mr. Hull was General Manager of our Affiliate, The Glass Guru of Roseville, CA from October 2009 - March 2011.

VP Franchisee Business Development | Rob Lopez

Mr. Lopez has served as our and our predecessor's VP Franchise Business Development since April 2020 and previously served as Director of Franchise development from November 2015 to April 2020.

Director of Technology and Communications | Sean Young

Mr. Young has served as our and our predecessor's Director of Technology and Communications since May 2020. He previously served as Director of Operations from May 2018 to May 2020, Director of Corporate Development from November 2015 to May 2018 and Director of Franchise Operations from July 2012 to November 2015.

ITEM 3. LITIGATION

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

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

You must pay us a non-refundable Initial Franchise Fee of \$19,500 to \$45,000 based on the population of the chosen territory by reference to the most recent figures available from the United States Census Bureau at the time the Area of Primary Responsibility is designated, less applicable discounts when you sign the Franchise Agreement. The Franchise Fee may be paid either in a lump sum or if you meet our credit standards, by payment of a down payment plus the signing of a promissory note. We may finance up to 30% of the initial Franchise Fee. The Franchise Fee is payment, in part, for expenses incurred by us in furnishing assistance and services to you as described in the Franchise Agreement and for costs incurred by us, including general sales and marketing expenses, training, legal, accounting, and other professional fees.

How the Initial Franchise Fee is Calculated

The Initial Franchise Fee is determined by the aggregated population of the zip/postal codes included in the Area of Primary Responsibility (the Franchise Territory.) This fee is calculated utilizing a sliding scale, decreasing by approximately \$.05 per 1,000 persons in population as the territory population increases in size. There is a minimum franchise fee of \$19,500 for any Franchise Territory equal to or less than 226,000 in population. The Initial Franchise Fee is capped at \$45,000 for a Franchise Territory of 750,000 or greater in population. The table below provides examples of the Initial Franchise Fee calculation for various sample territory populations:

POPULATION	\$ PER 1000	INITIAL FRANCHISE FEE
200,000	\$97.50	\$19,500
250,000	\$84.86	\$21,215
350,000	\$80.00	\$28,000
450,000	\$75.00	\$33,750
550,000	\$70.00	\$38,500
650,000	\$65.00	\$42,250
750,000	\$60.00	\$45,000

Minimum Franchise Fee = \$19,500/ Maximum Franchise Fee = \$45,000

Veteran Discount

If you are an honorably discharged veteran who meets our qualifications for purchasing a franchise, we will discount the initial franchise fee by an amount equal to 10% of the initial franchise fee. This Veteran discount is available only to United States and Canadian veterans and the term "veteran" shall be defined by us in our sole discretion. However, in determining who is included in the term "veteran" we may be guided, in whole or in part, by any definitions we think appropriate, including definitions used by the federal government of the United States or Canada, as applicable, in determining who is eligible for federal benefits intended for veterans.

Incentives for Converted Businesses

Franchisor, at its sole discretion, may choose to award a franchise territory to a Franchisee who concurrently owns a business that offers/sells products and services that directly compete with The Glass Guru ("Competing Business") as defined in the Agreement. In these circumstances, Franchisee will be required to convert Competing Business with and into the Franchise Business. All subsequent business will be conducted by the Franchisee under the mark(s) of The Glass Guru, utilizing appropriate copyrighted materials, manuals, systems, etc., subject to the terms and conditions of the Agreement.

While Franchisor will discuss a business conversion with any Competitive Business, a Competitive Business is only eligible receive "Incentives for Converted Businesses" when the Competitive Business converting to a Franchise Business can demonstrate Gross Sales equal to, or greater than \$500,000 for the most current 12-month operating period. In the case where Franchisee converts a Competitive Business into a Franchise Location, the Converted Business discount schedule for the Franchise Fee and/ Royalty Fee will apply as follows:

Option 1

- A. Franchisee receives a 50% reduction in the Initial Franchise Fee; and,
- B. For a period of 12 months, Franchisee will receive a 50% reduction in the monthly Royalty Fee (as defined above) for the mutually agreed upon Gross Sales from most current 12-month period prior to converting. Any Gross Sales exceeding this amount derived during the first 12-

months of operations will be subject to the full monthly Royalty Fee amount defined above. This reduction in the monthly Royalty Fee will terminate following the Franchise Business's 1st full year (12-months) of operation.

Option 2

- A. Franchisee receives NO reduction in the Initial Franchise Fee; and,
- B. For a period of 24 months, Franchisee will receive a 50% reduction in the monthly Royalty Fee (as defined above) for the mutually agreed upon Gross Sales from most current 12-month period prior to converting. Any gross sales exceeding of this amount derived during this 12-month period will be subject to the full Monthly Royalty Fee amount as defined in section 3.2 of the Agreement. This reduction in monthly Royalty Fees will reset and renew for a subsequent 12-month period during the franchise Business 2nd full year of operation. This reduction in the monthly Royalty Fee will terminate following the Franchise Business's 2nd full year (24-months) of operation.

Initial Purchases

Before you open the Franchise Business, you must purchase an initial supply of The Glass Guru Restoration Tools from us. The current cost of the tool kit is \$1,000. If the Franchise Agreement is terminated before you begin operations of the Franchise Business, you may return any tools or supplies purchased from us for a refund, provided that the items are unopened, unused or remain in a saleable condition.

Before you open the Franchise Business, you must purchase The Glass Guru Brand Identify Package from us for a non-refundable fee of \$5000. The items in the package promote the services offered by the Glass Guru Business.

ITEM 6. OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee	5% of Gross Sales for all Products & Services.	Monthly by the 20th day of the calendar month	See definition of Gross Sales.1 (Section 1)*
Marketing Fee	Franchisor charges a Marketing Fee. Franchisee is required to pay Marketing Fee on a monthly basis equal to three percent (3%) of the corresponding monthly Gross Sales.	Monthly by the 20th day of the calendar month	See Definitions for Marketing Fee, and further clarifications (Section 3.4)

Name of Fee	Amount	Due Date	Remarks
Local Advertising	Franchisee must spend the greater of five percent (5%) of the prior year's Gross Sales divided by the months of operation in the prior year, or minimum monthly local advertising expenditure of \$1,250 ("Minimum Local Advertising Expenditure") on advertising, promotions, and public relations within the agreed upon Area of Primary Responsibility. A Franchise Business failing to meet the "Minimum Local Advertising Expenditure" will be assessed a fee ("Local Advertising Penalty") equal to and year-to-date shortfall in Local Advertising Expenses.	Monthly	You pay directly subject to our approval. (Section 11.2) Failing to meet the "Minimum Local Advertising Expenditure" will result in an additional fee (Section 11.2.2) We may require Local Advertising expenditures to be used in cooperative advertising. (Section 11.4) Your expenditures for Local Advertising are in addition to required Marketing Fund Contributions and required Grand Opening Advertising expenditures (described in ITEM 7). Further information about all of our advertising programs is also included in ITEM 11 of this Disclosure Document.
Cooperative Advertising	Any or all of required Local Advertising may be re-designated for Cooperative Advertising.	As directed	We may establish and administer a Cooperative Advertising program within your regional marketing area. Payable as directed to us or an advertising cooperative. (Section 11.4) At our option, our company-owned outlets may participate in the Cooperative. If so, each company-owned outlet will have one vote per outlet.

Name of Fee	Amount	Due Date	Remarks
Technology Fee	A fee equaling the greater of \$360 or 1% of Gross Sales, with a maximum fee of \$760 being assessed.	Monthly	You pay a technology fee that covers the direct costs of approved software, software licenses, subscriptions, development, maintenance, and hosting for all systems substantially benefiting franchise locations including but not limited to feature sets like; field service management (FSM), business productivity software, Intranet, learning management (LMS) system, and business intelligence systems (BI), and any additional systems/software otherwise authorized and/or required in the Operations Manual.
Trade Associations	\$100	Yearly	We collect and pay to the National Glass Association on your behalf
Late Entry Fee	\$175	Upon demand	Failure to enter customer data within 48 hrs. of initial customer contact during the month will result in a Late Entry Fee. Non-compliance for three or more months during a calendar year will require an audit at franchisees expense (Section 12.5)
Audit Expenses ²	All costs and expenses associated with audit.	Upon demand	Audit costs payable only if the audit shows an understatement in amounts due of at least 3% or if audit is conducted due to your failure to report. (Section 12.6)
Late Fees	1.5% per month or the highest rate allowed by the law of the state where you are located, whichever is less.	Upon demand	Applies to all overdue Royalty Fees, Marketing Fund and Marketing Fee Contributions, and other amounts due to us. (Section 3.7) Also applies to any understatement in amounts due revealed by an audit. (Section 12.6)

Name of Fee	Amount	Due Date	Remarks
Insurance Policies	Amount of unpaid premiums plus our reasonable expenses in obtaining the policies	Upon demand	Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you. (Section 15.5)
Transfer Fee	\$7,500	Time of transfer	Does not apply to an assignment under Section 18.3 of the Franchise Agreement. (see Section 18.2.8)
Customer Service ³	All costs incurred in assisting your customers.	Upon demand	You must reimburse us if we determine it is necessary for us to provide service directly your customers. (Section 11.9)
Substitute or New Manager Training	Rates as published in the Manual; currently, \$350 per day at Qualified Training Location (QTL) or \$500 per day at Franchisee's location, plus your expenses as well as your employees' expenses in attending.	As required	If your Designated Manager does not satisfactorily complete our initial training program (or if you replace your Designated Manager), a substitute (or your replacement manager) must complete our initial training program. We may charge you for additional training. (Sections 8.4 and 8.5) (See "Additional Training" in this table.)

Name of Fee	Amount	Due Date	Remarks
Temporary Management Assistance	Market rates, currently \$500 per day, plus expenses, or 25% of the Gross Sales during that period, whichever is greater	Each month that it applies	Following the delivery of a notice of termination of the Franchise Agreement, we may assume operation of the Franchised Business until such time as you correct the breach resulting in the notice of termination. Additionally, following the death or incapacity of an owner of the Franchised Business, if necessary in our discretion, we may assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by us. We may charge a management fee during the time we are operating your Franchised Business and we will also be entitled to reimbursement of any expenses we incur that are not paid out of the operating cash flow of the Franchised Business. (Sections 16.5 and 18.6.2)
Ongoing Training Programs ⁴	Fees as determined by us.	Time of program	You must pay your expenses as well as your employees' expenses in attending. Attendance will not be required more than 2 times per year and collectively will not exceed 6 days in any year, including attendance at an Annual Convention. (Section 8.6)
Additional Training	Rates as published in the Manual; currently, \$500 at Qualified Training Location (QTL) or at Franchisee's location, per day per person, plus your expenses as well as your	Time of training	We provide training for you and one office assistant. Up to 2 additional field or office assistants will be provided training with our prior authorization. You may pay for additional training if you request it. (Section 8.1)

Name of Fee	Amount	Due Date	Remarks
	employees' expenses in attending.		
Additional Operations Assistance	Rates as published in the Manual; currently, \$500 at Qualified Training Location (QTL) or at Franchisee's location, per day per staff member plus our expenses.	Time of assistance	We provide assistance around the beginning of operations. You may pay for additional assistance if you request it. (Section 8.1)
New Technician Training	You are required to pay our then-current standard rates for technician training and certification programs, currently \$350 per day at Qualified Training Location (QTL) or \$500 per day at Franchisee's location. In addition, all expenses incurred by your technicians in attending these programs, including travel costs, room and board expenses and employees' salaries will be your sole responsibility.	Time of program	Optional for new trainees. Does not apply to any technicians attending the initial training we provide to you and your assistants. (Sections 8.1 and 8.2)
Annual Convention	Currently, \$750 unless you attend the Convention. If you do not attend Convention, the fee is paid in any case and any training materials will be made available to you at the time and manner we determine. If you attend the convention, we will discount the \$750 fee to a lesser amount that is usually \$350 per convention attendee.	Before date of convention	Payable if we hold an Annual Convention for franchisees. You must pay the fee even if you fail to attend the Annual Convention. You must pay your expenses as well as your employees' expenses in attending. (Section 8.7)

Name of Fee	Amount	Due Date	Remarks
Cost of Enforcement	All costs including attorneys' fees	Upon demand	You must reimburse us for all legal costs in enforcing obligations if we prevail. (Section 22.4)
Indemnification	All costs including attorneys' fees	Upon demand	You must defend lawsuits at your cost and hold us harmless against lawsuits arising from your operation of the Franchised Business. (Section 21.3)
Administrative Fee for Improper Reporting	\$75 each occurrence	Upon demand	Payable if you submit monthly Gross Sales Report in an improper or unapproved format or fail to submit the Gross Sales Reports when due.
Charge for Insufficient Funds	\$40 each occurrence	Upon demand	Payable if there are insufficient funds in your registered account at the time an attempt is made to withdraw funds for required fees & services.
NSF Fees and Interest	\$75 each occurrence + Interest	Upon demand	Payable as a result of ACH or other transfers returned to Franchisor for non-sufficient funds or other reasons. Also, Franchisee must pay to Franchisor, on demand, interest on all overdue payments from the date the payment was due until paid equal to the greater of (i) 1.5% per month or (ii) the maximum rate of interest permitted by law.

No other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any other third party. Unless otherwise noted, all fees are payable to the Franchisor. All fees are non-refundable. Any fees refunded by Franchisor, will be at Franchisor's sole and exclusive discretion.

All fees are uniformly imposed on franchisees; however, existing franchisees may have different payment obligations under their existing franchise agreement.

NOTES

¹"Gross Sales" means the total gross revenues collected or received from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will or other consideration) that arise, directly or indirectly, from or in connection with the operation of your franchise, including but not limited to:

- a. the sale of goods and/or services offered by or through the franchise;
- b. the sale of goods and/or services by you or a third-party selling products and/or services on your behalf that are sold or that are required to be sold under the terms of the Franchise Agreement, no matter from what location or business the income is generated;
- c. the proceeds from any business interruption insurance and/or damages or settlement amounts received to compensate you for lost revenue of the franchise;
- d. any revenue generated from commissions, rebates or affiliated programs; and,
- e. except as provided below for charity activities, the value of any goods and/or services provided without compensation to you.

² Currently, we do not have sufficient information to provide you an estimate of your costs to reimburse us after an audit that shows an understatement in amounts due us. We assume the cost of auditing a Franchise Business varies depending on various factors, such as, prevailing auditor's rates in the geographic area where the Franchise Business is located, the extent of business activity, which is being audited, the condition of the books and records of the Franchise Business and the period of time that is being reviewed. If you are required to reimburse us the costs of an audit, the reimbursement will not exceed our actual costs.

³ The cost to reimburse us our expenses if we have to satisfy a complaint of your customer varies depending on the nature of the customer complaint, the expertise required to handle the complaint, how much time is involved in satisfying the complaint, whether any products must be replaced or services provided by us to satisfy the complaint, and if so, the value of such products or services. If you must reimburse us our expenses to satisfy a complaint of your customer, the reimbursement costs will not exceed our actual costs.

⁴ Attendance at our ongoing training programs, seminars or conferences is mandatory for your Designated Manager. We may charge an attendance fee for mandatory ongoing training programs, seminars and conferences, and you are responsible for transportation and expenses for meals and lodging while attending ongoing training programs. The total cost may vary depending on the number of people attending, how far you travel and the type of accommodations you choose. Further information about ongoing training programs is included in ITEM 11 of this Disclosure Document. Currently, we do not have sufficient information from which to provide an estimated cost or range of costs of your expenses to attend our ongoing training programs. For further reference, you may wish to review the estimated range of costs to attend our initial training program included in the Initial Investment Chart in ITEM 7 of this Disclosure Document.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Names of Expenditures	Actual or Estimated Amounts for You			Method of Payment	When Due	To Whom
Franchise Fee ¹	\$19,500	-	\$45,000	Cashier's Check / Installments	Upon Signing Franchise Agreement	Us
Real Estate/Rent ²	\$3,500	-	\$8,000	As Arranged	Before Beginning Operations	Lessor
Utility Deposits ³	\$0	-	\$500	As Arranged	Before Beginning Operations	Utilities
Leasehold Improvements ⁴	\$500	-	\$2,000	As Arranged	Before Beginning Operations	Third Parties
Insurance ⁵	\$500	-	\$1,500	As Arranged	Before Beginning Operations	Third Parties
Office Equipment and Supplies ⁶	\$1,500	-	\$5,000	As Arranged	Before Beginning Operations	Third Parties
Initial Glass Guru Tool Kit ⁷	\$1,000	-	\$1,000	As Arranged	Before Beginning Operations	Us
Training ⁸	\$1,500	-	\$2,500	As Arranged	Before Beginning Operations	Third Parties
Signage ⁹	\$2,500	-	\$4,000	As Arranged	Before Beginning Operations	Third Parties
Furniture, Fixtures & Equipment ¹⁰	\$500	-	\$3,500	As Arranged	Before Beginning Operations	Third Parties
Computer Equipment ¹¹	\$1,250	-	\$4,800	As Arranged	Before Beginning Operations	Third Parties
Software Systems ¹²	\$1,305	-	\$2,730	As Arranged	First 3 months of Operation	Us
Phone System ¹³	\$500	-	\$2,500	As Arranged	Before Beginning Operations	Third Parties
Vehicle ¹⁴	\$15,000	-	\$40,000	As Arranged	Before Beginning Operations	Third Parties
Grand Opening/Direct Advertising ¹⁵	\$5,000	-	\$10,000	As Arranged	First 3 Months of Operation	Third Parties

Names of Expenditures	Actual or Estimated Amounts for You		Method of Payment	When Due	To Whom
Licenses & Permits ¹⁶	\$2,000	- \$4,000	As Arranged	Before Beginning Operations	Licensing Authority
Legal & Accounting ¹⁷	\$2,500	- \$5,000	As Arranged	First 3 Months of Operation, and As Necessary	Attorney, Accountant
Additional Funds/ (3 months) Working Capital ¹⁸	\$15,000	- \$30,000	As Arranged	As Necessary	You Determine
TOTAL¹⁹	\$73,555	- \$172,030			

NOTES

We anticipate that you will incur the initial expenditures estimated above in the establishment of a Franchise Business. Financing for the initial expenditures is offered by franchisor under the terms described in Item 10 below.

¹ **Franchise Fee.** The initial Franchise Fee is described in greater detail in ITEM 5 of this Disclosure Document. The terms for payment of a portion of the Franchise Fee in installments are described in greater detail in ITEM 10 of this Disclosure Document.

² **Real Estate/Rent.** You must lease or otherwise provide a suitable facility for the operation of the Franchise Business. You must lease a space, your lease costs can vary based upon variance in square footage, cost per square foot and required maintenance costs. We assume that you will have to pay the first month's rent and a security deposit equal to one month's rent in advance. The rent you pay is typically not refundable, but your security deposit may be under certain circumstances.

³ **Utility Deposits.** If you are a new customer of your local utilities, you will generally have to pay deposits in connection with services such as electric, telephone, gas and water. The amount of the deposit and whether the deposit is refundable will vary depending upon the policies of the local utilities. You should contact your local utilities for more information.

⁴ **Leasehold Improvements.** If you rent space, you may need or choose to make minimal renovations. The cost of leasehold improvements will vary based upon size, condition and location of the premises, local wage rates and material costs. The amounts you pay for leasehold improvements are typically not refundable.

⁵ **Insurance.** You must purchase the type and amount of insurance specified in Section 15 of the Franchise Agreement in addition to any other insurance that may be required by applicable law, any lender or lessor. Factors that may affect your cost of insurance include the location of the Franchise Business, value of the leasehold improvements, number of employees and other factors. The amounts you pay for insurance are typically not refundable.

⁶ **Office Equipment and Supplies.** You must purchase general office supplies including printers, stationery, business cards and other typical office equipment. We do not know if the amounts you pay

for office equipment and supplies are refundable. You should inquire about the return and refund policy of the supplier at or before the time of purchase. Factors that may affect your cost of office equipment and supplies include local market conditions, competition among suppliers and other factors.

⁷ Initial Glass Guru Tool Kit. You will be required to purchase from the initial Glass Guru tool kit from us prior to beginning operations. This "Kit" provided tools necessary for your Franchise Business to provide our proprietary moisture removal service, including a small supply of micro-vents. This "Kit" is available through our online store.

⁸ Training. The cost of initial training is included in the Franchise Fee, but you are responsible for transportation and expenses for meals and lodging while attending training. The initial training program is available to the Designated Manager and one office assistant. Up to two additional field or office assistants will be allowed to attend the initial training program with our prior consent. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose. Your expenses to attend are typically not refundable.

⁹ Signage. This range includes the cost of all signage used in the Franchise Business. The signage requirements and costs will vary based upon the location of the Franchise Business, local zoning requirements and local wage rates for installation, among other things. The amounts you pay for signage are typically not refundable.

¹⁰ Furniture, Fixtures & Equipment. You will be required to purchase and/or lease and install furniture, fixtures and equipment such as desks, chairs, lamps, filing cabinets and other basic office items necessary to operate your Franchise Business. The cost of the furniture, fixtures and equipment will vary according to local market conditions, suppliers, and other related factors. We do not know if the amounts you pay for furniture, fixtures or equipment may be refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing or leasing.

¹¹ Computer Equipment. You will be required to have one computer workstation with Microsoft Office Suite and QuickBooks and other software as outlined in the Operations Manual. These will need to be purchased if you don't have them already. The amounts you pay for computer equipment are typically not refundable.

¹² Software Systems. You will be required to pay us a technology fee that covers the direct costs of approved software, software licenses, subscriptions, development, maintenance, and hosting for all systems substantially benefiting franchise locations including but not limited to feature sets like; field service management (FSM), business productivity software, Intranet, learning management (LMS) system, and business intelligence systems (BI), and any additional systems/software otherwise authorized and/or required in the Operations Manual. The current monthly fee equals the greater of \$360 or 1% of Gross Sales, with a maximum fee of \$760 being assessed. You are also required to use Intuit QuickBooks Online for your accounting software. The QuickBooks license is not included with the technology fee, and you must acquire and license the software directly with Intuit or approved reseller at a cost of \$75 to \$150 per month.

¹³ Phone System. You will be required to purchase a cell phone and a dedicated phone line to a commercial office. The number must be one with an area code and prefix that is local to the Area of Primary Responsibility. The amount you pay for a phone system are typically not refundable.

¹⁴ Vehicle. You may be required to lease or purchase a utility vehicle, van or truck for use in the operation of the Franchise Business. The high and low estimates represent lease costs, which may vary based on such factors as the location of the Franchise Business, competition among local dealers and the time of year. These expenses are typically not refundable. Each vehicle is also required to be wrapped, and each vehicle transporting glass is required to have a glass rack for use in the operation of the Franchise

Business. The high and low estimates represent vehicle wrap costs and glass rack costs, which may vary based on such factors as the location of the Franchise Business, competition among local dealers and the time of year. These expenses are typically not refundable.

¹⁵ Brand Identity Package. You must purchase The Glass Guru Brand Identity Package from us for \$5,000 prior to beginning operations of the Franchise Business. These items include store posters, displays, banners, trade show items, rack and other card bearing the Marks and promote the services offered by the Glass Guru Business. You may choose to spend more. Factors that may affect the actual amount you spend include the, the size of the area you advertise to, location of the Franchise Business, time of year and customer demographics in the surrounding area. The amounts you spend for the Brand Identity Package are not refundable.

¹⁶ Licenses & Permits. Local government agencies typically charge fees for such things as contractors' licenses, business and other operating licenses. Your actual costs may vary from the estimates based on the requirements of local government agencies. These fees are typically not refundable.

¹⁷ Legal & Accounting. We strongly suggest that you employ an attorney, an accountant and/or other consultants to assist you in establishing your Franchise Business. These fees may vary from location to location depending upon the prevailing rates of local attorneys, accountants, and consultants. These fees are typically not refundable. In conjunction with entering into the Franchise Agreement, you are required to obtain an independent third-party Bookkeeping service approved by us to facilitate your bookkeeping for the first 3 full months of operation. Our Approved and/or Preferred Vendors typically charge \$1500.00 for this service.

¹⁸ Additional Funds/Working Capital. We recommend that you have a minimum amount of money available to cover operating expenses, including employees' salaries, for the first 3 months that the Franchise Business is open. However, we cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if sales are low or operating costs are high. These expenses are typically not refundable.

¹⁹ Total. In compiling this chart, we relied on our and our Affiliate's combined industry experience in operating a The Glass Guru Business since 2004. The amounts shown are estimates only and may vary for many reasons including the capabilities of your management team, where you locate your Franchise Business and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting the Franchise Business.

The initial investment described in this Item relates to the development of a new franchise. If you are renewing your existing franchise for the next Term, you will not pay a renewal fee, and you will not incur most of the expenses referenced in this Item. However, you may be responsible for upgrading your franchise and any related expenses. If you are acquiring an existing franchise by transfer, in addition to the price you negotiate for the purchase of the franchise, you will be responsible for the transfer fee and you may be responsible for upgrading the franchise and any related expenses.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

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

Approved Suppliers/Standards and Specifications

All products, supplies, signs, equipment, components, accounting services, insurance and other products or materials for use or sale in your Franchise Business must meet our specifications and quality standards and, if required by us, must be purchased only from an Approved Supplier, which may be us. Currently, we are the only Approved Supplier for The Glass Guru Restoration Tools. Certain of the items in The Glass Guru Restoration Tools are proprietary equipment and supplies that you can only purchase from us. Currently proprietary equipment and supplies include micro vents, tip adapters for moisture removal, and the Glasstastic® product line. We are also currently the only Approved Supplier for the Brand Identity Package with marketing and promotional materials bearing the Marks.

We will provide, in the Manual or by other written or electronic form, a list of The Glass Guru Restoration Tools as well as additional items you will need to purchase for resale or to operate your Franchise Business and, if required, a list of Approved Suppliers for some or all of these items, and from time to time we may revise this list. Our specifications may include minimum standards for performance, design, appearance, and quality. We formulate and modify our specifications and standards for products and services based upon our and our Affiliate's industry knowledge and our operational experience in operating The Glass Guru Business since 2004. Neither the Franchisor, nor any officer of the Franchisor, owns any interest in any Approved Supplier (except for us).

If you would like to use any item, service, or supplier in establishing or operating the Franchise Business that we have not approved (for items or services that require supplier approval), you must first send us sufficient information, specifications and/or samples for us to determine whether the item, service or supplier complies with our standards and specifications or the supplier meets our Approved Supplier criteria. We will decide within a reasonable time (usually, 30 days) after receiving the required information whether you may purchase or lease such items or services or from such supplier. We apply the following and other general criteria in approving a proposed supplier: the ability to provide sufficient quantity of product; quality of products and/or services at competitive prices; production and delivery capability; and dependability and general reputation of the supplier.

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

The Glass Guru Restoration Tools

We and our Affiliate have designed, developed and/or acquired and continue to design and develop certain window restoration tools and equipment and other items especially suited for use in the operation of The Glass Guru Business ("The Glass Guru Restoration Tools"). In order to maintain the consistency, quality and uniformity of the System, we will make The Glass Guru Restoration Tools available to you in reasonable quantities in accordance with the procedures for ordering, handling and shipping that we may determine periodically, provided that you are in compliance with the Franchise Agreement and all other agreements with us. We will provide The Glass Guru Restoration Tools supplied by us at competitive prices; however, you acknowledge that we have the right to earn a reasonable profit on the sale of The Glass Guru Restoration Tools. We will derive revenue from the sale of The Glass Guru Restoration Tools to our franchisees.

During the fiscal year ended December 31, 2020, we had revenue of \$92,604.76 or 3.14% of our total revenue of \$2,951,587 from all required purchases by franchisees. currently do not derive revenue from any other required purchases by franchisees. Our affiliate does not derive any revenue from purchases by franchisees.

Computer/Point of Sale System

You are required to purchase and use the computer and point of sale system described in ITEM 11 of this Disclosure Document.

Insurance

In addition to any other insurance that may be required by applicable law, any lender or lessor, you must purchase and maintain in effect during the term of the Franchise Agreement the type and amount of insurance specified in Section 15 of the Franchise Agreement - These insurance policies include a comprehensive general liability policy with minimum limits of \$1,000,000; automobile liability policy with minimum limits of \$1,000,000; workers compensation insurance with minimum limits of \$100,000 (or higher if we required by your state); and property insurance coverage at full replacement cost. Your insurance policies must name us as an additional insured and/or loss payee.

Miscellaneous

We may negotiate purchase agreements, including group rates and price terms with suppliers, for purchases of equipment and supplies necessary for the operation of the Franchise Business. Presently, there are no such purchase or supply agreements in effect and no purchasing or distribution cooperatives that you must join. During our most recent fiscal year, we did not receive any rebates from suppliers due to franchisee purchases. However, in the future we may receive volume rebates, discounts or other benefits from suppliers.

We estimate that approximately 5% to 15% of your expenditures for purchases in establishing your Franchise Business will be for goods and services that must be purchased either from us or an Approved Supplier or in accordance with our standards and specifications. We estimate that approximately 30% to 40% of your expenditures on an ongoing basis will be for goods and services that must be purchased from either us or an Approved Supplier or in accordance with our standards and specifications.

We do not provide material benefits to you (such as renewal rights or the right to open additional The Glass Guru Business) based on whether you purchase through the sources we designate or approve; however, purchases of unapproved products or purchases from unapproved suppliers in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in the Franchise Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Section 5	ITEMS 11 and 12
b.	Pre-opening purchases/leases	Sections 5, 12 and 15	ITEMS 7 and 8
c.	Site development and other pre-opening requirements	Sections 5 and 8	ITEMS 7, 8 and 11
d.	Initial and ongoing training	Section 8	ITEMS 6, 7 and 11
e.	Opening	Sections 5 and 8	ITEM 11
f.	Fees	Sections 5, 8, 10, 11, 13, 15, 18, and 21.	ITEMS 5, 6 and 7
g.	Compliance with standards and policies/Operating Manual	Sections 6, 7, 9, 10, and 13	ITEMS 8 and 16
h.	Trademarks and proprietary information	Sections 6, 7, and 9	ITEMS 13 and 14
i.	Restrictions on products/services offered	Sections 5, 6, and 13	ITEMS 8 and 16
j.	Warranty and customer service requirements	Section 13	ITEM 16
k.	Territorial development and sales quotas	None	ITEM 12
l.	Ongoing product/service purchases	Section 13	ITEMS 8 and 11
m.	Maintenance, appearance and remodeling requirements	Sections 5, 10, and 13	ITEM 6
n.	Insurance	Section 15	ITEMS 6, 7 and 8

	Obligation	Section in the Franchise Agreement	Disclosure Document Item
o.	Advertising	Section 11	ITEMS 6 and 11
p.	Indemnification	Section 21	ITEM 6
q.	Owner's participation/management/staffing	Section 13	ITEM 15
r.	Records and reports	Section 12	ITEM 11
s.	Inspections and audits	Sections 6 and 12	ITEMS 6, 11 and 13
t.	Transfer	Section 18 and Exhibit 1 and 5	ITEM 17
u.	Renewal	Section 4 and Exhibit 1 and 5	ITEM 17
v.	Post-termination obligations	Section 17 and Exhibit 2 and 5	ITEM 17
w.	Non-competition covenants	Sections 7 and 17 and Exhibit 2 and 5	ITEM 17
x.	Dispute resolution	Section 23 and Exhibit 5	ITEM 17
y.	Other	Not applicable	Not applicable

ITEM 10. FINANCING

We do not guarantee your lease or other obligations.

If you meet Franchisor's credit standards, we may finance a portion of the initial franchise fee. The portion financed must not exceed 30% of the total initial franchise fee. The availability of this installment payment option will be subject to the sole discretion of the Franchisor. If Franchisor offers financing it will be over a maximum term of 60 months at an APR of 6% - 9%, based on Franchisee credit score, in a loan (the "Loan") using a standard form promissory note (the "Note") and security agreement (the "Security Agreement"), copies of which are attached to the Franchise Disclosure Document and marked as **Exhibit "I"**. The Note may be prepaid without penalty during the 60-month term. Security for the Note will be any and all assets of franchisee's business and must be personally guaranteed by you and your spouse or all shareholders of your corporation. If you do not pay on time, we can call the loan and demand immediate payment of the full outstanding balance of the loan and obtain court costs and attorney's fees if a collection action is necessary.

We also have the right to terminate your franchise if you do not make your payments on time during the term of the Note (see Franchise Agreement, section 16.2.2.1). We may assign the Note to a third-party lender who may be immune under the law to any defenses to payment you may have against Us (see Promissory Note).

Any financing undertaken by the Franchisor will comply with the required state law.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

SUMMARY OF FINANCING

Item Financed	Amount Financed	Down	Term	APR	Monthly	Prepay	Security	Liability	Loss of Rights on Default
Initial Fee	30% or less	70% or more	5	6% Credit Score >700	\$101.50 to \$376.99 depending on amount financed	None	Assets & Personal Guarantee	Loss of Franchise and payment of loan balance	Collection of your accounts receivable. You must pay collection costs and attorneys' fees
Initial Fee	30% or less	70% or more	5	7% Credit Score 650-699	\$103.96 to \$386.12 depending on amount financed	None	Assets & Personal Guarantee	Loss of Franchise and payment of loan balance	Collection of your accounts receivable. You must pay collection costs and attorneys' fees
Initial Fee	30% or less	70% or more	5	8% Credit Score 600-649	\$106.45 to \$395.39 depending on amount financed	None	Assets & Personal Guarantee	Loss of Franchise and payment of loan balance	Collection of your accounts receivable. You must pay collection costs and attorneys' fees
Initial Fee	30% or less	70% or more	5	9% Credit Score <600	\$109.98 to \$404.79 depending on amount financed	None	Assets & Personal Guarantee	Loss of Franchise and payment of loan balance	Collection of your accounts receivable. You must pay collection costs and attorneys' fees

SUPPLEMENTAL INFORMATION FOR FINANCING

1. The financing provided by Franchisor includes only the Initial Franchise Fee as described in this Item 10. We do not provide financing or guarantee your lease or any other obligations.
2. We currently do not plan to assign the Notes to third party lenders.
3. We plan to offer installment payment terms for up to 30% of the Initial Franchise Fee, which in view of the stated maximum amount of Initial Franchise Fee is not likely to exceed \$13,500.
4. APR. We will offer fixed rate financing at 6% - 9% annual percentage rate, or "APR" at a time when the prime lending rate is approximately 3.25% APR as of the date of this document. Franchisor reserves the right to adjust the interest rate in the event the prime lending rate increases above 4.25%.
5. The term for repayment of the Note will not exceed 60 months and payment must be made monthly unless otherwise agreed.
6. The security interest for the Note will be in the assets of the franchise business, the franchise agreement. In addition, all owners must personally guaranty the Note, and the personal guarantees of your owners.
7. There will be no pre-payment penalty in connection with the Note.
8. Upon default, you will be liable for the balance due on the Note, court costs and attorney's fees and other costs of collection, loss of franchise rights and all assets of the Franchise.
9. Among other things, the Note and Security Agreement permit the us to exercise all rights and remedies permitted under the Uniform Commercial Code, including without limitation, collection of payments due to you from your customers, recovery of legal costs and expenses including attorneys' fees. If we exercise the right to assign the Loan, you may also lose your right to assert certain defenses against our assignee. You should read all applicable documents carefully and consult your own legal counsel for a detailed explanation of your rights and your obligations.

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

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

1. Before you open your Franchise Business, we will:
 - A. designate the Area of Primary Responsibility within which you will operate the Franchise Business. (Section 2.3 and Section B of Exhibit 1) Additionally,
 - (1) We do not own or will not lease any real property to you.
 - (2) We will agree on your Area of Primary Responsibility before you sign the Franchise Agreement. You must run your Franchise Business from an office located inside of your Area of Primary Responsibility unless otherwise approved by us. (See Section 5 of the Franchise Agreement for a detailed discussion of various requirements for establishing a Franchise Business).

- (3) You must select an approved location for the Franchise Business within 60 days of signing the franchise agreement. If you do not select a site within 60 days, we may terminate the Franchise Agreement. (Sections 5.1 and 5.2)
 - (4) The main factors the franchisor considers in approving sites is suitability for a glass shop are size, cost and visibility. Your office must be located inside of your Area of Primary Responsibility unless otherwise approved by us. (Section 5.1)
 - B. furnish you with an initial partial inventory of The Glass Guru Restoration Tools and an initial inventory of branded products upon receipt of payment. Further information about The Glass Guru Restoration Tools we supply to you and other franchisees is included in ITEMS 5, 7 and 8 of this Disclosure Document. (Sections 5.4.1.3, 11.1, 13.2)
 - C. provide you with our criteria for a vehicle and other equipment necessary for the operation of the Franchise Business. (Section 5.4)
 - D. provide an initial training program for your Designated Manager, one office assistant and up to 2 additional field or office assistants with our prior written approval. This training is described in detail later in this ITEM. (Section 8.1)
 - E. provide to you the option, at your expense, of training and guidance to assist you with the opening of the Franchise Business. (Section 8.3)
 - F. provide to you, on loan, one copy of The Glass Guru Operations Manual or access to an electronic copy of the Manual. The Table of Contents of the Operations Manual, along with number of pages devoted to each section, is included as Exhibit D to this Disclosure Document. (Section 9.3)
2. After the opening of the Franchise Business, we will:
- A. periodically, advise and offer general guidance to you by telephone, e-mail, webinars, conference call, intranet, newsletters, and other methods; however, you will use your own judgment to make all business decisions and should not rely solely upon any advice given or statements made by us. Our guidance is based on our and our franchisees' experience in operating The Glass Guru Business. Such advice and guidance may consist of knowledge and experience relating to the authorized services or products, as well as operational methods, accounting procedures, and marketing and sales strategies. (Section 14.1)
 - B. at our discretion, make periodic visits to the Franchise Business to give you assistance with or guidance on various aspects of the operation and management of a The Glass Guru Business. We may prepare written reports outlining any suggested changes or improvements in the operations of the Franchise Business and detail any deficiencies that become evident as a result of any such visit. If we prepare a report, you may request a copy from us. (Section 14.2)
 - C. make available to you operations assistance and ongoing training and hold Annual Conventions for franchisees as we deem necessary. (Sections 8.1, 8.6 and 8.7)
 - D. provide training to your employees who do not attend and successfully complete the

initial training program in accordance with Section 8.1. (Section 8.2)

- E. make available to you changes and additions to the System as generally made available to all franchisees. (Section 14.3)
- F. provide advertising and promotional templates including ad-slicks, brochures, fliers and other materials for your use. (Section 14.4)
- G. approve forms of advertising materials you will use for Local Advertising, Brand Identity Package Advertising and Cooperative Advertising. (Sections 11.1, 11.2, 11.4)
- H. provide you with modifications to the Manual and other handouts as they are made available to franchisees. (Section 9.4)

3. Advertising and Promotion

- A. Prior to beginning operation of the Franchise Business, you must spend at least \$5,000 on the Brand Identity Package. (Section 11.1)
- B. Each month, you must spend the greater of the minimum monthly local advertising expenditure of \$1,250 or 5% of the prior year's Gross Sales divided by the months of operation in the prior year (Section 11.2).
- C. A minimum of 10% percent of the minimum local advertising expenditure is required to be used for a third-party, professionally managed "pay-per-click" internet-based campaign. You will pay for your ads and promotions directly, but we will provide you with general marketing guidelines and templates and we will review and approve your advertisements. (Section 11.2)
- D. You are required to pay a Marketing Fee on a monthly basis equal to 3% of the corresponding monthly Gross Sales. Marketing Fees must be made at the same time and in the same manner as Royalty Fees. (Section 3.3) Some existing franchisees have older forms of agreement requiring such franchisees to contribute to a Marketing Fund and requiring us to administer the Marketing Fund. Until these older forms of agreements have expired, we will continue to maintain the Marketing Fund for those franchisees. Pursuant to the Marketing Fund Addendum to the Franchise Agreement that you will sign, until the Marketing Fund is dissolved, we will contribute 1/3 of the Marketing Fee paid by you (1% of Gross Sales) into the Marketing Fund. Once the Marketing Fund is dissolved, no additional Marketing Fees paid by you will go into a Marketing Fund and we will have no obligation to maintain or administer a Marketing Fund.

Until the Marketing Fund is dissolved, we agree to oversee all marketing programs, with sole discretion over the creative concepts, materials and media used in such programs, and the placement and allocation of that marketing. We do not warrant that any franchisee will benefit directly or pro rata from any expenditures by the Marketing Fund. The programs may be local, regional or system-wide. The monies deposited into the Marketing Fund will be used to meet the costs of, or to reimburse us, for our costs of producing, maintaining, administering and directing consumer advertising, including the cost of preparing and conducting television, radio, Internet, magazine and newspaper advertising campaigns and other public relations activities, developing or hosting an internet web page or site and similar activities, employing advertising agencies to assist, and providing promotional brochures and other marketing materials to franchisees. All contributions to

the Marketing Fund are maintained in a separate account from other monies of ours and will not be used to defray our general operating expenses, except for such reasonable costs and expense that we may incur in activities related to the administration of the Marketing Fund. We will provide you notice when the Marketing Fund is dissolved.

In the fiscal year ended December 31, 2020, the contributions collected by both the Marketing Fund and Marketing Fee were spent as follows:

Type of Expense	% of Expenditure
(Design &) Production	8.70%
(Online) Media Placement (inc. SEM/PPC)	8.20%
Website Design/Maintenance/Hosting	3.70%
SEO/Digital Marketing Management Platforms	12.00%
Email Marketing	3.30%
Call Tracking	6.00%
Other (R&D, beta testing new initiatives, etc.)	10.40%
Marketing-Specific Management and Administrative Salaries	47.70%
Totals	100.00%

- E. All advertising and marketing expenses must be recorded in the required QuickBooks accounting software, and such expense reports made available to franchisor upon request. Unless authorized in advance by franchisor in writing, in the event that you don't spend the amount required on monthly local advertising in any given month, you will be required to pay franchisor the difference between what was required versus what was actually spent. Franchisor agrees to utilize these funds for general marketing purposes. Payment will be collected with along with Royalties and Marketing Fees in the next royalty period.
- F. Although we are not obligated to do so, and do not presently require a local or regional advertising cooperative, we may create a Cooperative Advertising program for the benefit of all The Glass Guru Business located within a particular region. We reserve the right to collect and/or designate that all or a portion of the Local Advertising requirement be paid into a Cooperative Advertising program. We will determine and define the geographic territory and market areas for each Cooperative Advertising program based on advertising coverage areas. You must participate in any Cooperative Advertising program established in your region. If a Cooperative Advertising program is implemented in a particular region, we may require that the franchisees in the region self-administer the program and operate under written governing documents which are approved by us and available for review by franchisees.

Cooperatives must prepare annual financial statements that will be available for review by the participating franchisees. Company-owned or affiliate-owned units may, but are not obligated to, participate in any Cooperative Advertising program. If they elect to participate, they will pay the same percentage of Gross Sales as is contributed by the participating franchisees. If we establish a Cooperative Advertising program or programs, there are no limits on our right to change, dissolve or merge the Cooperative Advertising program(s) at

any time. (Section 11.4)

- G. Under the Franchise Agreement, you are restricted from establishing a presence on, or marketing using, the Internet in connection with the Franchise Business without our prior written consent. We have established and maintain an Internet website at the uniform resource locator www.theglassguru.com that provides information about the System and about The Glass Guru Business. We may (but we are not required to) include at The Glass Guru website an interior page containing information about your Franchise Business and a dedicated website for your Franchise Business. If we include such information on The Glass Guru website, or your Franchise Business website, we have the right to require you to prepare all or a portion of the page(s), at your expense, using a template that we provide. All such information is subject to our approval prior to posting. We retain the sole right to market on the Internet, including the use of websites, domain names, uniform resource locator's, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. You may be requested to provide content for our Internet marketing, and you must follow our intranet and Internet usage rules, policies and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding and other arrangements. We retain the sole right to approve any linking to, or other use of, The Glass Guru website. (Section 11.5)

4. Computer/Point-of Sale System

We have the right, under the Franchise Agreement, to require you to purchase and use, maintain, (and replace or upgrade as necessary) the computer hardware and software programs and point of sale equipment that we designate. (Section 12.5) Presently, we require you to have at least one computer workstation loaded with Microsoft Office Suite and QuickBooks accounting software and GPS Insight business and customer manager software or an equivalent software approved by us and other software as described below.

You are required to enter customer contact information - full name, address, phone number, and e-mail address (whenever available) with-in 48 hours of initial customer contact. Failure to enter customer information with-in 48 hours of initial customer contact will result first in a written warning. Each subsequent monthly written notice of failure to comply will also result in a \$175 fine to be paid to us. Should you fail to enter customer information one or more times during a calendar month, in 3 or more calendar months during a calendar year, you may be required to obtain, and present to us, on or before on or before 90 days post year-end, year-end audited financial statements, prepared by and independent accounting firm, at your expense.

You may use currently owned equipment and software provided it is suitable for the requirements described in this section. However, if you have no computer equipment or software, the estimated cost to purchase the required computer system is approximately \$1,250 for used equipment and the required software up to \$4,800 for new equipment. Those estimates will vary depending on geography, computer experience, and other factors. You should consult an independent technical advisor of your choosing for a complete and accurate assessment of your needs and your costs.

You are not required to enter into any ongoing maintenance or support agreements, but you may find it advantageous to do so. At your own expense, you must update or upgrade computer hardware and software as we deem necessary but not more than one time per year. (Section 10.2) The annual cost for maintenance, updates, upgrades, and support is estimated to be \$1,500.

You will be required to pay us a technology fee that covers the direct costs of approved software, software licenses, subscriptions, development, maintenance, and hosting for all systems substantially benefiting franchise locations including but not limited to feature sets like: field service management (FSM), business productivity software, Intranet, learning management (LMS) system, and business intelligence systems (BI), and any additional systems/software otherwise authorized and/or required in the Operations Manual. The current monthly fee equals the greater of \$360 or 1% of Gross Sales, with a maximum fee of \$760 being assessed. You are also required to use Intuit QuickBooks Online for your accounting software. The QuickBooks license is not included with the technology fee, and you must acquire and license the software directly with Intuit or approved reseller at a cost of \$75 to \$150 per month.

We have the right to independently access all information you collect or compile at any time without first notifying you. (Section 12.6)

5. E-Problem Disclaimer

Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures and similar problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps so that E-Problems will not materially affect our business. We do not guarantee that information or communication systems that we designate and/or we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, and governmental agencies on which you rely, have reasonable protection from E-Problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection and anti-virus systems) and to provide backup data and systems.

6. Typical Length of Time Before Operation

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of The Glass Guru Business is 60 days. Factors that may affect your beginning operations include ability to secure permits, zoning and local ordinances, weather conditions and delays in installation of equipment and fixtures. You are required to open your Franchise Business and be operational within 90 days after signing the Franchise Agreement.

7. Training

We will conduct an initial training program that the Designated Manager must attend and complete to our satisfaction. Training is offered at various times during the year, depending on the number of new franchisees entering our franchise system. Although initial training is mandatory for the Designated Manager, it is also available for one office assistant and up to two additional field or office assistants with prior approval from us. Training will take place at our headquarters or at another location we designate on an as needed basis as we may determine. The initial training program covers all material aspects of the operation of a The Glass Guru Business, including such topics as technical procedures, maintenance of quality standards; customer service techniques; sales and marketing methods; financial controls; record keeping and reporting procedures; other operational issues and on-the-job training. All franchisees must complete initial training to our satisfaction. We expect franchisees will advance through the training program at different rates depending on a variety of factors such as background and experience. Accordingly, the time frames provided in the following chart are an estimate of the time it will take to complete training. If you replace yourself with a new Designated Manager, your new Designated Manager must attend our training program. We do not charge for initial training, however,

you must pay for all travel costs and living expenses for your Designated Manager and any other of your attendees that require training. You may be charged fees for additional training of a new Designated Manager or any additional staff that requires training. You are responsible for training your own employees and other management personnel, but any employee may come for additional training at headquarters or other approved training locations upon request. You may be charged fees for additional training. Our standard fee is \$350 per person per day. The initial training must be completed within 90 days of signing the Franchise Agreement.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Pre-Launch Checklist	0	40	Home
LMS Video Training	10	0	Home
Orientation, Products and Services	4	4	Training Center
Restoration Demos and Glazing Basics	8	4	Training Center
Pricing, Estimating Training	4	4	Training Center
Customer Service in Office	3	1	Training Center
Admin Training - QuickBooks and Accounting	2	0	Training Center
Supplies, Vendors and Goal Setting	3	0	Training Center
Marketing	2	0	Training Center
	36	53	

The instructional materials used in the initial training program include the Manuals, LMS courses, guides, forms and QuickBooks manuals.

Currently the following individuals conduct the initial training program.

President | Daniel Frey

Mr. Frey is the founder and has served as our and our predecessor's President since 2007. In addition, he is co-founder and Director and President/CEO of our Affiliate, The Glass Guru of Roseville, CA since September 2004. Mr. Frey has 17 years of combined experience with our Affiliate and/or the Franchisor.

VP Franchise Operations | Dave Hull

Mr. Hull joined our predecessor in January 2011 and has served as VP of Franchise Development, Chief Development Officer, and most recently VP Franchise Operations. He was General Manager of our Affiliate, The Glass Guru of Roseville, CA from October 2009 to March 2011. Mr. Hull has 11 years of experience with our Affiliate and/or us, and 28 years of combined glass and glazing industry/trade experience.

VP Franchisee Business Development | Rob Lopez

Mr. Lopez joined our predecessor as Director of Franchise Development in November 2015 and was promoted to VP of Franchise Business Development in 2020. Mr. Lopez has 5 years of experience with us, and 14 years of combined franchise industry experience.

Director of Technology and Communications | Sean Young

Mr. Young joined our predecessor in July 2012, and has served as Director of Franchise Operations, Director of Corporate Development, Director of Operations, and most recently, Director of Technology and Communications. Mr. Young has 9 years of experience with us, and 31 years of combined franchise industry/trade experience.

If circumstances require, a substitute trainer with similar work history and experience for the subject being trained may provide training. We also reserve the right to name additional trainers periodically. There are no limits on our right to assign a substitute to provide training provided the substitute has similar work history and experience.

Periodically, we may require that previously trained and experienced franchisees, managers, or employees attend refresher training programs to be conducted at our headquarters or another location. We may charge a fee for these training programs, but travel and living costs for attending these programs will be at your sole expense. We will not require you to attend more than 2 of these programs in any calendar year and these programs will not collectively exceed 6 days during any calendar year. (Section 8.6 and Section 8.8)

We may hold an Annual Convention of franchisees, and if we do, your Designated Manager must attend the Annual Convention. We charge a registration fee for attending the convention. If you (or your designated manager) fail to attend the convention, you must still pay the registration fee. You are responsible for all travel costs, room and board and employees' salaries incurred by you and your Designated Manager in attending the convention. (Section 8.7)

ITEM 12. TERRITORY

If we have approved you as a Franchisee we will grant you an Area of Primary Responsibility. The "Area of Primary Responsibility" is area surrounding the Franchise Business location and is defined using US zip codes. This area is considered the geographic market boundary for the Franchise Business. The population of an Area of Primary Responsibility for a Franchise Business will typically range from 200,000 to 750,000 but there is no minimum and no maximum. Population should be determined by referencing the most recent figures available from the United States Census Bureau at the time the Area of Primary Responsibility is designated. The Area of Primary Responsibility is defined in Section B of Exhibit 1 of the Agreement.

As long as the Franchise Agreement is in full force and effect, we will not establish or operate or grant others the right to establish and operate a The Glass Guru Business at any location within the Area of Primary Responsibility.

We may establish ourselves or through an affiliate or grant the right to others to establish and operate a The Glass Guru Business at any location outside of the Area of Primary Responsibility. We retain all rights and control with respect to the Marks and System, within or outside the Area of Primary Responsibility to: (a) establish or operate, and to grant others the right to establish or operate, other businesses offering the same or similar products or services as the Franchise Business utilizing other trade names, trademarks and service marks within or outside of the Area of Primary Responsibility; (b) establish or operate, and to grant others the right to establish or operate businesses offering products and services different than those offered by the Franchise Business utilizing the Marks or other trade name, trademarks and service marks within or outside of the Area of Primary Responsibility; (c) to acquire or be acquired by a company establishing businesses identical or similar to the Franchise Business, even if the other business operates franchises and/or licenses competitive businesses

anywhere, including your Area of Primary Responsibility; (d) sell or otherwise distribute products and services similar to those offered through the Franchise Business through any alternate channel of distribution, including through retail outlets at a fixed location by direct mail and Internet sales; and (e) engage in any activities not expressly forbidden by the Franchise Agreement.

Currently, we distribute the Glasstastic® line of cleaning products through our website. We are not required to compensate you for any orders accepted from inside your Area of Primary Responsibility.

You may use any approved channels of advertising to make sales, but you must restrict your direct solicitation of customers to the agreed upon Area of Primary Responsibility; provided, however, you have the right to provide services and sell products to immediate family located inside another The Glass Guru Franchisee's Area of Primary Responsibility. Except as part of Cooperative Advertising, you may not advertise in any media whose primary circulation or exposure is outside of the Area of Primary Responsibility without our approval.

You may only have one Approved Location within the Area of Primary Responsibility granted to you. However, you may request our consent to you establishing an additional location approved within the Area of Primary Responsibility. If we consent to such request, you must execute an additional franchise agreement for the additional location and your original Area of Primary Responsibility will be split between the original Franchise Agreement and the new Franchise Agreement in the manner agreed upon by the parties. Upon the execution of the second Franchise Agreement, your original Agreement will be amended in writing to revise the Area of Primary Responsibility.

You may not relocate the Approved Location without our prior written consent. If the lease for the Approved Location expires or is terminated due to no fault of yours or if the premises of the Approved Location are destroyed, condemned or becomes otherwise unusable, we may allow you to relocate the Approved Location. Any such relocation will be at your sole expense and must comply with the requirements listed in Sections 5.1 through 5.8 of the Franchise Agreement. We have the right to charge you for any costs we incur in providing you assistance, including legal and accounting fees, however, we have no obligation to provide relocation assistance. If a substitute site is not mutually agreed upon within 90 days after the lease expires or is terminated or the Approved Location becomes unusable, the Franchise Agreement will terminate as provided in Section 16.2.1.1 of the Franchise Agreement.

You maintain rights to your Area of Primary Responsibility with no price increase even if the population increases over time. Your rights to the Area of Primary Responsibility is not dependent upon you achieving a certain sales volume, market penetration or other contingency. As long as you are in compliance with the Franchise Agreement and the Franchise Agreement is in effect, we will not modify or alter your Area of Primary Responsibility. Unless otherwise agreed in writing you do not acquire any additional options, rights of first refusal, or similar rights to acquire additional franchises wherever located.

The franchisor currently does not operate and has no plans to operate, or franchise any similar or related business under a different trademark.

ITEM 13. TRADEMARKS

We grant our franchisees the right to operate The Glass Guru Business under the name "The Glass Guru," which is the principal Mark used to identify our System. You may also use any other current or future Mark to operate your Franchise Business that we designate in writing, including the logo on the

front of this Disclosure Document and the trademark listed below. By "Mark," we mean any trade name, trademark, service mark or logo used to identify The Glass Guru Business. The following Mark(s) has been registered on the Principal Register of the U.S. Patent and Trademark Office ("USPTO") on the dates shown below:

Mark	Registration Number	Registration Date
THE GLASS GURU	5628020	December 11, 2018
THE GLASS GURU logo	5726951	April 16, 2019
GLASSTASTIC	3632441	June 2, 2009; renewed. July 14, 2019

We intend to file all required affidavits to maintain and renew the registration when due.

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

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

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

You must immediately notify us of any apparent infringement of, or challenge to your use of, any Mark, or any claim by any person of any rights in any Marks, and you may not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so, however, you may communicate with your own counsel at your own expense. We may take whatever action we deem appropriate in these situations or may take no action; we have exclusive control over any settlement or proceeding concerning any Mark. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

We may reimburse you for all expenses reasonably incurred by you in any trademark or similar proceeding disputing your authorized use of any Mark, provided that you have timely notified us of the proceeding and have complied with the Franchise Agreement and our directions in responding to such proceeding. At our option, we or our designee may defend and control the defense of any proceeding arising directly from your use of any Mark. This indemnification does not include your expenses in removing signage or discontinuance of the use of the Marks, does not apply to litigation between us and you wherein your use of the Marks is disputed or challenged by us, and does not apply to any separate legal fees or costs incurred by you in seeking independent counsel separate from legal counsel representing our and your use of the Marks.

We can require you to modify or discontinue the use of any Mark and to use other trademarks or service marks. If we adopt and use new or modified Marks, you may be required to add or replace equipment, signs and fixtures, and you may have to make other modifications as necessary to maintain uniformity with our current standards and specifications; however, you will not be required to spend an amount unreasonably disproportionate to your original investment during the initial term of the Franchise Agreement. We will not be required to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. We are not obligated to reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

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

You must use the Marks as the sole trade identification of the Franchise Business, but you may not use any Mark or part of any Mark as part of your corporate or other business entity name in any modified form unless authorized. You may not use any Mark in connection with the sale of any unauthorized products or services, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law.

You must notify us if you apply for your own trademark or service mark registrations that does not include or is not similar to our Marks. You cannot operate the Franchise Business under any other marks you may register. The Franchise Business can only be operated under the Marks. You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, (i) any of our Marks or a trademark or service mark that is confusingly similar to any of our Marks, and (ii) any trademark or service mark for the door and window industry.

You may not establish, create, or operate an Internet site or website using any domain name containing the word "THE GLASS GURU" or any variation of those words without our prior written consent. You may not advertise on the Internet without our consent.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

As of the date of this Disclosure Document, we do not hold any applicable patents, nor do we have any patents pending. We own copyrights in the Manual, marketing materials and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Registrar of Copyrights and need not do so to protect them. You may use these items only as we specify while operating the Franchise Business and you must stop using them if we direct you to do so.

We know of no currently effective determinations of the U.S. Copyright Office or any court regarding the copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain Trade Secrets and other Confidential Information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a The Glass Guru Business. We will provide our Trade Secrets and other Confidential Information to you during training, in the Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the Trade Secrets and other Confidential Information for the

purpose of operating your Franchise Business. You may only divulge Trade Secrets and other Confidential Information to employees who must have access to it in order to perform their job duties within the Franchise Business. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to Trade Secrets or other Confidential Information, including your owners (and members of their immediate families and households), officers, directors, executives, managers, members of your professional staff, all employees and other individuals having access to Trade Secrets or other Confidential Information are required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary of these agreements and we have the independent right to enforce their restrictive covenants.

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

Your use of the Manual, Trade Secrets or other Confidential Information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement. Further information about termination of the Franchise Agreement following a default is included in ITEM 17 of this Disclosure Document.

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

The Franchise Business must always be under the direct full-time supervision of a Designated Manager. The Designated Manager must attend and satisfactorily complete our initial training program before opening the Franchise Business. You must keep us informed of the identity of your current Designated Manager. If you replace your Designated Manager, he or she must attend the initial training program within 60 days. The Designated Manager need not be one of your owners.

As described in ITEM 14, your owners (and members of their immediate families, which means spouse/domestic partner; and members of the household that are 18 years old or older), officers, directors, executives, managers, members of your professional staff, all employees and other individuals having access to Trade Secrets or other Confidential Information are required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the right to enforce the agreements.

Anyone who owns a 10% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and agree to be personally liable for your breach of the Franchise Agreement by signing the Guaranty and Assumption of Obligations attached to the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the Franchise Business in strict conformity with the methods, standards, and specifications in the Manual and as we may require otherwise in writing. You may not deviate from these standards, specifications, and procedures without our written consent.

You must offer the services and products we specify in strict accordance with our standards and specifications. You may not sell any services or products that we have not authorized, and you must discontinue offering any services or products that we may, in our sole discretion, disapprove in writing at any time.

Furthermore, you must not directly market to or solicit customers in areas inside the Area of Primary Responsibility of another franchisee; provided, however, Franchisee has the right to provide services and sell products to immediate family located inside another franchisee's Area of Primary Responsibility. If we determine that you directly market to or solicit customers or provide Services in areas inside the Area of Primary Responsibility of another The Glass Guru franchisee, other than to immediate family, prior to obtaining the express written consent of Franchisor, you must pay the franchisee that has the right to the infringed Area of Primary Responsibility an amount equal to the total sums you received for the Services and Products, less the actual cost you paid for the Products sold and any third party hired labor costs. All sums must be paid within 10 days after receiving notice from Franchisor. A second violation could result in the termination of this Agreement.

We may change the types of authorized services and products that you may offer. There are no limits on our right to make these changes.

Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based upon such factors as we determine, including test marketing, your qualifications, and regional or local differences. We will agree on the royalty and other fees applicable to these products and services in advance.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in the Franchise Agreement	Summary
a. Length of franchise term	Section 4.1	The initial term is 5 years.

Provision	Section in the Franchise Agreement	Summary
b. Renewal or extension of the term	Section 4.2	You may renew for 3 additional terms of 5 years each, subject to (c) below. If you fail to meet any one of these conditions, we may refuse to renew or extend the terms of your Franchise Agreement.
c. Requirements for you to renew or extend	Section 4.2	You may renew the Franchise Agreement if you: have substantially complied with the provisions of the Franchise Agreement; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us; are not in default of any provision of the Franchise Agreement or any other agreement between you and us; have given timely written notice of your intent to renew; sign a current Franchise Agreement which may contain materially different terms and conditions; comply with current qualifications and training requirements; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.
d. Termination by you	Section 16.1	You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and we fail to begin to cure our breach within 30 days of receiving your written notice.
e. Termination by us without cause	Not Applicable	

Provision	Section in the Franchise Agreement	Summary
f. Termination by us with cause	Section 16.2	We may terminate the Franchise Agreement only if you default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.
g. "Cause" defined-defaults that can be cured	Section 16.2	If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Manual, you can avoid termination of the Franchise Agreement if you cure the default within 30 days of receiving our notice of default. If a default arises from your failure to maintain insurance, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of your failure to maintain insurance. If a default arises from your failure to make payments due to us, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.

Provision	Section in the Franchise Agreement	Summary
h. "Cause" defined-defaults that cannot be cured	Section 16.2	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to timely select an approved site for or establish, equip and begin operations of the Franchised Business; fail to have your Designated Manager satisfactorily complete training; made a material misrepresentation or omission in the application for the franchise; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the Franchised Business; use the Manual, Trade Secrets or other Confidential Information in an unauthorized manner; if required, fail to have your owners (and members of their immediate families and households), officers, directors, managers, executives, employees and professional staff, and other individuals having access to Trade Secrets or other Confidential Information sign nondisclosure and non-competition agreements; abandon the Franchised Business for 5 or more consecutive days; surrender or transfer of control of the Franchised Business in an unauthorized manner; fail to maintain the Franchised Business under the supervision of a Designated Manager following the death or incapacity of one of your owners; are adjudicated bankrupt, insolvent or make a general

Provision	Section in the Franchise Agreement	Summary
		assignment for the benefit of creditors; misuse or make unauthorized use of the Marks; fail on 3 or more occasions within any 12 months to submit reports or records or to pay any fees due us or any Affiliate; violate any health, safety or other laws or conducts the Franchised Business in a manner creating a health or safety hazard to customers, employees or the public; engage in any activity reserved to us; fail to comply with laws or regulations after notice of non-compliance; repeatedly breach the Franchise Agreement or repeatedly fail to comply with requirements, specifications, standards or procedures; or default under any other agreement between you and us (or our Affiliate) such that we (or our Affiliate) have the right to terminate the agreement.
i. Your obligations on termination/non-renewal	Section 17.1	If the Franchise Agreement is terminated or not renewed, you must: stop operating the Franchised Business; stop using any Trade Secret or other Confidential Information, the System and the Marks; if the Franchised

Provision	Section in the Franchise Agreement	Summary
		Business Office is not within Franchisee's principal residence and if requested, assign your interest in the Approved Location to us; cancel or assign to us any assumed names; return any leased, loaned or other third-party equipment used in the operation of the Franchised Business; pay all sums owed to us (or our Affiliates) including damages and costs incurred in enforcing the Franchise Agreement; return the Manual, Trade Secrets and all other Confidential Information; assign your telephone and facsimile numbers to us; comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement.
j. Assignment of contract by us	Section 18.1	There are no restrictions on our right to assign our interest in the Franchise Agreement.
k. "Transfer" by you-definition	Section 18.2	"Transfer" includes transfer of an interest in the franchise, the Franchise Agreement, the Franchised Business's assets or the franchisee entity.
l. Our approval of transfer by you	Section 18.2	You may not transfer your interest in any of the items listed in (k) above without our prior written consent.

Provision	Section in the Franchise Agreement	Summary
m. Conditions for our approval of transfer	Section 18.2	We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee of \$7,500; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the transferee, if requested by us; the transferee has obtained all necessary consents and approvals of third parties; you or all of your equity owners have signed a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition attached to the Franchise Agreement; and the transferee has agreed that its Designated Manager will complete the initial training program before assuming management of the Franchised Business.
n. Our right of first refusal to acquire your Franchised Business.	Section 19	We may match an offer for your Franchised Business or an ownership interest you propose to sell.

Provision	Section in the Franchise Agreement	Summary
o. Our option to purchase your Franchised Business	Section 17.4	Except as described in (n) above, we do not have the right to purchase your Franchised Business; however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the Franchised Business for fair market value.
p. Death or disability	Section 18.6	After a death or incapacity of one of your owners, his or her representative must transfer, subject to the terms of the Franchise Agreement, the owner's interest in the Franchised Business within 180 days of death or incapacity or we may terminate the Franchise Agreement
q. Non-competition covenants during the term of the franchise	Exhibit 2	You, your owners (and members of their families and households) and your officers, directors, executives, managers, professional staff and employees are prohibited from: attempting to divert any business or customer of the Franchised Business to a Competitive Business or causing injury or prejudice to the Marks or the System; owning or working for a Competitive Business.

Provision	Section in the Franchise Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Sections 17.2	For 3 years after the termination or expiration of the Franchise Agreement, you, your owners (and members of their families and households) and your officers, directors, executives, managers or professional staff are prohibited from: owning or working for a Competitive Business operating within 50 miles of the Approved Location (or within the Area of Primary Responsibility, if greater), or within 50 miles of any other The Glass Guru Businesses; or soliciting or influencing any of our customers, employees or business associates to compete with, or terminate their relationship with us or any other The Glass Guru Business.
s. Modification of the agreement	Sections 9.2, 22.7, and 22.8	The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Manual without your consent if the modification does not materially alter your fundamental rights under the Franchise Agreement.
t. Integration/merger clause	Section 22.7	Only the terms of this Franchise Disclosure Document and the Franchise Agreement are binding. Unless described in this Disclosure Document, Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 23.7	Except for claims relating to the Marks, Trade Secrets or other Confidential Information and covenants not to compete, and subject to state law, all disputes must be arbitrated in Denton County, Texas.

Provision	Section in the Franchise Agreement	Summary
v. Choice of forum	Section 23.2	Subject to state law; any litigation must be pursued in courts located in Denton County, Texas.
w. Choice of law	Section 23.1	Subject to state law, Texas law applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

You should refer to any state-specific addenda attached to this Disclosure Document for exceptions to this ITEM 17.

ITEM 18. PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

As of December 31, 2020, The Franchisor had 71 The Glass Guru Franchise Businesses in the USA. Of these, 56 outlets were in business for 12 months or more, and which outlets also had 12 full months of reported gross revenues for calendar year 2020. Because the number of franchised outlets fluctuated during the year, we have not included any data for outlets that did not have 12 full months of reported Gross Sales data for 2020. Excluded locations include franchised outlets that started operations in 2020, or ceased operations in 2020, and did not have 12 full periods of reporting submitted to the Franchisor. These specific franchised outlets would likely have Gross Sales figures that differ from those depicted in this report.

For this Item 19, Gross Sales means the total gross revenues collected or received from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will or other consideration) that arise, directly or indirectly, from or in connection with the operation of your franchise, including but not limited to:

- a. the sale of goods and/or services offered by or through the franchise.
- b. the sale of goods and/or services by you or a third-party selling products and/or services on your behalf that are sold or that are required to be sold under the terms of the Franchise Agreement, no matter from what location or business the income is generated;
- c. the proceeds from any business interruption insurance and/or damages or settlement amounts received to compensate you for lost revenue of the franchise; and
- d. any revenue generated from commissions, rebates, or affiliated programs.

All of the franchised outlets for which Gross Sales and Average Gross Sales are reported are operated by franchisees. Franchisor did not operate any of the businesses. All of the locations reflected in the report are comparable to Franchise Businesses offered in this disclosure document and offered substantially the same services to the public. No adjustments have been made to reflect geographic location or applicable exchange rate. In addition, all of the information in this report was derived from franchise reported data for a full FIFTY-TWO (52) week period covering the 2020 calendar year.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

CHART 1
AVERAGE GROSS SALES RANKING

The chart below reflects 2020 AVERAGE Gross Sales rankings. Data displayed also includes MEDIAN, HIGHEST, and LOWEST Gross Sales Values. These rankings are broken into five (5) groups; top 10%, top 25%, top 50%, bottom 10% and 100% of all Franchise Businesses in business for 12 months or more and which Franchise Businesses also had 12 full months of reported Gross Sales for calendar year 2020.

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Franchise Businesses in this Group	6	14	28	6	56
AVERAGE Gross Sales for Franchise Businesses in this group	\$1,521,135	\$1,194,992	\$918,547	\$169,517	\$612,482
MEDIAN Gross Sales Franchise Businesses in this group	\$1,426,571	\$1,063,549	\$822,178	\$174,214	\$501,798
HIGHEST Gross Sales all Franchise Businesses in this group	\$2,078,017	\$2,078,017	\$2,078,017	\$224,477	\$2,078,017
LOWEST Gross Sales all Franchise Businesses in this group	\$1,168,630	\$854,374	\$502,795	\$114,355	\$114,355

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Franchise Businesses in this group meeting or exceeding AVERAGE Gross Sales for this group	3	5	10	3	22
% of Franchise Businesses in this group meeting or exceeding AVERAGE Gross Sales Number for this group	50.0%	35.7%	35.7%	50.0%	39.3%
# of ALL Franchise Businesses meeting or exceeding AVERAGE Gross Sales for this group	3	5	10	1	22
% of ALL Franchise Businesses meeting or exceeding AVERAGE Gross Sales for this group	5.4%	8.9%	17.9%	1.8%	39.3%

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

CHART 2
AVERAGE GROSS SALES BY YEARS IN OPERATION

The chart below reflects 2020 AVERAGE Gross Sales by number of years in operation. Data displayed includes MEDIAN, HIGHEST, and LOWEST Gross Sales values by years in operation. 2020 Gross Sales are broken out for five (5) distinct groups of Franchise Businesses; as of December 31, 2020, Franchise Businesses open continuously for at least 12 months, 24 months, 36 months, 48 months, and 60 months or more and which Franchise Businesses also had 12 full months of reported Gross Sales for calendar year 2020 and applicable reporting periods applicable to the group the Franchise Business is reflected within.

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Franchise Businesses in this Group	6	14	28	6	56
AVERAGE Gross Sales for Franchise Businesses in this group	\$1,521,135	\$1,194,992	\$918,547	\$169,517	\$612,482
MEDIAN Gross Sales Franchise Businesses in this group	\$1,426,571	\$1,063,549	\$822,178	\$174,214	\$501,798
HIGHEST Gross Sales all Franchise Businesses in this group	\$2,078,017	\$2,078,017	\$2,078,017	\$224,477	\$2,078,017
LOWEST Gross Sales all Franchise Businesses in this group	\$1,168,630	\$854,374	\$502,795	\$114,355	\$114,355

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Franchise Businesses in this group meeting or exceeding AVERAGE Gross Sales for this group	3	5	10	3	22
% of Franchise Businesses in this group meeting or exceeding AVERAGE Gross Sales Number for this group	50.0%	35.7%	35.7%	50.0%	39.3%
# of ALL Franchise Businesses meeting or exceeding AVERAGE Gross Sales for this group	3	5	10	1	22
% of ALL Franchise Businesses meeting or exceeding AVERAGE Gross Sales for this group	5.4%	8.9%	17.9%	1.8%	39.3%

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

CHART 3
ANNUAL GROWTH RATE %

The chart below reflects the 2020 AVERAGE Annual Gross Sales Growth % rankings. Data displayed also includes MEDIAN, HIGHEST, and LOWEST Gross Sales growth %. These rankings are broken out into in five (5) groups; top 10%, top 25%, top 50%, bottom 10%, and 100% of all outlets in business as of December 31, 2020 for 24 months or more, and which Franchise Businesses also had 12 full months of reported Gross Sales for calendar year 2019 and 2020.

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Number of Franchised Businesses in this group	5	13	26	5	51
AVERAGE Annual Sales Growth (%) for Franchise Businesses in this group	107.26%	72.65%	57.18%	-28.21%	28.74%
MEDIAN Annual Sales Growth (%) for Franchise Businesses in this Group	111.98%	71.71%	39.59%	-22.41%	24.25%
HIGHEST Annual Sales Growth (%) for Franchise Businesses in this group	123.89%	111.98%	123.89%	-13.66%	123.89%
LOWEST Annual Sales Growth (%) for Franchise Businesses in this group	83.56%	41.17%	24.25%	-58.32%	-58.32%
Number of Franchise Businesses meeting or exceeding this Annual Sales Growth (%)	3	4	11	4	24

CHART 4 ANNUAL GROWTH RATE \$

The chart below reflects the 2020 AVERAGE Annual Gross Sales Growth \$ rankings. Data displayed also includes MEDIAN, HIGHEST, and LOWEST Gross Sales growth \$. These rankings are broken out into in five (5) groups; top 10%, top 25%, top 50%, bottom 10%, and 100% of all outlets in business as of December 31, 2020 for 24 months or more, and which Franchise Businesses also had 12 full months of reported Gross Sales for calendar year 2019 and 2020.

	Top 10% of Franchise Businesses	Top 25% of Franchise Businesses	Top 50% of Franchise Businesses	Bottom 10% of Franchise Businesses	All (100%) Franchise Businesses
Number of Franchised Businesses in this group	5	13	26	5	51
AVERAGE Annual Sales Growth (%) for Franchise Businesses in this group	107.26%	72.65%	57.18%	-28.21%	28.74%
MEDIAN Annual Sales Growth (%) for Franchise Businesses in this Group	111.98%	71.71%	39.59%	-22.41%	24.25%
HIGHEST Annual Sales Growth (%) for Franchise Businesses in this group	123.89%	111.98%	123.89%	-13.66%	123.89%
LOWEST Annual Sales Growth (%) for Franchise Businesses in this group	83.56%	41.17%	24.25%	-58.32%	-58.32%
Number of Franchise Businesses meeting or exceeding this Annual Sales Growth (%)	3	4	11	4	24

CHART 5
2020 GROSS SALES

The Chart below reflects the annual Gross Sales reported and the corresponding territory population for each of the 56 Franchise Businesses operating for 12 months or more, and which outlets also had 12 full months of reported Gross Sales for calendar year 2020. Data is ranked by the highest to lowest Gross Sales as reported to us in information completed by our Franchisees.

RANK	GROSS SALES	POPULATION	RANK	GROSS SALES	POPULATION	RANK	GROSS SALES	POPULATION
1	\$2,078,017	678,630	26	\$545,004	648,861	51	\$224,477	692,997
2	\$1,786,658	984,786	27	\$503,339	625,243	52	\$210,676	368,210
3	\$1,581,207	2,064,987	28	\$502,795	479,304	53	\$190,458	166,910
4	\$1,271,935	139,136	29	\$500,800	187,644	54	\$157,970	321,208
5	\$1,240,360	721,732	30	\$499,592	876,977	55	\$119,168	260,172
6	\$1,168,630	1,741,637	31	\$489,479	312,928	56	\$114,355	252,431
7	\$1,122,260	666,793	32	\$479,651	374,856			
8	\$1,004,838	673,275	33	\$464,624	611,645			
9	\$980,102	186,030	34	\$405,402	600,164			
10	\$934,883	845,379	35	\$392,683	173,209			
11	\$915,502	578,962	36	\$370,562	771,373			
12	\$914,899	749,367	37	\$355,247	503,926			
13	\$876,229	560,331	38	\$348,419	300,891			
14	\$854,374	556,593	39	\$324,828	279,390			
15	\$789,982	517,775	40	\$320,272	444,309			
16	\$756,364	264,116	41	\$318,480	282,689			
17	\$755,978	568,911	42	\$304,546	482,247			
18	\$706,020	376,899	43	\$267,492	412,211			
19	\$691,021	443,500	44	\$259,519	493,418			
20	\$659,371	562,377	45	\$258,661	418,805			
21	\$656,623	481,497	46	\$251,617	505,274			
22	\$653,212	456,428	47	\$249,460	408,645			
23	\$610,184	660,746	48	\$240,944	352,185			
24	\$601,446	826,661	49	\$233,794	410,866			
25	\$558,090	221,182	50	\$226,513	240,338			

The populations used in the above chart were generated using 2020 HERE USA map data and include only those zip/postal codes in the Area of Primary Responsibility as defined in the Franchise Agreement.

The historical information listed in this item includes the Gross Sales and Average Gross Sales derived from historical operating results of the Franchise Businesses indicated for the period of time reflected in this report. Gross Sales is defined as any and all monies received & reported by Franchise Businesses for goods

and services sold under the franchise brand during the reporting period specified. Franchisor obtained these figures from information provided to by Franchisees for the period of time January 1, 2020, through December 31, 2020. Neither we, or our independent Certified Public Accountants, have audited or verified any of the figures reported to us. We make no representations as to the accuracy of gross revenues reported by our franchisees or the extent that these figures were derived using generally accepted accounting principles (GAAP.)

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

Written substantiation for these financial performance representations will be made available for a prospective franchisee upon request.

Other than the preceding financial performance representation, The Glass Guru Enterprises, Inc. does 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 projection of your future income, you should report it to the franchisor's management by contacting Mr. Daniel Frey, President, 3751 Main Street., STE. 600 #300, The Colony, Texas, 75056, (877) 654-8507, the Federal Trade commission, and the appropriate state regulatory agencies.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Item 20 : Table No. 1
System-Wide Outlet Summary
For Years 2018-2020

Outlet Type	Year	Outlets at START of year	Outlets at END of Year	Net Change
USA Franchised	2018	79	77	-2
	2019	77	65	-12
	2020	65	71	+6
Company-Owned	2018	1	1	0
	2019	1	1	0
	2020	1	1	0
Total Outlets	2018	80	78	-2
	2019	78	66	-12
	2020	66	72	+6

Item 20 : Table No. 2
Transfers of Outlets to New Owners
(other than the Franchisor)
For Years 2018-2020

State	Year	Number of Transfers
Colorado	2018	0
	2019	0
	2020	1
Florida	2018	0
	2019	1
	2020	0
Georgia	2018	0
	2019	0
	2020	1
Texas	2018	1
	2019	1
	2020	0
Totals	2018	1
	2019	2
	2020	2

Item 20 : Table No. 3

**Status of Outlets Franchised
For Years 2018-2020**

State	Year	Outlets Year Start	Outlets Opened	Terminated	Non- Renewals	Re- acquired by Franchisor	Ceased Operation Other Reasons	Outlets at End of the Year
Alabama	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
Arizona	2018	3	0	2	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
California	2018	13	1	1	0	0	0	13
	2019	13	0	1	1	0	0	11
	2020	11	0	0	0	0	0	11
Colorado	2018	8	0	0	0	0	0	8
	2019	8	0	0	1	0	2	5
	2020	5	0	0	0	0	0	5
Connecticut	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Delaware	2018	1	0	0	0	0	0	1
	2019	1	0	0	1	0	0	0
	2020	0	0	0	0	0	0	0
Florida	2018	3	0	0	0	0	0	3
	2019	3	1	0	0	0	0	4
	2020	4	1	0	0	0	0	5
Georgia	2018	5	0	0	0	0	0	5
	2019	5	0	3	0	0	0	2
	2020	2	1	0	0	0	0	3
Hawaii	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Illinois	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Indiana	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Iowa	2018	1	0	1	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Kansas	2018	0	0	0	0	0	0	0

State	Year	Outlets Year Start	Outlets Opened	Terminated	Non- Renewals	Re- acquired by Franchisor	Ceased Operation Other Reasons	Outlets at End of the Year
	2019	0	1	0	0	0	0	1
	2020	1	1	0	0	0	0	2
Kentucky	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Louisiana	2018	2	0	1	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Maryland	2018	1	0	0	0	0	0	1
	2019	1	1	0	1	0	0	1
	2020	1	0	0	0	0	0	1
Michigan	2018	1	0	0	0	0	0	1
	2019	1	1	0	0	0	0	2
	2020	2	1	0	0	0	0	3
Minnesota	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Mississippi	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
Missouri	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Montana	2018	1	0	0	0	0	0	1
	2019	1	0	1	0	0	0	0
	2020	0	0	0	0	0	0	0
New Jersey	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
New York	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
North Carolina	2018	2	0	0	0	0	0	2
	2019	2	0	1	0	0	0	1
	2020	1	0	0	0	0	0	1
Ohio	2018	8	0	0	0	0	0	8
	2019	8	0	0	0	0	3	5
	2020	5	1	0	0	0	0	6
Oklahoma	2018	1	0	0	0	0	0	1

State	Year	Outlets Year Start	Outlets Opened	Terminated	Non- Renewals	Re- acquired by Franchisor	Ceased Operation Other Reasons	Outlets at End of the Year
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Pennsylvania	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
South Carolina	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Tennessee	2018	2	0	0	0	0	0	2
	2019	2	3	0	0	0	0	5
	2020	5	0	0	0	0	0	5
Texas	2018	10	2	0	0	0	0	12
	2019	12	1	1	2	0	0	10
	2020	10	0	0	0	0	0	10
Washington	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
Wisconsin	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
USA	2018	79	3	5	0	0	0	77
	2019	77	9	10	6	0	5	65
	2020	65	6	0	0	0	0	71
Canada	2018	5	0	0	0	0	0	5
	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
Totals	2018	84	3	5	0	0	0	82
	2019	82	9	10	6	0	5	70
	2020	70	6	0	0	0	0	76

**Item 20 : Table No. 4
Status of Affiliate-Owned Outlets
For Years 2018-2020**

State	Year	Outlets Year Start	Outlets Opened	Terminated	Non- Renewals	Re- acquired by Franchisor	Ceased Operation Other Reasons	Outlets at End of the Year
California	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Totals	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1

A list of our franchisees as of December 31, 2020, is attached at Exhibit F. A list of franchisees who have had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the year ended December 31, 2020 is attached at Exhibit F. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Since franchising, we have not entered into any confidentiality agreements with current or former franchisees that would restrict their ability to speak openly about their experience with The Glass Guru Franchise System.

Currently there are no trademark-specific franchisee organizations associated with The Glass Guru franchise system.

**Item 20 : Table No. 5
Projected Openings as of 12/31/21**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company- Owned Outlet In the Next Fiscal Year
Arizona	0	1	0
Arkansas	0	1	0
California	0	1	0
Colorado	0	1	0
Florida	0	1	0
Georgia	0	2	0
Idaho	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Illinois	0	1	0
Kentucky	0	1	0
Louisiana	0	1	0
Michigan	0	1	0
Ohio	0	1	0
Oklahoma	0	1	0
Tennessee	0	1	0
Texas	0	2	0
Utah	0	1	0
TOTALS	0	18	0

ITEM 21. FINANCIAL STATEMENTS

The audited financial statements of The Glass Guru Franchise Systems, Inc. for the years ended December 31, 2020 and December 31, 2019 and for the years ended December 31, 2020 and December 31, 2019 are included in Exhibit E to this Disclosure Document. These financial statements of our predecessor accurately represent our financial condition as the survivor of the merger discussed in Item 1.

ITEM 22. CONTRACTS

The Glass Guru Enterprises, Inc. Franchise Agreement (with exhibits) is attached to this Disclosure Document as Exhibit A.

The Glass Guru Enterprises, Inc. Specifics is attached to the Franchise Agreement as Exhibit 1.

The Glass Guru Enterprises, Inc. General Release is attached to the Franchise Agreement as Exhibit 2.

The Glass Guru Enterprises, Inc. Nondisclosure and Non-Competition Agreement is attached to the Franchise Agreement as Exhibit 3.

The Glass Guru Enterprises, Inc. Guaranty and Assumption of Obligations is attached to the Franchise Agreement as Exhibit 4.

The Glass Guru Enterprises, Inc. Holder of Legal or Beneficial Interest in Franchisee; Officers;

Directors is attached to the Franchise Agreement as Exhibit 5.

The Glass Guru Enterprises, Inc. Assignment of Telephone Numbers and Internet Tools is attached to the Franchise Agreement as Exhibit 6.

The Glass Guru Enterprises, Inc. Marketing Fund Addendum is attached as to the Franchise Agreement as Exhibit 7.

The Glass Guru Enterprises, Inc. Lease Addendum and Collateral Assignment is attached to the Franchise Agreement as Exhibit 8.

The Glass Guru Enterprises, Inc. Promissory Note and Security Agreement that you must sign if we finance a portion of the initial franchise fee is attached to this Disclosure Document as Exhibit I.

We provide no other contracts or agreements for your signature.

ITEM 23. RECEIPTS

Our copy and your copy of the Franchise Disclosure Document Receipt are located on the last 2 pages of this Disclosure Document.

EXHIBIT A
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC
FRANCHISE AGREEMENT



FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC
EXHIBIT A TO THE DISCLOSURE DOCUMENT

CONTENTS

Contents

1	DEFINITIONS.....	9
2	GRANT OF FRANCHISE.....	12
2.1	Grant.....	12
2.2	Approved Location.....	13
2.3	Area of Primary Responsibility.....	13
2.4	Nonexclusive License.....	13
2.5	Marketing, Solicitation and Service Restrictions for Areas of Primary Responsibility.....	14
2.6	Sub-franchising/Agents.....	15
2.7	Notice to Franchisor for Certain Events.....	15
2.8	Right to Obtain Franchisee's Credit Report/Background Checks.....	15
2.9	Supplemental Exhibits and Agreements.....	15
3	FEES, OTHER PAYMENTS AND PROCEDURES.....	16
3.1	Franchise Fee.....	16
3.2	Monthly Royalty Fee.....	17
3.3	Marketing Fee.....	18
3.4	Non-APR Service Fee.....	18
3.5	Technology Fee.....	18
3.6	Taxes.....	18
3.7	Payment of Fees.....	18
3.8	Late Fees.....	19
3.9	NSF Fees and Interest.....	19
3.10	Application of Payments.....	19
4	TERM AND RENEWAL.....	19
4.1	Initial Term.....	19
4.2	Successor Terms.....	20
4.3	Good Cause for Withholding Approval of Renewal.....	21
4.4	Right to Change Area of Primary Responsibility on Renewal of Franchise.....	21
5	ESTABLISHING THE FRANCHISE BUSINESS.....	21
5.1	Selection of Site.....	21
5.2	Failure to Select Site.....	22
5.3	Lease of Approved Location.....	22
5.4	Development of Franchise Business and Vehicles.....	23
5.5	Franchisee Entity Requirements.....	23

5.6	Opening	24
5.7	Failure to Open	25
5.8	Use of Approved Location	25
5.9	Relocation of the Franchise Business	25
5.10	Employee Non-disclosure and Confidentiality Agreements	25
5.11	Minimum Performance Requirements	26
5.12	Franchisor's Remedies Relating to Minimum Performance Requirements	26
6	PROPRIETARY MARKS	27
6.1	Ownership	27
6.2	Limitations on Use	27
6.3	Manner of Using Marks	28
6.4	Goodwill	28
6.5	Permitted Business Name	29
6.6	Notification of Infringements and Claims	29
6.7	Indemnification for Use of Marks	29
6.8	Discontinuance of Use	29
6.9	Right to Inspect	30
6.10	Franchisor's Sole Right to Domain Name	30
7	CONFIDENTIAL INFORMATION	30
7.1	Confidentiality	30
7.2	Additional Developments	31
7.3	Exclusive Relationship	31
7.4	Nondisclosure and Non-Competition Agreements with Certain Individuals	32
7.5	Reasonableness of Restrictions	32
8	TRAINING AND ASSISTANCE	32
8.1	Initial Training	32
8.2	Technician Training & Certification Programs	32
8.3	Opening Assistance	33
8.4	Failure to Complete Initial Training Program	33
8.5	New Designated Manager	33
8.6	Ongoing Training	34
8.7	Annual Franchisee Convention	34
8.8	Training and Performance Improvement Requirements	34
9	MANUAL	35
9.1	Definition of Manuals	35
9.2	Obligation to Comply with All Company Policies and Procedures; Confidentiality of	35
9.3	Revisions	36

9.4	Confidentiality.....	36
10	FRANCHISE SYSTEM.....	36
10.1	Uniformity.....	36
10.2	Modification of the System.....	36
10.3	Variance.....	37
11	ADVERTISING AND PROMOTIONAL ACTIVITIES.....	37
11.1	Brand Identity Package.....	37
11.2	Local Advertising.....	37
11.3	Cooperative Advertising.....	38
11.4	Internet Advertising.....	39
11.5	Telemarketing.....	39
11.6	Required Advertising on Glass Trucks and Other Business Vehicles.....	39
11.7	General Limitations on Advertising and Marketing.....	39
11.8	Present and Future Advertising Policy May Limit Franchisee's Right to Advertise.....	40
11.9	Agreement to Comply with Franchisor Policy.....	40
11.10	Agreement to Comply with Modifications and Changes to Franchisor Policy.....	40
11.11	No False Advertising.....	40
11.12	Advertisements Produced by 3 rd Parties.....	40
11.13	Franchisor Remedies for Displaying Unapproved or Unauthorized Advertising.....	40
12	ACCOUNTING RECORDS AND REPORTING OBLIGATIONS.....	41
12.1	Records.....	41
12.2	Monthly Reports.....	41
12.3	Financial Statements.....	42
12.4	Other Reports.....	42
12.5	Computer, Point-of-Sale, and Accounting Systems.....	42
12.6	Right to Inspect.....	43
12.7	Release of Records.....	43
12.8	Chart of Accounts; Central Accounting Office.....	44
13	STANDARDS OF OPERATION.....	44
13.1	Authorized Products, Services and Suppliers.....	44
13.2	The Glass Guru Restoration Tools and Products.....	45
13.3	Appearance and Condition of the Franchise Business.....	46
13.4	Ownership and Management.....	46
13.5	Obligation to Personally Supervise and Manage Day-to-Day Operations.....	46
13.6	Days of Operation.....	46
13.7	Franchise Business Staff.....	46
13.8	Only Franchisee Has the Right to Control Employees.....	47

13.9	Contributions and Donations.....	47
13.10	Licenses and Permits.....	47
13.11	Notification of Proceedings.....	47
13.12	Compliance with Good Business Practices.....	48
13.13	Obligation to be Governed by Highest Ethical Standards and to Comply with All Laws and Regulations.....	48
13.14	Disputes Arising with Third Parties.....	48
13.15	Uniforms.....	49
13.16	Credit Cards.....	49
13.17	E-Mail.....	50
13.18	Participation in Call Center.....	50
13.19	Best Efforts.....	50
13.20	Automation Systems.....	50
13.21	Proprietary Computer Systems.....	51
13.22	Franchisor Access to and Use of Information.....	51
13.23	Certain Telephone Technology Prohibited.....	51
14	FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE.....	51
14.1	General Advice and Guidance.....	51
14.2	Periodic Visits.....	52
14.3	System Improvements.....	52
14.4	Marketing and Promotional Materials.....	52
15	INSURANCE.....	52
15.1	Types and Amounts of Coverage.....	52
15.2	Future Increases.....	53
15.3	Carrier Standards.....	53
15.4	Evidence of Coverage.....	53
15.5	Failure to Maintain Coverage.....	54
16	DEFAULT AND TERMINATION.....	54
16.1	Termination by Franchisee.....	54
16.2	Termination by Franchisor.....	54
16.3	Reinstatement and Extension.....	57
16.4	Right of Franchisor to Discontinue Services to Franchisee.....	57
16.5	Right of Franchisor to Operate Franchise Business.....	57
17	RIGHTS AND DUTIES UPON TERMINATION.....	57
17.1	Actions to be Taken.....	57
17.2	Post-Termination Covenant Not to Compete.....	59
17.3	Unfair Competition.....	60

17.4	Franchisor's Option to Purchase Certain Business Assets	60
17.5	Survival of Certain Provisions	60
18	TRANSFERABILITY OF INTEREST	61
18.1	Transfer by Franchisor	61
18.2	Transfer by Franchisee to a Third Party	61
18.3	Franchisor's Disclosure to Transferee	63
18.4	Franchisee Disclosure to Transferee	63
18.5	For-Sale Advertising	63
18.6	Transfer by Death or Incapacity	64
19	RIGHT OF FIRST REFUSAL	64
19.1	Submission of Offer	64
19.2	Franchisor's Right to Purchase	64
19.3	Non-Exercise of Right of First Refusal	65
20	BENEFICIAL OWNERS OF FRANCHISE	65
21	RELATIONSHIP AND INDEMNIFICATION	65
21.1	Relationship	65
21.2	Standard of Care	66
21.3	Indemnification	66
21.4	Right to Retain Counsel	66
22	GENERAL CONDITIONS AND PROVISIONS	67
22.1	No Waiver	67
22.2	Injunctive Relief	67
22.3	Notices	67
22.4	Cost of Enforcement or Defense	68
22.5	Guaranty and Assumption of Obligations	68
22.6	Approvals	68
22.7	Entire Agreement	68
22.8	Severability and Modification	68
22.9	Construction	69
22.10	Force Majeure	69
22.11	Timing	69
22.12	Withholding Payments	69
22.13	Further Assurances	69
22.14	Third-Party Beneficiaries	70
22.15	Multiple Originals; Electronic Signature	70
23	DISPUTE RESOLUTION	70

23.1	Choice of Law	70
23.2	Consent to Jurisdiction	70
23.3	Cumulative Rights and Remedies	70
23.4	Limitations of Claims	71
23.5	Limitation of Damages	71
23.6	Waiver of Jury Trial	71
23.7	Arbitration	71
24	ACKNOWLEDGEMENTS	72
24.1	Receipt of this Agreement and the Franchise Disclosure Document	72
24.2	Consultation by Franchisee	72
24.3	True and Accurate Information	72
24.4	No Violation of Other Agreements	72
24.5	Risk	72
24.6	No Guarantee of Success	72

THE GLASS GURU ENTERPRISES, INC.
FRANCHISE AGREEMENT

This Franchise Agreement is by and between The Glass Guru Enterprises, Inc., a Texas corporation, having its principal place of business at 3751 Main Street Suite 600 #306, The Colony, Texas 75065 ("Franchisor"), and the individual or entity ("Franchisee"), with the names and addresses for each party listed on Exhibit 1.

WITNESSETH:

WHEREAS, Franchisor and its Affiliate have developed, and are continuing to develop, a System identified by the service mark "THE GLASS GURU" relating to the establishment and operation of a franchise business to install, repair and replace residential and commercial glass, windows and doors and provide other related services and sell other related products to residential and commercial customers, which is referred to in this Agreement as "The Glass Guru Business;" and

WHEREAS, Franchisor and its Affiliate have custom designed, developed and/or acquired, and are in the process of continuing to design and develop, certain window restoration tools and equipment, and products ("The Glass Guru Restoration Tools") especially suited for use in the operation of The Glass Guru Business, which are or will be supplied by Franchisor to franchisees on a for-profit basis; and

WHEREAS, in addition to The Glass Guru Restoration Tools and the service mark "THE GLASS GURU" and certain other Marks, the distinguishing characteristics of the System include, among other things, uniform standards and procedures for efficient business operations; procedures and strategies for marketing, advertising and promotion of The Glass Guru Business; customer service and development techniques; other strategies, techniques and Trade Secrets; and the Manuals; and

WHEREAS, Franchisor intends to grant Franchisee the right to own and operate a Franchise Business using the System, the Marks and other resources described in this Agreement; and

WHEREAS, Franchisee desires to operate The Glass Guru Business, has applied to Franchisor for the right to operate a Franchise and such application has been approved by Franchisor in reliance upon all the representations of Franchisee made in the Agreement, including exhibits; and,

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's standards of high and uniform quality, operations and service and the necessity of operating the Franchise Business in strict conformity with Franchisor's System.

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows:

* Capitalized terms not otherwise defined are defined in Section 1.

1 DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

"Action" includes complaints, cross claims, counterclaims, and third-party complaints in a judicial action or proceeding, and their equivalents in an administrative action or arbitration;

"Affiliate" when used in reference to Franchisee includes, but is not limited to, all persons who are related to the Franchisee (including but not limited to Franchisee's spouse), principals, owners, officers, directors, shareholders, members of limited liability companies, partners, employees, guarantors, parent companies, sister companies and subsidiaries. An entity is affiliated with Franchisee when the entity controls, is controlled by or under common control with Franchisee or any other affiliate as defined in this Section. The term "affiliate" or "affiliates" when used in reference to Franchisor means any entity that controls, is controlled by or under common control with Franchisor.;

"Agreement" means this agreement entitled "The Glass Guru Enterprises, Inc. Franchise Agreement" and all instruments supplemental to this Agreement or in amendment or confirmation of this Agreement;

"Approved Location" means the site selected by Franchisee and approved in writing by Franchisor from which Franchisee manages and administers the Franchise Business and maintains the books and records of the Franchise Business;

"Approved Supplier" has the meaning given to such term in Section 13.1;

"Area of Primary Responsibility" has the meaning given to such term means a geographic territory for which Franchisor Grants to Franchisee a license to operate under the terms and conditions set forth in this Agreement in Section 2.3 and Section B of Exhibit 1;

"Competitive Business" means any business, whether direct or indirect, that offers (or grants franchises or licenses to others to operate a business that offers) products and services the same as or similar to those provided by Franchise Business or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees; provided, however, that the term "Competitive Business" must not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest;

"Confidential Information" means technical and non-technical information used in or related to The Glass Guru Business and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by Franchisor. Confidential Information must not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure under this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

"Converted Business" means a Competitive Business that Franchisor, at its sole discretion, grants an Area of Primary Responsibility in which to begin the Franchise Business. In these circumstances, Franchisee is required to merge the Competitive Business with and into the Franchise Business. All subsequent operations and activities of the Franchise Business will be conducted by the Franchisee under the Mark(s) of The Glass Guru, utilizing appropriate copyrighted materials, manuals, systems, etc.

subject to the terms and conditions of this Agreement. While Franchisor will discuss a business conversion with any Competitive Business, a Competitive Business is only eligible to receive "Incentives for Converted Businesses" when the Competitive Business converting to a Franchise Business can demonstrate Gross Sales equal to, or greater than \$500,000 for the most current 12-month operating period.

"Cooperative Advertising" means the combined advertising program of two (2) or more franchisees established within a common market that Franchisor may require for The Glass Guru Business within a particular region;

"Designated Manager" means the person designated by Franchisee who has primary responsibility for managing the day-to-day affairs of the Franchise Business, and if Franchisee is an individual and not a business entity, the Designated Manager may be Franchisee;

"Effective Date" means the date on which Franchisee and Franchisor fully execute this Agreement, commencing its effectiveness and term;

"Electronic Transfer Account" means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw or deposit any funds due to or from Franchisor;

"Financial Performance Representation" means any representation, including any oral, written or visual representation, to a prospective franchisee, including a representation in the general media, that states, expressly or by implication, a specific level or range of actual or potential sales, income, gross profits, or net profits. The term includes a chart, table, or mathematical calculation that shows possible results based on a combination of variables;

"Franchise" means the right granted to Franchisee by Franchisor to use the System and the Marks;

"Franchise Fee" means the amount specified in Section D of Exhibit 1

"Franchise Business" means The Glass Guru business established and operated by Franchisee under this Agreement, utilizing our System, in one or more stores within an Area of Primary Responsibility.

"Franchisee" means the individual or entity specified as "Franchisee" in Exhibit 1 **"Franchisor"** means The Glass Guru Enterprises, Inc.;

"Franchisor Indemnitees" has the meaning given to such term in Section 21.3; **"Brand Identity Package"** has the meaning given to such term in Section 11.1;

"Gross Sales" means the total gross revenues collected or received from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will, or other consideration) that arise, directly or indirectly, from or in connection with the operation of your franchise, including but not limited to:

- A. the sale of goods and/or services offered by or through the franchise;
- B. the sale of goods and/or services by you or a third-party selling products and/or services on your behalf that are sold or that are required to be sold under the terms of the Franchise Agreement, no matter from what location or business the income is generated;
- C. the proceeds from any business interruption insurance and/or damages or

settlement amounts received to compensate you for lost revenue of the franchise;

- D. any revenue generated from commissions, rebates, or Affiliate programs; and,
- E. except as provided below for charity activities, the value of any goods and/or services provided without compensation to you.

You are not required to pay royalty on the value of any portion of goods and/or services provided without compensation to you if those goods and/or services are provided for a charitable organization approved by us ("Guru Charity"). Currently, all charitable organizations listed by the Internal Revenue Service ("IRS") as exempt under Internal Revenue Code §501(c)(3) ("501(c)(3) organizations") are automatically approved by us. Go to [IRS.gov](https://www.irs.gov) to search for a list of 501(c)(3) organizations. If you provide goods and/or services without compensation that are not for an organization that is listed by the IRS as a 501(c)(3) organization or a charitable organization otherwise approved by us, the value of those goods and/or services must be included in your Gross Sales for purposes of paying royalty to us. The value of the goods and/or services provided without compensation will be equal to the amount that you would normally charge for the goods and/or services.

"Gross Sales Reports" has the meaning given to such term in Section 12.2;

"Incapacity" means the inability of Franchisee to operate or oversee the operation of the Franchise Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

"Immediate Family Members" means a person's parents, spouse, children (by blood, adoption, or marriage), and siblings; and, will also include the parent's spouse and any grandchildren.

"Internet" means any one (1) or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web;

"Local Advertising" has the meaning given to such term in Section 11.2;

"Manual" means The Glass Guru Operations Manual and Safety Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor.

"Marketing Fee" has the meaning given to such term in Section 3.4;

"Marks" means the service mark "THE GLASS GURU" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with The Glass Guru Business;

"Non-APR Service Fee" has the meaning given to such term in Section 3.4;

"Parent" means an entity that controls another entity directly, or indirectly through one or more subsidiaries;

"Person" means any individual, group, association, limited or general partnership, corporation, or any other entity;

"Plain English" means the organization of information and language usage understandable by a person unfamiliar with the Franchise Business. It incorporates short sentences; definite, concrete, everyday language; active voice; and tabular presentation of information, where possible. It avoids legal jargon, highly technical business terms, and multiple negatives;

"Predecessor" means a person from whom the franchisor acquired, directly or indirectly, the major portion of the franchisor's assets;

"Qualified Training Location" means A Qualified Training Location (QTL) is any location approved for the initial or ongoing training provided to franchise owners or franchise staff. A QTL is typically a Franchisor facility, one or more individual franchise locations, or may be any facility or location defined by the Franchisor;

"Required Payment" means all consideration that the franchisee must pay to the franchisor or an Affiliate, either by contract or by practical necessity, as a condition of obtaining or commencing operation of the franchise. A required payment does not include payments for the purchase of reasonable amounts of inventory at bona fide wholesale prices for resale or lease;

"Royalty Fee" has the meaning given to such term in Section 3.3;

"System" means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of The Glass Guru Business;

"The Glass Guru Restoration Tools" has the meaning given to such term in the Recitals preceding this Section;

"The Glass Guru Business" refers to the Franchise Business operating under the System, including rights, privileges, and obligations set forth in this Agreement for the establishment and operation of installing, repairing and replacing residential and commercial glass, windows and doors; and, providing other related services and selling other related products to residential and commercial customers.

"Trade Secrets" means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in The Glass Guru Business that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy;

"Trademark" includes trademarks, service marks, names, logos, and other commercial symbols.

2 GRANT OF FRANCHISE

2.1 Grant

Franchisor grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions of this Agreement, a revocable, limited license to operate a Franchise Business at one (1) location approved by Franchisor using the System and Marks. Franchisee shall be prohibited from operating more than one (1) location under this

Agreement, but may request Franchisor to grant an additional franchise to Franchisee for an additional location in the Area of Primary Responsibility as described in Section 2.3.

2.2 Approved Location

The street address (or detailed description of the premises) of the Approved Location for the Franchise Business as described in Section A of Exhibit 1.

2.3 Area of Primary Responsibility

The "Area of Primary Responsibility" is area surrounding the Franchise Business location and is defined using US zip codes. This area is considered the geographic market boundary for the Franchise Business. The population of an Area of Primary Responsibility for a Franchise Business will typically range from 200,000 to 750,000; however, the said range is not intended to establish a minimum population or a maximum population for an Area of Primary Responsibility. Population will be determined by referencing the most recent figures available from the United States Census Bureau at the time the Area of Primary Responsibility is designated. **The Area of Primary Responsibility is described in Section B of Exhibit 1.**

- 2.3.1 The Area of Primary Responsibility shall not be subject to change during the Term unless Franchisee requests and Franchisor consents to Franchisee establishing an additional location approved by Franchisor with the Area of Primary Responsibility. If Franchisor consents to such request, an additional franchise agreement will be granted to Franchisee and Franchisee's existing Area of Primary Responsibility will be split between the two (2) Franchise Agreements in the manner agreed upon by the parties. Upon the execution of the second Franchise Agreement, this Agreement will be amended in writing to revise the Area of Primary Responsibility.

2.4 Nonexclusive License

The Franchise granted under this Agreement is nonexclusive and Franchisor retains all rights and discretion with respect to the Marks and System, including the right to:

- 2.4.1 establish or operate, and to grant others the right to establish or operate, a The Glass Guru Business at any location as Franchisor deems appropriate; provided however such established businesses and operations are conducted outside the Area of Primary Responsibility specified by the Franchisor for the Franchise Business;
- 2.4.2 establish or operate, and to grant others the right to establish or operate, other businesses offering the same or similar products or services as the Franchise Business utilizing other trade names, trademarks and service marks within or outside of the Area of Primary Responsibility;
- 2.4.3 establish or operate, and to grant others the right to establish or operate businesses offering products and services different than those offered by the Franchise Business utilizing the Marks or other trade name, trademarks and service marks within or outside of the Area of Primary Responsibility;

- 2.4.4 to acquire or be acquired by a company establishing businesses identical or similar to the Franchise Business, even if the other business operates franchises and/or licenses competitive businesses anywhere, including your Area of Primary Responsibility;
- 2.4.5 sell or otherwise distribute products and services similar to those offered through the Franchise Business through any alternate channel of distribution, including through retail outlets at a fixed location and by direct mail and Internet sales, under terms and conditions that Franchisor deems appropriate; and
- 2.4.6 engage in any activities not expressly forbidden by this Agreement.

2.5 Marketing, Solicitation and Service Restrictions for Areas of Primary Responsibility

Other than for Immediate Family Members, Franchisee must not directly market to, solicit customers, provide services or sell product in areas inside the Area of Primary Responsibility of another The Glass Guru franchisee;

- 2.5.1.1 If we determine that you, prior to obtaining the express written consent of Franchisor, directly market to or solicit customers or provide Services or sell Products in the Area of Primary Responsibility of another The Glass Guru franchisee, you must pay the franchisee that has the right to the infringed Area of Primary Responsibility an amount equal to the total sums you received for the Services and Products, less the actual cost you paid for the Products sold and any third party hired labor costs. All sums must be paid within ten (10) days after receiving notice from Franchisor. A second violation could result in the termination of this Agreement. Services to Immediate Family Members are exempt from this Section.
- 2.5.1.2 Further, except as part of Cooperative Advertising implemented under Section 11.4, Franchisee must not advertise in any form of media whose primary location, broadcast or circulation is outside of their Area of Primary Responsibility without the prior written approval of Franchisor. Franchisor must make reasonable efforts to enforce these restrictions with regard to Franchisee and any other The Glass Guru Business, but under no circumstances must Franchisor be required to engage in litigation or similar actions with regard to these restrictions.

2.5.2 Marketing, Solicitation and Service Restrictions for areas not granted.

Other than for Immediate Family Members, if you wish to use any part of the System (including, but not limited to, the providing of any Services) and/or the Marks outside your Area of Primary Responsibility in an area not yet franchised by us, we may (but are not obligated to) allow you to do so on a temporary basis under such terms and conditions as we deem fit, including (but not limited to) our granting such rights on a non-exclusive basis. Any work completed outside your Area of Primary Responsibility requires our prior authorization and is subject to our right to charge a fee (a Non-APR Service Fee!) per customer for authorizing such service. If applicable, method of requesting authorization and the specific fee(s) charged for such service will be stipulated in the Manual.

Also, upon receipt of notice from us, you must immediately stop all marketing and sales activities in any area outside of your Area of Primary Responsibility and submit a full

accounting of all current activity to us including all leads, proposals, and Sales. Franchisor has the sole discretion to determine the process for completing all activities for customers and the process for making the transition to any new or current franchisee. You will NOT retain rights to ANY customers outside of your Area of Primary Responsibility.

2.6 Sub-franchising/Agents

Franchisee must not sublicense the use of the System or Marks to any person or entity to perform any part of Franchisee's rights or obligations licensed hereunder, or to grant any person or entity the right to act as Franchisee's agent to perform any part of Franchisee's rights or obligations hereunder.

2.7 Notice to Franchisor for Certain Events

Franchisee must notify Franchisor in writing, within five (5) days of the event, of any of the following events: (1) the commencement of any civil or criminal action, suit, or proceeding by Franchisee or by any person or government agency against Franchisee; (2) Franchisee receives a notice of noncompliance with any law, rule, or regulation; (3) the issuance of any order, suit, or proceeding of any court, agency, or other governmental body that may adversely affect the operation or financial condition of the Franchise Business; (4) any complaints, inspections, reports, warnings, certificates, or ratings of Franchisee or the Franchise Business, communicated, issued, performed, or scheduled by any governmental agency; (5) the scheduling or conducting of an audit of Franchisee by the Internal Revenue Service or any other federal, state, or local governmental authority; and (6) any unionization effort, collective bargaining agreement, labor strike, dispute, slowdown, work stoppage, or lockout. Franchisee must notify Franchisor within one hour of the incident, using the emergency contact procedure specified by Franchisor, of any emergency situation relating to the Franchise Business, including but not limited to: (a) a fatality; (b) an accident; (c) an injury requiring medical attention; (d) media attention; (e) significant property damage; or (f) any incident involving a law enforcement agency. Franchisee must provide Franchisor with any additional information Franchisor requests, within five days of request, about the status, progress, or outcome of any of the events listed in this Section.

2.8 Right to Obtain Franchisee's Credit Report/Background Checks

Franchisee consents to permitting Franchisor to obtain Franchisee's credit report and/or to perform background checks at any time to confirm that Franchisee is paying third-party creditors and otherwise meeting the standards of Franchisor, and Franchisee agrees to cooperate and to sign any authorizations necessary to enable Franchisor to acquire Franchisee's credit report and/or to perform background checks.

2.9 Supplemental Exhibits and Agreements

Franchisee is required to sign supplemental agreements simultaneous with the execution of this Agreement, including the following:

- A. Exhibit 1, Specifics. This document describes the Area of Primary Responsibility, the Franchise Fee, and provides other information.
- B. Exhibit 3, Non-Disclosure and Non-Competition Agreement.

Simultaneously with the signing of this Agreement, Franchisee will sign the Non-Disclosure and Non-Competition Agreement in the form of Exhibit 3. This Agreement provides for the protection of the System and the Marks.

- C. Exhibit 4, Guaranty and Assumptions of Obligations. The shareholders, members, officers, directors, and representatives of and the Affiliates of Franchisee involved with or that provide assets or services to the Franchise Business must sign this document to agree to be liable to Franchisor for the obligations of Franchisee.
- D. Exhibit 5, Holders of Beneficial Interest in Franchisee; Officers; Directors. The owners of Franchisee and other persons beneficially interested in Franchisee sign this document to agree to be personally bound by the provisions of this Agreement and to provide information about Franchisee and its owners.
- E. Exhibit 6, Assignment of Telephone Numbers and Internet Tools. Simultaneously with the signing of this Agreement and any time thereafter, as Franchisor requests, Franchisee will sign an assignment of the telephone numbers, Internet domain names, e-mail addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, and other internet tools ("Telephone Numbers and Internet Tools") used by Franchisee in the Franchise Business in the form of Exhibit 6 attached to this Agreement. The assignment provides that Franchisee will have a limited license to use the Telephone Numbers and Internet Tools during the term of this Agreement and as long as Franchisee complies with the policies and procedures specified by Franchisor.
- F. Exhibit 7, Marketing Fund Addendum. This Addendum will be signed only if the Marketing Fund previously established by Franchisor remains in effect.
- G. Exhibit 8, Lease Addendum. Franchisee shall be required to execute this Addendum along with the landlord for the lease for the Approved Location as a condition of approval of the lease.

3 FEES, OTHER PAYMENTS AND PROCEDURES

Franchisee must pay to Franchisor the following fees and other items listed below in the amounts, at the intervals and in accordance with the procedures described in this Agreement. Each such payment by Franchisee must be payable separately and is in addition to all other payments required in this Agreement.

3.1 Franchise Fee

In consideration of the rights and license granted by Franchisor, Franchisee agrees to pay, at the time of signing of this Agreement, a fee (the "Franchise Fee") to Franchisor in the amount stated in Section C of Exhibit 1. The Franchise Fee is payment, in part, for expenses

incurred by Franchisor in furnishing assistance and services to Franchisee as described in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees. The fee reflected in Section C of Exhibit 1 reflects any applicable incentive(s) that may have been applied toward the Franchise Fee as determined by Franchisor at the time the Agreement is executed.

3.2 Monthly Royalty Fee

On the twentieth (20th) day of each month, Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as this Agreement is in effect, a fee ("Royalty Fee") equal to five percent (5%) of Gross Sales for the previous calendar month.

In the case of a Converted Business, Franchisee must pay to Franchisor Royalty Fee reflecting a mutually agreed upon discount schedule based on one of two options reflected below.

1. For a Franchisee electing to receive a fifty percent (50%) reduction in the Franchise Fee, Franchisee will receive a fifty percent (50%) reduction in the monthly Royalty Fee (as defined above) for the mutually agreed upon Gross Sales from most current twelve (12) month period prior to converting. Any Gross Sales exceeding this amount derived during the first twelve (12) months of operations will be subject to the full monthly Royalty Fee amount defined above. This reduction in the monthly Royalty Fee will terminate following the Franchise Business's second (2nd) full year (12-months) of operation.
2. For a Franchisee electing to pay full Franchise Fee, for a period of twenty-four (24) months, Franchisee will receive a fifty percent (50%) reduction in the monthly Royalty Fee (as defined above) for the mutually agreed upon Gross Sales from most current twelve (12) month period prior to converting. Any gross sales exceeding of this amount derived during this twelve (12) month period will be subject to the full Monthly Royalty Fee amount as defined in section 3.2 of the Franchise agreement. This reduction in monthly Royalty Fees will reset and renew for a subsequent twelve (12) month period during the franchise Business 2nd full year of operation. This reduction in the monthly Royalty Fee will terminate following the Franchise Business's second (2nd) full year (24-months) of operation.

Any discount schedule applying to Royalty Fee must be reflected in an amendment to the Agreement executed by all parties at the time the Agreement is executed.

You are not required to pay royalty on the value of any portion of goods and/or services provided without compensation to you if those goods and/or services are provided for a charitable organization approved by us ("Guru Charity"). Currently, all charitable organizations listed by the Internal Revenue Service ("IRS") as exempt under Internal Revenue Code §501(c)(3) ("501(c)(3) organizations") are automatically approved by us. Go to [IRS.gov](https://www.irs.gov) to search for a list of 501(c)(3) organizations. If you provide goods and/or

services without compensation that are not for an organization that is listed by the IRS as a 501(c)(3) organization or a charitable organization otherwise approved by us, the value of those goods and/or services must be included in your Gross Sales for purposes of paying royalty to us. The value of the goods and/or services provided without compensation will be equal to the amount that you would normally charge for the goods and/or services. Franchisor requires Franchisee to pay Royalty Fees through electronic transfer as described in Section 3.6.

3.3 Marketing Fee

Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as this Agreement is in effect, a monthly Marketing Fee ("Marketing Fee") equal to three percent (3%) of Gross Sales for the previous calendar month. Marketing Fee Contributions must be made at the same time and in the same manner as Royalty Fees. Franchisor shall spend Marketing Fees collected from franchisees as it deems advisable in its sole discretion. In the event that the Marketing Fund previously established by Franchisor is still in effect, Franchisee shall execute the Marketing Fund Addendum attached hereto as Exhibit 7, and while the Marketing Fund remains in effect, one percent (1%) of Gross Sales paid by Franchisee to Franchisor for the Marketing Fee shall be paid into the Marketing Fund by Franchisor.

3.4 Non-APR Service Fee

On the twentieth (20th) day of each month, Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as the Franchise Agreement is in effect, a fee ("Non- APR Service Fee") equal to two percent (2%) of Gross Sales for the previous calendar month for any and all work conducted outside of Franchisees Area of Primary Responsibility.

3.5 Technology Fee

Franchisee must pay to Franchisor a monthly technology fee in an amount determined by Franchisor ("Technology Fee"). We have the right to determine how and for what purposes the technology fee will be used, which may include covering Franchisor's costs or paying fees to third party providers for technology research and development, maintenance and usage for the franchise system, and subscription and license fees paid by us in order for franchisees to have access to and use certain technology tools. The Technology fee must be made at the same time and in the same manner as Royalty Fees. Franchisee will give Franchisee at least sixty (60) days prior notice before changing the amount of the Technology fee charged.

3.6 Taxes

Franchisee must pay to Franchisor an amount equal to all sales taxes, use taxes and similar taxes imposed on the fees payable by Franchisee to Franchisor hereunder and on services goods furnished to Franchisee by Franchisor at the same time as Franchisee remits such fees to Franchisor, whether such services or goods are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Franchise Business is located.

3.7 Payment of Fees

Franchisee must pay the full amount of the Royalty Fee, Marketing Fee, Technology Fee and Non-APR Service Fee as provided above and any and all other fees due under this Agreement, and no offset or claim may be made against those fees unless otherwise stated in this Agreement. All payments for fees and charges must be made to Franchisor in the manner and at the times specified by Franchisor. Currently Franchisor specifies that: (a) the Royalty Fee, Marketing Fee, Technology Fee and Non-APR Service Fee must be paid to Franchisor on the twentieth (20th) day of the month following the end of the calendar month in which the revenue was generated; (b) miscellaneous fees and charges, including but not limited to fees for goods or services, must be paid to Franchisor at the time they are incurred. All Payments must be paid via Automated Clearing House ("ACH") transfers or other form of payment transfer as Franchisor specifies. In some circumstances, it may be necessary for Franchisor to ACH transfer funds for miscellaneous fees other on the twentieth (20th) day of the month. In that case, the amount and date of deduction will be communicated to Franchisee in advance. Franchisee must not close the Account associated with Payment of Fees without Franchisor's written consent.

3.8 Late Fees

All Royalty Fees, Marketing Fees, Technology Fees, Non-APR Service Fees, amounts due for purchases by Franchisee from Franchisor and other amounts that are not received by Franchisor within five (5) days after the due date will incur late fees at the rate of one and one-half percent (1.5%) per month or the maximum rate of interest allowed by the law of the state where the Franchisee is located, (whichever is greater) from the date payment is due to the date payment is received by Franchisor. Franchisee must pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due Royalty Fees, Marketing Fees, Technology Fee, Non-APR Service Fees or any other amounts due Franchisor, including reasonable accounting and legal fees. This Section must not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

3.9 NSF Fees and Interest

Franchisee must pay on demand a fee equal to any charges Franchisor may incur as a result of ACH or other transfers returned to Franchisor for non-sufficient funds or other reasons, but not less than Seventy-five (\$75.00) for each item returned ("NSF fees"). Also, Franchisee must pay to Franchisor, on demand, interest on all overdue payments from the date the payment was due until paid equal to the greater of (i) one and one-half percent (1.5%) per month or (ii) the maximum rate of interest permitted by law. The assessment of NSF fees and interest will not be the sole remedies of Franchisor in such circumstances. All amounts paid will be first applied to NSF fees and interest and the balance to principal.

3.10 Application of Payments

Notwithstanding any designation by Franchisee, Franchisor has the right to apply all or any portion of any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Marketing Fees, Technology Fees, Non-APR Fees, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority.

4 TERM AND RENEWAL

4.1 Initial Term

This Agreement shall be effective and binding for an initial term of five (5) years from the Effective Date, unless sooner terminated under Section 16.

4.2 Successor Terms

Subject to the conditions below, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor. Franchisee's right to a successor franchise is limited to three (3) successive terms of five (5) years each, such that the total term of the Franchise may not exceed twenty (20) years. Following the expiration date of three (3) successive terms Franchisor has the right to charge a franchise fee commensurate with the current and prevailing Franchise Agreement as of that date. To qualify for a successor franchise, each of the following conditions must have been fulfilled and remain true as of the last day of the term of this Agreement:

- 4.2.1 Franchisee has, during the entire term, substantially complied with all material provisions of this Agreement;
- 4.2.2 Franchisee has, at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchise Business reflects Franchisor's then-current standards and specifications;
- 4.2.3 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;
- 4.2.4 Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor;
- 4.2.5 Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than six (6) months nor more than twelve (12) months prior to the end of the term of this Agreement;
- 4.2.6 Franchisee has executed Franchisor's then-current form of the franchise agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement must supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee or Marketing Fee; provided, however, that Franchisee will not be required to pay the then-current Franchise Fee;
- 4.2.7 Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements; and
- 4.2.8 Franchisee has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 2, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees.

- 4.2.9 Unless otherwise noted, all conditions to renewal must be met before the expiration of the initial term of this Agreement. If all of the other applicable conditions to renewal have been met, Franchisor will not withhold approval of renewal without good cause.

4.3 Good Cause for Withholding Approval of Renewal

Good cause for withholding approval of renewal may include, but is not limited to: Franchisee has failed to achieve minimum scores in Franchisor's Achievements in Excellence rankings or a similar Franchisor ranking system (the Achievements in Excellence rankings is a balanced scorecard approach used by Franchisor to measure customer service, operational excellence, learning and growth, community involvement, and system citizenship) Franchisee has failed to achieve minimum reply card scores; Franchisee has failed to achieve acceptable status on other compliance requirements; Franchisee's lack of commitment to Franchisor's core values; Franchisee has failed to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchise Business and/or the franchise system as a whole; Franchisee has failed to regularly attend and actively participate in conference calls, meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchise Business and/or the franchise system as a whole; Franchisee has failed to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchise Business; Franchisee has regularly acted in a combative or confrontational manner with Franchisor, vendors, customers, or other franchisees; Franchisee has had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints; or Franchisor has reasonable concerns about the financial condition or creditworthiness of Franchisee.

If Franchisee does not meet all of the conditions for renewal as described above by the date of expiration of the Term and Franchisee has made good faith efforts to do so, Franchisor may, in its sole discretion, extend the Term of this Agreement for a reasonable period of time to permit Franchisee to take all necessary actions to meet the conditions for renewal of this Agreement. Any such term shall be in writing signed by both parties. However, nothing herein shall obligate Franchisor to grant such additional time to Franchisee.

4.4 Right to Change Area of Primary Responsibility on Renewal of Franchise

If Franchisee's franchise is renewed, Franchisor may change the Area of Primary Responsibility granted in the new franchise agreement signed in connection with the renewal or transfer in order to comply with Franchisor's then current manner of designating Area of Primary Responsibility, to make minor changes in the Area of Primary Responsibility to correct overlap or other issues, and for other valid business reasons.

5 ESTABLISHING THE FRANCHISE BUSINESS

5.1 Selection of Site

Franchisee must promptly select a site for the Franchise Business and must notify Franchisor of such selection. Franchisor must evaluate the site and notify Franchisee of its

approval or disapproval of the site within a reasonable time of receiving notice of the site from Franchisor. If Franchisor has not disapproved of the initial location or any substitute location proposed by Franchisee within fifteen (15) days of receiving written notice of the location, then Franchisor will be deemed to have approved it. Upon approval of such selection, the site must be designated as the Approved Location. If Franchisor does not approve of such selection, Franchisee must select and notify Franchisor of new sites until Franchisor approves a site for the Franchise Business, which will not be unreasonably withheld. Franchisor must provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Approved Location. Franchisor has the right to approve or disapprove a proposed location based on such factors as it deems appropriate, including the condition of the premises, demographics of the surrounding area, proximity to other The Glass Guru Business, lease requirements (if applicable) and overall suitability. Franchisee must not locate the Franchise Business on a selected site without the prior written approval of Franchisor.

Franchisee must not locate the Franchise Business on a new selected site without the prior written approval of Franchisor. The essence of Franchisor's core values, care, and integrity requires that each franchisee in the franchise system respect all other franchisees. When Franchisee selects a location for its Franchise Business, Franchisee must consider each of the factors described in this paragraph, while honoring Franchisor's core values. Franchisor does not represent that it or its Affiliate, owners or employees have special expertise in selecting sites. Neither Franchisor's assistance nor approval is intended to indicate or indicates that the Franchise Business will be profitable or successful at the Approved Location. Franchisee is solely responsible for identifying the Approved Location.

5.2 Failure to Select Site

Should Franchisee fail to select a site for the Franchise Business, which meets with Franchisor's approval within sixty (60) days after the Effective Date, Franchisor has the right to terminate this Agreement. If this Agreement is terminated under this Section, Franchisor will **not** return to Franchisee the Franchise Fee paid by Franchisee. Franchisee will be required to present Franchisor a general release, the same as or similar to the General Release attached as Exhibit 2, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees. Franchisee is not entitled to a refund. The non-refundable Franchise Fee is compensation to Franchisor for its efforts in offering and selling a franchise to Franchisee, Franchisor's marketing and sales activities to promote the sale of a franchise to qualified franchisees, Franchisor's participation in the franchise sale, Franchisor's legal compliance with franchise laws and regulations, site selection assistance and guidelines and the development and hosting of initial training programs and participation in terminating the franchise.

5.3 Lease of Approved Location

If Franchisee is to execute a lease for, or a binding agreement to purchase for, the Approved Location, Franchisee must obtain Franchisor's approval of the terms. Franchisor must not unreasonably withhold its approval. Franchisor's review of a lease or any advice or recommendation offered by Franchisor must not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisor must be entitled to require that nothing in the lease is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties

under this Agreement. Franchisee must take all actions necessary to maintain the lease of the Approved Location while this Agreement is in effect. Any default for which the lease may be terminated may also be deemed a default hereunder and the time to cure the same should expire when the lease is terminated.

As a condition of obtaining Franchisor's consent to any lease for the Approved Location, Franchisor may require that Franchisee and the landlord execute the Addendum to Lease and Collateral Assignment of Lease attached to this Agreement as Exhibit 8, or alternatively, providing similar language in the form of lease to be executed by Franchisee and the landlord.

5.4 Development of Franchise Business and Vehicles

5.4.1 Franchisor must make available to Franchisee, at no charge to Franchisee, copies of specifications for an office, vehicle, and other equipment necessary for the operation of a The Glass Guru Business. Franchisee must cause the Franchise Business to be developed and equipped in accordance with such requirements and specifications prior to, but no later than the Franchisee's initial training date, or 90 days after the execution date of the Agreement. In connection with the development of the Franchise Business, Franchisee must:

- 5.4.1.1 obtain all permits and licenses required for operation of the Franchise Business, and certify in writing that all such permits and certifications have been obtained;
- 5.4.1.2 purchase or lease a vehicle meeting Franchisor's specification and all other required equipment and install such equipment in either the vehicle or Franchisee's office, as appropriate; The use of any vehicle other than those specified must be approved in writing by Franchisor.
- 5.4.1.3 purchase any supplies or inventory necessary for the operation of the Franchise Business, as specified in the Manual;
- 5.4.1.4 establish broadband or high-speed Internet access and obtain at least one business telephone number solely dedicated to the Franchise Business;
- 5.4.1.5 purchase required number of mobile devices including mobile phones and tablets and establish wireless service connection(s) to the device(s) or mobile hotspot(s); and,
- 5.4.1.6 purchase and install all signs, furniture and office equipment and office supplies, including any required computer hardware and software, required for the management and administration of the Franchise Business and the maintenance and storage of the books and records of the Franchise Business.

5.5 Franchisee Entity Requirements.

During the Term of this Agreement, the entity that is the Franchisee hereunder must be in compliance with the following:

- 5.5.1 Franchisee's organizational documents provide that its activities are confined exclusively to the operation of The Glass Guru franchise businesses unless Franchisee obtains Franchisor's prior written consent for other business activities to be conducted under the entity that is the Franchisee. If Franchisor provides consent for Franchisee to conduct multiple business operations under the entity, Franchisee must use the dba with The Glass Guru designation exclusively for the business activities conducted under this Agreement, must maintain separate books and records, and financial statements for the Franchise Business for reporting to Franchisor, must maintain a separate insurance policy for the Franchise Business operations, and meet any other conditions required by Franchisor. However, in no event may Franchisee operate any competing business under the entity that is the Franchisee.
- 5.5.2 copies of the Franchisee's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents must also be furnished to Franchisor immediately upon adoption.
- 5.5.3 each stock certificate or other ownership interest certificate of the Franchisee has conspicuously endorsed upon the face of that certificate the statement "The transfer of the [shares][ownership interest] represented by this certificate is subject to the terms and conditions of a certain written franchise agreement entered into with The Glass Guru Enterprises, Inc.", or a statement in a form satisfactory to Franchisor that it is held subject to, and that any assignment or transfer of ownership interest and/or the ownership certificate is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and
- 5.5.4 Franchisee shall remain in good standing with the state in which it was incorporated or organized;
- 5.5.5 Franchisee shall promptly advise Franchisor of any changes in the information contained in Exhibit 5 attached hereto on owners, officers, directors and managers of Franchisee.
- 5.6 Opening
- 5.6.1 Before opening the Franchise Business and commencing business, Franchisee must:
- 5.6.1.1 fulfill all of the obligations of Franchisee under the other provisions of this Section 5;
- 5.6.1.2 furnish Franchisor with copies of all insurance policies required by this Agreement, or by any lease (if applicable), or such other evidence of insurance coverage and payment of premiums as Franchisor may request;
- 5.6.1.3 ensure that the Designated Manager has completed initial training to the satisfaction of Franchisor;

5.6.1.4 hire any other personnel necessary or required for the operation of the Franchise Business;

5.6.1.5 obtain all necessary permits and licenses;

5.6.1.6 pay in full all amounts due to Franchisor.

5.6.2 Franchisee must comply with these conditions and must open and continuously operate the Franchise Business within ninety (90) days after the Effective Date. Time is of the essence.

5.7 Failure to Open

Should Franchisee fail to commence operations of the Franchise Business within ninety (90) days after the Effective Date, Franchisor has the right to terminate this Agreement. If this Agreement is terminated under this Section, Franchisor will retain the entire Franchise Fee paid by Franchisee. The Franchise Fee retained is specifically understood and agreed by the parties to be in consideration of the services provided, time expended, work performed, and other efforts of Franchisor up to the date of Franchisee's failure to timely commence operations of the Franchise Business and must not be construed nor considered to be a penalty.

5.8 Use of Approved Location

Franchisee must not use the Approved Location for any purpose other than for the operation of Franchise Business in full compliance with this Agreement and the Manual, unless approved in writing by Franchisor.

5.9 Relocation of the Franchise Business

Franchisee must not relocate the Franchise Business without the prior written consent of Franchisor, which consent will not be unreasonably withheld or delayed. If the lease for the Approved Location expires or is terminated without the fault of Franchisee or if the Franchise Business's premises is destroyed, condemned or otherwise rendered unusable, or as otherwise may be agreed upon in writing by Franchisor and Franchisee, Franchisor may, in its reasonable discretion, allow Franchisee to relocate the Franchise Business. Any such relocation will be at Franchisee's sole expense and will proceed in accordance with the requirements described in Sections 5.1 through 5.8. Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including legal and accounting fees. Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance. If Franchisor and Franchisee do not agree upon a substitute site within ninety (90) days after the lease expires or is terminated or the Approved Location is rendered unusable, this Agreement will terminate as provided in Section 16.2.1.1.

5.10 Employee Non-disclosure and Confidentiality Agreements

Franchisee must require its employees and agents to sign such agreements and documents as Franchisor in its sole discretion deems necessary to maintain the confidentiality and proprietary nature of Franchisor's materials and documents.

5.11 Minimum Performance Requirements

The Franchise Business must achieve the minimum performance requirements specified in this Section ("Minimum Performance Requirements").

5.11.1 Minimum Performance Requirements. For the 1st through 4th years of operation of a Unit in the Area of Primary Responsibility, Franchisee must achieve annual Gross Sales of at least the following amounts: (i) One Hundred Fifty Thousand Dollars (\$150,000) for the first (1st) year of operation; (ii) Two Hundred Thousand Dollars (\$200,000) for the second 2nd year of operation; (iii) Two Hundred Fifty Thousand Dollars (\$250,000) for the third (3rd) year of operation; and (iv) Three Hundred Thousand Dollars (\$300,000) for the fourth (4th) year of operation. After a Franchise Business has been operating in the Area of Primary Responsibility for four (4) years, for each subsequent year of operation Franchisee must: (A) achieve Gross Sales of at least Three Hundred Fifty Thousand Dollars (\$350,000); and (B) perform in the top ninety percent (90%) of all Franchise Business operating in the country of origin in the annual growth percentage of Gross Sales as determined by Franchisor. For purposes of this Section, a year of operation is the twelve (12) month period beginning on the first date of operation of a Franchise Business in the Area of Primary Responsibility and each anniversary of that date. However, if the first date of operation of a Franchise Business in the Area of Primary Responsibility is not the first day of the month, a year of operation will be the twelve (12) month period beginning on the first (1st) day of the calendar month after the first (1st) day of operation and each anniversary of that date. Except as provided in subsection 5.11.2, the time periods specified in this subsection begin on the date that a Franchise Business was first operated in the Area of Primary Responsibility, whether or not operated by Franchisee.

5.11.2 Exception. Notwithstanding the prior section, if Franchisee acquires a Franchise Business that includes an Area of Primary Responsibility (and/or portion thereof) of an existing or former Franchise Business (i.e. the Area of Primary Responsibility is "transferred" to Franchisee by another franchisee or the Area of Primary Responsibility granted to Franchisee had previously been the Area of Primary Responsibility or part of the Area of Primary Responsibility of a former Franchise Business), but there was no Franchise Business operating in that Area of Primary Responsibility for a period of six months or more at the time that Franchisee acquired the Franchise Business, then the time periods specified in the prior section will begin on the date that Franchisee begins operation of the Franchise Business.

5.12 Franchisor's Remedies Relating to Minimum Performance Requirements

If Franchisee fails to achieve the Minimum Performance Requirements for a year of operation, Franchisor may notify Franchisee of the failure. If Franchisee fails to achieve the Minimum Performance Requirements again the following year of operation or if Franchisee is not in compliance with the Minimum Performance Requirements at the time of renewal, then Franchisor may, by written notice to Franchisee, elect to:

- A. Require Franchisee to enter into a performance improvement plan, which may include retraining;

- B. Reduce the Area of Primary Responsibility (the reduced Area of Primary Responsibility will include the Franchise Business but will otherwise be determined by Franchisor in its sole discretion);
- C. Offer to renew this Agreement at the end of its term based on a reduced-in-size Area of Primary Responsibility as determined by Franchisor in its sole discretion; and/or
- D. Refuse to renew this Agreement at the end of its term.

The remedies in this Section are in addition to any other remedies of Franchisor under this Agreement.

6 PROPRIETARY MARKS

6.1 Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is non-exclusive and is limited to the conduct of business by Franchisee under, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created, must inure to the benefit of Franchisor. Franchisee must not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee must not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

6.1.1 Promise Not to Contest Validity or Ownership of Marks

Franchisee expressly promises that during the term of this Agreement and after the termination, expiration without renewal, or transfer of this Agreement, Franchisee will not, directly or indirectly, contest or aid in contesting the validity or ownership of the Marks. Immediately upon termination, expiration without renewal, or transfer of this Agreement, Franchisee will cease and desist from using the Marks and will return or destroy all documents, instructions, displays, paper products, and other materials and advertising items and the like bearing any of the Marks. Franchisee agrees not to interfere with, in any manner, or attempt to prohibit the use of the Marks by any other existing or future franchisee or other licensee of Franchisor. Whenever Franchisor requests, Franchisee agrees to sign any and all other papers, documents, and/or assurances to effectuate this purpose and agrees to fully cooperate with Franchisor and/or any other franchisee to secure the necessary and required consents of any governmental agency.

6.2 Limitations on Use

Franchisee agrees to use the Marks as its sole identification for the Franchise Business, except that Franchisee agrees to identify itself as an independent owner in the manner Franchisor approves. Except as otherwise explicitly authorized by this license or as Franchisor may otherwise authorize in writing, Franchisee may not use any Mark: (i) as

part of any corporate or legal business name, (ii) with any prefix, suffix, or other modifying words, terms, designs or symbols, (iii) in selling any unauthorized services or products, (iv) as a part of or in connection with any Internet domain names, email addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing, or other Internet tools, or (e) in any other manner that Franchisor has not expressly authorized in writing. Franchisee may not use any Mark in advertising the transfer, sale, or other disposition of the Franchise Business or an ownership interest in the Franchisee without Franchisor's prior written consent, which Franchisor will not unreasonably withhold. Franchisee agrees to display the Marks prominently as Franchisor prescribes at its Franchise Business and on trucks, vans, forms, advertising, supplies, and any other materials Franchisor designates. Franchisee agrees to give the notices of trade and service mark registrations that Franchisor specifies and to obtain any fictitious or assumed name registrations required under applicable law. Franchisee must not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee should include on its letterhead, forms, cards and other such identification, and must display at any office location, a prominent notice stating that the Franchise Business is "Independently Owned and Operated".

6.3 Manner of Using Marks

Franchisee must operate the Franchise Business under the Marks and under no other name or mark. Franchisee and Franchisee's employees must use the Marks only in the manner authorized by Franchisor in the Manuals or otherwise in writing. The Marks must only be used with the letters "SM" or "TM" or ®, as appropriate, wherever the Marks are used. Franchisee will not use its name or any other name that Franchisor has not previously approved in writing in connection with any of the Marks. This means, among other things, that Franchisee will not operate, be employed by, or otherwise be affiliated with another business at or adjacent to the Franchise Business, unless Franchisor, in its sole discretion, authorizes such operation, employment, or affiliation in writing. Franchisee understands that commingling the Marks with the names or Marks of others will injure the Marks and System and is grounds for termination of this Agreement.

6.4 Goodwill

Franchisee acknowledges that valuable goodwill is attached to the Marks and that Franchisee will use the goodwill solely as Franchisor authorizes. Franchisee agrees to operate the Franchise Business using the Marks in accordance with the terms of this Agreement and the Manuals, as amended from time to time. Franchisee expressly acknowledges that any and all goodwill associated with the Marks, including any goodwill that might be deemed to have accrued through Franchisee's activities, inures directly and exclusively to Franchisor's benefit, except as otherwise provided in this Agreement or by law. Franchisee acknowledges and agrees that its use of the Marks and any goodwill established by that use does not confer any goodwill or other interests in the Marks upon Franchisee (other than the rights expressly conferred by this Agreement). All provisions of this Agreement relating to the Marks apply to any additional Marks Franchisor authorizes Franchisee to use.

6.5 Permitted Business Name

Franchisee and its affiliates must not use any part of any of the Marks or any words similar to any of the Marks in any trade name, corporate name, limited liability company name, partnership name, or any other name without Franchisor's prior written approval. Where required or permitted by applicable law, Franchisee may register as carrying on a business under the terms of this Agreement using as an assumed or fictitious name the name described in Section C of Exhibit 1. Franchisee and its affiliates must not use any part of the Marks or words similar to the Marks as a business name, except as Franchisor authorizes by written agreement.

6.6 Notification of Infringements and Claims

If Franchisee receives notice, or is informed, of any claim, demand, or suit against Franchisee on account of any alleged infringement, unfair competition, or similar matter relating to Franchisee's use of the Marks, Franchisee agrees to promptly notify Franchisor in writing of any such claim, demand, or suit. Franchisor will then take such action as Franchisor deems necessary and appropriate to protect and defend Franchisee against such claim by any third party. If Franchisee receives notice or is informed or learns that any third party, who Franchisee believes is not authorized to use the Marks, is using the Marks or any name or mark confusingly similar to the Marks, Franchisee must promptly notify Franchisor of the facts relating to such alleged infringing use. Franchisor will, in its sole discretion, determine whether or not it wishes to take any action against such third party on account of such alleged infringement of the Marks. If Franchisor undertakes the defense or prosecution of any litigation pertaining to any of the Marks, Franchisee agrees to sign any and all documents and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary to carry out such defense or prosecution. Franchisee does not have any right to, and must not itself, defend or prosecute the Marks.

6.7 Indemnification for Use of Marks

Franchisor may reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee has timely notified Franchisor of such proceeding and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's option, Franchisor or its designee may defend and control the defense of any proceeding arising directly from Franchisee's use of any Mark. This indemnification must not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks. This indemnification must not apply to litigation between Franchisor and Franchisee where Franchisee's use of the Marks is disputed or challenged by Franchisor. This indemnification must not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

6.8 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee must comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor and subject to

the limitations in Section 10.2. Franchisor must not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

6.9 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchise Business, Franchisor and its designees have the right to enter and inspect the Franchise Business at all reasonable times and, additionally, have the right to observe the manner in which Franchisee renders services and conducts activities and operations, and to inspect facilities, equipment, accessories, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchise Business in accordance with the quality control provisions and performance standards established by Franchisor.

Franchisor and its agents must have the right, at any reasonable time, to remove sufficient quantities of products, supplies or other inventory items offered for retail sale, or used in rendering services, to test whether such products or items meet Franchisor's then-current standards. Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchise Business and to interview and survey (whether in person or by mail) customers and employees. Franchisee and its employees must fully cooperate with Franchisor's representatives in conducting any such inspections and must provide Franchisor's representatives with any and all requested information, data, reports and documents requested by Franchisor's representatives and must provide Franchisor's representatives with copies of any requested documents or materials.

6.10 Franchisor's Sole Right to Domain Name

Franchisee must not advertise on the Internet using, and must not establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "THE GLASS GURU", or any variation. Franchisor is the sole owner of all right, title and interest in and to such domain names as Franchisor may designate in the Manual.

7 CONFIDENTIAL INFORMATION

7.1 Confidentiality

Franchisee acknowledges that Franchisor will disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Manuals, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee must not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchise Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of the professional staff of Franchisee): (a)

must not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) must maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) must not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) must adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee must enforce this Section as to its employees, agents and representatives and must be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

7.2 Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, must be promptly disclosed to Franchisor and must be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation must be due to Franchisee or its owners or employees therefor. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to

Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions 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.

7.3 Exclusive Relationship

Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among The Glass Guru franchisees if owners of The Glass Guru Business and members of their immediate families or households were permitted to hold an interest in or perform services for any Competitive Business.

Therefore, during the term of this Agreement, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee (or any member of their immediate families or households), nor any officer, director, executive, manager or member of the professional staff of Franchisee, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, limited liability company or other business entity, unless otherwise authorized in writing by Franchisor, shall:

- 7.3.1 Divert or attempt to divert any business or customer of the Franchise Business or any other Franchise Business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or**

- 7.3.2 Own an interest in, manage, operate, or perform services for any Competitive Business wherever located.

7.4 Nondisclosure and Non-Competition Agreements with Certain Individuals

Franchisor has the right to require Franchisee and any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3, upon the signing of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee must provide Franchisor with copies of all nondisclosure and non-competition agreements signed under this Section. Such agreements must remain on file at the offices of Franchisee and are subject to audit or review as otherwise described in this Agreement. Franchisor must be a third-party beneficiary with the right to enforce covenants contained in such agreements.

7.5 Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in Section 7 are essential elements of this Agreement and that without their inclusion, Franchisor would not have entered into this Agreement. Franchisee acknowledges that each of the terms described here, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

8 TRAINING AND ASSISTANCE

8.1 Initial Training

Franchisor will make an initial training program available to the Designated Manager and one (1) office assistant. Up to two (2) additional field or office assistants will also be allowed to attend the initial training program with Franchisor's prior authorization. Prior to the opening of the Franchise Business, the Designated Manager must attend and successfully complete, to Franchisor's satisfaction, an initial training program pertaining to operation of the Franchise Business including, but not limited to technical procedures; maintenance of quality standards; customer service techniques; sales and marketing methods; financial controls; record keeping and reporting procedures, and other operational items. Franchisor will conduct the initial training program at its headquarters or at another location designated by Franchisor. Franchisor will not charge tuition or similar fees for initial training; however, all expenses incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, will be the sole responsibility of Franchisee.

8.2 Technician Training & Certification Programs

After Franchisee's Designated Manager attends and successfully completes the initial training program in accordance with Section 8.1, should Franchisee hire additional window restoration technicians, each such technician must be properly trained to provide window restoration services for the Franchise Business. Such technician training must be

conducted at either Franchisor's headquarters, Franchisee's location or at another location designated by Franchisor. For training at Franchisor's location, Franchisee must pay Franchisor's then-current standard rates for technician training programs. In addition, all expenses incurred by Franchisee's technicians in attending such programs including, but not limited to, travel costs, room and board expenses and employees' salaries, will be the sole responsibility of Franchisee.

8.3 Opening Assistance

In conjunction with the beginning of operation of the Franchise Business, Franchisor will make available to Franchisee, a dedicated Franchisor Liaison, experienced in the System, for the purpose of providing general assistance and guidance in connection with the opening of the Franchise Business. If Franchisee requests any additional assistance with respect to the opening or continued operation of the Franchise Business such as on-location support, and should Franchisor deem it necessary and appropriate to comply with such request, Franchisee must pay Franchisor's then-current standard rates, plus expenses, for such additional assistance.

8.4 Failure to Complete Initial Training Program

If Franchisor determines that the Designated Manager is unable to satisfactorily complete the training program described above, Franchisee may be permitted to select a substitute Designated Manager and such substitute Designated Manager must complete the initial training to Franchisor's reasonable satisfaction within (30) days after the Franchisee's initial training date, and no more than ninety (90) days after the execution date of the Agreement. Franchisor may require Franchisee to pay Franchisor's then-current rates for additional training for providing initial training to the substitute manager. Franchisee must be responsible for all travel costs, room and board and employees' salaries incurred in connection with the new Designated Manager's attendance at such training.

If the Designated Manager or designated substitute manager fail to satisfactorily complete the training program described above prior to ninety (90) days after the execution date of the Agreement, Franchisor has the right to terminate this Agreement. If this Agreement is terminated under this Section, Franchisor will not return to Franchisee the Franchise Fee paid. Further, Franchisee is required to present Franchisor a general release, the same as or like the General Release attached as Exhibit 2, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees. Franchisee is not entitled to a refund The Franchise Fee is reimbursement to Franchisor of the expense of its efforts in offering and selling a Franchise to Franchisee, Franchisor's marketing and sales activities to promote the sale of a franchise to qualified franchisees, Franchisor's participation in the Franchise sale, Franchisor's legal compliance with franchise laws and regulations, site selection assistance and guidelines and the development and hosting of initial training programs and participation in terminating the Franchise.

8.5 New Designated Manager

After beginning operations, should Franchisee name a new Designated Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager and the new Designated Manager must complete the initial training program to Franchisor's satisfaction within sixty (60) days of being named. Franchisor may require Franchisee to pay Franchisor's then-current rates for additional training for providing initial training to

the substitute manager. Franchisee must be responsible for all travel costs, room and board and employees' salaries incurred in connection with the new Designated Manager's attendance at such training.

8.6 Ongoing Training

From time to time, Franchisor may provide ongoing training programs or seminars during the term of this Agreement, and if it does, Franchisor has the right to require that the Designated Manager attend. Franchisor may charge a fee for any mandatory ongoing training. Franchisor will not require the Designated Manager to attend more than two (2) sessions in any calendar year and collectively not more than seven (7) days in any calendar year, including attendance at the Annual Convention. Franchisee will be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager, or any other employees of the Franchise Business attendance at such training.

8.7 Annual Franchisee Convention

During the term of this Agreement, the Designated Manager must attend any Annual Convention or conference for franchisees if Franchisor holds such a convention, conference or meeting of franchisees. Franchisor may charge a fee for attendance at the Annual Convention. The fee will be set each year by Franchisor based on the cost to hold the conference. The Annual Convention registration fee must be paid to Franchisor by Franchisee whether Franchisee or a Designated Manager attends the convention, conference or meeting or not. This provision does not obligate Franchisor to hold an Annual Convention of franchisees each year. If no Annual Convention is held, Franchisee will not be obligated to pay the Annual Convention registration fee. Franchisee must be responsible for all travel costs, room and board and employees' salaries incurred in connection with Franchisee or its managers' and employees' attendance at the Annual Convention.

8.8 Training and Performance Improvement Requirements

If the Franchise Business is performing unsatisfactorily (as determined by Franchisor in its sole discretion) in any of the areas listed below, or in another area that Franchisor determines to be material, Franchisor may require Franchisee, at Franchisee's expense, to: (a) attend training session specified by Franchisor; (b) visit another Franchise Business for a Performance Improvement Visit; (c) make a Performance Improvement Visit to Franchisor; (d) receive a Performance Improvement Visit from a Franchisor staff member; (e) participate in an ongoing performance improvement program; or (f) receive a Performance Improvement Visit from a third-party auditor or consultant. The following are examples of matters that are of material concern to Franchisor:

- Failing to meet the Minimum Performance Requirements;
- Suffering a below franchise system average growth rate;
- Failing to comply with paperwork procedures;
- Failing to adhere to OSHA Safety and Regulatory compliance requirements and other legal requirements relating to the Franchise Business;
- Failing to properly control risk or meet loss, safety, and other risk benchmarks specified by Franchisor;
- Failing to meet operations, signage, or truck requirements;
- Failing to meet systems benchmarks;

- Failing to maintain financials according to generally accepted accounting principles (GAAP);
- Customer satisfaction and referral rates that are below the franchise system averages, or other customer service issues;
- Behavior damaging to The Glass Guru brand;
- Failing to adhere to The Glass Guru core values;
- Failing to maintain accurate and timely operating system data;
- Failing to comply with policies and procedures or to meet benchmarks specified by Franchisor relating to National Accounts;
- Failing to follow the marketing best practices as outlined in the guides developed by Franchisor;
- Failing to timely report financial information as required in the Manuals;
- Failing to follow sales standard operating procedures as outlined by Franchisor;
- Failing to follow the training procedures as outlined by Franchisor;
- Failing to follow customer service procedures as outlined by Franchisor; and
- Performance in multiple areas that is below expectations, none of which on its own is unsatisfactory, but the combination of which results in a determination by Franchisor that the Franchise Business is performing unsatisfactorily.

If Franchisor requires Franchisee to attend a Franchisor approved training session, Franchisee must pay all travel and living expenses, as well as a fee to cover the cost of the training session. Franchisee must attend the training session within three months of receiving notice that Franchisor requires Franchisee to attend the training session. If Franchisor requires Franchisee to undertake one of the Performance Improvement Visit options, Franchisee will be responsible for all costs and expenses associated with the visit. Franchisee must complete the Performance Improvement Visit requirement in the time period determined by Franchisor. If the Performance Improvement Visit results in an action plan to improve performance in one or more areas, Franchisee must diligently implement the action plan by the dates specified in the plan.

Nothing herein shall be construed as a waiver of Franchisor's rights to terminate this Agreement for any failure to comply with the terms of this Agreement or the requirements of the Manuals based on the failures described above.

9 MANUAL

9.1 Definition of Manuals

For purposes of this Agreement, The Glass Guru Manuals ("Manuals") include, but are not limited to, the manuals entitled Operational Manual & Safety Manual, and all other written, electronic, video, and audio recorded policies, procedures, techniques, memos, bulletins, newsletter, forms, guides, guidelines, and other materials prepared by Franchisor in connection with the System or to assist Franchisee in the operation of the Franchise Business.

9.2 Obligation to Comply with All Company Policies and Procedures; Confidentiality of Manuals

To preserve and enhance the reputation and the goodwill associated with the System and Marks and to maintain uniform standards of operations throughout the entire franchise system, Franchisee must comply with all lawful standards, policies and procedures in the

Manuals that Franchisor specifies from time to time as mandatory in connection with the operation of the Franchise Business. Franchisee will be given access to the currently existing Manuals after execution of this Agreement via Franchisor's Automation Systems and/or in another manner specified by Franchisor. The Manuals remain Franchisor's confidential property must not be duplicated by Franchisee and may not be used by Franchisee other than in the operation of the Franchise Business under this Agreement.

9.3 Revisions

Franchisor has the right to add to or otherwise modify the Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor; provided, however, that no such addition or modification materially alter Franchisee's fundamental status and rights under this Agreement. Franchisor may make such additions or modifications without prior notice to Franchisee. Franchisee must immediately, upon notice, adopt any such changes and must ensure that its copy of the Manual is up to date at all times. If a dispute as to the contents of the Manual arises, the terms of the master copy of the Manual maintained by Franchisor at Franchisor's headquarters must be controlling.

9.4 Confidentiality

The Manuals and guides contain Trade Secrets and other Confidential Information of Franchisor and its contents must be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee must always ensure that its copy of the Manuals is in a current and up-to-date manner. If the Manual is in paper form or stored on computer-readable media, Franchisee must maintain the Manual in a secure manner in Franchisee's office; if the Manual is in electronic form, Franchisee must maintain the Manual in a password-protected file. Franchisee must only grant authorized personnel, as defined in the Manual, access to the Manual or any key, combination or passwords needed for access to the Manual. Franchisee must not disclose, duplicate, or otherwise use any portion of the Manual in an unauthorized manner.

10 FRANCHISE SYSTEM

10.1 Uniformity

Franchisee must comply and must cause the Franchise Business to comply, with all requirements, specifications, standards, operating procedures and rules described in this Agreement, the Manuals or other communications supplied to Franchisee by Franchisor.

10.2 Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technologies which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, equipment, or signs. Franchisee agrees to make all required upgrades and modifications at its expense as may be required by Franchisor; provided, however, that Franchisee must not be required to make any expenditure which is unreasonably disproportionate to Franchisee's original investment to establish the Franchise Business. If such additional investment is required to be made in the last year of

any term, Franchisee may avoid making the investment by providing notice of intent not to renew the Franchise unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges that any required expenditures for changes or upgrades to the System must be in addition to expenditures for repairs and maintenance as required in Section 13.3 of this Agreement.

10.3 Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that franchisee's qualifications, the peculiarities of the site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any The Glass Guru Business. Franchisor is not required to disclose or grant to Franchisee a like or similar variance under this Agreement.

11 ADVERTISING AND PROMOTIONAL ACTIVITIES

11.1 Brand Identity Package

Prior to beginning operation of the Franchise Business, Franchisee must purchase from Franchisor a set of brand identity items selected by Franchisor at a cost of FIVE THOUSAND DOLLARS (\$5,000.00), to promote The Glass Guru brand and the services offered by The Glass Guru Business ("Brand Identity Package"). These items include, for example, store posters, displays, banners, trade show items, rack and other cards, and uniforms. Brand Identity Package expenditures will be in addition to any Local Advertising expenditures and Marketing Fee.

11.2 Local Advertising

- 11.2.1 In addition to Brand Identity Package, (see Section 11.1) Franchisee must continuously promote the Franchise Business. Each calendar year, Franchisee must spend the greater of five percent (5%) of the prior year's Gross Sales divided by the months of operation in the prior year, or minimum monthly local advertising expenditure of \$1,250 ("Minimum Local Advertising Expenditure") on advertising, promotions, and public relations within the agreed upon Area of Primary Responsibility surrounding the Franchise Business ("Local Advertising"). Franchisee's Local Advertising expenditures will be in addition to any Marketing Fee paid to Franchisor. Local Advertising expenditures must be made directly by Franchisee to providers of advertising services, subject to the approval and direction of Franchisor. Franchisor will provide general guidelines to Franchisee for conducting Local Advertising. Franchisee must maintain accurate records and furnish to Franchisor upon request an accurate accounting of the expenditures on Local Advertising for any prior period. Any marketing activities conducted by Franchisee outside the Area of Primary Responsibility is prohibited unless approved in writing by the Franchisor, subject to all other terms and conditions of this Agreement.

- 2.1.1 At the conclusion of each calendar year, if it is determined that a Franchise Business spent less than the Minimum Local Advertising

Expenditure on Local Advertising approved by Franchisor, the Franchise Business will incur a fee ("Local Advertising Non-Compliance Fee") payable to the Franchisor. The Local Advertising Non-Compliance Fee shall be equal to the difference between the Minimum Local Advertising Expenditure required and actual approved Local Advertising expenses incurred by the Franchise Business during the prior calendar year. Payment of any Local Advertising Non-Compliance Fee will be collected along with Royalties and Marketing Fees in the next royalty period following the assessment of this fee.

- 11.2.2 Each month, within twenty (20) days of the Franchisee's submission date of the prior period's Gross Sales and approved Local Advertising expenses to Franchisor, Franchisee shall provide Franchisor with a report showing any surplus or shortfall applying to Local Advertising expenses incurred by the Franchise Business. Any surplus/shortfalls will be displayed month-by-month, as well as a year-to-date basis. Franchisee should be aware of any shortfalls in Local Advertising expenses and can take the opportunity to ensure that Local Advertising expenditures are made before the end of the current year to avoid any subsequent Local Advertising Non-Compliance Fee.
- 11.2.3 Exclusive of approved material offered through our (internal) Marketing Store, Franchisee must submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, ad copy, coupons, flyers, direct mail or digital ads. Franchisor must use reasonable efforts to provide notice of approval or disapproval within ten (10) business days from the date all requested material is received by Franchisor. If Franchisor does not approve submitted materials by the end of such ten (10) business day period, such materials must be deemed to have not received the required approval. Franchisee must not use any marketing or promotional material prior to approval by Franchisor. The submission of advertising materials to Franchisor for approval must not affect Franchisee's right to determine the prices at which Franchisee sells products or provides services.

11.3 Cooperative Advertising

Franchisor has the right, but not the obligation, to create a Cooperative Advertising program for the benefit of The Glass Guru Business located within a particular region. Franchisor has the right to collect and/or designate that all or a portion of the Local Advertising be paid into a Cooperative Advertising program. Franchisor has the right to determine the composition of all geographic territories and market areas for the implementation of each Cooperative Advertising program and to require that Franchisee participate in such Cooperative Advertising programs when established within Franchisee's region. If a Cooperative Advertising program is implemented in a particular region, Franchisor has the right to require the members of the Cooperative to self-administer the Cooperative Advertising program, and to be governed by written documents approved by Franchisor. The Cooperative must be required to prepare annual financial statements and to make such statements available to Franchisor and the members of the Cooperative. Franchisee must participate in the Cooperative according to the Cooperative's rules and procedures and Franchisee must abide by the Cooperative's

decisions. Should Franchisor establish a Cooperative Advertising program or programs, Franchisor has the right, but not the obligation, to change, dissolve or merge such program(s) at any time.

11.4 Internet Advertising

Franchisee may not establish a presence on, or market using, the Internet in connection with the Franchise Business without Franchisor's prior written consent. Franchisor has established and maintains an Internet website at the uniform resource locator www.theglassguru.com that provides information about the System and the services that Franchisor and its franchisees provide. Franchisor may (but is not required to) include an independent stand-alone website containing information about the Franchise Business linked from The Glass Guru website. If Franchisor includes such information on The Glass Guru Franchise Business website, Franchisor has the right to require Franchisee to prepare all or a portion of the content, at Franchisee's expense, using a template that Franchisor provides. All such information must be subject to Franchisor's approval prior to posting. Franchisor retains the sole right to advertise or use the Marks on the Internet, including the use of websites, domain names, uniform resource locators, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. Franchisee may be requested to provide content for Franchisor's Internet marketing and must be required to follow Franchisor's intranet and Internet usage rules, policies, and requirements. Franchisor has the sole right to approve any linking to, or other use of, The Glass Guru website and The Glass Guru Franchise Business website.

11.4.1 Use of Websites, Social Media, and other Internet Tools.

Franchisee acknowledges that use of the websites, social media, such as Facebook, LinkedIn, Twitter, YouTube, blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, etc., and other Internet tools in connection with the operation, advertising, and marketing of the Franchise Business are subject to the trademark, advertising, marketing, and other requirements of this Agreement and the Manuals. Franchisee must comply with any policies of Franchisor relating to use of websites, social media, social media advertising, and other Internet tools.

11.5 Telemarketing

Franchisee and any telemarketers employed or utilized by Franchisee must comply with any applicable "no call" or "do not call" and "home solicitation sales" laws or any other laws governing or affecting telemarketers to the extent Franchisee uses telemarketing to advertise and promote the Franchise Business.

11.6 Required Advertising on Glass Trucks and Other Business Vehicles

Each glass truck and other business vehicle must be professionally wrapped and display The Glass Guru Mark and any other of the Marks as Franchisor determines in accordance with marketing policy.

11.7 General Limitations on Advertising and Marketing

Franchisee must request written authorization from Franchisor to conduct advertising or advertise outside the Area of Primary Responsibility as described in Franchisor's policies.

11.8 Present and Future Advertising Policy May Limit Franchisee's Right to Advertise

Franchisee acknowledges that Franchisor has developed and will continue to develop advertising/marketing policies regarding the methods and manner of advertising in various media and that Franchisee is obligated to comply with all advertising policies. Franchisee understands that existing and/or future advertising policies may limit or eliminate Franchisee's right to use telephone numbers and/or Internet website addresses in advertising placed on Franchisee's vehicles and/or elsewhere. Franchisee also understands that existing and/or future policies may otherwise limit Franchisee's ability to advertise in a particular manner. Such limitations, when established, are established for the benefit of all the franchise system's customers and/or to establish reasonable rules to govern the actions between franchisees.

11.9 Agreement to Comply with Franchisor Policy

Franchisee acknowledges and agrees that it is required to comply fully with Franchisor's advertising/marketing policies, which are set forth in writing and available to Franchisee via the manuals or in another manner specified by Franchisor.

11.10 Agreement to Comply with Modifications and Changes to Franchisor Policy

Franchisor, in its sole discretion, reserves the right to modify or change marketing and advertising policies, and Franchisee is obligated to comply with such modified or changed policies.

11.11 No False Advertising

Franchisee will make no misrepresentations or material omissions in any of its advertisements.

11.12 Advertisements Produced by 3rd Parties

Franchisor does not, by virtue of its approval of any proposed advertisement or promotional material produced by 3rd parties, assume any responsibility for the contents of the advertisement. Franchisee agrees to indemnify and save harmless Franchisor from any claims, demands, liability, costs, and expenses that Franchisee suffers arising from the use of any such advertisement or promotional material.

11.13 Franchisor Remedies for Displaying Unapproved or Unauthorized Advertising

Except in the case of a minor violation that can be immediately cured (as determined in Franchisor's sole discretion) Franchisor may seek remedies, including injunctive relief barring Franchisee from its ongoing advertising violations, assignment of Franchisee's telephone numbers to Franchisor, or other relief, up to and including termination of the Franchise Agreement.

12 ACCOUNTING RECORDS AND REPORTING OBLIGATIONS

12.1 Records

During the term of this Agreement, Franchisee must maintain full, complete, and accurate books, records, and accounts in accordance with the standard accounting system prescribed by Franchisor in the Manual or otherwise in writing, and in accordance with generally accepted accounting principles. Franchisee must retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchise Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law. In efforts to facilitate proper record-keeping between the software systems, in conjunction with entering into the Franchise Agreement, you must use an Approved Supplier, to facilitate your business book-keeping for the first three (3) full months of operation.

12.1.1 Providing Business Information to Franchisor; Customer Lists

Franchisee will supply Franchisor with such records, reports, and other information about Franchisee and the Franchise Business (in addition to that otherwise provided for in this Agreement) as Franchisor may require. It is hereby agreed and understood that the customer lists of the Franchise Business are and will remain Franchisor's property. Franchisee acknowledges and agrees that the records and reports that Franchisee may be required to provide to Franchisor may not be uniformly imposed on all franchisees. Differences in required records and reports may be based on the Franchisee's experience, the demographics of the Area of Primary Responsibility, the density of the population, and other reasonable factors.

12.2 Monthly Reports

Franchisee must provide to Franchisor monthly reports pertaining to Franchisee's Gross Sales and such other additional information specified by Franchisor in monthly report forms or formats specified by Franchisor in the Manuals (currently provided to Franchisor through GPS Insight software system). Monthly Royalty Reports for each calendar month must be provided on or before the fifth (5th) day following the end of that calendar month. Franchisee must provide additional monthly reports specified by Franchisor in the Manuals (e.g. routine month-end close financial entries in line with generally accepted accounting principles) on or before the twentieth (20th) day following the end of that calendar month. These reports must be provided in the manner specified by Franchisor (which may include Franchisor directly accessing the information on the software systems). Franchisor can share information in these reports with other franchisees in the ordinary course of Franchisor's business as a tool to improve the franchise system's volume of business.

12.2.1 Separate Reporting for each Franchise Business

If Franchisee operates more than one Franchise Business, Franchisee must provide separate accounting reports for each Franchise Business. This includes balance sheets and income (profit and loss) statements as well as any other accounting reports specified elsewhere in this Agreement.

12.2.2 Consequences of Failure to Timely and Accurately Reporting

If Franchisee fails to transmit reports, records, or other information to Franchisor in the manner, at the times, and in the formats specified by Franchisor, or fails to timely close jobs and process open jobs or fails to provide accurate information, Franchisee will incur a charge of \$50 for each day that data is not transmitted. The liquidated damages charge will cover expenses Franchisor incurs to collect this data. If a documented technology failure prevents electronic transmittal of the data, or some other bona fide emergency occurs preventing electronic transmittal of the data (as Franchisor determines in its sole discretion), the liquidated damages charge will not be imposed.

12.3 Financial Statements

12.3.1 Franchisee must, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year just ended and a balance sheet as of the last day of the calendar year. Such financial statements must be prepared in accordance with generally accepted accounting principles applied on a consistent basis. If required by Franchisor, such financial statements must be reviewed or audited by a certified public accountant.

12.3.2 Franchisor also reserves the right that Franchisee supply to Franchisor, upon Franchisor's request, on or before the tenth (10th) day of each month, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date.

12.3.3 Franchisee must submit to Franchisor such other periodic reports in the manner and at the time specified in the Manual or otherwise in writing.

12.4 Other Reports

Franchisee must submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Manual. Franchisor has the right to release financial and operational information relating to the Franchise Business to Franchisor's lenders or prospective lenders, or to use or disclose such information in an earnings claim created in connection with the sale of The Glass Guru Franchises. Franchisee must certify as true and correct all reports to be submitted under this Agreement.

12.4.1 Operational Information

Franchisee agrees to provide to Franchisor, as and when requested, operational information relating to the Franchise Business, whether of a financial nature or otherwise, including but not limited to: business organizational charts; corporate or company organizational charts; information on all management employees; federal and state operating authorities, and all changes and additions to the operating authorities.

12.5 Computer, Point-of-Sale, and Accounting Systems

Franchisee must purchase, install, and use computer, point-of-sale, and accounting systems consisting of hardware and software that is in accordance with Franchisor's specifications, including, but not limited to software installed locally at the Franchise Business location, cloud-based business applications, or other proprietary software. Franchisee is responsible for any and all subscription fees, license fees or other fees charged for obtaining and using the required systems.

Franchisor must have full access to all of Franchisee's computer, point-of-sale, and accounting systems and all related data. This information must be available by means of direct access, either in person or by telephone, modem, or Internet, as to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

Within forty-eight (48) hours from initial customer contact, Franchisee is required to enter customer contact information – e.g., full name, address, phone number and e-mail address. Should Franchisee fail to enter customer information during three (3) or more occasions (three consecutive or non-consecutive months) during any calendar year, franchisee may be required to obtain and present to Franchisor a year-end audited financial statement for the year the breach occurred. The audited financial statements, if required, are to be prepared by an independent account firm and presented within ninety (90) days post year-end. Franchisor may charge an administrative fee in the amount of One Hundred Seventy-Five Dollars (\$175.00) for each month in which Franchisee fails to enter customer data by the due date.

12.6 Right to Inspect

Franchisor, itself or through its designee, has the right, at any time during the term of this Agreement or upon termination or expiration of this Agreement, to inspect, examine, copy, and audit, the books, records, and tax returns of Franchisee's operation of Franchise Business, as well as tax returns for any person or entity holding a material interest in the Franchise Business. This may be accomplished by entering upon the premises of the Franchise Business during business hours, by requiring Franchisee to electronically provide records or in any other manner designated by Franchisor. Franchisee must cooperate fully with such audit and inspection. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee must immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of eighteen percent (18%) per annum (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower). If the inspection discloses an underpayment of three percent (3%) or more of the amount due for any period covered by the audit, or if the inspection is conducted due to Franchisee's failure to submit required reports and records, Franchisee must, in addition, reimburse Franchisor for all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). The foregoing remedies must be in addition to any other remedies Franchisor may have.

12.7 Release of Records

At Franchisor's request, Franchisee must authorize and direct any third parties, including accounting professionals and suppliers to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchise Business including, but not limited to, records evidencing Gross Sales, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or

control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee must execute all documents necessary to facilitate the release of records referenced here to Franchisor.

12.8 Chart of Accounts; Central Accounting Office

Franchisee must use the standard "chart of accounts" as specified by Franchisor and must have its chart of accounts approved by Franchisor before Franchisee begins operation of the Franchise Business. If Franchisee and its affiliates operate multiple Franchise Businesses and have a central accounting office for those Franchise Businesses, Franchisor may require Franchisee and its affiliates to store all business records at the central accounting office.

13 STANDARDS OF OPERATION

13.1 Authorized Products, Services and Suppliers

13.1.1 Franchisee acknowledges that the reputation and goodwill of the System is based on offering high quality services and products to its customers. Accordingly, Franchisee must provide or offer for sale or use at the Franchise Business only those products, supplies, signs, equipment, components and other items and services that Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. If required by Franchisor, any such items or services must be purchased only from "Approved Suppliers" that Franchisor designates or approves (which might include, or be limited to, Franchisor). Franchisee must not offer for sale, sell, or provide through the Franchise Business any services or products that Franchisor has not approved or has disapproved.

13.1.2 Franchisor must provide Franchisee, in the Manual or other written or electronic form, with a list of specifications and, if required, a list of Approved Suppliers for some or all the supplies, signs, equipment, components and other approved or specified items and services, and Franchisor may from time to time issue revisions to such list. If Franchisor is an Approved Supplier of products or supplies, Franchisee must execute a standard form purchase or supply agreement for the items to be supplied by Franchisor. If Franchisee desires to utilize any services or products that Franchisor has not approved (for services and products that require supplier approval), Franchisee must first send Franchisor at its expense sufficient information, specifications, and samples (if required) for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisor will decide within a reasonable time (usually thirty [30] days) after receiving the required information whether Franchisee may purchase or lease such items or services or from such supplier. Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section must be construed to require Franchisor to approve any

supplier, or to require Franchisor to make available to prospective suppliers, standards, and specifications that Franchisor deems confidential.

- 13.1.3 Notwithstanding anything contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service, or supplier at any time by notifying Franchisee or the supplier. Franchisee must, at its own expense, promptly cease using, selling, or providing any items or services disapproved by Franchisor and must promptly cease purchasing from suppliers disapproved by Franchisor.
- 13.1.4 Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to allow one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors described in Section 10.3 and must not create any rights in Franchisee to provide the same products or services.
- 13.1.5 While Franchisor has the right to retain volume rebates, markups, and other benefits from suppliers or in connection with the furnishing, approval or specification of suppliers, Franchisor may pass on a portion of these benefits to franchisees. Franchisor must keep a portion of any such benefits to compensate it for the administrative costs of the purchasing program.

13.2 The Glass Guru Restoration Tools and Products

- 13.2.1 Franchisor and its Affiliate have designed, developed and/or acquired and continue to design and develop certain window restoration tools, equipment and products, and other items especially suited for use in the operation of The Glass Guru Business ("The Glass Guru Restoration Tools"). In order to maintain the consistency, quality and uniformity of the System, Franchisor shall make The Glass Guru Restoration Tools available to Franchisee in reasonable quantities in accordance with the procedures for ordering, handling, and shipping that Franchisor may determine periodically, provided that Franchisee is in compliance with the Franchise Agreement and all other agreements with Franchisor.
- 13.2.2 Franchisee acknowledges and agrees that The Glass Guru Restoration Tools developed and/or acquired by Franchisor and its Affiliate are distinctive as a result of being developed under Franchisor and its Affiliate's experience and are inextricably interrelated with the Marks. Franchisee agrees to order and purchase all its requirements of The Glass Guru Restoration Tools exclusively from Franchisor or a supplier designated by Franchisor. Franchisee agrees to, always, maintain an inventory of The Glass Guru Restoration Tools as necessary to operate the Franchise Business at full capacity.
- 13.2.3 Franchisor commits to provide The Glass Guru Restoration Tools supplied by Franchisor at competitive prices; however, Franchisee acknowledges that

Franchisor has the right to earn a reasonable profit on the sale of its The Glass Guru Restoration Tools.

13.3 Appearance and Condition of the Franchise Business

Franchisee must maintain the Franchise Business, and the vehicle, equipment and signage used in connection with the Franchise Business in an attractive and safe condition and in good maintenance and repair and in compliance with the standards specified by Franchisor in the Manuals or otherwise, and as necessary to comply with health and safety standards and any applicable laws or regulations. The expense of such maintenance must be borne by Franchisee and must be in addition to any required System modifications, as described in Section 10.2. If at any time, in Franchisor's sole discretion, the general state of repair, appearance, or cleanliness of the Franchise Business or the vehicles, equipment, fixtures, or signs of the Franchise Business does not meet Franchisor's standards, Franchisor may notify Franchisee in writing, specifying the action to be taken by Franchisee to correct the deficiency. Franchisee must initiate the specified action within thirty (30) days after receipt of the notice and diligently proceed to complete the specified action. If Franchisee fails to do so, then Franchisor will have the right, in addition to its other rights under this Agreement, to enter the Franchise Business and cause the specified action to be taken on behalf of Franchisee and Franchisee must pay the entire cost to Franchisor.

13.4 Ownership and Management

The Franchise Business must always be under the direct supervision of Franchisee. The Designated Manager must devote sufficient efforts to the management of the day-to-day operation of the Franchise Business, but not less than thirty (30) hours per week, excluding vacation, sick leave and similar absences. Franchisee must keep Franchisor informed, in writing, at all times of the identity of its Designated Manager. Franchisee must not engage in any business or other activities that will conflict with its obligations under this Agreement.

13.5 Obligation to Personally Supervise and Manage Day-to-Day Operations

Franchisee's Designated Manager approved in writing by Franchisor, must always personally supervise the day-to-day operation of the Franchise Business and always personally exercise his or her best efforts to market the products and services of the Franchise Business. Franchisor reserves the right to approve any designated manager to whom Franchisee delegates any substantial portion of this responsibility. Franchisor has the right to require the designated manager to successfully complete Franchisor's training program as a condition to approval of the designated manager.

13.6 Days of Operation

Franchisee must keep the Franchise Business open for business during normal business hours on the days specified in the Manuals.

13.7 Franchise Business Staff

The Franchise Business must be staffed with sufficient personnel to provide optimum services as specified in the manual.

13.8 Only Franchisee Has the Right to Control Employees

Franchisor does not control, and does not have the right to control, Franchisee's decisions regarding recruiting, hiring, disciplining, supervision, terminating, compensation, benefits, work schedules, work rules, or recordkeeping regarding Franchisee's employees or agents. Franchisor does not control or have the right to control Franchisee's other day-to-day business activities. Franchisee shall notify and communicate clearly with its employees in all dealings, including without limitation, its employment applications, written and electronic correspondence, paychecks, employee handbooks, employment policies and procedures, and other written materials that Franchisee (and only Franchisee) is their employer, and that Franchisor is not their employer. Franchisee shall comply with any state workers compensation act, any state unemployment compensation benefit law or regulation, or any other federal, state, or local employment or employee benefit law and regulation, and shall establish employer accounts as required by applicable federal and/or state law. Any required employee training and any mandatory and suggested standards, specifications, policies, and procedures of Franchisor relating to Franchisee's employees or employment matter are imposed not for the purpose of exercising control over Franchisee's or the Franchise Business but rather for the limited purpose of protecting Franchisor's Marks, system, confidential information, goodwill and brand consistency. Franchisee must indemnify and hold harmless Franchisor from and against any liability relating to or arising from employment related decisions and obligations, including but not limited to labor and employment law violations by Franchisee and Franchisee's employees.

13.9 Contributions and Donations

In order to protect the Marks, Franchisee must obtain Franchisor's prior written consent before making any contributions or donations of items, services or funds to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any organization).

13.10 Licenses and Permits

Franchisee must secure and maintain in force all required licenses, permits and certificates necessary for the operation of the Franchise Business and must operate the Franchise Business in full compliance with all applicable federal, state, county, municipal or other statutes, laws, ordinances and regulations, rules or orders applicable to the Franchise Business, including but not limited to state and federal labor and employment laws, such as the Fair Labor Standards Act (FLSA), Family and Medical Leave Act (FMLA), Occupational Safety and Health Act (OSHA), Employee Retirement Income Security Act (ERISA), Title VII, the Age Discrimination in Employment Act, and the Affordable Care Act. Franchisee must promptly pay all payroll and business taxes, fees and expenses, and all other amounts required by law. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchise Business. Franchisee must be solely responsible for investigating and complying with all such laws, ordinances, and regulations with regard to the operation of the Franchise Business.

13.11 Notification of Proceedings

Franchisee must notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchise Business, and of the issuance of any order, writ, injunction, judgment, award, or decree which may affect the operation or

financial condition of the Franchise Business not more than five (5) days after Franchisee receives notice of any such commencement or issuance. Franchisee must deliver to Franchisor not more than five (5) days after Franchisee's receipt of that notice, a copy of any inspection report, warning, certificate, or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule, or regulation.

13.12 Compliance with Good Business Practices

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

13.13 Obligation to be Governed by Highest Ethical Standards and to Comply with All Laws and Regulations

Franchisee acknowledges that every component of the System is important to Franchisor and to the operation of the Franchise Business. Franchisee must always operate the Franchise Business in a competent manner and in full compliance with all aspects of the System specified by Franchisor. In all business dealings with the public and with Franchisor, Franchisee will be governed by the highest standards of honesty, integrity, fair dealing, and ethical conduct and act always to support and grow the System. Franchisee must not engage in any activity or practice that results in or may reasonably be anticipated to result in damage to Franchisor's business reputation or result in or reasonably be anticipated to result in any public criticism of the System or Marks. Franchisee will not use or engage any federal, state, or local law, regulation, court, or tribunal to retard or prevent another franchisee or prospective franchisee of the System from obtaining a license or authority to operate as a full-service window, door, and glass business or in any other capacity authorized by this Agreement. Franchisee acknowledges that such violations will be good cause for immediate termination of this Agreement.

13.14 Disputes Arising with Third Parties

If Franchisor becomes aware of a bona fide dispute between Franchisee and one or more customers and/or other third parties regarding the Franchise Business, Franchisor may, in its sole discretion, undertake one or more of the following options:

take no action, except to direct the Franchisee to resolve the dispute in a manner that will not cause injury to the reputation of the Marks and The Glass Guru franchise system;

assist the parties in the resolution of the dispute, if Franchisor in its sole discretion,

determines that it can constructively do so; and/or

if Franchisor determines in its sole discretion that Franchisee cannot or will not resolve the dispute, and that such failure to resolve it has or is reasonably likely to cause damage to the Marks and/or The Glass Guru franchise system's business reputation, then upon notice to Franchisee, Franchisor may resolve the dispute directly with the third-party by payment of damages alleged and supported by documentary evidence by the third-party, including attorney's fees, and Franchisee agrees to indemnify Franchisor for all such payments. If Franchisor pays such damages to a third-party, Franchisor will invoice Franchisee for the damages paid, and payment from Franchisee will be due to Franchisor within fourteen (14) days from the date of invoice. In Franchisor's sole discretion, it may consult a designated franchisee group to provide it with an advisory opinion regarding resolution of the dispute, although Franchisor will not be obligated to comply with the advice of the designated franchisee group. If Franchisor consults with a designated franchisee group, it will provide the designated group with the facts and circumstances of the dispute, but Franchisor will not provide it with the identity of any of the parties to the dispute.

13.15 Uniforms

For purposes of promoting the Marks and brand, Franchisee must abide by any uniform requirements stated in the Manual. Uniforms may be purchased from Franchisor or other Approved Supplier.

13.16 Credit Cards

Franchisee must, at its expense, lease or purchase the necessary equipment or software and must have arrangements in place with Visa, MasterCard, Discover, American Express or such other credit card issuers as Franchisor may designate, from time to time, to enable the Franchise Business to accept such methods of payment from its customers. Franchisee must use such credit card processing and clearing house services as Franchisor specifies in the Manual.

13.16.1 Credit Card Payment; PCI Compliance.

Franchisee must make available at its Franchise Business credit card services that enable all customers to pay for approved services with a valid credit card, so long as the credit card has sufficient credit to cover payment of the approved services. Franchisee must not charge an additional fee or a different price for products or services if the customer pays with a valid credit card. Franchisee must comply with the Payment Card Industry ("PCI") Data Security Standard ("DSS") Requirements and Security Assessment Procedures and other applicable PCI requirements ("PCI Requirements") in connection with the Franchise Business. It is Franchisee's responsibility to research and understand the PCI Requirements and to ensure that its business policies and practices comply with the PCI Requirements. Although Franchisor may provide advice and/or specify or provide POS Systems or business software, Franchisor does not represent or warrant that those systems or software comply with the PCI Requirements and it will be the sole responsibility of Franchisee to ensure that its business practices comply with the PCI Requirements.

13.17 E-Mail

Franchisor will provide Franchisee with e-mail addresses for Franchise Business purposes as expressed in the Manual. Franchisee may not change its e-mail addresses unless approved in writing by Franchisor. Franchisee will incur a monthly fee for each e-mail user account.

13.17.1 Centralized Email

If specified by Franchisor, Franchisee must use a centralized email system maintained by Franchisor. Franchisee may be charged fees for use of the email system in accordance with policies specified by Franchisor.

13.18 Participation in Call Center

Franchisor may provide or have a third-party provide call center services for its franchisees, which may include responding to afterhours phone calls and emails and/or responding to calls and emails during business hours in certain circumstances or other similar services. Franchisor may require Franchisee to participate in these services and to pay a proportionate share of the costs of these services or a reasonable charge for these services.

13.19 Best Efforts

Franchisee must use its best efforts to promote and increase the sales and recognition of services offered through the Franchise Business. Franchisee must require all of Franchisee's employees, managers, officers, agents, and representatives to make a good faith effort to enhance and improve the System and the sales of all services and products provided as part of the System.

13.20 Automation Systems

Franchisee must use the Automation Systems specified by Franchisor in the operation of the Franchise Business (the "Automation Systems"). The Automation Systems may include proprietary computer systems (including specified hardware and software), accounting applications, credit card systems, learning management system (LMS), the Extranet, marketing automation system, mobile technology solutions, unified communications system, online training programs, telephone systems, call center systems, email, Internet access and other communication methods, secure websites, networks, and other or different components that may be designated by Franchisor. As a condition to using the Automation Systems, Franchisee must agree to comply with the terms of use specified by Franchisor.

Franchisee must keep accurate Automation Systems user accounts for its employees and must either notify Franchisor or make any necessary updates in the Automation Systems of any user account changes or employee status changes within two business days. Franchisee must employ other adequate measures to secure the Automation Systems and the information contained in the Automation Systems, as specified by Franchisor or any applicable Designated or Approved Supplier.

If Franchisor has not yet specified a particular system and/or Designated or Approved

Supplier of a system as part of the required Automation Systems, Franchisee must obtain approval from Franchisor before obtaining the system or transitioning to a new system or Designated or Approved Supplier of the system. Current examples of systems in this category are telephone systems and call center systems. If Franchisor specifies these or other systems as part of the Automation Systems in the future, Franchisee must use the systems, and/or Designated or Approved Suppliers specified by Franchisor.

13.21 Proprietary Computer Systems

Franchisee must acquire and use the computer systems Franchisor specifies for the operation of the Franchise Business. In addition, Franchisor may develop computer systems and specifications for certain components of the computer systems in the future and may modify such specifications and the components of the computer systems. As part of the computer systems, Franchisor may require Franchisee to obtain, update, and use specified computer hardware and/or software including, without limitation, a license to use proprietary software developed by Franchisor or others. Modification of the specifications for the components of the computer systems may require Franchisee to incur costs to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the computer systems during the term of this Agreement. All such computer systems must be compatible with Franchisor's computer systems as modified from time to time, must be connected to Franchisor's facilities by high-speed Internet, and must be updated, maintained, and used in compliance with Franchisor's specifications. Franchisor may require Franchisee to electronically upload or transmit information on a periodic basis (including daily).

13.22 Franchisor Access to and Use of Information

Franchisor will have the right to independently access sales information and other data produced by the Automation Systems and there are no contractual limitations on Franchisor's right to access and use that information and data, even if the data is maintained by a third party. Franchisee must provide Franchisor access to the information on the Automation Systems in the manner specified by Franchisor and must supply Franchisor with all security codes necessary to obtain such access. Franchisee agrees that Franchisor will not be liable to Franchisee for any claims, losses, or damages arising from or related to Franchisor's access to or use of the information and other data produced by the Automation Systems, including but not limited to any errors or omissions in the information and other data obtained by Franchisor or in the information and other data shared by Franchisor with third parties (including other franchisees or prospective franchisees). Franchisee waives and releases Franchisor from any such liability.

13.23 Certain Telephone Technology Prohibited

Franchisee is not permitted to use "roll over" or "hunt" telephone line system technology where Franchisee and/or its Affiliates operate multiple Franchise Businesses without the written consent of Franchisor.

14 FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

14.1 General Advice and Guidance

Franchisor must make a reasonable effort to discuss problems and offer general guidance to Franchisee by telephone, e-mail, intranet, or other methods with respect to planning, and operating the Franchise Business. However, Franchisee must use its independent judgment to make all business decisions and should not rely solely upon any advice given or statements made by Franchisor. Franchisor must not charge for this service; however, Franchisor retains the right to refuse or charge a fee for this service should Franchisor deem Franchisee to be utilizing this service too frequently or in an unintended manner. Franchisor's advice or guidance to Franchisee relative to prices for products and services that, in Franchisor's judgment, constitutes good business practice is based upon the experience of Franchisor and its franchisees in operating The Glass Guru Business and an analysis of costs and prices charged for competitive products and services. Franchisee must have the sole right to determine the prices to be charged by the Franchise Business.

14.2 Periodic Visits

Franchisor or Franchisor's representative may, but is not required to, make periodic visits, which may be announced or unannounced, to the Franchise Business for the purposes of inspection, consultation, assistance, or guidance with respect to various aspects of the operation and management of the Franchise Business. Franchisor and Franchisor's representatives who visit the Franchise Business may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchise Business. A copy of any such written report may be provided to Franchisee. Franchisee must implement any required changes or improvements in a timely manner.

14.3 System Improvements

Franchisor must communicate improvements in the System to Franchisee as such improvements are developed or acquired by Franchisor and implemented as part of the System.

14.4 Marketing and Promotional Materials

Franchisor may periodically provide advertising and promotional materials including ads, slicks, brochures, fliers and other materials or logoed items to Franchisee for use in the operation or promotion of the Franchise Business.

15 INSURANCE

15.1 Types and Amounts of Coverage

At its sole expense, prior to initial training, but no later than ninety (90) days of the Effective Date, and in no event later than the commencement of operations, Franchisee must procure and maintain in full force and effect during the term of this Agreement, the types of insurance listed below. All policies (except any workers' compensation insurance) must expressly name Franchisor as an additional insured or loss payee and all must contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee must procure:

- 15.1.1 "Special Form" (all risk) property insurance coverage on all assets including inventory, furniture, fixtures, equipment, supplies, and leasehold improvements and betterments and other property used in the operation of the Franchise Business at full replacement cost; Franchisor must be listed as loss payee;
- 15.1.2 Workers' compensation insurance that complies with the statutory requirements of the state in which the Franchise Business is located and employer liability coverage with a minimum limit of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) or, if higher, the statutory minimum limit as required by state law; A waiver of subrogation endorsement in favor of The Glass Guru Enterprises, Inc. is required. Endorsement must be provided;
- 15.1.3 Comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, the operation of the Franchise Business, or Franchisee's conduct of business under this Agreement, with a minimum liability coverage of ONE MILLION DOLLARS (\$1,000,000.00) per occurrence or higher if required by landlord or other lease agreements; The Glass Guru Enterprises, Inc. is to be named as additional insured with waiver of subrogation. Endorsements must be provided;
- 15.1.4 Automobile liability insurance for company owned, leased, or hired vehicles, if applicable, with a combined single limit of at least ONE MILLION DOLLARS (\$1,000,000.00); and The Glass Guru Enterprises, Inc. is to be named as additional insured with waiver of subrogation. Endorsements must be provided;
- 15.1.5 Such insurance as necessary to provide coverage under the indemnity provisions described in Section 15.1.

15.2 Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

15.3 Carrier Standards

Such policies must be written by an insurance company approved by the state insurance department in the state in which Franchisee operates and having at least an "A" Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide. Although A.M. Best groups "A" and "A-" in the same classification, Franchisor demands an "A" rating.

15.4 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies must not be limited in any way by reason of any insurance that may be maintained by Franchisor, nor must Franchisee's performance of this obligation relieve it of liability under the indemnity provisions described in Section 21.3. Franchisee must provide, annually, certificates of

Insurance showing compliance with the foregoing requirements. Such certificates must state that said policy or policies must not be canceled or altered without at least thirty (30) days prior written notice to Franchisor.

15.5 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, must be payable by Franchisee immediately upon notice.

16 DEFAULT AND TERMINATION

16.1 Termination by Franchisee

If Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within thirty (30) days after receiving written notice identifying the claimed breach, Franchisee has the right to terminate this Agreement unless the breach cannot reasonably be cured within such thirty (30) days. If the breach cannot reasonably be cured in such thirty (30) days, Franchisee has the right to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Franchisee reasonable proof of such efforts.

16.2 Termination by Franchisor

16.2.1 Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee:

- 16.2.1.1** fails to timely select an approved site for or establish, equip and commence operations of the Franchise Business under Section 5.
- 16.2.1.2** fails to have its Designated Manager satisfactorily complete the initial training program under Section 8.1;
- 16.2.1.3** made any material misrepresentation or omission in its application for the Franchise, or otherwise to Franchisor in the course of entering into this Agreement;
- 16.2.1.4** is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee, or the Franchise Business;
- 16.2.1.5** discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Manual or any Trade Secret or other Confidential Information;

- 16.2.1.6 if required by Franchisor, fails to have any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households given access to confidential information or trade practices), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee, execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3, upon the signing of this Agreement or prior to each such person's affiliation with Franchisee or fails to provide Franchisor with copies of all nondisclosure and non-competition agreements signed under Section 7.4, if requested by Franchisor;
- 16.2.1.7 abandons, fails, or refuses to actively operate the Franchise Business for five (5) or more consecutive days (unless the Franchise Business has not been operational for a purpose approved by Franchisor) or, if first approved by Franchisor, fails to promptly relocate the Franchise Business following the expiration or termination of the lease for the Approved Location, the destruction or condemnation of the Approved Location or any other event rendering the Approved Location unusable;
- 16.2.1.8 surrenders or transfers control of the operation of the Franchise Business, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner, as required;
- 16.2.1.9 fails to maintain the Franchise Business under the primary supervision of a Designated Manager during the one hundred eighty (180) days following the death or incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee under Section 18.7;
- 16.2.1.10 is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part of that is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against Franchisee's business or property; if a suit to foreclose any lien or mortgage against its property or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;
- 16.2.1.11 misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;
- 16.2.1.12 fails on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, Non-APR Service Fee, Technology Fee, Marketing Fee, amounts due for purchases from Franchisor, or other payment when due to Franchisor, whether or not such failures to comply are corrected after notice is delivered to Franchisee;

- 16.2.1.13 violates any health or safety law, ordinance, or regulation, or operates the Franchise Business in a manner that presents a health or safety hazard to its customers, employees, or the public;
 - 16.2.1.14 engages in any activity exclusively reserved to Franchisor;
 - 16.2.1.15 fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;
 - 16.2.1.16 repeatedly breaches this Agreement and/or repeatedly fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Manual, whether or not previous breaches or failures are cured; or
 - 16.2.1.17 under any other agreement between Franchisor and Franchisee, such that Franchisor has the right to terminate such agreement or such agreement automatically terminates.
- 16.2.2 Except as otherwise provided in Section 16.2.1, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and must continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:
- 16.2.2.1 within ten (10) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor;
 - 16.2.2.2 within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement; or
 - 16.2.2.3 within thirty (30) days of receiving notice of Franchisee's failure to comply with any other provision of this Agreement or any mandatory specification, standard or operating policy or procedure Franchisor prescribes for time to time; or
 - 16.2.2.4 within thirty (30) days of receiving notice of Franchisee's failure to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchise Business and/or the franchise system as a whole; or
 - 16.2.2.5 within thirty (30) days of receiving notice of Franchisee's failure to regularly attend and actively participate in required conference calls, or meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchise Business and/or the franchise system as a whole; or

- 16.2.2.6 within thirty (30) days of receiving notice of Franchisee's failure to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchise Business; or
- 16.2.2.7 within thirty (30) days of receiving notice of Franchisee's regularly acting in a combative or confrontational manner with vendors, customers, or other franchisees; or
- 16.2.2.8 within thirty (30) days of receiving notice that Franchisee has had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints.
- 16.2.2.9 within thirty (30) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Manual or otherwise prescribed in writing;

16.3 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

16.4 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination under Section 16.2.2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any services or products for which Franchisor is an Approved Supplier to Franchisee, until such time as Franchisee corrects the breach.

16.5 Right of Franchisor to Operate Franchise Business

Following the delivery of a notice of termination under Section 16.2.2, if necessary, in Franchisor's discretion, Franchisor must have the right, but not the obligation, to assume the operation of the Franchise Business until such time as Franchisee corrects the breach. Franchisor may charge a management fee as stated in the Manual from time to time, currently equal to FIVE HUNDRED DOLLARS (\$500.00) per day, or twenty-five percent (25%) of the Gross Sales during that period (whichever is greater), and Franchisor must be entitled to reimbursement of all expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchise Business.

17 RIGHTS AND DUTIES UPON TERMINATION

17.1 Actions to be Taken

Except as otherwise provided, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee must terminate and Franchisee must:

- 17.1.1 immediately cease to operate the Franchise Business and must not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;
- 17.1.2 cease to use the Trade Secrets and other Confidential Information, the System and the Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms, and any other items which display or are associated with the Marks;
- 17.1.3 and upon demand by Franchisor, at Franchisor's sole discretion, immediately assign (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Franchise Business to Franchisor and Franchisee must furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement; and Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due;
- 17.1.4 take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "THE GLASS GURU" or any other Mark, and Franchisee must furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;
- 17.1.5 return any leased, loaned, or other third-party equipment used in the operation of the Franchise Business;
- 17.1.6 pay all sums owing to Franchisor, which may include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees, unpaid Royalty Fees, and any other amounts due to Franchisor;
- 17.1.7 pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief if required for the enforcement of any provisions of this Agreement;
- 17.1.8 immediately return to Franchisor the Manual, Information with Trade Secrets and all other Confidential Information including records, files, instructions, brochures, agreements, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchise Business (all of which are acknowledged to be Franchisor's property);
- 17.1.9 assign all telephone listings and numbers and e-mail addresses for the Franchise Business to Franchisor, and must notify the telephone company, Internet service provider and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers, facsimile numbers and e-mail addresses associated with the Marks in any regular, classified, or other telephone directory or Internet listing and must authorize transfer of same to or at the direction of Franchisor;

17.1.10 assign to Franchisor all of Franchisee's rights in and to Internet domain names, email addresses, websites, social media accounts (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, and other Internet tools ("Internet Tools") used in connection with the Franchise Business and associated with Franchisor's Marks, including passwords and account manager access, and shall notify the necessary parties of the termination of the Franchisee's right to use any the Internet Tools and to authorize an assignment of same at the direction of Franchisor.

17.1.11 Pay Holdback for Customer Damages.

If the Franchise Agreement is terminated (except a termination in connection with a transfer of the Franchise Business under Section 18) or expires without renewal, Franchisee must pay to Franchisor the greater of an amount equal to Five Thousand Dollars (\$5000.00) or five percent (5%) of the Franchisee's average Gross Sales for the six (6) calendar months preceding the date of termination or expiration without renewal (the "Holdback Amount").

Franchisor will have the right to ACH transfer the Holdback Amount from Franchisee's account five (5) days before the date of termination or expiration without renewal. Franchisor will hold the Holdback Amount for a period of six (6) months and may use the Holdback Amount during that period to pay damages in connection with the resolution of disputes with Franchisee's customers, vendors, or other third parties, under Section 13.14 of this Agreement. Any portion of the Holdback Amount remaining at the end of the six (6) month period will be paid back to the Franchisee or Franchisee's owners within fourteen (14) days of the end of the six (6) month period.

17.1.12 comply with all other applicable provisions of this Agreement.

17.2 Post-Termination Covenant Not to Compete

17.2.1 Franchisee acknowledges that the restrictive covenants contained in this Section and in Section 7.5 are fair and reasonable and are justifiably required for purposes including, but not limited to, the following:

17.2.1.1 to protect the Trade Secrets and other Confidential Information of Franchisor;

17.2.1.2 to induce Franchisor to grant a Franchise to Franchisee; and

17.2.1.3 to protect Franchisor against its costs in training Franchisee and its officers, directors, executives, professional staff, and Designated Managers.

17.2.2 Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager or member of the professional staff of Franchisee, must, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited

liability company or other business entity:

- 17.2.2.1 own an interest in, manage, operate, or provide services to any Competitive Business located or operating (a) within a fifteen (15) mile radius of the Area of Primary Responsibility, or (b) within a fifteen (15) mile radius of the location of any other Franchise Business in existence at the time of termination or expiration; or
- 17.2.2.2 solicit or otherwise attempt to induce or influence any customer, employee, or other business associate of Franchisor to terminate or modify his, her or its business relationship with Franchisor, any The Glass Guru Business, or to compete against Franchisor or any The Glass Guru Business.
- 17.2.3 In furtherance of this Section, Franchisor has the right to require certain individuals to execute standard form nondisclosure or non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3.

17.3 Unfair Competition

If Franchisee operates any other business during or after termination of this Agreement, Franchisee must not use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion of that business, that is likely to cause confusion, mistake, or deception, or that is likely to dilute Franchisor's rights in the Marks. Franchisee must not utilize any designation of origin, description or representation that falsely suggests or represents an association or connection with Franchisor. This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Section 17.1 or 17.2. Upon termination or expiration of this Agreement, Franchisee must immediately cease all use of the Marks, change the telephone and fax numbers, website address and take such other actions as may be necessary to prevent any association between Franchisor or the System and Franchisee and any business subsequently operated by Franchisee. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to make or cause to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee must pay upon demand.

17.4 Franchisor's Option to Purchase Certain Business Assets

Franchisor has the right (but not the duty), for a period of thirty (30) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchise Business including, without limitation, leasehold improvements, equipment, supplies, and other inventory. The purchase price must be equal to the assets' fair market value, excluding any goodwill. If market value cannot be mutually agreed upon between Franchisor and Franchisee, a third-party valuation must be ordered by a mutually agreed upon appraiser. If a mutually agreed upon appraiser cannot be established, Franchisor and Franchisee must each order their own appraisals. If after review of the two appraisals a market value cannot be agreed upon, a third appraisal may be ordered to make the final determination. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against such purchase price.

17.5 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, must continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire.

18 TRANSFERABILITY OF INTEREST

18.1 Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee must assume the obligations of Franchisor hereunder and Franchisor must thereafter have no liability for the performance of any obligations contained in this Agreement.

18.2 Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as described in this Agreement, and the Franchise granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective skill and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted, its assets or any part or all the ownership interest in Franchisee without the prior written approval of Franchisor, which approval must not be unreasonably withheld or delayed. Any purported transfer without such approval must be null and void and must constitute a material breach of this Agreement. If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer must be conditioned upon the satisfaction of the following requirements:

- 18.2.1 Franchisee has complied with the requirements described in Section 19;
- 18.2.2 all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchise Business, are fully paid and satisfied;
- 18.2.3 Franchisee and all transferring owners, have executed a general release, in a form the same as or similar to the General Release attached as Exhibit 2, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees (in their corporate and individual capacities) including, without limitation, claims incident to the termination of this Agreement or to the transfer of Franchisee's interest or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee must give the maximum release allowed by law;

- 18.2.4 the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require demonstrating ability to conduct the Franchise Business;
- 18.2.5 the transferee and, if Franchisor require, all persons owning any interest in the transferee, have executed the then-current Franchise Agreement for new franchisees, which may be substantially different from this Agreement, including different Royalty Fee, Non-APR Service Fee, Technology Fee, Marketing Fee rates and other material provisions, and the franchise agreement then executed must be for the term specified in such agreement;
- 18.2.6 Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise;
- 18.2.7 Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500.00);
- 18.2.8 the transferee and all holders of a legal or beneficial interest in the transferee, have agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of its term;
- 18.2.9 has agreed to be bound to the obligations of the new franchise agreement and to guarantee the full performance of that franchise agreement by the transferee, if required by Franchisor;
- 18.2.10 transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;
- 18.2.11 Franchisee and all of the holders of a legal and beneficial interest in Franchisee have executed and delivered to Franchisor a nondisclosure and non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to this Agreement as Exhibit 3; and

- 18.2.12 the transferee agrees that its Designated Manager must complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operation of the Franchise Business. The training must be at the expense of the transferee at the then-current standard rates for technician training.

18.3 Franchisor's Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchise Business or to the history of the relationship of the parties to this Agreement. Franchisee specifically consents to such disclosure by Franchisor and must release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchise Business by an intended transferee identified by Franchisee.

18.4 Franchisee Disclosure to Transferee

Franchisee must provide the new franchisee with information specified by Franchisor, regardless of whether it is required under the purchase agreement between the parties. This information may include, but is not limited to, employment and personnel records for existing employees and employee candidates, currently valued loss run reports for the past five policy years (or for all years of operation if less than 5 years), for all insurance policies, annual premium amounts for each year for the past five policy years (or for all years of operation if less than 5 years), and payrolls for the past five years (or for all years of operation if less than 5 years). Franchisee agrees that Franchisor may provide the specified information directly to the new franchisee to the extent that Franchisor has that information.

18.5 For-Sale Advertising

Franchisee must not, without prior written consent of Franchisor, place in, on or upon the location of the Franchise Business, or in any communication media, any form of advertising relating to the sale of the Franchise Business or the rights granted hereunder. Franchisee must not, whether in or on the location of the Franchise Business or in any communication media, advertise a "going-out-of-business," inventory liquidation or similar sale or event.

18.6 Transfer by Death or Incapacity

- 18.6.1 Upon the death or incapacity (as determined by a court of competent jurisdiction) of any individual franchisee or any holder of a legal or beneficial interest in Franchisee, the appropriate representative of such person (whether administrator, personal representative or trustee) will, within a reasonable time not exceeding one hundred eighty (180) days following such event, transfer such individual's interest in the Franchise Business or in Franchisee to a third party approved by Franchisor. Such transfers, including transfers by will or inheritance, must be subject to the conditions for assignments and transfers contained in this Agreement. During such one hundred eighty (180) day period, the Franchise Business must always remain under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications.
- 18.6.2 Following the death or incapacity of an owner of the Franchise Business, if necessary, in Franchisor's discretion, Franchisor must have the right, but not the obligation, to assume operation of the Franchise Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor. Franchisor may charge a management fee as stated in the Manual from time to time, currently equal to FIVE HUNDRED DOLLARS (\$500.00) per day or twenty-five percent (25%) of the Gross Sales for that period (whichever is greater), and Franchisor must be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchise Business.

19 RIGHT OF FIRST REFUSAL

19.1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell the Franchise Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee must obtain and deliver a bona fide, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials, to Franchisor. The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners.

19.2 Franchisor's Right to Purchase

Franchisor must, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit must be deemed at least equal to the credit of any proposed buyer. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor must have up to sixty (60) days to close the purchase. Franchisor must be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

19.3 Non-Exercise of Right of First Refusal

If Franchisor does not exercise this right of first refusal within thirty (30) days, the offer or proposal may be accepted by Franchisee or any of its owners, subject to Franchisor's prior written approval as required by Section 18.2. Should the sale fail to close within one hundred twenty (120) days after the offer is delivered to Franchisor, Franchisor's right of first refusal must renew and be implemented in accordance with this Section.

20 BENEFICIAL OWNERS OF FRANCHISE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the name, entity classification, state of organization, and all persons with a beneficial interest in Franchisee and percentages of ownership of those persons in Franchisee are set forth on the Holders of Legal or Beneficial Interest in Franchisee; Officers; Directors, attached as Exhibit 5. If Franchisee entity is owned by one or more other entities, this form must be completed for all entities, directly or indirectly, owning an interest in Franchisee. Franchisee represents that the information stated in Exhibit 5 is accurate and complete. Franchisee agrees that it will immediately notify Franchisor (and comply with the provisions of Section 18 of this Agreement, if applicable) if there is any change in the ownership of Franchisee or other information set forth in Exhibit 5, including if Franchisee awards some ownership interest to an employee as an incentive or other compensation. In addition, Franchisee must provide to Franchisor an update of the information in Exhibit 5 or confirm that it remains unchanged on an annual basis (or as otherwise specified by Franchisor in the Manuals). Each of the persons named in Exhibit 5 must guaranty the obligations of Franchisee to Franchisor, unless Franchisor consents otherwise. Failure to comply with these requirements will be a material default under this Agreement.

Franchisee's board of directors, members or other governing body must pass a resolution requiring, and the corporation or other entity must otherwise require, the prominent placement of the following notation regarding transfer restrictions on each certificate representing ownership in the entity:

20.1.1 "The transfer of the shares or other ownership represented by this certificate is subject to the terms and conditions of a certain written franchise agreement entered into with The Glass Guru Enterprises, Inc."

Franchisee must provide Franchisor with proof of complying with this provision within fifteen (15) days following the date on which any entity obtains rights under this Agreement, in whole or in part.

21 RELATIONSHIP AND INDEMNIFICATION

21.1 Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venturer, partner, employee, servant, or independent contractor of Franchisor for any purpose whatsoever. Franchisee acknowledges and agrees that its owners and employees of Franchisor and Franchisor is not a joint employer with Franchisee of Franchisee's employees. Franchisee

may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty, or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. During the term of this Agreement, and any extension or renewal of this Agreement, Franchisee must hold itself out to the public only as a franchisee and an owner of the Franchise Business operating the Franchise Business under a franchise from Franchisor. Franchisee must take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice in the form specified in Section 6.2 and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances must Franchisor be liable for any act, omission, contract, debt, or any other obligation of Franchisee. Franchisor must in no way be responsible for any injuries to persons or property resulting from the operation of the Franchise Business.

21.2 Standard of Care

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Franchisee or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation.

21.3 Indemnification

Franchisee must hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement, which arises from or is based upon Franchisee's (a) ownership or operation of the Franchise Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the Franchise Business, including any negligent or intentional acts; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information.

21.4 Right to Retain Counsel

Franchisee must give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this

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

22 GENERAL CONDITIONS AND PROVISIONS

22.1 No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms of this Agreement, must constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee must not be binding unless in writing and executed by Franchisor and must not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due must not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants, or conditions of this Agreement.

22.2 Injunctive Relief

As any breach by Franchisee of any of the restrictions contained in Sections 6, 7 and 17 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor must be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, and Franchisee specifically waives any and all defenses to injunctive relief.

22.3 Notices

All notices required or permitted under this Agreement must be in writing and must be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by U.S. Postal Service Certified or Registered Mail, return receipt requested.

Either party may change its address by a written notice sent in accordance with this Section. All notices, payments and reports required by this Agreement must be sent to Franchisee at its address on file with Franchisor and to Franchisor at the following address:

**The Glass Guru Enterprises, Inc
ATTN: President**

3751 Main Street Suite 600 #306
The Colony, TX 75056
info@theglassguru.com

22.4 Cost of Enforcement or Defense

If Franchisor or Franchisee is required to enforce this Agreement in a judicial or arbitration proceeding, the prevailing party must be entitled to reimbursement of its costs, including reasonable accounting and attorneys' fees, in connection with such proceeding.

22.5 Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of ten percent (10%) or greater must be required to execute, as of the date of this Agreement, the Guaranty and Assumption of Obligations attached as Exhibit 4, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

22.6 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee must make a timely written request to Franchisor for such approval and, except as otherwise provided, any approval or consent granted must be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent, or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request for approval.

22.7 Entire Agreement

This Agreement, its exhibits and the documents referred to must be construed together and constitute the entire, full, and complete agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and must supersede all prior agreements. No other representation, oral or otherwise, has induced Franchisee to execute this Agreement, and there are no representations [other than those within Franchisor's (The Glass Guru Enterprises, Inc). Disclosure Document], inducements, promises or agreements, oral or otherwise, between the parties not embodied in the Agreement, which are of any force or effect with respect to the matters described in or contemplated by this Agreement or otherwise. No amendment, change, or variance from this Agreement will be binding on either party unless executed in writing by both parties. Nothing in this Agreement requires the franchisee to waive reliance on the representations made in the disclosure document.

22.8 Severability and Modification

- 22.8.1 Except as noted below, each paragraph, part, term, and provision of this Agreement must be considered severable. If any paragraph, part, term, or provision of this Agreement is ruled to be unenforceable, unreasonable, or invalid, such ruling must not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter must continue to be given full force and effect and bind the parties;

and such unenforceable, unreasonable, or invalid paragraphs, parts, terms, or provisions must be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

22.8.2 Notwithstanding the above, each of the covenants contained in Sections 7 and 17 must be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable, or invalid, then it must be amended to provide for limitations on disclosure of Trade Secrets and other Confidential Information or on competition to the maximum extent provided or permitted by law.

22.9 Construction

All captions are intended solely for the convenience of the parties, and none must be deemed to affect the meaning or construction of any provision of this Agreement.

22.10 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party will be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, pandemic, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act must be extended for the amount of time of the delay. This clause must not result in an extension of the term of this Agreement.

22.11 Timing

Time is of the essence. Except as described in Section 22.10, failure to perform any act within the time required or permitted by this Agreement is a material breach.

22.12 Withholding Payments

Franchisee must not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate. Franchisee must not withhold or offset any amounts, damages, or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisee has the right to charge a reasonable fee if there are insufficient funds in the agreed upon Electronic Funds Transfer Bank account at the time funds are to be withdrawn. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor must set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

22.13 Further Assurances

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

22.14 Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights, or remedies under this Agreement.

22.15 Multiple Originals; Electronic Signature

(a) Both parties will execute multiple copies of this Agreement, and each executed copy will be deemed an original. This Agreement may be signed with full legal force and effect using electronic signatures and records. Delivery of this Agreement by electronic mail or other functionally equivalent means of transmission constitutes valid and effective delivery.

23 DISPUTE RESOLUTION

23.1 Choice of Law

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

23.2 Consent to Jurisdiction

Any action brought by either party, except those claims required to be submitted to arbitration, must be brought exclusively in the appropriate state or federal court located in or serving Denton County, Texas. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. The parties submit to service of process by registered mail, return receipt requested or by any other manner provided by law. Claims for injunctive relief may be brought by Franchisor where Franchisee is located. This exclusive choice of jurisdiction and venue provision must not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

23.3 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor must be deemed, exclusive of any other right or remedy of this Agreement or by law or equity provided or permitted, but each must be in addition

to every other right or remedy. Nothing contained in this Agreement will bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

23.4 Limitations of Claims

Any claim concerning the Franchise Business or this Agreement or any related agreement will be barred unless an action for a claim is commenced within one (1) year from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

23.5 Limitation of Damages

Franchisee and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees as provided in Section 22.4. Franchisee waives and disclaims any right to consequential damages in any action or claim against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's contract damages must not exceed and must be limited to refund of Franchisee's Franchise Fee and Royalty Fees.

23.6 Waiver of Jury Trial

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

23.7 Arbitration

This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained under this Agreement. Except for controversies or claims relating to the ownership of any of Franchisor's Marks or the unauthorized use or disclosure of Franchisor's Trade Secrets or other Confidential Information, covenants against competition and other claims for injunctive relief, all disputes arising out of or relating to this Agreement or to any other agreements between the parties, or with regard to interpretation, formation or breach of this or any other agreement between the parties, must be settled by binding arbitration conducted in Denton County, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceedings will be held by a single arbitrator agreed upon by the parties or otherwise appointed by the Circuit Court for the State of Texas located in or serving Denton County, Texas. The decision of the arbitrator must be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction.

Franchisee acknowledges that it has read the terms of this binding arbitration provision and affirms that this provision is entered into willingly and voluntarily and without any fraud, duress, or undue influence on the part of Franchisor or any of Franchisor's agents or employees. Prospective franchisees are encouraged to consult private legal counsel to

determine the applicability of Texas and federal laws (such the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of Texas.

24 ACKNOWLEDGEMENTS

24.1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received, read, and understands this Agreement and Franchisor's Franchise Disclosure Document; and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that it has received an exact copy of this Agreement and its exhibits prior to the date on which this Agreement was executed. Franchisee further represents and acknowledges that it has received, at least fourteen (14) calendar days prior to the date on which this Agreement was executed, the disclosure document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising.

24.2 Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial, and other aspects of this Agreement, the business franchised and the prospects for that business. Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so.

24.3 True and Accurate Information

Franchisee represents that all information described in all applications, financial statements and submissions to Franchisor is true, complete, and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness, and accuracy of such information.

24.4 No Violation of Other Agreements

Franchisee represents that its entering into (signing) this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in which Franchisee is a party.

24.5 Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in a Franchise Business involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated.

24.6 No Guarantee of Success

Franchisee represents and acknowledges that it has not received or relied on any

guarantee, express or implied, as to the revenues, profits, or likelihood of success of the Franchise Business. Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees, or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document or this Agreement.

The parties to this Agreement, intending to be legally bound have duly executed this Agreement on the dates below each signature.

FRANCHISOR:

THE GLASS GURU ENTERPRISES,
INC.

BY: _____
NAME: Daniel Frey
TITLE: President
DATE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____
DATE: _____

BY: _____
NAME: _____
TITLE: _____
DATE: _____

EXHIBIT 1
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
SPECIFICS

Franchisee's Name: _____

A. **Approved Location (Section 2.2)** - The proposed initial location for the Franchise Business is:

B. **Area of Primary Responsibility (Section 2.3)** - The Area of Primary Responsibility shall include the following zip codes:

In the event that any of the above listed zip codes are subdivided by the United States Postal Service during the term of this Agreement and new zip codes are created, Franchisor reserves the right to determine whether the new zip codes will become part of the Area of Primary Responsibility. Otherwise, the Area of Primary Responsibility shall not be subject to change during the Term, except as specifically provided for in Section 2.3.

C. **The Franchise Fee (Section 3.1)** - is \$_____ US dollars unless otherwise stated.

D. **DBA** - The permitted "doing business as" name is

TheGlassGuru of _____ (City)

This exhibit is signed on this date: _____

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: Daniel Frey

TITLE: President

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

EXHIBIT 2
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
GENERAL RELEASE

This General Release is made and given on this ____ day of _____, 20__ by _____, ("Releasor") an individual/corporation/limited liability company/partnership with a principal address of _____, in consideration of:

[Initial one as applicable]

_____ Franchisor will not refund the Franchise Fee Franchisee paid to Franchisor upon Franchisor's termination of the franchise agreement entered into between Franchisee and Franchisor for Franchisee's failure to select a site for the Franchise Business under Section 5.2 of the Franchise Agreement.

_____ Franchisor will not refund the Franchise Fee Franchisee paid to Franchisor upon Franchisor's termination of the franchise agreement entered into between Franchisee and Franchisor for Franchisee's failure to develop an Approved Location under Section 5.2 of the Franchise Agreement.

_____ Franchisor will not refund the Franchise Fee Franchisee paid to Franchisor upon Franchisor's termination of the franchise agreement entered into between Franchisee and Franchisor for Franchisee's failure to complete the initial training program under Section 8.4 of the Franchise Agreement.

In consideration of the mutual and several agreements recited above, Franchisee does forever release and discharge Franchisor, and its affiliates, and their respective officers, directors, shareholders, manager, members, partners, owners, and employees, in that capacity and individually, its guarantors, successors, and assigns on behalf of himself, herself, and itself or his or her heirs, executors, and administrators and its successors and assigns from all manner of actions, cause, causes of action, suits, debts, sums of money, accounts, promises, variances, trespasses, damages, judgments, execution, claims and demands, whatsoever, in law or in equity, arising out of or related to the Franchise Agreement between the parties which he, she or it has, or has had, or which his or her heirs, executors or administrators and its successors and assigns hereafter can, or may have, for upon or by reason of any matter, cause or thing whatsoever at any time prior to the date of this Agreement.

Warranty of Volitional Agreement. The parties warrant and represent that this Agreement is freely and voluntarily executed by the parties, and each of them, after having been apprised of all of the relevant information and data by their respective attorneys. The parties executing this Agreement warrant and represent that they have not relied on any inducements, promises or representations made by any party or its representative, or any other person, except for those expressly described in this Agreement.

This General Release must not be amended or modified unless such amendment or modification is in writing and is signed by Releasor and Releasee.

Releasor has executed this General Release as of the date first above written.

FRANCHISEE:

Entity Name _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

ACKNOWLEDGMENT

State/Province of: _____

On this ____ day of _____, 20__ before me personally came _____, known to me to be the same person whose name is signed to the foregoing General Release, and acknowledged the execution thereof for the uses and purposes therein set forth, [and who did swear and say that he/she is the _____ (title) of _____ (company name), and he/she has the authority to execute said General Release].

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
My Commission expires: _____

(NOTARIAL SEAL)

EXHIBIT 3
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
NONDISCLOSURE AND NON-COMPETITION AGREEMENT
Between Franchisor & Franchisee

This "Agreement" made as of this date: _____
is by and between The Glass Guru Enterprises, Inc., ("Franchisor") (d/b/a) and _____ ("Franchisee").

WITNESSETH:

WHEREAS, Franchisee is a party to that certain Franchise Agreement with The Glass Guru Enterprises, Inc., ("Franchisor") dated _____ ("Franchise Agreement");

WHEREAS, Franchisor desires Franchisee to have access to and/or to review certain Trade Secrets, which are more particularly described below;

WHEREAS, Franchisor is required by the Franchise Agreement to have Franchisee execute this Agreement prior to providing Franchisee access to said Trade Secrets; and

WHEREAS, Franchisee agrees not to disclose any such Trade Secrets to any other party and/or use such Trade Secrets to compete against Franchisor or any other the Glass Guru franchisee, ("Competitive Business", as defined below) now or in the future.

NOW, THEREFORE, in consideration of the mutual promises and undertakings described here, and intending to be legally bound, the parties now mutually agree as follows:

1. Trade Secrets

Franchisee understands Franchisor possesses and will possess Trade Secrets, which is important to its business. For purposes of this Agreement, "Trade Secrets" is information, without regard to form including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, strategic plans, product plans, lists of actual or potential customers or suppliers which are not commonly known by or available to the public and which information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and, (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Franchisee understands Franchisor's providing of access to the Trade Secrets creates a relationship of confidence and trust between Franchisee and Franchisor with respect to the Trade Secrets.

2. Confidentiality/Non-Disclosure

- a) Franchisee acknowledges that Franchisor will disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Manual, and as a result of guidance furnished to Franchisee during the term of the Franchise Agreement. Franchisee must not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchise Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of the professional staff of Franchisee): (a) must not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) must maintain the absolute

confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) must not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) must adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee must enforce this Section as to its employees, agents and representatives and must be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

- b) "Confidential Information" means technical and non-technical information used in or related to The Glass Guru Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by Franchisor. Confidential Information does not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure under this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

3. Non-Competition

- a) During the period Franchisee owns any interest in the Franchise Business (as defined in the Franchise Agreement), Franchisee must not, directly or indirectly, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere without the express written consent of Franchisor;
- b) For a period to two (2) years after the termination of Franchisee's interest in Franchise Business, Franchisee must not, directly or indirectly, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business located or operating (a) within a fifteen (15) mile radius of the Area of Primary Responsibility of Franchisee in existence at the time of termination or expiration; or, (b) within a fifteen (15) mile radius of the location of any other Franchise Business in existence at the time of termination or expiration.
- a. ;
- c) Franchisee must not solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisee or Franchisor to terminate or modify his, her or its business relationship with Franchisee or Franchisor or to compete with Franchisee or Franchisor.
- d) "Competitive Business" means any business, whether direct or indirect, that offers (or grants franchises or licenses to others to operate a business that offers) products and services the same as or similar to those provided by Franchise Business or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees; provided, however, that the term "Competitive Business" must not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest.

4. Post Termination

- a) Franchisee agrees that his or her or its obligations under paragraphs 2(a), 3(b) and 3(c) of this Agreement must continue in effect after termination of Franchisee's relationship with Franchisor, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisor is entitled to communicate Franchisee's obligations under this Agreement to any future Franchisee, vendor, customer or employer to the extent deemed necessary by Franchisor for protection of Franchisor's rights hereunder

5. Miscellaneous

- a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.
- b) Franchisee must reimburse Franchisor for any, and all costs and attorney fees incurred by Franchisor in the enforcement of the terms of this Agreement.
- c) This Agreement will be effective as of the date this Agreement is executed and must be binding upon the successors and assigns of Franchisee and must inure to the benefit of Franchisor, its subsidiaries, successors, and assigns.
- d) The failure of either party to insist in any one (1) or more instances upon performance of any terms and conditions of this Agreement must not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect to this Agreement must continue in full force and effect.
- e) The paragraph headings in this Agreement are included solely for convenience and must not affect, or be used in connection with, the interpretation of this Agreement.
- f) In the event that any part of this Agreement must be held to be unenforceable or invalid, the remaining parts hereof must nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

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

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK.]

Franchisor has caused this Agreement to be executed by its duly authorized officer, and Franchisee has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

WITNESS:

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

EXHIBIT 4
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this date _____
by _____

In consideration of, and as an inducement to, the signing of that certain Franchise Agreement of even date herewith ("Agreement") by The Glass Guru Enterprises, Inc. ("Franchisor"), each of the undersigned personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that

_____ ("Franchisee") must punctually pay and perform each and every undertaking, agreement and covenant described in the Agreement. Each of the undersigned must be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or engaging in specific activities, such as those contemplated by Sections 7 and 17 of the Agreement. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (a) its direct and immediate liability under this Guaranty must be joint and several; (b) it must render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) such liability must not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person or entity; and (d) such liability must not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which must in any way modify or amend this Guaranty, which must be continuing and irrevocable during the term of the Agreement.

This Guaranty has been entered into the day and year first before written.

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

% OWNERSHIP IN FRANCHISE: _____

EXHIBIT 5
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE;
OFFICERS, DIRECTORS, MANAGERS AND TRUSTEES

Holders of Legal or Beneficial Interest:

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

Officers and Directors:

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

NAME: _____
TITLE: _____
HOME ADDRESS: _____

TELEPHONE: _____
EMAIL: _____
PERCENT OWNERSHIP IN FRANCHISE: %

EXHIBIT 6
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS

This Assignment is made between The Glass Guru Enterprises, Inc. of 3751 Main Street Suite 600 #306, The Colony, Texas 75065 ("Franchisor") and _____ whose address is _____ ("Franchisee").

1. **Introduction:** Franchisee has obtained a license from Franchisor for the operation of a business using Franchisor's **THE GLASS GURU** Franchise Business system ("System"), which business Franchisee acquired by signing a Franchise Agreement dated _____ (the "Franchise Agreement"). In consideration of Franchisor granting the license to Franchisee, Franchisee has agreed to assign all Telephone Numbers and Internet Tools (as defined below) that are associated with Franchisee's **THE GLASS GURU** Franchise Business (the "Franchise Business") and/or the System to Franchisor. For purposes of this Agreement, "Telephone Numbers" includes all telephone numbers used in connection with the Franchise Business, including in connection with advertising and marketing for the Franchise Business. For purposes of this Agreement, "Internet Tools" means Internet domain names, email addresses, websites, social media accounts (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, and other Internet tools used in connection with the Franchise Business, including in connection with advertising and marketing for the Franchise Business.
2. **Assignment of Telephone Numbers/Power of Attorney:** Franchisee assigns all Telephone Numbers to Franchisor or its successor or assign. Franchisee hereby appoints an officer of Franchisor as Franchisee's attorney-in-fact to transfer the Telephone Numbers to Franchisor and to sign on behalf of Franchisee, all documents necessary to accomplish the transfer.
3. **Assignment of Internet Tools/Power of Attorney:** Franchisee assigns all Internet Tools to Franchisor or its successor or assign. Franchisee also hereby appoints an officer of Franchisor as Franchisee's attorney-in-fact to transfer the Internet Tools to Franchisor and to sign on behalf of Franchisee, all documents necessary to accomplish the transfer.
4. **Limited License; Responsibility for Costs:** Franchisor grants Franchisee a limited license to use the Telephone Numbers and Internet Tools in connection with the Franchise Business only during the term of the Franchise Agreement and only as long as Franchisee complies with the policies and procedures specified by Franchisor. On the expiration without renewal or termination of the Franchise Agreement, this limited license will terminate, and Franchisee must cease all use of the Telephone Numbers and Internet Tools. On the termination of this license, Franchisee must cooperate with Franchisor and provide any authorizations as may be necessary for Franchisor to assert its rights in the Telephone Numbers and Internet Tools. While this limited license is in effect, Franchisee is responsible for all costs associated with the Telephone Numbers and Internet Tools and, unless otherwise specified by Franchisor, must pay those costs directly to the providers of the Telephone Numbers and Internet Tools.
5. **Access to Telephone Numbers and Internet Tools:** Franchisor will have the right to access all accounts relating to the Telephone Numbers and Internet Tools. Franchisee must provide to Franchisor all information necessary to allow Franchisor to access those accounts, including usernames, passwords, security codes, and all changes to any of that information.
6. **Consent:** Franchisee hereby consents and authorizes any and all telephone companies, telephone directory services, Internet companies and other public or private businesses using, authorizing or providing any of the Telephone Numbers and Internet Tools to immediately recognize this Assignment upon receipt of written notice from Franchisor. Franchisee agrees that a copy of this Assignment, certified by an officer of Franchisor, will be as valid and binding as

the original.

7. **Notices:** Franchisor may give notice of its acceptance of the Assignment of the Telephone Numbers and Internet Tools by sending written notice by first class mail and certified or registered mail with postage fully paid and depositing them in the United States Mails. Notices may be sent in accordance with this Section to Franchisee and to all telephone companies, Internet companies and other businesses that are to recognize the Assignment. All notices to the Franchisee must be addressed to the address indicated above, or to any subsequent address of which Franchisor receives written notice. Any notice delivered by mail in the manner set forth in this Section will be deemed delivered and received three days after mailing.
8. **Miscellaneous:** If any part of this Agreement is found to be unenforceable, such findings will not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein. This Agreement will be construed in accordance with the laws of the State of California and will be deemed to have been made in the State of California. This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any change is sought. Signed and effective this date: _____.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

EXHIBIT 7
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
MARKETING FUND ADDENDUM
Between Franchisor & Franchisee

This Addendum to Franchise Agreement is made by and between The Glass Guru Enterprises, Inc., ("Franchisor") (d/b/a) and _____ ("Franchisee").

WHEREAS, in Franchise Agreements previously offered by Franchisor, Franchisees paid a Marketing Fund contribution that was paid in full into a Marketing Fund administered by Franchisor; and

WHEREAS, in this Agreement, Franchisee is required to pay a Marketing Fee to Franchisor but there is no requirement for Franchisor to maintain a system-wide marketing fund;

WHEREAS, Franchisor is continuing to maintain a Marketing Fund since franchise agreements with existing franchisees provide for a Marketing Fund, and will continue to maintain the Marketing Fund until all franchise agreements that provide for Franchisor's maintenance of a Marketing fund and the franchisees' contribution to a Marketing Fund have expired; and

WHEREAS, Franchisee may receive the benefit of the marketing and promotional activities of the Marketing Fund even though there is no requirement in this Agreement for a Marketing Fund to be maintained.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Until the Marketing Fund maintained by Franchisor is dissolved, one-third of the Marketing Fee (or one percent (1%) of Gross Sales) that Franchisee is required to pay Franchisor under this Agreement will be contributed to the Marketing Fund by Franchisor.
2. Marketing Fund. While the Marketing Fund continues to exist and be maintained by Franchisor, it will be conducted as follows:
 - 2.1 Franchisor will oversee all marketing programs, with sole discretion over the creative concepts, materials and media used in such programs, and the placement and allocation of that marketing. Franchisor does not warrant that any franchisee must benefit directly or pro rata from expenditures by the Marketing Fee. The program(s) may be local, regional, or System-wide.
 - 2.2 The monies in the Marketing Fund will be used to meet the costs of, or to reimburse Franchisor for its costs of, producing, maintaining, administering and directing consumer advertising (including, without limitation, the cost of preparing and conducting television, radio, Internet, magazine and newspaper advertising campaigns and other public relations activities; developing or hosting an Internet web page or site and similar activities; employing advertising agencies to assist; and providing promotional brochures and other marketing materials to franchisees). All Marketing Fee Contributions related to marketing fund contributions must be maintained in a separate account from the monies of Franchisor and must not be used to defray any of Franchisor's general operating expenses, except for such reasonable

costs and expenses, if any, that Franchisor may incur in activities related to the administration of the marketing fund.

3. Franchisor will provide written notice to Franchisee when the Marketing Fund will be dissolved, and thereafter, no portion of the Marketing Fee paid by Franchisor will be contributed to a Marketing Fund and Franchisor will thereafter have full discretion how the Marketing Fees collected by Franchisee are spent.

The parties to this Addendum, intending to be legally bound have duly executed this Addendum contemporaneously with the execution of the Franchise Agreement.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: Daniel Frey

TITLE: President

FRANCHISEE:

Entity Name _____

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

EXHIBIT 8
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE

This Addendum to Lease, dated _____, 20____, is entered into by
and between _____ ("Lessor")
and _____ ("Lessee").

A. The parties hereto have entered into a certain Lease Agreement, dated , 20____, and pertaining to the premises located at _____ ("Lease"). Lessor acknowledges that Lessee intends to operate a The Glass Guru Franchise Business from the leased premises ("Premises") pursuant to a Franchise Agreement ("Franchise Agreement") with The Glass Guru Enterprises, Inc., a Texas corporation ("Franchisor") under the name The Glass Guru other name designated by Franchisor (herein referred to as "Franchise Business").

B. The parties now desire to amend the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed between Lessor and Lessee as follows:

1. Use of Premises. Lessor and Lessee agree that, during the term of the Franchise Agreement, the Premises shall be used only for the operation of a The Glass Guru Franchise Business under a Franchise Agreement with Franchisor.

2. Signs. Lessor agrees that Lessee shall have the right to display the proprietary marks and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a Franchise Business on the Premises.

3. Franchisor's Right to Enter. Lessor and Lessee agree that the employees of Franchisor, or its affiliates, shall have the right to enter Premises to make any modifications necessary to protect their proprietary marks.

4. Assignment. Lessee shall have the right to assign all of its right, title and interest in the Lease to Franchisor or its affiliate, or another franchisee, at any time during the term of the Lease, including any extensions or renewals thereof, without first obtaining Lessor's consent in accordance with the Collateral Assignment of Lease attached hereto as Attachment A (the "Collateral Assignment"). However, no assignment shall be effective until the time as Franchisor or its designated affiliate or franchisee gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other document shall constitute Franchisor or its designated transferee a party to the Lease, or guarantor thereof, and shall not create any liability or obligation of Franchisor or its designated transferee unless and until the Lease is assigned to, and accepted in writing by, Franchisor or its designated transferee. In the event of any assignment, Lessee shall remain liable under the terms of the Lease. Franchisor shall have the right to reassign the Lease to another franchisee without the Lessor's consent in accordance with this Section.

5. Default and Notice.

a) In the event there is a default or violation by Lessee under the terms of the Lease, Lessor shall give Lessee and Franchisor written notice of the default or violation within a reasonable time after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor shall contemporaneously give Franchisor a copy of the notice. Franchisor shall have the right, but not the obligation, to cure the default. Franchisor will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in the Collateral Assignment. Franchisor will have an additional fifteen (15) days from the expiration of Lessee's cure period in which it may exercise the option, but it is not obligated, to cure the default or violation.

b) All notices to Franchisor shall be sent by registered or certified U.S. mail, postage prepaid, to the following address:

The Glass Guru Enterprises, Inc.
3751 Main Street Suite 600 #306
The Colony, Texas 75065
Attn: Dan Frey, President

Franchisor may change its address for receiving notices by giving Lessor written notice of the new address. Lessor agrees that it will notify both Lessee and Franchisor of any change in Lessor's mailing address to which notices should be sent.

c) Following Franchisor's approval of the Lease, Lessee agrees not to terminate, or in any way alter or amend the same during the term of the Franchise Agreement, including any renewal thereof, without Franchisor's prior written consent, and any attempted termination, alteration or amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect shall be included in the Lease.

6. Termination or Expiration.

a) Upon Lessee's default and failure to cure the default within the applicable cure period, if any, under either the Lease or the Franchise Agreement, Franchisor will, at its option, have the right, but not the obligation, to take an automatic assignment of Lessee's interest and at any later time to re-assign the Lease to a new franchisee without Lessor's consent and to be fully released from any and all liability to Lessor upon the reassignment, provided the franchisee agrees to assume Lessee's obligations and the Lease.

b) Upon the expiration or termination of either the Lease or the Franchise Agreement, Lessor will cooperate with and assist Franchisor in securing possession of the Premises and if Franchisor does not elect to take an assignment of the Lessee's interest, Lessor will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Lessor, to remove all signs and all other items identifying the Premises as a Franchise Business and to make other modifications as are reasonably necessary to protect the

Franchisor's marks and system. In the event Franchisor exercises its option to purchase assets of Lessee, Lessor shall permit Franchisor to remove all the assets being purchased by Franchisor.

7. Consideration; No Liability.

a) Lessor hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Lessee plans to operate its business and Lessee would not lease the Premises without this Addendum. Lessor also hereby consents to the Collateral Assignment from Lessee to Franchisor as evidenced by Attachment A hereto.

b) Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Lessor has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liabilities of or against Franchisor or any affiliate of Franchisor.

8. Sales Reports. If requested by Franchisor, Lessor will provide Franchisor with whatever reports, information or data Lessor has regarding Lessee's sales from its Franchise Business.

9. Amendments. No amendment or variation of the terms of the Lease or this Addendum to the Lease shall be valid unless made in writing and signed by the parties hereto.

10. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions and covenants of the Lease shall remain in full force and effect and are incorporated herein by reference and made a part of this Addendum as though copies herein in full.

11. Beneficiary. Lessor and Lessee expressly agree that Franchisor is a third-party beneficiary of this Addendum.

IN WITNESS WHEREOF, witness the signatures of the parties hereto as of the day, month and year first written above.

LESSOR:

LESSEE:

Name: _____

Name: _____

Title _____

Title _____

**Attachment A
COLLATERAL ASSIGNMENT OF LEASE**

FOR VALUE RECEIVED, as of the ____ day of _____, 20____ ("Effective Date"), the undersigned, _____, ("Assignor") hereby assigns, transfers and sets over unto The Glass Guru Enterprises, Inc., a Texas corporation ("Assignee") all of Assignor's right, title and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as Attachment A ("Lease") with respect to the premises located at _____. This Collateral Assignment of Lease ("Collateral Assignment") is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Collateral Assignment unless Assignee shall take possession of the premises demised by the Lease pursuant to the terms hereof and shall assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under that certain franchise agreement for a The Glass Guru Franchise Business between Assignee and Assignor ("Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in the event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Through the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease at least thirty (30) days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to exercise the extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting the extension or renewal.

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

ASSIGNEE:

THE GLASS GURU ENTERPRISES, INC.

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT 9
TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.
MULTI-STATE ADDENDA

**ADDENDUM TO THE FRANCHISE AGREEMENT
THE GLASS GURU ENTERPRISES, INC.**

FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. New Section 17.6 is inserted into the Franchise Agreement and states as follows:

- If termination is the result of Franchisee's default, Franchisee will pay to Franchisor a lump sum payment (as liquidated damages for causing the premature termination of this Agreement and not as a penalty) equal to the total of all Royalty Fee payments for: (a) the twenty-four (24) calendar months of operation of Franchisee preceding Franchisee's default; (b) the period of time Franchisee has been in operation preceding the notice, if less than twenty-four (24) calendar months, projected on a twenty-four (24) calendar month basis; or (c) any shorter period as equals the unexpired term at the time of termination. The parties acknowledge that a precise calculation of the full extent of the damages that Franchisor will incur on termination of this Agreement as a result of Franchisee's default is difficult and the parties desire certainty in this matter and acknowledge that the lump sum payment provided under this Section is reasonable in light of the damages for premature termination that Franchisor will incur. This payment is not exclusive of any other remedies that Franchisor may have, including attorneys' fees and costs.

2. In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§31000-3516 and the California Franchise Relations Act, Cal. Bus. And Prof. Code §§20000-20043, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:

- The California Franchise Relations Act provides rights to the Franchisee concerning termination or non-renewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically Sections 4.2 and 16.2.
- Section 16.2.1.10, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).
- Section 16.2.2.1 which terminates the Franchise Agreement upon (5) days of receiving notice of Franchisee's failure to pay amounts due Franchisor, Franchisor's services provided for said time period if default is not cured.
- Section 16.2.2.2 which terminates the Franchise Agreement upon (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement, Franchisor's service provided for said time period if default is not cured; or
- Section 16.2.2.3 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to achieve acceptable status on other compliance requirements; or
- Section 16.2.2.4 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchise Business and/or the franchise system as a whole; or
- Section 16.2.2.5 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to regularly attend and actively participate in required conference calls, or meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchise Business and/or the franchise system as a whole; or
- Section 16.2.2.6 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchise Business; or
- Section 16.2.2.7 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's regularly acting in a combative or confrontational manner with vendors, customers, or other franchisees; or

- Section 16.2.2.8 which terminates within thirty (30) days of receiving notice that Franchisee has had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints.
 - Section 16.2.2.9 which terminates the Franchise Agreement upon (30) days of receiving notice of any other default by Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Manual or otherwise prescribed in writing, Franchisor's services provided for said time period if default is not cured.
 - Section 17.2 contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.
 - Paragraph 1 of this Addendum contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
 - Section 23.7 requires binding arbitration. The arbitration must occur at the forum indicated in Section 23.7, with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.
3. California law requires that you obtain a Contractor's license from the California Contractors State License Board (CSLB) if the total cost (labor and materials) of one or more contracts on the project is \$500 or more. Licenses may be issued to individuals, partnerships, corporations joint ventures, or Limited Liability Companies (LLCs).
4. To the extent this Addendum must be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to the Franchise Agreement, the terms of this Addendum must govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
 NAME: Daniel Frey
 TITLE: President

FRANCHISEE:

 Entity Name

BY: _____
 NAME: _____
 TITLE: _____

BY: _____
 NAME: _____ TITLE: _____

BY: _____
 NAME: _____
 TITLE: _____

FOR THE STATE OF HAWAII

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Revised Statutes, Title 26, Chapter 482E *et seq.*, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - The Hawaii Franchise Investment Law provides rights to you concerning non-renewal, termination and transfer of the Franchise Agreement. If the Agreement, and more specifically Sections 4.2, 16.2 and 18.2 contain a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law must control.
 - Sections 4.2.8, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal and transfer of the franchise, and Sections 5.2, 5.5 and 8.4 require Franchisee to sign a general release as a condition to receiving a refund of a portion of the Franchise Fee following a termination of the franchise; such release must exclude claims arising under the Hawaii Franchise Investment Law.
 - Section 16.2, which terminates the Franchise Agreement upon the bankruptcy of the Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently of this Addendum. To the extent this Addendum must be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum must govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:
THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name:

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2, 8.2 and 18.2 are amended to add: No general release shall be required as a condition of renewal, termination and/or transfer that is intended to require Franchisee to waive compliance with the Illinois Franchise Disclosure Act, 815 ILCS 705.
 - Sections 16.2, 17.2 and 23 are amended to add: The conditions under which the Franchise Agreement can be terminated and your rights upon termination or non-renewal, as well as the application by which you must bring any claims, may be governed by the Illinois Franchise Disclosure Act, 815 ILCS 705/19 and 705/20.
 - Sections 23.1 and 23.2 are amended to add: The Franchise Agreement shall be governed by Illinois law. Jurisdiction and venue for court litigations shall be in Illinois. Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.
 - Section 23.4 is amended to add: No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after the Franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.
 - Section 23.6 is deleted in its entirety.
2. The Franchise Agreement is amended to add the following: Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.
3. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF INDIANA

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2-2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2, 8.2 and 18.2 do not provide for a prospective general release of claims against Franchisor that may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.
 - Section 16 is amended to prohibit unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
 - Section 17.2 is amended subject to Indiana Code 23-2-2.7-1(9) to provide that post-term non-competitor covenants shall have a geographical limitation of the territory granted to Franchisee.
 - Section 23.1 is amended to provide that Franchisee shall not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
 - Section 23.1 is amended to provide that, in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law shall prevail.
 - Section 23.2 is amended to provide that Franchisee may commence litigation in Indiana for any cause of action under Indiana law.
 - Section 23.7 is amended to provide that arbitration between Franchisor and Franchisee, shall be conducted at a mutually agreed upon location.
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF MARYLAND

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal, termination and transfer of the franchise; such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.
 - Section 16.2.1.10, which terminates the Franchise Agreement upon the bankruptcy of the Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
 - Section 23.1 requires that the franchise be governed by the laws of the State of California; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.
 - Sections 23.2 and 23.7 require litigation or arbitration to be conducted in the State of California; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.
 - Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise 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 23.4 is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.
2. Any portion of the Franchise Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations 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.
3. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF MINNESOTA

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the parties to the attached Franchise Agreement agree as follows:
 - Sections 4.2 and 16.2 are amended to add that with respect to franchises governed by Minnesota Law, Franchisor shall comply with the Minnesota Franchise Law that requires, except in certain specified cases, that a Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Agreement.
 - Sections 4.2.8, 5.2, 5.5, 8.4, 18.2.3 and 18.2.6 do not provide for a prospective general release of any claims against Franchisor that may be subject to the Minnesota Franchise Law, Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.
 - Section 6 is amended to add that as required by Minnesota Franchise Act, Franchisor shall reimburse Franchisee for any costs incurred by Franchisee in the defense of Franchisee's right to use the Marks, so long as you were using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.
 - Section 23.4 is amended to state that any claim concerning the Franchise Business or this Agreement or any related agreement shall be barred unless an arbitration or an action for a claim that cannot be the subject of arbitration is commenced within three (3) years from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to or the claim.
 - Section 23.5 is deleted in its entirety.
 - Section 23.6 is deleted in its entirety.
 - Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement 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.
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to them, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF NEW YORK

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§ 680 through 695, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:

- Sections 4.2.8, 5.2, 5.5, 8.4, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal, termination and transfer of the franchise; such release shall exclude claims arising under the General Business Laws.
- Under Section 18.1, Franchisor shall not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform the Franchisor's obligations under the Franchise Agreement, in Franchisor's good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.
- Section 21.3 is amended to provide that Franchisee shall not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products that were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
- Section 23.1 requires that the franchise be governed by the laws of the state the Franchisor's principal business is then located, such a requirement shall not be considered a waiver of any right conferred upon the Franchisee by Article 33 of the General Business Laws.
- Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum may be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to them, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: Daniel Frey

TITLE: President

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

FOR THE STATE OF NORTH DAKOTA

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. The North Dakota Securities Commission requires that certain provisions contained in the Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 *et seq.* Such provisions in the Agreement are amended as follows:
 - Under Sections 4.2.8, 5.2, 5.5, 8.4, 18.2.3 and 18.2.6, the signing of a general release upon renewal, transfer, or termination of the franchise will be inapplicable to franchises operating under the North Dakota Franchise Investment Law to the extent that such a release excludes claims arising under the North Dakota Franchise Investment Law.
 - Section 7 is amended to add that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.
 - Sections 17.1.6 and 17.1.7 are amended to state:
 - If Franchisor or Franchisee is required to enforce this Agreement via judicial or arbitration proceedings, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and legal fees in connection with such proceeding.
 - Section 17.2 is amended to add that covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.
 - Section 23.1 is amended to state that in the event of a conflict of laws, North Dakota Law shall prevail.
 - Section 23.2 is amended to add that any action may be brought in the appropriate state or federal court in North Dakota with respect to claims under North Dakota Law.
 - Section 23.4 is amended to state that the statute of limitations under North Dakota Law shall apply.
 - Sections 23.5 and 23.6 are deleted in their entireties.
 - Section 23.7 is amended to state that arbitration involving a franchise purchased in North Dakota must be held either in a location mutually agreed upon prior to the arbitration, or if the parties cannot agree on a location, the arbitrator shall determine the location.
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to them, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:
THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name:

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF RHODE ISLAND

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

1. In recognition of the requirements of The Rhode Island Franchise Investment Act §19-28.1-14, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2.8, 5.2, 5.5, 8.4, 18.2.3, and 18.2.6 require Franchisee to sign a general release as a condition of renewal, transfer, or termination of the franchise; such release shall exclude claims arising under The Rhode Island Franchise Investment Act.
 - Sections 23.1, 23.2 and 23.7 are amended to state that restricting jurisdiction or venue to a forum outside the state of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under The Rhode Island Franchise Investment Act.
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Rhode Island Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

FRANCHISEE:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE COMMONWEALTH OF VIRGINIA

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____
to amend and revise said Franchise Agreement as follows:

- Section 16.2.1.10, which terminates the Franchise Agreement upon the bankruptcy of the Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*)
- In recognition of the restrictions contained in Section 13.1-564 of the Retail Franchising Act, the Franchise Disclosure Document for The Glass Guru Enterprises, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h. Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF WASHINGTON

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____.

- 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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR

FRANCHISEE

This addendum may also be used as a rider to the Franchise Disclosure Document.

FOR THE STATE OF WISCONSIN

This Addendum to the Franchise Agreement is agreed to this date _____
between The Glass Guru Enterprises, Inc. and _____,
to amend and revise said Franchise Agreement as follows:

1. The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Sec. 135.01-135.07 shall supersede any conflicting terms of the Franchise Agreement.
2. This provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments, the terms of this Addendum shall govern.

Each of the undersigned acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

EXHIBIT B
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
LIST OF STATE ADMINISTRATORS

The following is a list of state administrators responsible for registration and review of franchises and the Effective Date of this Disclosure Document for these states. The Effective Date of this Disclosure Document for any state that is not included in this list is as shown on the cover of the Disclosure Document. We may register in one or more of these states.

California

Department of Financial Protection and
Innovation
One Sansome St., Suite 600
San Francisco, California 94104
(415) 972-8565

Department of Financial Protection and
Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013
(213) 576-7500

Department of Financial Protection and
Innovation
2101 Arena Blvd.
Sacramento, California 95834
(866) 275-2677 Toll Free

Florida

Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, Florida 32399-6500

Hawaii

Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

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

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Kentucky

Office of the Attorney General Consumer
Protection Division Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, Kentucky 40601-8204

Maryland

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

Michigan

Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
Mennen Williams Building, 1st Floor
Lansing, Michigan 48909
(517) 373-7117

Minnesota

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

Nebraska

Nebraska Department of Banking and
Finance Commerce Court
1230 O Street, Suite 400
Lincoln, Nebraska 68509

New York

NYS Department of Law
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, New York 10271
(212)416-8285

North Dakota

North Dakota Securities Department 600
East Boulevard Avenue
State Capitol – 5th Floor Department 414
Bismarck, North Dakota 58505-0510
(701)328-4712

Rhode Island

Department of Business
Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, RI 02920
(401)222-3048

South Dakota

Division of Insurance
Securities Regulation
124 S Euclid, Second Floor
Pierre, SD 57501
(605)773-3563

Texas

Office of the Secretary of
State Statutory Document
Section 1019 Brazos Street
Austin, Texas 78701

Utah

Utah Department of Commerce
Division of Consumer
Protection
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, Utah 84114-6704

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804)371-9051

Washington

Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360)902-8760

Wisconsin

Division of Securities
Department of Financial Institutions
201 W West Washington Avenue, Suite 300
Madison, Wisconsin 53703
(608)267-9140

EXHIBIT C
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
LIST OF STATE AGENTS FOR SERVICE OF PROCESS

The following state agencies are designated as our agent for service of process in accordance with the applicable state laws. We may register in one or more of these states.

California

Department of Financial Protection and
Innovation
One Sansome St., Suite 600
San Francisco, California 94104
(415) 972-8565

Department of Financial Protection and
Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013 (213) 576-
7500

Department of Financial Protection and
Innovation
2101 Arena Blvd.
Sacramento, California 95834
(866) 275-2677 Toll Free

Hawaii

Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

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

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Maryland

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

Michigan

Department of the Attorney General Consumer
Protection Division, Franchise Unit
525 West Ottawa Street
F. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913
(517) 373-7117

Minnesota

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101

New York

State of New York
Office of the Attorney General
28 Liberty Street, 21st Floor New York, NY 10005
(212) 416-8285

North Dakota

North Dakota Securities Department
State Capitol - 5th Floor
600 East Boulevard Avenue Bismarck, North Dakota
58505-0510
(701) 328-4712

Rhode Island

Department of Business Regulation
Securities
1511 Pontiac Avenue
John O. Pastore Complex - Building 69-1
Cranston, RI 02920
(401) 222-3048

South Dakota

Division of Insurance Securities Regulation
124 S Euclid, Second Floor
Pierre, SD 57501
(605) 773-3563

Virginia

State Corporation Commission
Division of Securities and Retail
1300 East Main Street
9th Floor
Richmond, Virginia 23219
(804) 371-9051

Washington

Department of Financial Institutions
Securities Division - 3rd Floor
150 Israel Road SW Tumwater
Washington 98501
(360) 902-8760

Wisconsin

Division of Securities
Department of Financial Institutions
201 W West Washinton Avenue, Suite 300
Madison, Wisconsin 53703
(608) 267-9140

EXHIBIT D
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL

The Glass Guru™ Franchise Operations Manual

Table of Contents

Welcome to The Glass Guru	7
How to Use This Manual	8
Updates to The Manual	8
Confidentiality	8
History of the Glass Guru	9
Advisory Council	9
The Glass Guru Mission Statement	9
The Glass Guru Core Values	10
The Glass Guru Guiding Principles	10
Serve our Customers	10
Each customer is our most important customer	10
We make it easy for the customer	10
We stand behind our work	11
The Glass Guru Support Resources	11
Guru Support	11
Directory	11
The Glass Guru Affiliations and Associations	11
National Glass Association	11
Glass Association of North America	11
International Franchise Association	11
Window & Door Dealers Alliance	12
Independently Owned and Operated Posting Requirements	12
Location	12
Customer Facing Materials	12

Only Franchisee Has the Right to Control Employees	12
Trademarks	13
Franchisor Ownership	13
The Glass Guru	13
Glasstastic	13
General Trademark Use	13
Manner of Using Trademarks	14
Trademark Goodwill	14
Permitted Use of Trademark in Franchisee Business Name	15
Contributions and Donations Restrictions	15
Notification of Trademark Infringements and Claims	15
Indemnification for Use of Marks	15
Discontinuance of Trademark Use	16
Trade Secrets and other Confidential Information	16
Trade Secrets Usage and Corporate Identity	17
Designated Manager Training Requirements	19
The Glass Guru Franchise Training Process	19
Pre-Launch	19
Initial Franchise Training	20
Failure to Complete Initial Training Program	20
Additional Training & Refresher Courses	21
Designated Manager Mandatory Retraining	21
Training and Performance Improvement Requirements	22
Reporting Requirements	23
Financial Reporting Requirements	24
Reporting Overview	24

Related Documents	24
Royalty Reporting and Instructions on Completion	24
Penalties for Late Payment	24
Marketing Fee Reporting and Payment Requirements	25
Non-APR Fee	25
3rd Party Technology Fees*	26
Area of Primary Responsibility Alignment (APRA) Plan & the Non-APR Fee	26
Related Video	26
Fee Calculation	27
APR Tracking	27
Fee Disputes	27
Workflow	28
Important Dates	29
Disputing Non-APR Fees	30
Submitting a Support Ticket	30
Accounting Requirements	32
Overview	32
Accounting Records and Reports Maintenance Requirements	32
Franchise Location Inspections	32
Right to Inspect	32
Books and Records	32
Contact with Other Related to Franchise Business	34
Insurance Requirements	34
General Insurance Coverage	34
You must have the following insurance coverage:	34
Comprehensive general liability insurance	35

Workers compensation insurance	35
Automobile liability insurance	36
"Special Form" (all risk) property insurance coverage	36
Business interruption insurance	36
Possible increase the minimum liability protection	36
Franchisor Right to Procure Insurance on Your Behalf	36
Risk Management	36
Reporting Incidents	36
Safety Recordkeeping	37
Marketing Requirements	38
Minimum Local Advertising Expenditure	38
Marketing Fee or Marketing Fund	39
Exclusive Use of The Glass Guru Brand	39
Special Marketing Approval Request	39
Telemarketing	39
Marketing, Solicitation and Service Restrictions	40
No direct Marketing in another Franchisee's territory	40
Service Restrictions for Areas not Granted	40
No Right to Customers outside of your Designated Area of Primary Responsibility	41
Warranty & Financial Obligation for Areas not Granted	41
Data Security Requirements, and Guidance	41
State and Federal Data Security Requirements	41
PCI Standards	42
PCI-DSS Requirements	42
The twelve requirements of PCI-DSS:	42
Software Attack Notification Requirements	43

Social Media Usage Policy	44
Authorized Business Use of Social Media	45
Creating Social Media Accounts; Approval	45
Posting Content on Social Media	46
Personal Use of Social Media	48
Franchisor's Sole Right to Domain Name	50
Technology Requirements	50
Technology Introduction	50
Technology Usage	50
Technology Ecosystem	50
Intranet Guru HQ	51
Library	51
Learning (LMS) Guru University	51
Support Portal Guru Support	51
Third-party software required for business operation (billed monthly)	52
Electronic Equipment Requirements	53
Station Computers	53
Printer	53
Office/Telephone Lines	53
Cellular Phones	53
Tablets	54
Vehicle Requirements	54
Minimum Requirements	54
Vehicle Wrap Requirements	55
Uniform and Apparel Requirements	55
Office Personnel Attire	55

Estimator/ Sales Personnel Attire	55
Glazier/ Helper Personnel Attire	55
Handling Customer Complaints and Problems	56
Escalation of Customer Complaints	56
Hours of Operation	56
Visitors in the Workplace	57
Employee Relations	57
A Word on Legal Compliance	57
Staffing Your Franchise	58
Designated Manager	58
Risk Management	59
Managing risk at the franchise location or job site	60
New Employees Safety Training	60
Training provides the following benefits:	60
Employee training is required to be provided at the following times:	60
Initial Training Documents	61
Collections and Accounts Receivable management	61
90 day notice	61
60-90-120 days overdue for residential/commercial	61
Expansion and Relocation Requirements	61
Franchise territory, resale purchase or territory expansion	61
Convention Attendance Requirements	62
Conclusion	62

***ALL THE GLASS GURU FRANCHISE TEMPLATES & DOCUMENTS ARE ACCESSIBLE THROUGH GURU HQ.**

EXHIBIT E
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
FINANCIAL STATEMENTS

RECEIVED
S.F. MAILROOM

APR 14 2021

DEPARTMENT OF FINANCIAL
PROTECTION AND INNOVATION



CONSENT OF INDEPENDENT AUDITOR

9261 Sierra College Boulevard
Roseville, California 95661

916.751.2900
916.751.2979 FAX

pccllp.com

April 9, 2021

To the Board of Directors
The Glass Guru Franchise Systems, Inc.
Roseville, California

Propp Christensen Caniglia, LLP consents to the use in the Franchise Disclosure Document issued by The Glass Guru Franchise Systems, Inc. ("Franchisor") on March 31, 2021, as it may be amended, of our report dated March 31, 2021, relating to the financial statements of Franchisor for the periods ending December 31, 2020 and 2019.

Sincerely,

A handwritten signature in black ink, which appears to read "Propp Christensen Caniglia LLP", is written over a horizontal line.

Propp Christensen Caniglia LLP



April 9, 2021

To the Board of Directors
The Glass Guru Franchise Systems, Inc.
Roseville, California

9261 Sierra College Boulevard
Roseville, California 95661
916.751.2900
916.751.2979 FAX
pccllp.com

RE: Consent of Independent Public Accountant:
Use of Audited Financial Statements in 2020 Franchise Disclosure
Documents

The Glass Guru Franchise Systems, Inc.:

By this letter, we hereby consent to the use and/or incorporation by reference in the Franchise Disclosure Documents for The Glass Guru franchise of our report dated March 31, 2021, relating to the financial statements of The Glass Guru Franchise Systems, Inc. ("Company"), comprised of the balance sheets of the Company as of December 31, 2020 and 2019, and the statements of operations and retained earnings and statements of cash flows for each of the years then ended, to be filed with franchise regulatory authorities.

We have not performed any procedures subsequent to the date of this consent.

Sincerely,

A handwritten signature in cursive script, reading "Propp Christensen Caniglia LLP", is written over the signature line.

Propp Christensen Caniglia LLP

THE GLASS GURU FRANCHISE SYSTEMS, INC.

FINANCIAL STATEMENTS
December 31, 2020 and 2019

THE GLASS GURU FRANCHISE SYSTEMS, INC.

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheets	2
Statements of Operations and Retained Earnings	3
Statements of Cash Flows	4
Notes to Financial Statements	5 - 11

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Glass Guru Franchise Systems, Inc.
Roseville, California

We have audited the accompanying financial statements of The Glass Guru Franchise Systems, Inc., which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations and retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Glass Guru Franchise Systems, Inc., as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Propp Christensen Caniglia LLP

March 31, 2021
Roseville, California



9261 Sierra College Boulevard
Roseville, California 95661

916.751.2900
916.751.2979 FAX

pccllp.com

THE GLASS GURU FRANCHISE SYSTEMS, INC.

BALANCE SHEETS
December 31, 2020 and 2019

ASSETS

	2020	2019
Current assets:		
Cash	\$ 535,140	\$ 73,003
Accounts receivable, net	37,737	103,651
Current portion of notes receivable - franchise fee financing, net	5,802	17,506
Inventory	12,298	13,078
Accounts receivable - related party	-	17,464
Total current assets	590,977	224,702
Property and equipment, net	15,486	44,826
Other assets:		
Shareholder loan	360,824	-
Advances to affiliates	-	65,282
Deposits	8,411	23,279
Deferred tax asset	105,443	85,838
Total other assets	474,678	174,399
Total assets	\$ 1,081,141	\$ 443,927

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 24,866	\$ 28,835
Accrued expenses	4,977	63,717
Current portion of note payable - related parties	9,434	9,156
Current portion of note payable - unrelated parties	-	6,732
Line of credit	-	7,711
Income taxes payable	164,141	15,802
Total current liabilities	203,418	131,953
Long-term liabilities:		
PPP loan	171,300	-
Note payable - related parties, net of current portion	62,853	73,071
Note payable - unrelated parties, net of current portion	-	8,859
Deferred revenue - franchise fee financing	392,966	335,347
Total long-term liabilities	627,119	417,277
Total liabilities	830,537	549,230
Stockholders' equity:		
Preferred stock, no par value, 20,000,000 shares authorized, none issued	-	-
Common stock, no par value, 100,000,000 shares authorized, 2,500,000 shares issued and outstanding	50,000	50,000
Retained earnings	365,604	9,697
Cost of shares of common stock held by the Company (150,000 shares)	(165,000)	(165,000)
Total stockholders' equity	250,604	(105,303)
Total liabilities and stockholders' equity	\$ 1,081,141	\$ 443,927

The accompanying notes are an integral part of these financial statements.

THE GLASS GURU FRANCHISE SYSTEMS, INC.

STATEMENTS OF OPERATIONS AND RETAINED EARNINGS
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues:		
Initial franchise fees	\$ 209,584	\$ 101,573
Continuing franchise royalty fees	1,727,738	1,552,852
Product revenue	1,014,265	768,577
Total revenues	2,951,587	2,423,002
Cost of revenue	465,400	456,006
Gross profit	2,486,187	1,966,996
Operating expenses	1,999,318	2,154,945
Income (loss) from operations	486,869	(187,949)
Other income	5,046	19,033
Income (loss) before provision for income taxes	491,915	(168,916)
Provision for income taxes	136,008	(45,270)
Net income (loss)	355,907	(123,646)
Retained earnings, beginning of year as restated	9,697	133,343
Retained earnings, end of year as restated	\$ 365,604	\$ 9,697

The accompanying notes are an integral part of these financial statements.

THE GLASS GURU FRANCHISE SYSTEMS, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Net income (loss)	\$ 355,907	\$ (123,646)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	15,265	21,435
Loss on disposal	1,746	-
Bad debt	46,154	-
Change in operating assets and liabilities:		
Accounts receivable	85,042	(27,872)
Inventory	780	(5,762)
Accounts receivable - related party	17,464	21,206
Franchise fee financing - notes receivable	11,704	109,432
Accounts payable	(3,969)	2,633
Accrued expenses	(58,740)	(29,359)
Income taxes payable	148,339	6,261
Deferred revenue - franchise fee financing	57,619	158,151
Deferred tax liability	(19,605)	(70,851)
Net cash provided by operating activities:	672,574	61,628
Cash flows from investing activities:		
Shareholder loan	(360,824)	-
Proceeds from the disposal of vehicle	12,329	-
Payments for the purchase of fixed assets	-	(4,897)
Net cash used in investing activities:	(348,495)	(4,897)
Cash flows from financing activities:		
Proceeds from PPP loan	171,300	-
Principal payments on line of credit	(7,711)	(24,108)
Principal payments on note payable - related parties	(9,940)	(8,162)
Principal payments on note payable - unrelated parties	(15,591)	(6,419)
Net cash provided by (used in) financing activities:	138,058	(38,689)
Change in cash	462,137	18,042
Cash, beginning of year	73,003	54,961
Cash, end of year	\$ 535,140	\$ 73,003
Supplemental disclosure of cash flow information:		
Interest paid	\$ 4,149	\$ 9,206
Income taxes paid	\$ 7,274	\$ 2,000

The accompanying notes are an integral part of these financial statements.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1: ORGANIZATION

The Glass Guru Franchise Systems, Inc. (the "Company"), a California Corporation, is a full-service glass and window restoration and replacement franchise business offering unique niche repair services as well as traditional glass shop services to residential customers. The company was formed on March 8, 2006 and offers franchises throughout the United States.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity date of less than a year to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount the Company expects to collect from balances outstanding at year end. The allowance for doubtful accounts was \$0 for the years ended December 31, 2020 and 2019.

Notes Receivable

Notes receivable are stated at the amount the Company expects to collect from balances outstanding at year end. The allowance for doubtful accounts was \$0 for the years ended December 31, 2020 and 2019.

Revenue Recognition for Franchise, Royalty, and Other Fees

The Company has adopted the provisions of Financial Accounting Standards Board Accounting Standards Codification Topic 606 (FASB ASC 606) as revised by Accounting Standards Update 2014-09 (ASU 2014-09) using the modified retrospective approach for all ongoing customer contracts.

The impact of adopting the amended guidance primarily relates to recognizing revenue from contracts with franchises when the Company transfers goods and services to the franchisee and in an amount that the Company expects to be entitled to receive. The guidelines for recognizing and measuring revenue consist of identifying the contracted services, identifying and separating performance obligations in the contract, determining the transaction price, allocating the transaction price to the separate performance obligations, and recognizing revenue when (or as) each distinct performance obligation is satisfied.

In going through the analysis of these guidelines, it is key to determine whether the initial franchise fee and ongoing fees are considered to be distinct performance obligations. If the fees are not considered distinct performance obligations, the various fees would be combined and recognized when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor. In determining whether the initial and ongoing fees are distinct under ASC 606, they must meet both of the following criteria:

1. *Capable of being distinct* – the franchisee can benefit from the good or service either on its own or together with other resources that are readily available to the franchisee;
2. *Distinct within the context of the contract* – the promise to transfer the good or service is separately identifiable from other promises in the contract.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition for Franchise, Royalty, and Other Fees (Continued)

As the initial franchise fee and ongoing royalty fees provide primarily the same benefit (license to intellectual property), the payments are not considered distinct and are recognized, with an appropriate provision for estimated uncollectible amounts, when all material services or conditions relating to the sale have been substantially performed or satisfied by the franchisor. Royalty and other fees are recognized monthly, as the fees become earned and are receivable from the franchisee. Recognizing revenue as performance obligations are satisfied utilizes the output method of accounting. The Company does not have obligations for returns, refunds, or warranties. Judgements that could significantly affect the determination of the amount and timing of revenue from contracts are stipulated in the individual contracts. No revenue will be recognized in situations where it is probable that a significant reversal will occur.

Franchising Costs

Direct costs of sales and servicing of franchise agreements are charged to operating expenses as incurred.

Income Taxes

Deferred income taxes are provided to reflect temporary differences between the financial and tax bases of assets and liabilities using presently enacted tax rates and laws.

After they are filed, the Company's income tax returns remain subject to examination by taxing authorities generally three years for federal returns and four years for state returns.

Management has evaluated the existence of any uncertain tax positions and there are none.

Management's Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates and assumptions 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.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. The Company provides for depreciation over the estimated useful lives of the assets using accelerated and straight-line methods. The estimated lives of these assets range from 5 to 7 years for vehicles, equipment and furniture and fixtures. Maintenance and repairs are charged to expenses as incurred. Renewals and betterments which extend the useful lives of assets are capitalized.

Concentrations of Credit Risk

The Company maintains its cash in federally insured bank deposit accounts. The Company's cash balances exceeded federally insured limits by \$288,477 as of December 31, 2020. The Company's cash balances did not exceed federally insured limits as of December 31, 2019. The Company has not incurred any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory, which consists of apparel and glass cleaning supplies, is valued at the lower of cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method.

Advertising

Advertising costs are expensed as they are incurred. The Company incurred advertising costs of \$107,793 and \$119,968 for the years ended December 31, 2020 and 2019, respectively.

Leasing Arrangements with Entities Under Common Control

The Company has adopted the accounting alternative offered to private companies in FASB ASC 810-10 for certain leasing arrangements with entities under common control. In accordance with this alternative, the Company does not evaluate entities that meet the requirements in the variable interest entities subsections FASB ASC 810-10. Instead, the Company discloses the leasing arrangement as required by the accounting alternative in Note 7.

Subsequent Events

In preparing the financial statements, events and transactions have been evaluated for potential recognition or disclosure through March 31, 2021, the date that the financial statements were available to be issued.

Subsequent to year end the Company is in the process of executing a merger. The merger is expected to be final in 2021 with The Glass Guru Franchise Systems, Inc. merging into a new corporation, incorporated in the state of Texas, which will carry on franchising activities as the surviving entity.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. While the disruption is currently expected to be temporary, the duration is unknown. This has negatively impacted the operating environment, and the Organization expects this to continue; however, the related financial impact and duration cannot be reasonably estimated at this time.

NOTE 3:

PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2020 and 2019:

	2020	2019
Vehicles	\$ 41,613	\$ 74,096
Equipment, furniture and fixtures	90,233	90,233
	131,846	164,329
Less accumulated depreciation	116,360	119,503
Property and equipment, net	<u>\$ 15,486</u>	<u>\$ 44,826</u>

Depreciation expense was \$17,011 and \$21,435 for the years ended December 31, 2020 and 2019, respectively.

NOTE 4: FRANCHISING ACTIVITIES

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The agreements require the franchisee to pay an initial franchise fee, continuing royalty fees based on a percentage of adjusted gross revenue, and other fees based on services provided.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 4: FRANCHISING ACTIVITIES (CONTINUED)

The initial term of the franchise agreement is five years, and subject to the Company's approval and the payment of a renewal fee, a franchisee may generally renew its agreement for consecutive additional 5-year terms upon expiration.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee including site selection, initial training, operations manuals, and advertising and promotional materials.

NOTE 5: NOTES RECEIVABLE - FRANCHISE FEE FINANCING

Notes receivable - franchise fee financing consists of various amounts arising from the sales of franchises in which the Company finances a portion of the franchise fee. The notes include principal and interest payments payable monthly with interest rates at 7% and terms beginning June 25, 2013 and ending October 1, 2023.

NOTE 6: NOTES PAYABLE

Related Parties

In 2017, the Company secured a promissory note from a related party in an amount of \$100,000 to fund the repurchase of stock. The note is secured by all assets of the Company including, but not limited to, all franchisor royalty revenue. The note bears interest at the rate of 3.0% per annum, maturing in December 2027. The agreement stipulates monthly payments of principal and interest of \$959. The outstanding balance was \$72,287 and \$82,227 at December 31, 2020, respectively.

Unrelated Parties

In 2017, the Company secured a promissory note in an amount of \$32,453 to fund the purchase of a vehicle. The note is secured by all assets of the Company including, but not limited to, all franchisor royalty revenue. The note bears interest at the rate of 4.69% per annum, maturing in March 2022. The agreement stipulates monthly payments of principal and interest of \$610. The outstanding balance at December 31, 2019 was \$15,591. In 2020 the promissory note was paid in full.

The following is a schedule of maturities for each of the next five years and thereafter as of December 31, 2020:

<u>Year Ending December 31:</u>	
2021	\$ 9,434
2022	9,721
2023	10,017
2024	10,321
2025	10,635
Thereafter	22,159
Total	\$ 72,287

NOTE 7: COMMITMENTS AND CONTINGENCIES

Loan Commitment

During 2018, the Company entered into an agreement with Wells Fargo & Company for a \$60,000 line of credit. The agreement does not have a specified maturity date and is secured by certain Company assets. Borrowings require an annual interest rate of 11.75% plus an additional daily rate of 0.03219% for finance charges. At December 31, 2020 and 2019 the outstanding borrowings were \$0 and \$7,711.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 7: COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating Lease

The Company leases office space under a noncancelable operating lease agreement. Under the office space lease, the tenant is responsible for a percentage of taxes, insurance and maintenance costs of the leased premises.

The minimum future lease payments required under these leases at December 31, 2020 are as follows:

<u>Year Ending December 31:</u>	
2021	\$ 60,000
2022	60,000
2023	60,000
2024	60,000
2025	60,000
Thereafter	<u>660,000</u>
Total minimum payments	<u>\$ 960,000</u>

Rent expense was \$88,916 and \$79,981 for the years ended December 31, 2020 and 2019, respectively.

Contingencies

The Company is jointly and severally liable for its facilities operating lease. In the event the Company's affiliates/co-tenants default on their lease obligation, the Company would be responsible for the total amounts due under the lease.

Litigation

From time to time, the Company may be party to litigation arising in the normal course of business. There is no current litigation outstanding that could have a material adverse effect on the Company's financial position or its results of operations.

NOTE 8: RELATED PARTY TRANSACTIONS

In 2020, the Company loaned a shareholder \$360,824. This amount is included in shareholder loans on the balance sheet.

The Company processes and is reimbursed for administrative costs paid for a related entity, Roseville Glass Partners, Inc., dba The Glass Guru of Roseville, whose owners are also shareholders of the Company. For the year ended December 31, 2019, Roseville Glass Partners, Inc. had expenses that were processed but not yet reimbursed to the Company \$17,464 for intercompany administrative costs. In 2019, the balance is included in accounts receivable - related party on the balance sheet. In 2020, no amounts were outstanding.

The Company previously processed and was reimbursed for costs paid for a related entity, PR Pros, Inc., whose President was also the majority shareholder. The Company had amounts that were processed but not yet reimbursed from PR Pros, Inc., at December 31, 2019, for unreimbursed administrative costs of \$65,282. In 2019, these amounts are included in advances to affiliates on the balance sheet. In 2020, no amounts were outstanding. The Company no longer shares administrative costs with PR Pros, Inc.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 8: RELATED PARTY TRANSACTIONS (CONTINUED)

In 2016, the Company executed a lease for its administrative office from a related party. The lease for the administrative offices is for a term of 20 years ending January 2036. Total lease payments for each of the years ended December 31, 2020 and 2019, for the administrative office were \$60,000.

In 2017, the Company secured a promissory note from a related party in an amount of \$100,000 to fund the repurchase of stock as described in Note 6.

NOTE 9: INCOME TAXES

The provision for income taxes consists of the following for the years ended December 31, 2020 and 2019:

	2020	2019
Federal income tax expense (benefit):		
Current	\$ 106,455	\$ 11,684
Deferred	(13,412)	(42,327)
Net federal income tax expense (benefit)	93,043	(30,643)
State income tax expense (benefit):		
Current	49,158	4,918
Deferred	(6,193)	(19,545)
Net state income tax expense (benefit)	42,965	(14,627)
Provision for income taxes	<u>\$ 136,008</u>	<u>\$ (45,270)</u>

The net deferred tax assets and liabilities at December 31, 2020 and 2019 are as follows:

	2020	2019
Deferred tax assets (liabilities):		
Accounts receivable	\$ (10,560)	\$ (29,005)
Accounts payable	6,268	8,069
Accrued expenses	1,393	17,831
Deferred franchise fees	109,966	93,842
Notes receivable - franchise fee financing	(1,624)	(4,899)
Net deferred tax asset (liability)	<u>\$ 105,443</u>	<u>\$ 85,838</u>

NOTE 10: RETIREMENT PLAN

Employees of the Company are covered under a defined contribution plan as defined under Section 401(k) of the U.S. Internal Revenue Code. The safe harbor employer contribution under this plan is to match 100% of employees' contributions up to a maximum match of 4% of the employees' gross wages. The total retirement plan contributions were \$22,299 and \$34,046 for the years ended December 31, 2020 and 2019, respectively.

THE GLASS GURU FRANCHISE SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 11: PRIOR PERIOD ADJUSTMENT

During the fiscal year ended December 31, 2020, management identified an adjustment necessary to properly report the deferral of franchise fee revenue as of December 31, 2019. The adjustment restates beginning retained earnings.

The impact of these adjustments on the balance sheet and the statements of operations and retained earnings is as follows:

	<u>Change in Retained Earnings</u>
Balance at January 1, 2019, as originally reported, net of tax	\$ 260,954
Increase in deferred revenue, net of tax	<u>(127,611)</u>
Balance at January 1, 2019, as restated, net of tax	<u>\$ 133,343</u>

NOTE 12: COVID RELIEF FUNDS

In May 2020, the Organization was granted a loan from Northeast Bank in the amount of \$171,300 under the Paycheck Protection Program ("PPP") as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The note and accrued interest are forgivable after 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. As of December 31, 2020 the Company had met the conditions for loan forgiveness in the amount of \$171,300 and is in the process of applying for loan forgiveness.

EXHIBIT F
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
LIST OF CURRENT AND FORMER FRANCHISEES

ACTIVE FRANCHISEES
During the year ended December 31, 2020

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
-----------	---------------	-------	---------	------	-------	--------

ALABAMA

East Birmingham	Edward Green	205-433-7058	1000 Plantation Pkwy Suite 500	Moody	AL	35004
Mobile	Wyatt & Sherry Gerald	251-287-1562	220 Portside Blvd Suite A	Mobile	AL	36695

CALIFORNIA

Stockton	Dennis Freeman	209-625-8156	1024 Industrial Way	Lodi	CA	95240
Carlsbad	Laurel Mayo	760-994-4441	5933 Sea Lion Place, Suite 109	Carlsbad	CA	92010
Elk Grove	Breck Spain; Teresa Ryder	916-714-4405	9100 Elkmont Way	Elk Grove	CA	95624
Brentwood	Ranae Williams	877-654-8507	7030 Valley Hills Drive	Pleasanton	CA	94588
Sacramento	KJ Singh	916-259-2598	4817 Myrtle Ave Unit D	Sacramento	CA	95841
Folsom	Vito Lessa	916-517-0952	6243 Main Ave Suite A	Orangevale	CA	95662
Roseville*	Dan Frey; Dave Hull	916-786-4878	198 Cirby Way, Suite 120	Roseville	CA	95678
Temecula	Jay Lund	951-719-1000	26111 Ynez Rd #12	Temecula	CA	92591
Torrance	Corey Gavin	888-466-7533	20950 Normandie Ave Unit G	Torrance	CA	90502
Chico	Greg Lewelling	530-674-3858	909 B. North George Washington Blvd.	Yuba City	CA	95993
Yuba City	Greg Lewelling	530-674-3858	909 B. North George Washington Blvd.	Yuba City	CA	95993
Redlands	Rod Heggen	909-674-0029	370 Alabama Street Suite M	Redlands	CA	92373

COLORADO

Denver West	Chris Schwartz	720-215-1313	6618 Wadsworth Blvd.	Arvada	CO	80003
Colorado Springs	James Child	719-229-2419	204 Mount View Lane #8	Colorado Springs	CO	80907
Grand Junction	Joe Miller	678-648-0005	474 28-1/2 Road	Grand Junction	CO	81501

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
Greeley	Phil Crust; Rob Crust	970-984-8787	801 20th Ave	Greeley	CO	80631
Glenwood Springs	Dan Lahti	970-456-6832	38100 River Frontage Road A6	New Castle	CO	81647

FLORIDA

Altamonte Springs	Thomas Hewitt	321-972-4951	2290 N CR 427 Big Tree Center	Longwood	FL	32750
Daytona	Thiago Garcia	386-202-4676	1115 Enterprise Court, Unit J	Daytona Beach	FL	32117
Melbourne	Ashton Turnbaugh	321-327-7944	60-B Sunset Drive	West Melbourne	FL	32904
Sarasota	Martin Rivenbark	941-377-4878	4496 McAshton Street	Sarasota	FL	34233
SE Orlando	Marco Calvert Barba	407-730-4549	6663 Narcoossee Road Suite 130	Orlando	FL	32822

GEORGIA

Columbus	Stewart Jimmerson	706-478-7577	5300 Transport Blvd	Columbus	GA	31907
John's Creek	Charles Gilbreath	770-727-0955	1360 Union Hill Road Bld 6 Suite I	Alpharetta	GA	30004
Warner- Robbins	Kenny Meredith	478-328-0999	100 Hospital Drive	Warner Robins	GA	31088

HAWAII

Leeward Oahu	Guerric deColigny	808-234-4260	2412 Rose St, Suite 2	Honolulu	HI	96819
--------------	----------------------	--------------	-----------------------	----------	----	-------

ILLINOIS

Gurnee	Tom Rowland	847-665-8450	1020 S Northpoint Blvd	Waukegan	IL	60085
--------	----------------	--------------	------------------------	----------	----	-------

INDIANA

Indy North	Mitch Ritchey	317-222-1592	10089 Allisonville Road, Suite C	Fishers	IN	46038
Indy South	Eric Van Buehling	317-550-1450	545 Christy Drive Suite 2200	Greenwood	IN	46143

KANSAS

Olathe	Brandy Dockett	913-353-2996	715 N Lindenwood Drive Unit E	Olathe	KS	66062
Wichita	Michael & Valarie Gomm	316-440-4944	1632 S. West Street #7	Wichita	KS	67213

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
-----------	---------------	-------	---------	------	-------	--------

LOUISIANA

Baton Rouge	Ben Smith	225-271-4890	1814 S Range Ave Suite B-1	Denham Springs	LA	70726
-------------	-----------	--------------	----------------------------	----------------	----	-------

MARYLAND

Columbia	Julio Medrano; Roberto Medrano	443-584-4189	2144 Priest Bridge Court Suite 18	Crofton	MD	21114
----------	-----------------------------------	--------------	-----------------------------------	---------	----	-------

MICHIGAN

Grand Rapids	Eugene & Cynthia Williams	616-622-3500	4245 44th St SE Suite 9	Kentwood	MI	49512
Lansing	Scott House; Dan House	517-285-3148	810 E Mt Hope Ave	Lansing	MI	48910
Traverse City	Steve Bentley	231-510-4464	807A Lake Ave	Traverse City	MI	49684

MINNESOTA

Duluth	Dan Cook	218-624-2119	102 East Central Entrance Suite 6	Duluth	MN	55811
Blaine	Jonathan Land	763-767-2151	308 15 St. SW Ste 148	Forest Lake	MN	55025

MISSOURI

Springfield	Chris Allman	417-708-1231	3101 South Scenic Ave. Suite D	Springfield	MO	65807
O'Fallon	Gregg Merkel	636-980-1616	2182 E Pitman Ave	Wentzville	MO	63385

NEW JERSEY

Meadowlands	Jacek & Daria Piczak	201-528-9764	130 Hackensack Street	East Rutherford	NJ	7073
-------------	----------------------	--------------	-----------------------	-----------------	----	------

NEW YORK

Albany	Paul Schlingen	518-567-7328	1 Hillview Ave	Rensselaer	NY	12144
--------	----------------	--------------	----------------	------------	----	-------

NORTH CAROLINA

Raleigh	Brian Wise	919-787-6066	705 W. Broad Street	Dunn	NC	28334
---------	------------	--------------	---------------------	------	----	-------

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
-----------	---------------	-------	---------	------	-------	--------

OHIO

East Columbus	David Garrison; Howard Garrison	614-856-4550	1010-B Taylor Station Rd	Columbus	OH	43230
West Columbus	David Garrison; Howard Garrison	614-522-0028	1010-B Taylor Station Rd	Columbus	OH	43230
Newark	David Garrison	614-522-0028	1010-B Taylor Station Rd	Columbus	OH	43230
Macedonia	David Garrison; Howard Garrison; Scott Grooms	330-467-5318	7791 Capital Blvd Suite 8B	Macedonia	OH	44056
Mason	John & Lisa Chambers	513-204-2354	4457 Bethany Road	Mason	OH	45040
South Cincinnati	Chris Samples	859-279-3009	100 Beacon Drive Unit #4	Wilder	KY	41076

OKLAHOMA

Edmond	Greg Adams; Austin Adams	405-888-3301	1361 Fretz Drive	Edmond	OK	73003
--------	-----------------------------	--------------	------------------	--------	----	-------

PENNSYLVANIA

A

Lehigh Valley	Placido Hernandez	610-249-0039	3051 William Penn Highway Unit L	Easton	PA	18045
---------------	-------------------	--------------	----------------------------------	--------	----	-------

SOUTH CAROLINA

Charleston	Erik Hilger	843-640-3270	1038 Jenkins Road Ste. 102	Charleston	SC	29407
------------	-------------	--------------	----------------------------	------------	----	-------

TENNESSEE

West Knoxville	Joe & Jessica Grant	865-217-1013	600 Englewood Road	Madisonville	TN	37354
Chattanooga	Scott Tatum	423-541-3650	4295 Cromwell Road Suite 524	Chattanooga	TN	37421
Clarksville	Todd & Kristi King	931-220-9444	602 S Riverside Drive Suite B	Clarksville	TN	37040
Hendersonville	Brant Lanham	615-647-8989	103 Howes Place	Hendersonville	TN	37075
Memphis	Chris Chambers;	901-320-7100	1683 Shelby Oaks Drive N Suite 4	Memphis	TN	38134

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
	Jonathan Conner					

TEXAS

Plano	Mike & Michelle Paulda	469-929-6043	849 J Place Suite F	Plano	TX	75074
Amarillo	Joshua Hipskind	806-341-8618	2102 South Wilson	Amarillo	TX	79103
Austin	Michael Kugler	512-828-6770	8711 Burnet Rd, Suite B-34	Austin	TX	78757
Longview	Mike Kirkindoll	(903) 686-0333	122 South Ward Street	Longview	TX	75604
Lubbock	Jimmy & Wendy Teeter	806-759-3419	7903 Alcove Ave Suite 22	Lubbock	TX	79407
Frisco	Ted Halladay; Aaron Halladay	469-252-3785	450 Business Park Drive Suite 105	McKinney	TX	75070
San Antonio NW	Michael Kugler	201-686-6151	7436 Reindeer Trail	San Antonio	TX	78238
Southlake	Kyle & Stephanie Hansen	817-424-3500	575 Commerce	Southlake	TX	76092
Spring	Manuel & Isabel Landa	346-224-8380	4177 Louetta Road #17	Spring	TX	77388
Tyler	Gary Kirkindoll	903-504-5646	6390 Elkton Way Suite A	Tyler	TX	75703

WASHINGTON

Bellingham	TJ Randhawa	360-927-9395	7348 WA-539	Lynden	WA	98264
Redmond	Don Dawson	425-867-5267	14572 NE 95th St	Redmond	WA	98052

WISCONSIN

Sheboygan	Brian Van Wageningen	920-894-4878	1156 Service Road Suite 2	Kiel	WI	53042
-----------	----------------------	--------------	---------------------------	------	----	-------

CANADA

SW Calgary	Frank Lyall	403-975-4527	3839 Burnsland Road SE.	Calgary	AB	T2G 3Z4
West Edmonton	Kevin Truong	587-735-6969	14808 116 Ave NW	Edmonton	AB	T5M 3G1
Ottawa East	Marc Latendresse	613-424-8996	305 Vienna Terrace	Orleans	ON	K4A 0J2

Franchise	Franchisee(s)	Phone	Address	City	State	Postal
North Surrey	Chris Wijaya	604-595-3011	17163 102 Avenue	Surrey	BC	V4N 3L4
Charham-Kent	Scott and Jen Bowen	519-627-9119	1405 Dufferin Ave	Wallaceburg	ON	N8A 2W7

* This is an affiliate-owned outlet.

Former Franchisees
During the year ended December 31, 2020

Franchise	Franchisee(s)	Phone	City	State	Country
The Glass Guru of Colorado Springs	Eric Helus	719-368-3088	Colorado Springs	CO	USA
The Glass Guru of Columbus	Vaughn Dobbins	706-478-7577	Columbus	GA	USA

EXHIBIT G
TO DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
FRANCHISEE DISCLOSURE QUESTIONNAIRE

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

1. Have you received and personally reviewed THE GLASS GURU ENTERPRISES, INC. Franchise Agreement and each exhibit, addendum and schedule attached to it?
Yes ___ No ___

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?
Yes ___ No ___

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

3. Have you received and personally reviewed our Disclosure Document we provided to you? Yes ___ No ___

4. Do you understand all of the information contained in the Disclosure Document? Yes ____ No ____

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

5. Have you discussed the benefits and risks of operating the Franchise Business with an attorney, accountant or other professional advisor and do you understand those risks? Yes ____ No ____
6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors? Yes ____ No ____
7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of the Franchise Business that we or our franchisees operate? Yes ____ No ____
8. Has any employee or other person speaking on our behalf made any statement or promise concerning a Franchise Business that is contrary to, or different from, the information contained in the Disclosure Document? Yes ____ No ____

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchise Business?
Yes___No___
10. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document?
Yes___No___
11. If you have answered "Yes" to any of questions 7 through 10, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of such questions, please leave the following lines blank.

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

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

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

Name of Franchisee/Applicant

Date: _____, 20__

Signature

Name and Title of Person Signing

EXHIBIT H
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
MULTI-STATE ADDENDA

ADDENDUM TO THE
THE GLASS GURU ENTERPRISES, INC.
UNIFORM FRANCHISE DISCLOSURE
DOCUMENT

FOR THE STATE OF CALIFORNIA

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

Neither the franchisor, any person or franchise broker 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. ITEM 17 of the Disclosure Document is amended to add the following:
 - The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
 - The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
 - The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.
 - The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
 - The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in ITEM 17 with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.
 - The following URL address is for the franchisor's website: www.theglassguru.com

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

FOR THE STATE OF HAWAII

1. The following list reflects the status of our franchise registrations in the states that have franchise registration and/or disclosure laws:
 - This registration is not currently effective in any state.
 - This proposed registration is on file with or will shortly be on file with the States of California, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.
 - There are no states that have refused, by order or otherwise, to register these franchises.
 - There are no states that have revoked or suspended the right to offer these franchises.
2. The Franchise Agreement has been amended as follows:
 - The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If the Franchise Agreement, and more specifically, Sections 4.2 and 16.2 and 18, contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.
 - Sections 4.2.8, 18.2.3 and 18.2.6 of the Franchise Agreement require franchisee to sign a general release as a condition of renewal and transfer of the franchise; such release shall exclude claims arising under the Hawaii Franchise Investment Law.
 - Section 16.2.1.10 of the Franchise Agreement, which terminates the Franchise Agreement upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).
3. The Receipt Pages are amended to add the following:
 - THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.
 - THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.
4.
 - THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

FOR THE STATE OF ILLINOIS

- No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire.
- Illinois law governs the Franchise Agreement (without regard to conflict of laws), and jurisdiction and venue for court litigation shall be in Illinois.
- Any provision in the Franchise Agreement requiring a general release is void to the extent that such provision requires a waiver of compliance with the Illinois Franchise Disclosure Act.
- Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.
- Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim under the provisions of Title 9 of the United States Code.

ITEM 17 of the Disclosure Document is amended to add the following:

- The conditions under which a franchise can be terminated and your rights upon non-renewal, as well as the application by which you must bring any claims, may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/19, 705/20.

FOR THE STATE OF INDIANA

1. ITEM 8 of the Disclosure Document is amended to add the following:

- Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. ITEMS 6 and 9 of the Disclosure Document is amended to add the following:

- The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if such procedures or products were utilized by franchisee in the manner required by franchisor.

3. ITEM 17 of the Disclosure Document is amended to add the following:

- Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
- Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.
- ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.
- ITEM 17(u) is amended to provide that arbitration between a franchisee and franchisor will be conducted in Indiana or a site mutually agreed upon.
- ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.
- ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

FOR THE STATE OF MARYLAND

1. ITEM 17 of the Disclosure Document is amended to add the following:

- Under the Maryland Franchise Registrations and Disclosure Law, Md. Code Ann. Bus. Reg. §14-201 et seq., no general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.
- Any litigation between Franchisee and Franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
- Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
- In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.
- The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.)

2. Exhibit G to the Disclosure Document is amended as follows:

- Any portion of the Disclosure Questionnaire which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations 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.

FOR THE STATE OF MINNESOTA

1. ITEM 13 of the Disclosure Document is amended as follows:

- As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse the Franchisee for any costs incurred by the Franchisee in the defense of the Franchisee's right to use the Marks, so long as the Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. ITEM 17 of the Disclosure Document is amended as follows:

- With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subs. 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 of non-renewal of the Agreement.
- ITEM 17 does not provide for a prospective general release of claims against Franchisor that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.
- Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

FOR THE STATE OF NEW YORK

1. All references made herein to an "Disclosure Document" shall be replaced with the term "Offering Prospectus" as used under New York Law.
2. The UFOC Cover Page is amended as follows:

REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW YORK, NEW YORK 10271-0332. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE CIRCULAR. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE DESCRIBED IN THIS CIRCULAR.

3. ITEM 3 is amended by the addition of the following language:
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against them 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. In addition, neither franchisor nor any person identified in ITEM 2 has any pending actions, other than routine litigation incidental to the business, that 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.
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 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 held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding involving violation of any franchise law, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 is subject to any injunctive or restrictive order or decree relating to the franchises, or any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency.
4. ITEM 4 is amended to state that:

- Neither the franchisor, nor its predecessor, officers or general partner of the franchisor has, during the ten (10) year period immediately before the date of the Disclosure Document, has: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; (c) was a principal officer of any company or a general partner in any partnership that either filed as a debtor (or had filed against it) a petition to start action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the Bankruptcy Code during or within one (1) year after the officer or general partner of the franchisor held this position in the company or partnership.
5. ITEM 5 of the Disclosure Document is amended to add the following:
- The Franchise Fee will be used to defray franchisor's costs in obtaining and screening franchisees, providing training, training materials, and assisting in opening the Franchise Business for business.
6. ITEMS 6 and 11 of the Disclosure Document are amended to add the following:
- The franchisee will not be required to indemnify franchisor for any liability imposed on franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if such procedures or products were utilized by franchisee in the manner required by franchisor.
7. ITEM 17 of the Disclosure Document is amended to add the following:
- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under the New York General Business Law, Article 3, Sections 687.4 and 687.5.
 - ITEM 17(d) is amended to provide that you may terminate the Agreement on any grounds available by law.
 - ITEM 17(j) is amended to state, that no assignment will be made except to an assignee who, in the good faith judgment of Franchisor, is able to assume our obligations under the Agreement.
 - ITEM 17(w) is amended to state that New York Law governs any cause of action that arises under the New York General Business Law, Article 33, Section 680-695.
8. Franchisor represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

FOR THE STATE OF NORTH DAKOTA

1. ITEM 5 of the Disclosure Document is amended by the addition of the following language to the original language:
 - Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.
2. ITEM 17 of the Disclosure Document is amended to add the following:
 - No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under North Dakota Law.
 - In the case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.
 - The Franchise Agreement shall be amended to state that the statute of limitations under North Dakota Law will apply.
 - ITEMS 17(i) and 17(q) are amended to state that covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.
 - ITEM 17(v) is amended to state that a provision requiring litigation or arbitration to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.
 - ITEM 17(w) is amended to state in the event of a conflict of laws, North Dakota Law will control.

FOR THE STATE OF RHODE ISLAND

ITEM 17 of the Disclosure Document is amended to add the following:

- The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
- Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

FOR THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for The Glass Guru Enterprises, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FOR THE STATE OF WASHINGTON

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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR

FRANCHISEE

FOR THE STATE OF WISCONSIN

ITEM 17 of the Disclosure Document is amended to add the following:

- The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

EXHIBIT I
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
FINANCING DOCUMENTS

DO NOT DESTROY THIS NOTE:
When paid, this Note must be surrendered for Cancellation

SECURED PROMISSORY NOTE

Principal Amount of Note: _____

Interest Rate of Note: _____

Monthly Installment Payment of Note: _____

FOR VALUE RECEIVED, the undersigned, _____ (the "Franchisee"),
at _____

promises to pay to the order of The Glass Guru Enterprises, Inc., or its assigns (the "Franchisor"), at 3751 Main Street., Ste. 600 #306, The Colony, Texas 75056, or such place as Franchisor may designate in writing. Payment(s) shall be made in lawful money of the United States of America, and in immediately available funds, up to the full principal amount first listed above with interest as follows:

6%- Credit Score >700
7%- Credit Score between 650-699
8%- Credit Score between 600-649
9%- Credit Score <600

Terms of Payment: The principal and interest is payable in sixty (60) equal monthly installments (unless otherwise agreed to under this Note) in the amount first listed above beginning on _____, 20____, and continuing the first day of each month thereafter until _____, 20____, at which time, all unpaid principal and all accrued but unpaid interest shall be all due and payable.

Each payment shall be credited first to interest then due, and the remainder, if any, to principal, and interest shall thereupon cease to accrue upon the principal so credited. Should interest not be so paid, it shall thereupon bear like interest as the principal, but such unpaid interest so compounded shall not exceed an amount equal to simple interest on the unpaid principal at the maximum rate permitted by law. Franchisee shall have the right to prepay this note, in whole or in part, at any time without penalty.

Event of Default: In the event Franchisee fails to pay the unpaid principal balance of this note and interest due hereunder within ten (10) days after receipt of written notice by Franchisor ("Event of Default"), Franchisor may proceed to protect and enforce its rights by suit in equity and/or by action at law or by other appropriate proceedings. No delay on the part of Franchisor in the exercise of any power or right under this note, or under any other instrument executed pursuant thereto shall operate as a waiver thereof, nor shall a single or partial exercise of any other power or right preclude further exercise thereof. Notwithstanding anything to the contrary contained herein, if an Event of Default shall occur, all payments thereafter made hereunder shall be applied, at the option of Franchisor, first to costs of collection, and then to principal.

It is hereby specially agreed that if this note is placed into the hands of an attorney for collection, or if

proved, established, or collected in any court, Franchisee agrees to pay to Franchisor an amount equal to all expenses incurred in enforcing or collecting this Note, including court costs and reasonable attorneys' fees.

Late Charge: If any payment of principal or interest due under this Note is not received by Franchisee within ten (10) days after the date due, a late charge of Seventy-Five (\$75) dollars may be charged by Franchisor for the purposes of defraying expenses incident to handling such delinquent payments.

Franchisee specifically agrees that this late charge represents a reasonable sum considering all of the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Franchisor due to the failure of Franchisee to make timely payments. The parties further agree that proof of actual damages would be costly or inconvenient. The late charges that accrue during any installment period shall be payable upon notice. Failure to demand or collect a late charge for any particular installment shall not waive Franchisor's right to collect late charges at any time.

Acceleration Upon Default: Upon failure to make any payment under this Note when due, the entire unpaid principal and all interest and any late charges under this Note shall immediately become due and payable at the election of the Franchisor, regardless of any prior forbearance, or notice(s) of such election being waived. During the existence of any such default, Franchisor may apply payments received on any amounts due hereunder, as said Franchisor may determine in its sole discretion.

Manner of Notification: Any notice to Franchisee provided for in this Note shall be given by personal delivery or by mailing such notice by first class mail addressed to Franchisee at the address stated in the first paragraph of this Note, or to such other address as Franchisee may designate by written notice to Franchisor. Any notice to Franchisor shall be given by personal delivery or by mailing such notice by first class mail to Franchisor at the address stated in the first paragraph of this Note, or at such other address as may be designated by written notice to Franchisee. Mailed notices shall be deemed delivered and received two (2) days after deposit in the United States mail in the manner provided for in this paragraph.

Security: Obligations under this Note ***are personally guaranteed*** and are secured by a Security Agreement, as expressed below, (collectively, the "***Related Documents***"). The Related Documents encumber all assets of Franchisee's Franchise Business.

Governing Law: This note shall be governed by and construed in accordance with the laws of the State of Texas and the United States of America. In the event any one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected thereby. Franchisee expressly waives any right to trial by jury.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: Daniel Frey
TITLE: President

FRANCHISEE:

Entity Name:

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

SECURITY AGREEMENT

As a condition for Franchisor to agree to lend Franchisee the funds contemplated herein, Franchisee grants to Franchisor, a security interest in its property, tangible and intangible, including but not limited to: all accounts, now existing or subsequently arising; all contract rights of Franchisee, now existing or subsequently arising; all accounts receivable, now existing or subsequently arising; documents, and instruments related to accounts; inventory, furniture, fixtures, equipment, and supplies now owned or subsequently acquired; and the proceeds, products, and accessions of and to any and all of the foregoing (the "Collateral").

This security interest is granted to secure the debt evidenced by this note and agreement and all costs and expenses incurred by Franchisor in the collection of the debt.

Secured Parties Rights and Remedies

Upon written notice to Franchisee with an opportunity to cure any default, Franchisor shall have all the rights and remedies afforded a Franchisor under the Texas Uniform Commercial Code now in effect and all rights under the Related Documents including without limitation:

- (a) all rights and remedies provided in this Agreement;
- (b) all rights and remedies provided in the Note or other instrument secured by this Agreement; and,
- (c) all rights and remedies provided in any other applicable security agreement and under any applicable Texas law.

Among the rights and remedies of Franchisor are specifically included:

Right of Direct Collection: Franchisor may, at Franchisor's option, notify any account Franchisee of Franchisee or any obligor on any obligation payable to Franchisee and serving as collateral for this Agreement to make payment to Franchisor, as provided in the Texas Uniform Commercial Code.

Right to Control Proceeds: Franchisor may, at Franchisor's option, take control of any and all proceeds to which Franchisor is entitled under the Texas Uniform Commercial Code, and Franchisee agrees to cooperate fully in executing any commercially reasonable direction made in the exercise of this right.

Right to Take Possession of the Collateral: This shall include, but is not limited to:

- (a) Right to Take Possession: Franchisor shall have the right to take possession of the Collateral.
- (b) Franchisee's Cooperation: Franchisee will cooperate fully with Franchisor in the exercise of Franchisor's right to take possession of the collateral. This shall include, but is not limited to, an obligation to assemble and deliver the Collateral or some portion of the Collateral or some part or component of the collateral, on request of Franchisor, to a place designated by Franchisor where it shall be made available to Franchisor. Failure to cooperate shall

- (c) constitute a breach of this Agreement, and Franchisee shall be liable for any and all expenses incident to such failure of cooperation.

Right to Dispose of the Collateral: This shall include, but is not limited to:

- (a) Right of Disposition: Franchisor has a right to dispose of the Collateral by public or private proceeding and by way of one or more contracts. Such sale or other disposition of the Collateral may be made as a unit or in parcels and at any time and place and on any terms, provided only that disposition effected is commercially reasonable. Any actions so taken shall be considered commercially reasonable if made in the good-faith exercise of Franchisor's best business judgment in the matter.
- (b) Place of Disposition: Franchisor has the right to dispose of the Collateral from the premises of Franchisee, and to this end Franchisee agrees to cooperate fully in facilitating such a disposition, which may include, on request, the obligation to assemble the Collateral at some designated location of Franchisee where the Collateral shall be made available to prospective Franchisee.

Franchisor remains free to dispose of the Collateral from any other location, provided such location is commercially reasonable. Any location normally employed by Franchisor in the disposition of like goods shall be considered a commercially reasonable location.

- (c) Notice of Disposition: Franchisor shall give Franchisee notice of the time and place of any public sale of the Collateral or, in case of a private sale or disposition, of the time after which such private sale or disposition is intended. It shall be considered commercially reasonable if such notice is sent to Franchisee by first class mail 5 days prior to the public sale or the time after which the private sale or other disposition is intended.

There is no need for notice prior to disposition where the Collateral is perishable, or threatens to decline in value quickly, or where the Collateral is of a type customarily sold in a recognized market. In such event, the decision to so dispose of the Collateral shall be considered commercially reasonable provided only that it is made in the good-faith exercise of Franchisor's best business judgment in the matter.

- (d) Proceeds of the Disposition: The proceeds of any disposition shall be applied as provided in the Texas Uniform Commercial Code and shall include any and all expenses provided in this Agreement. They shall also include attorney fees and legal fees to the extent such items are not prohibited by law.
- (e) Deficiency: In the event of any deficiency, Franchisee shall be liable for such deficiency with interest at the rate of 10%, which shall accrue 5 days after receipt of written demand for payment of the deficiency.
- (f) Financing Statement: Franchisor, at its discretion, may file one or more financing statements under the Texas Uniform Commercial Code, naming Franchisee as a debtor and Franchisor as secured party and indicating the Collateral specified in this Promissory Note and Security Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals by their duly authorized officers or representatives.

FRANCHISOR:

FRANCHISEE:

THE GLASS GURU ENTERPRISES, INC.

Entity Name

BY: _____
NAME: Daniel Frey
TITLE: President

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

PERSONAL GUARANTY

Guaranty made _____, 20____, by _____
whose address is _____
_____ ("Guarantor"), to The Glass Guru Enterprises, Inc.
whose address is 3751 Main Street., Ste. 600 #306, The Colony, Texas 75056 (the "Franchisor").

Recitals

Guarantor or shall be the shareholders and the spouses of the shareholders of franchisee (the "**Franchisee**"); and,

The Franchisee has entered into a promissory note ("**Note**") and Franchise Agreement on the day and year first written above, and other documents, instruments and agreements, that provide for, among other things, payment to Franchisor of the franchise fee.

Agreements

In consideration of Franchisor entering into the Note and related agreements, the individual executing this Guaranty unconditionally and irrevocably guarantees to Franchisor, their successors and assigns, the prompt payment and performance of all obligations of the Franchisee under the Note. If Franchisee defaults under the Note, Guarantor will immediately perform all obligations of Franchisee under the Note, including, but not limited to, payment of all amounts due under the Note.

Guarantor will pay to Franchisor all expenses (including attorneys' fees) incurred by Franchisor to enforce Franchisor rights against Guarantor. This Guaranty will not be discharged or affected by the death, dissolution, termination, bankruptcy or insolvency of Franchisee or Guarantor and will bind Guarantor's heirs, personal representatives, successors and assigns. If more than one Guarantor has signed this Guaranty, each Guarantor agrees that their liability is joint and several. Guarantor agrees to provide any and all additional information requested by Franchisor in connection with this Guaranty.

THIS GUARANTY IS GOVERNED BY THE LAWS OF THE STATE OF Texas. Guarantor consent to the jurisdiction of THE state OF TEXAS or ANY federal court located IN TEXAS AND VENUE IN THE COLONY, TEXAS. Guarantor EXPRESSLY WAIVES ANY RIGHT to A TRIAL BY JURY.

FRANCHISOR:

FRANCHISEE:

THE GLASS GURU ENTERPRISES, INC.

Entity Name

BY: _____
NAME: Daniel Frey
TITLE: President

BY: _____
NAME: _____ TITLE: _____

BY: _____
NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

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	
Hawaii	Not Registered
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

ITEM 23
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If The Glass Guru Enterprises, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days (and 10 business days in Michigan and Oregon) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with or make a payment to us or an affiliate in connection with the proposed franchise sale.

If The Glass Guru Enterprises, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit B.

The franchise seller for this offering is:

Dan Frey, 3751 Main Street., STE. 600 #300, The Colony, TX 75056 (877) 654-8507

Fill in additional franchise sellers below as applicable:

Issuance Date: April 9, 2021

The Glass Guru Enterprises, Inc. authorizes the respective state agencies identified in Exhibit C to receive service of process for it in the particular state.

I received a disclosure document dated April 9, 2021, that included the following Exhibits:

- A. FRANCHISE AGREEMENT
 - 1. SPECIFICS
 - 2. GENERAL RELEASE
 - 3. NONDISCLOSURE AND NON-COMPETITION AGREEMENT
 - 4. GUARANTY AND ASSUMPTION OF OBLIGATIONS
 - 5. HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS
 - 6. ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS
 - 7. MARKETING FUND ADDENDUM
 - 8. ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE
 - 9. MULTI-STATE ADDENDA
- B. LIST OF STATE ADMINISTRATORS
- C. LIST OF STATE AGENTS FOR SERVICE OF PROCESS
- D. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL
- E. FINANCIAL STATEMENTS
- F. LISTS OF CURRENT AND FORMER FRANCHISEES
- G. FRANCHISEE DISCLOSURE QUESTIONNAIRE
- H. MULTI-STATE ADDENDA
- I. FINANCING DOCUMENTS

Please sign and print your name below, date and return one copy of this receipt to THE GLASS GURU ENTERPRISES, INC. and keep the other for your records.

Date of Receipt

Print Name, Title

Signature

a _____
corporation (State of incorporation)

-- LAST PAGE --

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If The Glass Guru Enterprises, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days (and 10 business days in Michigan and Oregon) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

If The Glass Guru Enterprises, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit B.

The franchise seller for this offering is:

Dan Frey, 3751 Main Street., 600 #306, The Colony, TX 75056 (877) 6548507

Fill in additional franchise sellers below as applicable:

Issuance Date: April 9, 2021

The Glass Guru Enterprises, Inc. authorizes the respective state agencies identified in Exhibit C to receive service of process for it in the particular state.

I received a disclosure document dated April 9, 2021, that included the following Exhibits:

A. FRANCHISE AGREEMENT

1. SPECIFICS
2. GENERAL RELEASE
3. NONDISCLOSURE AND NON-COMPETITION AGREEMENT
4. GUARANTY AND ASSUMPTION OF OBLIGATIONS
5. HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS
6. ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS
7. MARKETING FUND ADDENDUM
8. ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE
9. MULTI-STATE ADDENDA

B. LIST OF STATE ADMINISTRATORS

C. LIST OF STATE AGENTS FOR SERVICE OF PROCESS

D. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL

E. FINANCIAL STATEMENTS

F. LISTS OF CURRENT AND FORMER FRANCHISEES

G. FRANCHISEE DISCLOSURE QUESTIONNAIRE

H. MULTI-STATE ADDENDA

I. FINANCING DOCUMENTS

Please sign and print your name below, date and return one copy of this receipt to THE GLASS GURU ENTERPRISES, INC. and keep the other for your records.

Date of Receipt

Print Name, Title

Signature

a.

-- LAST PAGE --

corporat
ion (State of incorporation)