

FRANCHISE DISCLOSURE DOCUMENT

**GARAGE
FORCE®**

Ilfrich Integrated Solutions, Inc.
(f/k/a Garage Force International, Inc.)
a Wisconsin corporation
700 Stonebridge Avenue
Onalaska, WI 54650
(608) 209-1507
mike@garageforce.us
www.garageforce.com

Garage Force® Businesses provide products and services for residential garages, including the application and installation of coatings for concrete and concrete floors; the repair, maintenance and renovation of concrete and concrete floors; and the design and installation of cabinets and related storage accessories and organization systems.

The total investment necessary to begin operation of a Garage Force® franchise is \$68,300 to \$137,600. This includes \$65,000 that must be paid to the Franchisor or an 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 governmental agency has verified the information contained in this Disclosure Document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mr. Michael Peterson at 700 Stonebridge Avenue, Onalaska, Wisconsin 54650, telephone number: (608) 209-1507.

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

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

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

Issuance Date: July 13, 2018

STATE COVER PAGE

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

Call the state franchise administrator listed in the State Agency Exhibit for information about the Franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

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

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH THE FRANCHISOR BY ARBITRATION OR LITIGATION ONLY IN LA CROSSE COUNTY, WISCONSIN. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT OF DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH THE FRANCHISOR IN WISCONSIN THAN IN YOUR OWN STATE.
2. IF YOU PURCHASE THIS FRANCHISE, YOUR TERRITORY WILL NOT BE EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THE FRANCHISOR OWNS, OR FROM OTHER CHANNELS OR DISTRIBUTION OR COMPETITIVE BRANDS THE FRANCHISOR CONTROLS.
3. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates

STATE EFFECTIVE DATES

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

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

California:	<i>Not registered</i>	New York:	_____, 2018
Florida:	_____, 2018	North Dakota:	_____, 2018
Hawaii:	<i>Not registered</i>	Rhode Island:	_____, 2018
Illinois:	_____, 2018	South Dakota:	_____, 2018
Indiana:	_____, 2018	Utah:	_____, 2018
Maryland:	_____, 2018	Virginia:	_____, 2018
Michigan:	_____, 2018	Washington:	_____, 2018
Minnesota:	_____, 2018	Wisconsin:	_____, 2018

Issuance Date in the States Listed Below:
July 13, 2018

Alabama	Idaho	Montana	Oregon
Alaska	Iowa	Nebraska	Pennsylvania
Arizona	Kansas	Nevada	South Carolina
Arkansas	Kentucky	New Hampshire	Tennessee
Colorado	Louisiana	New Jersey	Texas
Connecticut	Maine	New Mexico	Vermont
Delaware	Massachusetts	North Carolina	West Virginia
District of Columbia	Mississippi	Ohio	Wyoming
Georgia	Missouri	Oklahoma	

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTICE REQUIRED BY 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:

- (A) A prohibition on the right of the Franchisee to join an association of franchisees.
- (B) A requirement that the Franchisee assent to a release, assignment, novation, waiver or estoppel which deprives the Franchisee of rights and protections provided in the Michigan Franchise Investment Law. This section will not preclude the Franchisee, after entering into the Franchise Agreement, from settling any and all claims.
- (C) A provision that permits the Franchisor to terminate the franchise prior to the expiration of its term except for good cause. Good cause will include the failure of the Franchisee to comply with any lawful provisions of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (D) A provision that permits the Franchisor to refuse to renew the franchise without fairly compensating the Franchisee by repurchase or other means for the fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the Franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This section applies only if:
 - (1) The term of the franchise is less than five years; and
 - (2) The Franchisee is prohibited by the Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logo-type, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise, or the Franchisee does not receive at least six months advance notice of the Franchisor's intent not to renew the franchise.
- (E) A provision that permits the Franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (F) A provision requiring that arbitration or litigation be conducted outside the State of Michigan. This section will not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside the State of Michigan.
- (G) A provision which permits the Franchisor to refuse to permit a transfer of ownership of the franchise, except for good cause. This section does not prevent the Franchisor from exercising a right of first refusal to purchase the franchise. Good cause will include, but is not limited to:
 - (1) The failure of the proposed transferee to meet the Franchisor's then-current reasonable qualifications or standards.

- (2) The fact that the proposed transferee is a competitor of the Franchisor or subfranchisor.
- (3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (4) The failure of the Franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(H) A provision that requires the Franchisee to resell to the Franchisor items that are not uniquely identified with the Franchisor. This section does not prohibit a provision that grants to the 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 section prohibit a provision that grants the Franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the Franchisee has breached the lawful provisions of the Franchise Agreement and has failed to cure the breach in the manner provided in section (C).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE MICHIGAN ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE MICHIGAN ATTORNEY GENERAL. ANY QUESTIONS REGARDING THE NOTICE SHOULD BE DIRECTED TO THE MICHIGAN DEPARTMENT OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, FRANCHISE SECTION, 525 W. OTTAWA STREET, WILLIAMS BUILDING, 1ST FLOOR, LANSING, MI 48933 (517) 373-7117.

**ILFRICH INTEGRATED SOLUTIONS, INC.
FRANCHISE DISCLOSURE DOCUMENT**

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ADDENDA TO DISCLOSURE DOCUMENT FOR STATE-SPECIFIC DISCLOSURES

EXHIBITS

- A - Financial Statements
- B - Franchise Agreement
- C - Promissory Note
- D - Equipment Lease Agreement
- E - Sample Release
- F - Franchisee Questionnaire
- G - State Agency Exhibit

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

Franchisor

Ilfrich Integrated Solutions, Inc. is referred to in this Disclosure Document as the “Franchisor.” “You” means the person or corporation, partnership, limited liability company or other legal entity, including the entity’s owners, buying the franchise from the Franchisor. The Franchisor is a corporation formed under Wisconsin law on May 12, 2014 under the name “Garage Force International, Inc.” The Franchisor’s name was changed to its current name on April 20, 2017. The Franchisor does business under the name Ilfrich Integrated Solutions, Inc., and maintains its offices at 700 Stonebridge Avenue, Onalaska, Wisconsin 54650. The Franchisor offers and sells franchised Garage Force® businesses (“Garage Force Businesses”). The State Agency Exhibit attached to this Disclosure Document as Exhibit G lists the Franchisor’s agents for service of process.

Predecessors and Affiliates of the Franchisor

Ilfrich Integrated Systems, Inc. (“Ilfrich”) is an affiliate of the Franchisor. Ilfrich is a Minnesota corporation formed on August 2, 2010. Ilfrich’s principal offices are at 3002 103rd Lane NE, Blaine, Minnesota 55449. Ilfrich was the original owner of the Marks and licensed the Marks to the Franchisor for use in its franchise program. On December 30, 2015, Ilfrich assigned the ownership of the Marks to the Franchisor. Ilfrich owned and operated a Garage Force Business located in North St. Paul, Minnesota from February 2012 until April 2015 when the Business was sold to a franchisee.

Garage Force Capital, Inc. (“GF Capital”) is also an affiliate of the Franchisor. GF Capital, a corporation formed under Wisconsin law on September 5, 2014, maintains its offices at 700 Stonebridge Avenue, Onalaska, Wisconsin 54650. You may be allowed to finance the purchase of the Initial Equipment Package under an Equipment Lease Agreement with GF Capital, and if you finance the payment of the Initial Fee, you will make monthly payments according to a Promissory Note payable to GF Capital (see Items 5, 6, 7, 8 and 10).

The Franchisor has no parents or predecessors. No affiliates of The Franchisor offer franchised Garage Force Businesses or franchises in any line of business or, except as disclosed in this Item and elsewhere in this Disclosure Document, provide products or services to The Franchisor’s franchisees.

Franchised Business

Garage Force Businesses operate under the name “Garage Force®” using the Business System. A Garage Force Business provides products and services for residential garages, including the application and installation of coatings for concrete and concrete floors; the repair, maintenance and renovation of concrete and concrete floors; and the design and installation of cabinets and related storage accessories and organization systems. The products and services provided by Garage Force Businesses will be offered to residential customers in a developed market, and are generally not seasonal. You will compete with individuals and businesses offering the same or similar products and services to residential clients.

The Franchisor is not aware of any specific state or federal regulations applicable to Garage Force Businesses. However, you may have to comply with city, county and state regulations and requirements that apply to your Garage Force Business. The range of municipal, county or state licensing, bonding and certification requirements that may apply to your Garage Force Business will vary greatly, depending upon the location of your Garage Force Business. There may be city, county or state regulations and licensing requirements and other local and state regulations and requirements for your Garage Force Business, including regulations that require you to have a certain number of years of related experience

before you can meet applicable licensing requirements and commence operating your Garage Force Business in your market area. You will need to consult with a local attorney or other qualified advisor to determine whether licensing requirements or other state or local regulations apply to a Garage Force Business operated in your market area.

Prior Business Experience of the Franchisor

The Franchisor commenced its franchise program in October 2014, and as of December 31, 2017, had 58 operational franchised Garage Force Businesses. The Franchisor has owned and operated a Garage Force Business in La Crosse, Wisconsin since May 2014. The Franchisor has not offered franchises in other lines of business, and does not conduct other business activities.

ITEM 2. BUSINESS EXPERIENCE

Michael J. Peterson: President, Chief Executive Officer, Treasurer, Secretary and Director

Mr. Peterson has been the President and a Director of the Franchisor since May 2014, and the Chief Executive Officer, Treasurer and Secretary of the Franchisor since April 2016. He has also been the President of GF Capital since September 2014. From July 2001 until February 2014, he was the Creative Director for Geebo, Inc., a graphic and web design company based in Madison, Wisconsin.

Patrick J. Ilfrey: Director

Mr. Ilfrey has been a Director of the Franchisor since May 2014. He was the Chief Executive Officer, Secretary and Treasurer of the Franchisor from May 2014 until April 2016. He has also been the Chief Executive Officer, Secretary, Treasurer and Director of GF Capital since September 2014, and the Chief Executive Officer, Secretary, Treasurer and Director of Ilfrich since August 2010. From April 2006 until January 2014, Mr. Ilfrey was the Chief Executive Officer Secretary, Treasurer and Director of Citadel Restoration and Repair, Inc., a manufacturer of concrete floor coatings and exterior wood care products located in North St. Paul, Minnesota. From May 2005 until August 2013, he was the Chief Executive Officer, Secretary, Treasurer and Director of Waterproofing, Inc., Blaine, Minnesota, a company providing waterproofing and drain tile systems.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy proceedings are required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Initial Fee

You will pay an Initial Fee of \$25,000. The Initial Fee will either be paid in full to the Franchisor when you sign the Franchise Agreement, or you may be allowed to sign a Promissory Note for \$25,000 payable to GF Capital in 60 monthly installments with interest over a five-year term. The Promissory Note is attached as Exhibit C to this Disclosure Document. The terms of the Promissory Note are more fully described in Item 10 of this Disclosure Document. The Initial Fee is non-refundable and is fully earned when it is paid.

Initial Equipment Package

You will acquire the Initial Equipment Package from the Franchisor for \$40,000 payable in full when you sign the Franchise Agreement. The purchase of the Initial Equipment Package may be financed over a five-year term under an Equipment Lease Agreement with GF Capital as more fully described in Item 10 of this Disclosure Document. The Equipment Lease Agreement is attached as Exhibit D to this Disclosure Document. The Initial Equipment Package includes a trailer displaying the required graphics, and the equipment, supplies, items, marketing materials and apparel needed to commence business. If you finance the purchase of the Initial Equipment Package through GF Capital, the items in the Initial Equipment Package will be listed in an exhibit attached to the Equipment Lease Agreement before execution. Payments for the Initial Equipment Package are non-refundable and are fully earned when paid.

Otherwise, you do not pay any other fees or make payments to the Franchisor or an affiliate for products or services before your Garage Force Business opens.

The amounts paid or financed by franchisees for the Initial Fee and the Initial Equipment Package were uniform in 2017.

ITEM 6. OTHER FEES

Name of Fee ⁽¹⁾	Amount	Date Due	Remarks
Continuing Fee ⁽²⁾	5% of your Gross Revenues	3 days after Gross Revenues are received by you	Gross Revenues include the total dollar income resulting from all sales from your Garage Force Business. Gross Revenues does not include sales, use or gross receipt taxes.
Branding Fees ⁽²⁾⁽³⁾	1% of your Gross Revenues	3 days after Gross Revenues are received by you	Until the Branding Fund is established by the Franchisor, Branding Fees will be paid to the Franchisor and the Branding Fee payments will be retained by the Franchisor until you furnish written evidence satisfactory to the Franchisor that you have made advertising expenditures in amounts equal to the Branding Fee payments made by you. Upon receipt of such proof, the Franchisor will refund the Branding Fee payments made by you. After the establishment of the Branding Fund, all Branding Fees will be deposited in the Branding Fund administered and controlled by the Franchisor.
Audit Fees	Amount the Franchisor incurs to audit your Garage Force Business; generally estimated to range from \$2,500 to \$ 5,000	Within 10 days after receipt of an invoice	Payable only if an audit by the Franchisor reveals that you understated your Gross Revenues by more than 2% or you underpaid your Continuing Fees by more than \$500 in any 12-month period.

Name of Fee ⁽¹⁾	Amount	Date Due	Remarks
Transfer Fee	\$3,000	Before the date you transfer the Franchise Agreement or a controlling interest in the entity that is the Franchisee	The Franchisor must approve the transfer. The Transfer Fee includes training for the transferee and the transferee's General Manager.
Administrative Fee	\$250	On demand	Applies if you do not make Continuing Fee, Branding Fee or Equipment Lease Agreement payments when due. The Administrative Fee for late Promissory Note payments is \$100.
Collection Costs for Unpaid Fees	Amount the Franchisor incurs to collect unpaid Continuing Fees, Branding Fees or other payments	On demand	Includes the amount of actual attorneys' fees, deposition costs, expert witness fees, investigation costs, accounting fees, filing fees and travel expenses.
Interest Charges for Unpaid Fees	The lesser of 18% per annum or the maximum legal rate allowable in the state in which your Garage Force Business is located	On demand	Applies to past due payments of Continuing Fees and Branding Fees.
Opening Assistance	Currently \$375 per day plus travel expenses	Within 10 day after receipt of invoice	You will reimburse the Franchisor for the travel expenses incurred by its personnel to provide up to three days of opening assistance for your Garage Force Business in your Franchised Territory. If the Franchisor provides more than three days of opening assistance for your Garage Force Business in your Franchised Territory, you must pay the then-current per diem fee charged by the Franchisor for additional opening assistance, plus the additional travel expenses incurred by the Franchisor's personnel.
Consulting Services	Currently \$375 per day plus travel expenses	Within 10 day after receipt of invoice	Applies if the Franchisor provides consulting services for your Garage Force Business in your Franchised Territory.

Name of Fee ⁽¹⁾	Amount	Date Due	Remarks
Additional Training	Currently \$250 per day plus training expenses	Within 10 day after receipt of invoice	Applies if the Franchisor provides the initial training program to more than two people or provides more than five days of initial training before you open your Garage Force Business, if the Franchisor determines that additional training is necessary or if the Franchisor provides additional training after you commence business. If the Franchisor provides additional training in your Franchised Territory, you will also reimburse the Franchisor for all travel expenses incurred the Franchisor.
Franchise Reacquisition Fee	25% of the Franchisor's then-current Initial Fee	When you sign a new Franchise Agreement after expiration of the initial 10-year term of the Franchise Agreement	Applies only if you elect to continue to operate your Garage Force Business after the expiration of the Franchise Agreement.
Review of Unapproved Supplier	Estimated to range from \$1,000 to \$2,500	Within 10 days after receipt of invoice	You must reimburse the Franchisor for the expenses it incurs inspecting or evaluating an unapproved supplier; payable only if you request that the Franchisor review and approve a previously unapproved supplier (see Item 8).
Initial Fee Promissory Note Payments ⁽²⁾	See Item 5, Item 10 and Exhibit C to this Disclosure Document	Monthly on the 10th day of each month	Payable to GF Capital only if you finance the payment of the \$25,000 Initial Fee.
Equipment Lease Agreement Payments ⁽²⁾	See Item 5, Item 10 and Exhibit D to this Disclosure Document	Monthly on the 10th day of each month	Payable to GF Capital only if you finance the acquisition of the Initial Equipment Package.

Notes to Table in this Item:

(1) Each fee is paid to the Franchisor and is uniform, unless otherwise noted. Different versions of the Franchise Agreement effective during prior and future registration periods may require the payment of different fees, due dates and fee amounts by franchisees to the Franchisor. Except as disclosed above in this Item, all fees are nonrefundable.

(2) Payments will be made by pre-authorized electronic funds transfer (see Article 14.6 of the Franchise Agreement and the Authorization of Electronic Funds Transfer attached as an exhibit to the Franchise Agreement).

(3) In addition to payment of Branding Fees, you must also spend at least 5% of your annual Gross Revenues for approved local advertising in your Franchised Territory. Payments for local advertising are paid to local advertising suppliers, not the Franchisor. You will provide local advertising reports to the Franchisor by July 15 of each year for the period January 1 through June 30 of that year, and by January 15 of each year for the period July 1 through December 31 of the previous year. If you fail to spend the required percentage of your annual Gross Revenues for approved local advertising for your Franchised Business, then you may be required to deposit with the Franchisor the difference between the amount that you should have been spent for approved advertising and the amount that was actually spent, and that amount will be spent on advertising, promotion and related administrative expenses as deemed appropriate by the Franchisor. There are no local or regional advertising cooperatives or associations for Garage Force Businesses.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expense	Amount (Low-High) ⁽¹⁾		Method of Payment ⁽²⁾	When Due	To Whom Payment is Made
Initial Fee ⁽³⁾	\$25,000	\$25,000	Lump Sum or Monthly Payments	When You Sign Franchise Agreement or As Incurred Under Promissory Note (see Items 5, 8 and 10)	Franchisor or GF Capital
Initial Equipment Package ⁽⁴⁾	\$40,000	\$40,000	Lump Sum or Monthly Payments	When You Sign Franchise Agreement or As Incurred Under Equipment Lease Agreement (see Items 5, 8 and 10)	Franchisor, GF Capital or Other Financing Source
Wages, Travel and Living Expenses for You and Your General Manager During Initial Training Program ⁽⁵⁾	\$1,000	\$5,000	As Incurred	During Training	Employees, Airlines, Hotels and Restaurants
Computer Hardware and Software ⁽⁶⁾	\$0	\$5,000	As Incurred	Before Opening	Suppliers
Office and Storage Space (3 Months) ⁽⁷⁾	\$0	\$3,000	As Incurred	As Incurred	Landlord
Vehicle ⁽⁸⁾	\$0	\$40,000	As Incurred	As Incurred	Supplier
Office Furniture, Supplies and Equipment ⁽⁹⁾	\$0	\$2,500	As Incurred	As Incurred	Suppliers
Insurance (3 Months)	\$300	\$2,100	As Incurred	As Incurred	Insurance Companies
Employee Salaries (3 Months) ⁽¹⁰⁾	\$0	\$6,000	As Incurred	As Incurred	Employees
Professional Services	\$0	\$1,000	As Incurred	As Incurred	Attorneys and Accountants
Opening Assistance ⁽¹¹⁾	\$0	\$1,000	Lump Sum	10 days after receipt of invoice	Franchisor
Grand Opening Advertising ⁽¹²⁾	\$500	\$2,000	As Incurred	During First 90 Days of Operation	Advertising Suppliers
Additional Funds (3 Months) ⁽¹³⁾	\$1,500	\$5,000	As Incurred	As Incurred	Franchisor, GF Capital, Suppliers, Government Agencies and Utilities
Total ⁽¹⁴⁾	\$68,300	\$137,600			

Notes to Initial Investment Chart in this Item:

- (1) For the estimated range of costs disclosed in this Item, the Franchisor relied on its management's experience in the business (see Item 2). You should carefully review these figures with your business advisor before making any decision to purchase a franchised Garage Force Business.
- (2) Payments are not refundable unless otherwise noted.
- (3) You may either pay the \$25,000 Initial Fee in a lump sum when you sign the Franchise Agreement or in monthly installments paid to GF Capital over a period of five years according to the Promissory Note signed when you execute the Franchise Agreement. If you finance the Initial Fee by making the monthly payments to GF Capital under the Promissory Note, your payments for the first three months will be \$1,904.52 (see Item 10).
- (4) You will acquire the Initial Equipment Package by (a) paying \$40,000 to the Franchisor on the date you sign the Franchise Agreement; (b) the payment of \$40,000 in monthly installments over a period of five years under the terms of the Equipment Lease Agreement with GF Capital signed when you execute the Franchise Agreement, and the payment of \$1.00 on the expiration date of the Equipment Lease Agreement, or (c) financing all or a portion of the purchase price of the Initial Equipment Package through another financing source. If you enter into the Equipment Lease Agreement with GF Capital, the first three monthly payments under the Equipment Lease Agreement will total \$2,000.01 (see Item 10).
- (5) You must pay for the salaries, fringe benefits, travel costs, lodging, food, automobile rental and other expenses you and your General Manager incur while attending the initial training program.
- (6) If you do not already own a personal computer for use in your Garage Force Business, you must acquire the recommended computer hardware and software needed for the operation of your Garage Force Business (see Item 11 for more detailed information on your computer requirements).
- (7) You will need office and storage space for your Garage Force Business located in your Franchised Territory. The estimated low cost assumes that the office and storage space for your Garage Force Business is in your residence.
- (8) You will need a truck, van or other vehicle for your Garage Force Business to transport the trailer containing equipment, products and supplies to job site locations in your Franchised Territory. Your vehicle must meet the standards and requirements established by the Franchisor. The estimated low amount assumes that you already own the vehicle that you will use in your Garage Force Business. If you do not own a vehicle with sufficient towing capacity and you finance the purchase of the vehicle for your Garage Force Business, it is estimated that you will make a down payment ranging from \$0 to \$5,000, with monthly payments of from \$275 to \$725 over a five-year term. If you purchase a vehicle outright, the estimated cost is approximately \$12,000 to \$40,000, depending upon the year, make and condition of the vehicle, and the location of your Garage Force Business.
- (9) You may need to purchase an initial supply of office furniture, supplies and equipment for your Garage Force Business.
- (10) This estimate does not include compensation to you as the owner of the Garage Force Business. The low amount in the range disclosed above in the chart assumes that you are the sole operator of the Garage Force Business.
- (11) If within 60 days after you and your General Manager have successfully completed the Franchisor's initial training program, you request in writing that the Franchisor provide opening assistance, the Franchisor will provide up to three days of on-the-job training and opening assistance with the initial operations of your Franchised Business in the Franchised Territory. You will reimburse the Franchisor for the travel expenses incurred by the Franchisor's personnel to provide opening assistance within 10 days after receiving an invoice indicating the amount owed.
- (12) You will spend at least \$500 on the grand opening advertising for your Garage Force Business within 90 days of commencing business.
- (13) You will need additional funds for an initial period of operations of three months for expenditures that will not be offset by operating revenues. You will need funds during the first three months of the operation of your Garage Force Business for such items as utilities, taxes, financing payments, licenses and permits, Continuing Fees, Branding Fees, local advertising expenditures and other miscellaneous operating costs. Your working capital requirements may increase or decrease depending upon the size, location and revenues of your Garage Force

Business and other economic factors. For the estimated range of additional funds, the Franchisor relied on its management's and its franchisees' experiences in the initial operations of the company-owned and franchised Garage Force Businesses.

(14) These figures are estimates only, and it is possible that you may incur additional or greater expenses during the first three months of the operation of your Garage Force Business. Your costs during this period will vary depending on the geographic area in which your Garage Force Business is located, your management skills and business acumen, economic and market conditions, competition, number of employees, wage rates, sales levels attained, and other economic factors.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Obligation to Purchase or Lease Products or Services Only from the Franchisor or Affiliate

The Franchisor may be a designated supplier for the equipment, supplies and materials needed to open and operate Garage Force Businesses. The Franchisor will inform you in writing of the designated suppliers for your equipment, supplies and materials, and will notify you of any added or deleted designated suppliers.

Before you can commence business, you are required by the terms of the Franchise Agreement to acquire the Initial Equipment Package for your Garage Force Business by paying the Franchisor \$40,000 when you sign the Franchise Agreement, or by leasing the Initial Equipment Package under an Equipment Lease Agreement with GF Capital (see Items 5, 7 and 10). The Initial Equipment Package includes a trailer displaying the required graphics, and the equipment, supplies, items, marketing materials and apparel for your initial operations. The Franchisor is currently the only designated supplier for the Initial Equipment Package needed to commence business. Items in the Initial Equipment Package sold to you by the Franchisor can include a pricing mark up. The Franchisor will generate revenue and make a profit from the purchase or lease of the Initial Equipment Package by you.

The Franchisor is currently the only designated supplier for most of the equipment, supplies and materials required for your Garage Force Business. You are not permitted to substitute any new supplier or any other designated supplier, or to request or require that the Franchisor appoint any new supplier as a designated supplier. You are required to purchase or lease the Initial Equipment Package and to purchase your equipment, supplies and materials only from the suppliers designated by the Franchisor to ensure that you maintain the uniformity and quality standards required of all Garage Force Businesses. The Franchisor can charge you more than it costs to procure and provide to you the equipment, supplies and materials needed to open your Garage Force Business and used in the operation of your Business after you commence business. GF Capital will generate revenue and can make a profit from the sale of the equipment, supplies and materials to you for your Garage Force Business.

Patrick Ilfrey is a Director of the Franchisor and has an ownership interest in the Franchisor and GF Capital. No officer of the Franchisor owns an interest in any designated or approved supplier.

Except as disclosed in this Item, you are not currently required to purchase or lease any products or services only from the Franchisor or from an affiliate of the Franchisor.

Obligation to Purchase or Lease Products or Services from Approved Suppliers

You may have to purchase or lease certain products and services only from suppliers that have been approved by the Franchisor. The Franchisor will provide a written list of the approved suppliers for these products and services, and will notify you of any additions to or deletions from this list. Requiring you to purchase or lease certain products and services only from approved suppliers may be necessary to ensure

that you adhere to the uniformity requirements and quality standards associated with Garage Force Businesses.

If you want to purchase certain products or services subject to the Franchisor's approved supplier requirements from a previously unapproved supplier, then you must, at your expense, send representative samples or specifications of that supplier's products or services, and provide certain information about the supplier's products and business to the Franchisor. The Franchisor can also inspect the supplier's facilities, at your expense. Within 30 days after receiving the necessary samples and information, the Franchisor will notify you in writing whether the products or services of the supplier comply with the Franchisor's uniformity requirements, quality standards and specifications, and whether the supplier's business reputation, delivery performance, credit rating and other relevant information are satisfactory. The Franchisor reserves the right to revoke supplier approval by written notification to you and the supplier if the supplier or the supplier's products or services no longer meet the Franchisor's criteria. The Franchisor's criteria for supplier approval will be available to franchisees upon request. No products and services are currently subject to the Franchisor's approved supplier requirements.

You may have to purchase and use in your Garage Force Business certain brand name products. You can purchase these brand name products from any supplier.

Obligation to Purchase or Lease Products or Services that Comply with the Franchisor's Standards and Specifications

You may have to purchase or lease certain specific products and services which satisfy the Franchisor's written standards and specifications. This requirement is necessary to insure that you adhere to the standards and specifications associated with all Garage Force Businesses. Products and services currently subject to the Franchisor's standards and specifications include your insurance requirements and the computer system and the vehicle used in your Business (see Item 11). The Franchisor will provide you with a written copy of these standards and specifications. The Franchisor formulates its standards and specifications at its sole discretion. The Franchisor can periodically modify its written standards and specifications, and you must comply with any modifications. You must ensure that all products and services you select conform to the Franchisor's standards and specifications. The Franchisor reserves the right to reject any products or services you obtain from any unapproved supplier if they fail to meet the Franchisor's standards and specifications.

You will procure and maintain the general liability insurance with coverage of least \$2,000,000, vehicle insurance with coverage of at least \$1,000,000, property insurance with coverage for at least replacement cost, umbrella liability insurance coverage of at least \$2,000,000 and other insurance required by law for your Garage Force Business from insurance companies acceptable to the Franchisor that are licensed in the state where your Garage Force Business is located.

The Franchisor has the right to establish standards and specifications for your computer hardware and software, and to make modifications and updates to these standards and specifications. The Franchisor currently recommends that you have a personal computer for use only in your Garage Force Business with Microsoft Office and invoicing software.

Revenues from Franchisee Purchases

The Franchisor and its affiliates may receive income in the form of rebates, discounts, allowances or other payments or credits from designated or approved suppliers that sell products or services to franchisees. In some cases, prices charged by suppliers to affiliate-owned businesses may be less than prices charged to franchised businesses based on volume, credits, administrative costs or other factors. If the Franchisor or

its affiliate receives any rebates or other payments from a supplier as a result of your purchases from a supplier, those payments will be the exclusive property of the Franchisor or the affiliate. You will not have any right to receive the payments made by suppliers to the Franchisor or the Franchisor's affiliates.

During 2017, the Franchisor received payments totaling \$480,000 from franchisees purchasing the Initial Equipment Package for their Garage Force Businesses. Based upon the audited financial statements for the Franchisor attached as Exhibit A to this Disclosure Document, these revenues were 11.5% of the Franchisor's total revenues of \$4,210,431 for the fiscal year ending December 31, 2017. GF Capital received payments during 2017 totaling \$749,669.76 from franchisees that financed the Initial Fee and the Initial Equipment Package. Otherwise, the Franchisor and its affiliates did not derive any revenue or other material consideration based upon your purchases or leases of products and services from designated or approved suppliers in the last fiscal year.

The Franchisor estimates that purchases of products and services from designated or approved suppliers or that must meet the Franchisor's standards and specifications will constitute approximately 90% of your initial investment and 75% of the ongoing expenses to operate your Garage Force Business on an annual basis.

The Franchisor has not negotiated purchase arrangements with suppliers for the benefit of franchisees, and has not established purchasing or distribution cooperatives. The Franchisor does not provide to you any material benefits, such as renewal rights or the right to purchase additional franchises, based upon your use of designated or approved suppliers.

Except as described above in this Item 8, you need not purchase any products or services from designated or approved suppliers or that meet the Franchisor's standards and specifications.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

Obligation	Article in Franchise Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	Not applicable	Item 11
b. Pre-opening purchases/leases	Articles 4.2, 10, 11.6 and 12	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Articles 10, 11.6 and 12	Item 11
d. Initial and ongoing training	Article 8	Item 11
e. Opening	Article 8.3	Item 11
f. Fees	Articles 2.2, 4, 5, 6 and 16.7	Items 5, 6 and 7
g. Compliance with standards and policies/ Operating Manual	Articles 7, 10, 11, 12 and 13	Item 11
h. Trademarks and proprietary information	Articles 3 and 7	Items 13 and 14
i. Restrictions on products/services offered	Article 10	Items 8 and 16
j. Warranty and customer service requirements	Articles 11.1 and 11.17	Not applicable

	Obligation	Article in Franchise Agreement	Item in Disclosure Document
k.	Territorial development and sales quotas	Article 1.1	Item 12
l.	Ongoing product/service purchases	Articles 10 and 12	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	Articles 11.6 and 11.8	Item 11
n.	Insurance	Article 13	Items 7 and 8
o.	Advertising	Article 6	Items 6 and 11
p.	Indemnification	Article 22.1	Not applicable
q.	Owner's participation/management/staffing	Articles 8.1 and 11.17	Items 11 and 15
r.	Records/reports	Article 14	Item 6
s.	Inspections/audits	Articles 11.21 and 14.5	Items 6 and 11
t.	Transfer	Article 16	Item 17
u.	Renewal	Article 2.2	Item 17
v.	Post-termination obligations	Article 19	Item 17
w.	Non-competition covenants	Article 20	Item 17
x.	Dispute resolution	Article 26	Item 17

ITEM 10. FINANCING

SUMMARY OF FINANCING OFFERED

You may be allowed to finance the payment of the \$25,000 Initial Fee by signing a Promissory Note payable to GF Capital. The terms of the Promissory Note for the Initial Fee are summarized in the following chart:

Item Financed	Source of Financing	Down Payment	Amount Financed	Term	Interest Rate	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right Upon Default
Initial Fee (1)	GF Capital	\$0	\$25,000	60 months	18% (3)	\$634.84 (4)	None	Personal Guaranty (2)	\$100 Late Fee; acceleration of remaining balance due	Grounds for termination of Franchise Agreement

You may be allowed to finance the acquisition of the Initial Equipment Package by entering into an Equipment Lease Agreement with GF Capital. The terms of the Equipment Lease Agreement for the Initial Equipment Package are summarized in the following chart:

Item Financed	Source of Financing	Down Payment	Amount Financed	Term	Interest Rate	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right Upon Default
Initial Equipment Package ⁽¹⁾	GF Capital	\$0	\$40,000	60 months	18% ⁽³⁾	\$666.67 ⁽⁴⁾	None	Personal Guaranty ⁽²⁾	\$250 Late Fee; acceleration of remaining balance due; return or repossession of Leased Equipment	Grounds for termination of Franchise Agreement

Notes to Charts in this Item:

(1) A copy of the Promissory Note for the Initial Fee is attached to this Disclosure Document as Exhibit C. A copy of the Equipment Lease Agreement for the Initial Equipment Package is attached to this Disclosure Document as Exhibit D.

(2) If the Franchisee is an entity, GF Capital will require that the Franchisee's owners personally guarantee the Promissory Note and the Equipment Lease Agreement.

(3) Past due payments under the Promissory Note or the Equipment Lease Agreement will incur interest at the lesser of 18% simple interest per annum or the maximum legal rate allowed by applicable law.

(4) Your monthly payments under the Promissory Note at 18% per annum would be this amount. Your monthly payments under the Equipment Lease Agreement at 18% per annum would be this amount, with a final monthly payment made to GF Capital under the Equipment Lease Agreement of \$666.47. Ownership of the Initial Equipment Package will be transferred to you upon the payment of \$1.00 to GF Capital on the expiration date of the Equipment Lease Agreement.

You will be in default under the Promissory Note and the Equipment Lease Agreement if: (a) you fail to make any payment when due or upon demand as provided for in the Promissory Note or the Equipment Lease Agreement; or (b) any event occurs which gives the Franchisor the right to terminate the Franchise Agreement. You and the personal guarantors waive presentment, protest, demand, diligence, notice of dishonor and of nonpayment, and also waive any and all defenses based on any statute of limitations, moratorium, appraisal, exemption and homestead. If you default on the Promissory Note or the Equipment Lease Agreement, you must pay the costs of collection and attorneys' fees.

Otherwise, the Franchisor does not offer direct or indirect financing. The Franchisor does not guarantee your notes, leases or other obligations.

The Franchisor is not a party to the Promissory Note, the Equipment Lease Agreement or any other financing arrangement for your Garage Force Business. As such, the Franchisor has not nor does it intend to sell, assign or discount to a third party all or part of any financing arrangement. The Promissory Note and the Equipment Lease Agreement are with GF Capital, an affiliate of the Franchisor (see Item 1). The Franchisor receives no consideration if you obtain financing from GF Capital, any other affiliate or any other lender.

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

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

Pre-Opening Obligations:

- (1) The Franchisor will designate your Franchised Territory (see Article 1.1 of the Franchise Agreement). The Franchisor will define your Franchised Territory in your Franchise Agreement by either a written description or a map attached as an exhibit to the Franchise Agreement. The office for your Garage Force Business will be located in your Franchised Territory. The Franchisor will not select or approve the site for the office for your Garage Force Business. However, your office must be located in your Franchised Territory. The Franchisor does not review, evaluate or approve the location of your office in the Franchised Territory or the relocation of your office to another location in the Franchised Territory (see Item 12). You must open and commence operating your Garage Force Business in your Franchised Territory within six months after the date of the Franchise Agreement, or the Franchisor will have the right to terminate the Franchise Agreement (see Article 17(a) of the Franchise Agreement).
- (2) The Franchisor will permit electronic access to the Operations Manual (see Article 7 of the Franchise Agreement). The Operations Manual is currently only available on-line, is confidential and will remain the property of the Franchisor during and after the term of the Franchise Agreement. You will be allowed to view the Operations Manual on-line before you sign the Franchise Agreement.
- (3) The Franchisor will provide a written schedule of the furniture, fixtures, supplies, equipment and services required for your Garage Force Business (see Article 9.1(a) of the Franchise Agreement).
- (4) The Franchisor will designate the supplier of the Initial Equipment Package required for you to commence operating your Garage Force Business (see Article 4.2 of the Franchise Agreement).
- (5) The Franchisor will provide a list of the designated and approved suppliers for certain products and services required by the Franchisor for your Garage Force Business (see Articles 9.1(b) and 10 of the Franchise Agreement).
- (6) The Franchisor will make available to you basic accounting and business procedures for use in your Garage Force Business (see Article 9.1(c) of the Franchise Agreement).
- (7) The Franchisor will provide an initial training program for you and your General Manager (see Article 8.1 of the Franchise Agreement and below in this Item).
- (8) The Franchisor will assist with and approve the opening of your Garage Force Business (see Article 8.3 of the Franchise Agreement). If requested by you, the Franchisor will provide up to three days of opening assistance in your Franchised Territory within 60 days after you complete the initial training program. You will pay the Franchisor for the travel expenses incurred by the individual(s) who provide opening assistance in your Franchised Territory. If more than three days of opening assistance is determined to be necessary by the Franchisor, you will pay the Franchisor the then-current charge for each day of additional opening assistance (see Item 6), and pay for the travel expenses incurred by the individual(s) who provide the additional opening assistance.

Length of Time Until Opening

Generally, you will open your Garage Force Business within 60 to 90 days after you sign the Franchise Agreement. Factors which will affect your opening date include acquiring the Initial Equipment Package, establishing your office in the Franchised Territory and completing training. You must obtain written approval from the Franchisor to open your Garage Force Business. You must open and commence operating your Garage Force Business within six months after you sign the Franchise Agreement, or you will be in breach of the Franchise Agreement.

Assistance During the Operation of your Garage Force Business

- (1) The Franchisor will occasionally review your Garage Force Business and give you written reports as deemed necessary by the Franchisor (see Article 9.1(e) of the Franchise Agreement).
- (2) The Franchisor will legally protect the Marks and the Business System (see Article 3 and Article 9.1(f) of the Franchise Agreement).
- (3) The Franchisor will provide access to supplements and modifications to the Operations Manual (see Article 9.1(g) of the Franchise Agreement).
- (4) The Franchisor will provide the names and addresses of newly approved or designated suppliers (see Article 9.1(b) of the Franchise Agreement).
- (5) The Franchisor will provide advisory services by telephone or in writing (see Article 9.1(h) of the Franchise Agreement).
- (6) The Franchisor may provide consulting services to you in your Franchised Territory (see Article 9.2 of the Franchise Agreement). You will pay the Franchisor its then-current charge for consulting services (see Item 6), and will pay the travel expenses and other costs incurred by the individual(s) providing the consulting services.

Advertising

- (1) The Franchisor will occasionally make advertising and marketing recommendations (see Article 9.1(d) of the Franchise Agreement).
- (2) The Franchisor will review the advertising, promotion, marketing, public relations or telemarketing programs or campaigns which you propose to use for your Garage Force Business. You will create your own advertising, marketing or public relations materials and will submit all proposed advertising and promotion concepts, materials and media to the Franchisor in writing for its approval. Upon receipt of the Franchisor's written approval, you may disseminate these materials via the method approved by the Franchisor. You will conduct local advertising or promotion for your Garage Force Business after the Franchisor has approved your advertising and promotion concepts, materials and media. You must spend at least 5% of your annual Gross Revenues on approved local advertising (see Article 6.10 of the Franchise Agreement). If you fail to meet this minimum requirement, you will have to deposit with the Franchisor the difference between what you should have spent and what you actually spent, which the Franchisor will spend as deemed appropriate by the Franchisor. You do not have to participate in a local or regional advertising cooperative or association.
- (3) You will spend a minimum of \$500 for a grand opening advertisement and promotional campaign for your Franchised Business during your first 90 days of operation.

(4) The Franchisor has the right to require that you make monthly payments to the Franchisor for deposit in an account (the “Branding Fund”) administered and controlled by the Franchisor. Once the Branding Fund is established, you will pay a Branding Fee to the Franchisor equal to 1% of your monthly Gross Revenues for deposit into the Branding Fund (see Article 6.1 of the Franchise Agreement). Other Garage Force franchisees will also pay a Branding Fee equal to 1% of their monthly Gross Revenues. The Garage Force Businesses owned by the Franchisor will deposit 1% of their monthly Revenues into the Branding Fund.

The Franchisor will determine when, how and where the payments deposited into the Branding Fund will be spent. The Franchisor will have the discretion to spend the monies in the Branding Fund on any print, broadcast, electronic or social media deemed appropriate by the Franchisor for local, regional or national advertising developed in-house or by an advertising agency or any other source. The Franchisor does not have to spend the monies in the Branding Fund in any particular market and will not have to make expenditures from the Branding Fund in your Franchised Territory in proportion to the Branding Fees paid by you. The Franchisor does not have to spend the monies in the Branding Fund in the calendar year in which the payments were made. Payments to the Branding Fund not spent in the calendar year in which they were paid and the interest accrued will remain in the Branding Fund. The Franchisor does not intend to use the monies in the Branding Fund for the direct solicitation of prospective franchisees. All administrative and other costs associated with or incurred by the Franchisor in the administration of or by the Branding Fund will be paid from the Branding Fees deposited into the Branding Fund.

The Branding Fund will not be audited. The Franchisor will prepare an unaudited summary of the income and expenses of the Branding Fund each calendar year, which will be available for review by franchisees upon reasonable written request. No expenditures were made from the Branding Fund in 2017.

Until the Branding Fund is established by the Franchisor, you will pay the 1% monthly Branding Fees to the Franchisor, and the Franchisor will retain these Branding Fee payments until you submit satisfactory written evidence that you made advertising expenditures to promote your Garage Force Business in your Franchised Territory in an amount equal to the Branding Fee payments made by you each month. Upon receipt of sufficient written proof of your approved advertising expenditures, The Franchisor will periodically reimburse you for the Branding Fee payments made by you in prior months.

There is no franchisee advertising council that advises the Franchisor on advertising policies.

Computer System

The Franchisor has the right to establish standards and specifications for your computer hardware and software, and to make modifications and updates to these standards and specifications (see Article 12 of the Franchise Agreement). The Franchisor currently recommends that you have or acquire a personal computer for use only in your Garage Force Business with Microsoft Office and invoicing software. Otherwise, the Franchisor does not currently suggest any particular computer hardware or software for your Garage Force Business, but may do so in the future. Your initial expenditures for your computer hardware and software are estimated to be approximately \$5,000 if you do not already own a personal computer for use in your Garage Force Business. The computer equipment and software will help you manage your Garage Force Business. Your computer system will perform word processing, accounting, contact management, record keeping, scheduling, Internet access and e-mail functions for your Garage Force Business. The Franchisor has the right to require that it have independent access the information and data stored in the computer system for your Garage Force Business. There is no contractual limitation on this right.

Neither the Franchisor nor an affiliate will supply, maintain, repair or update your computer system. Office equipment, computer hardware and peripherals, third party maintenance agreements, and computer software and operating systems are all available through commercial office and telecommunications equipment, and computer hardware and software vendors. The Franchisor may require you to update your computer hardware and software by purchasing more memory or disk space, additional computer hardware and software, network operating systems, file servers and/or new computer hardware or software. There are no contractual limitations on the frequency or cost of the computer hardware and software updates you must make. The Franchisor is unable to predict the annual cost of any required computer hardware or software updates, but estimates for this cost will typically range from \$250 to \$500 per year.

Training

After you sign the Franchise Agreement and pay the Initial Fee, the Franchisor will train you and your General Manager for a minimum of five consecutive days (which may be longer than eight hours per day) (see Article 8.1 of the Franchise Agreement). You and your General Manager must successfully complete the initial training program to the Franchisor's satisfaction before you will be allowed to commence business. The Franchisor offers training courses as often as is necessary for new franchisees and general managers. The training program includes classroom and on-the-job instruction on the topics described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Operating Garage Force Business	6	2	La Crosse, WI or another location designated by the Franchisor
Floor System Installation	22 to 24	16	La Crosse, WI or another location designated by the Franchisor
Marketing	2 to 4	0	La Crosse, WI or another location designated by the Franchisor
Public Relations	1 to 2	0	La Crosse, WI or another location designated by the Franchisor

The initial training program is conducted by Michael Peterson whose background and employment history is disclosed in Item 2. Mr. Peterson has been involved in the operations of the Franchisor as its President since the Franchisor's inception in May 2014. The initial training program will be held by the Franchisor as often as necessary. Instructional materials include the Franchisor's Operations Manual and Citadel Floor training materials. The Franchisor provides the initial training program for two people at no additional cost, other than the Initial Fee. If you choose to have more than two people attend training or if more than five days of training are necessary, as determined by the Franchisor, you must pay the Franchisor a training fee of \$250 per day per person (see Item 6).

You and your General Manager attend and successfully complete the initial training program within 60 days after the date of the Franchise Agreement approximately 15 days before you open your Garage Force Business. You must pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, travel expenses, lodging, food, automobile rental costs and all other

expenses incurred by you, your General Manager and all other persons who attend the initial training program and any additional training for your Garage Force Business. The Franchisor currently does not require any additional training programs or refresher courses, but has the right to do so in the future.

ITEM 12. TERRITORY

You will have the right to operate your Garage Force Business within a defined geographic area (the “Franchised Territory”). You may not use the Marks, operate your Garage Force Business, or solicit or accept orders at any location or within any area other than in the Franchised Territory without first obtaining the Franchisor’s consent. The Franchisor will define your Franchised Territory in the Franchise Agreement by using a written description and/or a map attached to the Franchise Agreement. The boundaries of your Franchised Territory will be based upon square mileage and population. Your Franchised Territory will be an area that is 50 square miles by 50 square miles in size, unless this area contains a population of more than 250,000, as determined by the Franchisor with reference to sources of demographic and census information that the Franchisor deems reliable. In that case, the designated square mileage of your Franchised Territory will be less than 50 miles.

The office for your Garage Force Business will be located in your Franchised Territory. The Franchisor does not review, evaluate or approve the location or the relocation of your office in the Franchised Territory. The Franchise Agreement does not grant any options, rights of first refusal or similar rights to you for the acquisition of additional franchises within your Franchised Territory or in contiguous areas.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets the Franchisor owns, or from other channels or distribution or competitive brands the Franchisor controls. Your Franchised Territory will be protected only to the extent that the Franchisor will not develop, open or operate other Garage Force Businesses, company or affiliate-owned or franchised, that are located or operated within your Franchised Territory. Your rights within your Franchised Territory will not be dependent on achieving any certain sales volume, market penetration or other contingency. The Franchisor reserves the right to (1) develop and acquire other business concepts under other brand names even if the locations for those concepts are located in your Franchised Territory, and (2) directly or indirectly advertise and/or sell any proprietary products or services under the Marks that have been or may be developed by or for the Franchisor, to other persons or entities that are not franchisees, through methods of distribution including sales through wholesale outlets, retail stores, or by mail order, electronic commerce or any other direct sales method, anywhere in the world, including sales from and to locations within your Franchised Territory. The Franchisor is not required to compensate you for exercising any such rights. However, neither the Franchisor nor any affiliate currently operates any such business or has any existing plans to do so.

Your Franchised Territory may not be altered or relocated except by written agreement of the parties. The Franchisor may allow you to relocate your Garage Force Business to another Franchised Territory as long as the Franchised Territory is available and meets the Franchisor’s then-current criteria for the establishment of a franchised Garage Force Business. The office for your Garage Force Business will be moved to an address in the relocated Franchised Territory.

You may not offer or sell any products or services outside the boundaries of your Franchised Territory without first obtaining the written consent of the Franchisor, and you do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to offer or sell products or services from your Garage Force Business.

ITEM 13. TRADEMARKS

The Franchisor authorizes you to operate your Garage Force Business under the name “Garage Force,” and to use other current and future trademarks or service marks (the “Marks”). You may only use the Marks in the manner the Franchisor authorizes in writing.

The following primary Mark owned by the Franchisor is registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”):

Mark	Registration No.	Registration Date
GARAGE FORCE	4,769,724	July 7, 2015

It is the Franchisor’s intent to file all required affidavits when due.

There are no presently effective determinations of the USPTO, the Trademark Trial and Appeal Board, or the trademark administrator in any state or any court, no pending infringement, opposition or cancellation proceeding, no pending material litigation involving the trademarks which have limited or restricted the use of the Franchisor’s trademarks, trade names, service marks or commercial symbols in any state. There are no agreements currently in effect which limit the Franchisor’s rights to use or license the use of the Marks.

To the knowledge of the Franchisor, there are no prior or infringing uses which could materially affect your use of the licensed Marks or other related rights in any state. You must provide the Franchisor with written notice of any claims made against or associated with the Marks. The Franchisor will have complete discretion to take such action as it deems appropriate, and the right to control any settlement, litigation or USPTO or other proceeding arising out of any alleged infringement, challenge or claim relating to any of the Marks. You will, at your expense, cooperate with the Franchisor in any lawsuits or other proceedings involving the Marks. The Franchisor will protect your right to use the Marks and other related rights and must protect you against claims of infringement and unfair competition with respect to the Marks. However, if anyone establishes to the Franchisor’s satisfaction that its rights are, for any legal reason, superior to the Franchisor’s rights to any of the Marks or if the Franchisor for any other reason determines to cease using the Marks, to use new Marks or to change or amend the Marks, then the Franchisor has no indemnification obligations to you, and you must, at your expense, adopt and use the other service marks, trademarks or trade names the Franchisor requires.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Copyrights

The Franchisor will copyright advertising materials, training materials, the Operations Manual and other written materials, but has not registered these copyrights with the United States Copyright Office.

Confidential Information

You must keep confidential the Franchisor’s Operations Manual, any supplements to it and any other manuals or written materials used in your Garage Force Business. The Operations Manual contains information regarding the Business System. The Franchisor considers this information a trade secret and extremely confidential. You must use all reasonable means to keep this information confidential and prevent any unauthorized copy, duplication, record or reproduction of this information. Your employees must sign confidentiality agreements which will require them to keep confidential, both during and after employment, all information designated by the Franchisor as confidential and proprietary.

Patents

No patents are material to your Garage Force Business.

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

Although you are not required under the Franchise Agreement to participate in the operation of your Garage Force Business, the Franchisor strongly recommends that you (if an individual) actively participate in the operation of the Franchised Business, either as the General Manager or in another capacity. However, your Garage Force Business must be managed by a General Manager who has completed the Franchisor's training program. Your General Manager need not have an equity interest in your Garage Force Business. Your General Manager and all other employees who will have access to the Operations Manual will sign a written confidentiality agreement agreeing to keep confidential, both during and after employment, all information designated by the Franchisor as confidential and proprietary. In addition, your General Manager must sign a written agreement under which he or she cannot participate in any business that competes with a Garage Force Business within your Franchised Territory, within the territory of any other Garage Force Business, or within any exclusive area granted by the Franchisor, for a period of 18 months after leaving your employ. If the Franchise Agreement is signed by you for a legal entity, rather than as an individual, the entity's owners must personally guarantee all of its obligations to the Franchisor.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the products and services specified or approved by the Franchisor in writing. You must sell all products and services that the Franchisor requires. The Franchisor has the right, without any limitation, to change the products and services that Garage Force Businesses must sell. You may not sell products or services outside of your Franchised Territory without obtaining the written consent of Garage Force. Otherwise, The Franchisor does not restrict your sale of products and services in the Franchised Territory, except as disclosed in Item 12.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	Provision	Article in Franchise Agreement	Summary
a.	Length of the franchise term	Article 2.1	10 years
b.	Renewal or extension of the term	Article 2.2	You do not have the right to renew the Franchise Agreement, but have the right to reacquire the franchise for the Franchised Territory by entering into the Franchisor's then-current standard Franchise Agreement.

	Provision	Article in Franchise Agreement	Summary
c.	Requirements for franchisee to renew or extend	Article 2.2	You must give the Franchisor notice of your intention to reacquire the franchise at least 180 days before your Franchise Agreement expires; you must have complied with all material terms and conditions of the Franchise Agreement and material operating and quality standards and procedures; you have satisfied all monetary obligations owed to the Franchisor; you agree to make capital expenditures to replace and modernize the equipment, materials, supplies and other items used in your Garage Force Business; you and your employees complete any required training; and you agree to execute and comply with the then-current standard Franchise Agreement. You will not have to pay another Initial Fee, but will pay a Franchise Reacquisition Fee equal to 25% of the Franchisor's then-current Initial Fee. If you reacquire the franchise for the Franchised Territory, you will sign a new Franchise Agreement which may contain materially different terms and conditions than your original Franchise Agreement.
d.	Termination by franchisee	Article 18	If the Franchisor violates any material provision of the Franchise Agreement or fails to timely pay any uncontested obligation due to you.
e.	Termination by franchisor without cause	None	
f.	Termination by franchisor with cause	Article 17	If you breach the Franchise Agreement.
g.	"Cause" defined - defaults which can be cured	Article 17.1	You will have 30 days to cure: a failure to open your Garage Force Business within six months after signing the Franchise Agreement; a violation of any material provision of the Franchise Agreement; your conviction for violating any law relating to your Garage Force Business or a felony; a failure to conform to the Business System; a failure to pay any uncontested obligation or liability to anyone (including failure to pay any federal or state taxes); a determination that you are insolvent; an assignment made by you for the benefit of creditors; any dishonored check; you fail to acquire the equipment and supplies required for your Garage Force Business before you commence business; you abandon your Garage Force Business; any conduct which materially impairs the Marks or the Business System; a default of the Equipment Lease Agreement; or a default of the Promissory Note. You have 15 days to cure a failure to pay any amount due to the Franchisor.

	Provision	Article in Franchise Agreement	Summary
h.	“Cause” defined - defaults which cannot be cured	Article 17.5	Subject to applicable state law, the Franchisor may terminate the Franchise Agreement immediately on written notice to you if: you are convicted of violating any law relating to your Garage Force Business or a felony; you are deemed insolvent; you make an assignment for the benefit of creditors; you abandon your Garage Force Business; your conduct materially impairs the Marks or the Business System and you fail to correct your breach within 24 hours; you breach the Equipment Lease Agreement; the Equipment Lease Agreement is terminated before its expiration date; you breach the Promissory Note; or the payment of the unpaid balance of the Promissory Note is accelerated.
i.	Franchisee’s obligations on termination or nonrenewal	Article 19	You must cease to be a Garage Force franchisee and cease to operate under the Business System; pay all sums and fees owing to the Franchisor; return to the Franchisor all printed materials for the Garage Force Business; inform your suppliers that you are no longer a Garage Force franchisee; cease to use in the Marks and the Business System and remove all indications of operation under the Business System from your vehicle and the Business; and transfer all rights to telephone numbers and directory listings to the Franchisor.
j.	Assignment of contract by franchisor	Article 16.1	No restriction on the Franchisor’s right to assign. The assignee must fully perform all the Franchisor’s obligations under the Franchise Agreement.
k.	“Transfer” by franchisee - definition	Articles 16.2 and 16.3	Assignment to owned or controlled entity or assignment in the event of your death or disability; assignment of the Franchise Agreement or ownership in the franchisee.
l.	Franchisor’s approval of transfer by franchisee	Article 16.4	The Franchisor has the right to approve any transfer made by you, but will not unreasonably withhold its consent.
m.	Conditions for franchisor’s approval of transfer	Article 16.4	You comply with the Franchisor’s right of first refusal; you provide at least 90 days prior written notice of the transfer; you pay all money owed to the Franchisor; you complete a written agreement between you and the Franchisor agreeing to observe all post-term obligations; transferee does not and will not participate in any business competes with Garage Force Business; you sign a general release (see Exhibit E); transferee meets the Franchisor’s standards for new franchisees; transferee signs the Franchisor’s then-current Franchise Agreement and personal guaranty; transferee and transferee’s general manager complete training program; and you pay the transfer fee.

	Provision	Article in Franchise Agreement	Summary
n.	Franchisor's right of first refusal to acquire franchisee's business	Articles 15.1 and 15.2	You must first offer the sale of your Garage Force Business or Business Assets to the Franchisor before selling to anyone else. After you present an offer to sell or a third party's offer to purchase your Garage Force Business or Business Assets to the Franchisor, the Franchisor must respond within 15 business days after receiving your offer. If the Franchisor begins negotiations to purchase your Garage Force Business or Business Assets, you must continue negotiations until you and the Franchisor have agreed in writing that negotiations have terminated.
o.	Franchisor's option to purchase franchisee's business	Article 15.6	If your Franchise Agreement is terminated or expires, the Franchisor may purchase the Franchise Assets.
p.	Death or disability of franchisee	Article 16.3	If you are an individual, your Franchise Agreement may be transferred to your beneficiary.
q.	Noncompetition covenants during the term of the franchise	Article 20.2	You may not participate in any business that competes with a Garage Force Business.
r.	Noncompetition covenants after the franchise is terminated or expires	Article 20.3	You may not participate in any competitive business located in the Franchised Territory, or within the Franchised Territory or exclusive area of any other Garage Force Business, for a period of 18 months.
s.	Modification of the agreement	Article 25.8	Only by written agreement between you and the Franchisor.
t.	Integration/merger clauses	Article 25.9	The Franchise Agreement is the entire agreement between you and the Franchisor (subject to state law). The terms of the Franchise Agreement and the representations contained in this Disclosure Document are binding. Nothing in the Franchise Agreement is intended to disclaim the representations in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Article 26	All disputes will be arbitrated in Onalaska, Wisconsin.
v.	Choice of forum	Articles 25.6 and 26.4	Litigation must be in La Crosse County, Wisconsin, subject to applicable state law.
w.	Choice of law	Article 27.1	Governing law will be the law of the state in which your Franchised Territory is located.

ITEM 18. PUBLIC FIGURES

The Franchisor does not use any public figure to promote its franchise. No public figure is involved in the management of the Franchisor.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for

the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The Franchisor does not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. The Franchisor also does not authorize its employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, the Franchisor may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the Franchisor's management by contacting Michael Peterson, 700 Stonebridge Avenue, Onalaska, Wisconsin 54650; (608) 209-1507, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Fiscal Years 2015/2016/2017⁽¹⁾

Outlet Type	Year	Outlets at Start of Year	Outlets at End of Year	Net Change
Franchised	2015	2	32	+30
	2016	32	48	+16
	2017	48	58	+10
Company-Owned ⁽²⁾	2015	2	1	-1
	2016	1	1	0
	2017	1	1	0
Total Outlets	2015	4	33	+29
	2016	33	49	+16
	2017	49	59	+10

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other Than Franchisor)
For Fiscal Years 2015/2016/2017⁽¹⁾

State	Year	Number of Transfers
Michigan	2015	0
	2016	1
	2017	0
Texas	2015	0
	2016	0
	2017	1
Totals	2015	0
	2016	1
	2017	1

Table No. 3
Status of Franchised Outlets
For Fiscal Years 2015/2016/2017⁽¹⁾

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Alabama	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	2	0	0	0	0	3
Arizona	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	1	0
Colorado	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Florida	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Georgia	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Idaho	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Illinois	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Indiana	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Iowa	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Kansas	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Kentucky	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Michigan	2015	0	2	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Minnesota	2015	0	3	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	1	0	0	0	0	4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Missouri	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Montana	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Nebraska	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	3	0	0	0	0	3
Nevada	2015	0	3	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	1	2
North Carolina	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
North Dakota	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Oklahoma	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	2	0	0	0	0	4
Pennsylvania	2015	0	2	0	0	0	0	2
	2016	2	1	0	0	0	0	3
	2017	3	0	0	0	0	2	1
South Dakota	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Tennessee	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Texas	2015	1	4	0	0	0	0	5
	2016	5	4	0	0	0	0	9
	2017	9	1	0	0	0	0	10
Virginia	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Wisconsin	2015	1	4	0	0	0	0	5
	2016	5	1	0	0	0	0	6
	2017	6	1	0	0	0	0	7
Totals	2015	2	30	0	0	0	0	32
	2016	32	16	0	0	0	0	48
	2017	48	14	0	0	0	4	58

Table No. 4
Status of Company-Owned Outlets
For Fiscal Years 2015/2016/2017⁽¹⁾

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Minnesota	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0
	2017	0	0	0	0	0	0
Wisconsin	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Totals	2015	2	0	0	0	1	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1

Table No. 5
Projected Openings as of December 31, 2017⁽²⁾

State	Franchise Agreements Signed But Not Yet Open ⁽³⁾	Projected Franchised Outlet Openings in Next Fiscal Year	Projected Company-Owned Outlet Openings in Next Fiscal Year
Florida	0	1	0
Georgia	0	1	0
Illinois	0	2	0
Indiana	0	1	0
Kansas	0	1	0
Kentucky	0	2	0
Michigan	0	1	0
Minnesota	0	1	0
Missouri	0	1	0
Montana	0	1	0
Nebraska	0	1	0
North Carolina	0	1	0
Oklahoma	0	1	0
South Carolina	0	2	0
Tennessee	0	2	0
Texas	0	1	0
Washington	0	1	0
West Virginia	0	1	0
Wisconsin	0	1	0
Totals	0	23	0

Notes to Tables in this Item:

(1) As of December 31, 2015, 2016 and 2017.

(2) By December 31, 2018.

(3) As of December 31, 2017.

The names, addresses and telephone numbers for the franchised Garage Force Businesses as of December 31, 2017 are disclosed below:

ALABAMA

Joel Weeks
25933 Kensington Way
Daphne, AL 36526
(334) 379-9447

Shane Knaap
6577 Helmock St.,
Trussville, AL 35173
334-524-2389

David Whitten
28433 Gatlin Rd.
Ardmore, AL 35739
256-590-7857

ARIZONA

Vincent Haro
16761 W. Apache St.
Goodyear, AZ 85338
(623) 980-4870

COLORADO

Luke Fulghum
14605 River Oaks Drive
Colorado Springs, CO 80921
(719) 271-3440

Dave Fessenden (North Denver)
10940 S. Parker Rd., #822
Parker, CO 80134
(888) 924-4272

Dave Fessenden (South Denver)
10940 S. Parker Rd., #822
Parker, CO 80134
(888) 924-4272

FLORIDA

Joseph Walker
578 Blackstone
Holland, MI 49423
(855) 514-2724

Francis Blanford
1600 N.W. 7th Avenue
Fort Lauderdale FL, 33311
(954) 908-9964

GEORGIA

Patrick Faulkner
949 Mathers St. SW
Atlanta, GA 30310
(678) 633-4620

IDAHO

Paul Williams
3811 Clinton Rd.
Emmett, ID 83617
(208) 963-1185

ILLINOIS

Dennis McDonald
375 E. Front Street
El Paso, IL 61738
(256) 612-9188

INDIANA

Aaron Kimpel (Fort Wayne, IN)
02037 CR 4-50
Edgerton, OH 43517
(419) 551-6039

Nathan Press
15748 Harmon Place
Noblesville, IN 46060
(317) 331-2936

IOWA

Neil Schatz
204 8th Street
Grundy Center, IA 50638
(319) 504-1585

Chas Zech
701 S. Carroll St.
Rock Rapids, IA 51246
(712) 363-5169

KANSAS

Justin Hendren
5840 SW Candletree Dr. #4
Topeka, KS 66614
(785) 554-3773

Kenny Graham
3700 E 43rd Ave.
Hutchinson, KS 67502
(620)474-7072

KENTUCKY

Steven Manley
289 Sunflower Dr,
Rineyville, KY 40162
931-302-0792

MICHIGAN

Kevin Holbrook
2549 Middlefield Street
Trenton, MI 48183
(734) 767-8606

Joseph Walker
578 Blackstone
Holland, MI 49423
(855) 514-2724

MINNESOTA

Todd Maland (Minneapolis)
2208 Hulett Ave.
Faribault, MN 55021
(651) 387-9213

Joel Granberg
4452 Mayo Woodlands Rd. SW
Rochester, MN 55902
(507) 398-6051

Todd Maland (St. Paul)
2208 Hulett Ave.
Faribault, MN 55021
(651) 387-9213

Scott Dohman
17878 Haralson Drive
Eden Prairie MN 55347
(612) 991-0635

MISSOURI

Kenny Kolda (St. Louis, MO)
4605 Maryville Rd.
Granite City, IL 62040
(618) 741-3758

MONTANA

John McGeedy
220 Cliff Creek Road
Whitefish, MT 59937
(406) 858-0034

NEVADA

Deon Shouse
620 Leffner Ave.
Pahrump, NV 89060
(775) 385-1403

NORTH CAROLINA

Jason Knight
7924 Concord Church Rd.
Autryville, NC 28318
(910) 308-3965

Israel Jackson
P.O. Box 441
Stedman, NC 28391
(910) 987-4968

NORTH DAKOTA

Jim Moe
518 Morrison St.
West Fargo, ND 58078
(701) 866-0196

OKLAHOMA

Matthew Martinez
21213 SE 37th Street
Harrah, OK 73045
(405) 226-4336

Garage Force of Tulsa
9226 S. Elwood Ave.
Jenks, OK 74037
(918) 995-1145

David Price / Howard Barnett
1205 South Air Depot Blvd. Suite #252
Midwest City, OK 73110
(405) 283-8311

PENNSYLVANIA

Barry Urich
1301 Second St.
Enola, PA 17025
(717) 736-5044

Ross Lindy
902 Pritchard Pl.
Newtown Square, PA 19073
(484) 854-3744

Paul Watler
650 Pittsburgh Road
Uniontown, PA 15401
(412) 342-8481

SOUTH DAKOTA

Jason Madsen
27036 Revilo Place
Sioux Falls, SD 57108
(605) 670-9654

TENNESSEE

James Craft
1035 Angela Dr.,
Clarksville, TN 37042
910-299-2723

TEXAS

Derick Schreckenbach
1011 Avenue D
Fredericksburg, TX 78624
(830) 446-2689

Doug Verbsky
11191 Parliament Lane
Frisco, TX 75035
(469) 296-8392

William Jeter
P.O. Box 171
Gardendale, TX 79758
(432) 631-4990

Rob Gabrielson
23501 Cinco Ranch Blvd. Suite H
Katy, TX 77494
(832) 529-6160

Joseph Meeks
315 PR 3115
Kempner, TX 76539
(910) 987-5985

Lawrence Kana
836-A Karisch Rd.
Smithville, TX 78957
(512) 360-7164

Michael Ilfrey
2212 Meadow Mountain Drive
Waco, TX 76712
(254) 723-5786

Scott Metzdorf
13420 Moorhouse Way
Justin, TX 76247
(214) 929-4151

VIRGINIA

Ray Holdeman
41 Niday Drive
Stafford, VA 22556
(540) 628-0825

Johnny Smith
17646 Main Street
Dumfries, VA 22026
571-288-1350

WISCONSIN

Tim Schaldach
406 Schneider Street
Cashton, WI 54619
(608) 633-0155

Doug Thomas
1157 South Taylor St.
Green Bay, WI 54304
(920) 621-2704

Jeffrey Coleman
922 Partridge Lane
Fredonia, WI 53021
(414) 750 4341

Andrew Nickelatti
4120 Marquart Lane
Omro, WI 54963
(920) 279-7216

Chad Glumske
1502 Viking Ave.
Holmen, WI 54636
(608) 397-9277

Karl Hackman
3115 29TH St South
La Crosse, WI 54601
(507) 450-9420

Except as set forth below, no Garage Force franchisees had their franchises terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business during the Franchisor's most recent fiscal year, and no Garage Force franchisee has failed to communicate with the Franchisor during the ten-week period preceding the date of this Disclosure Document.

Except as set forth below, no Garage Force franchisees had their franchises terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business during the Franchisor's most recent fiscal year, and no Garage Force franchisee has failed to communicate with the Franchisor during the ten-week period preceding the date of this Disclosure Document.

Note:

(1) This Garage Force Business is not listed in Table No. 3 above as a franchise closure in Arizona during 2016 because the franchisee did not commence business before the Franchise Agreement was cancelled by mutual agreement.

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

During the last three fiscal years, the Franchisor has signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with the franchise system.

There are no trademark-specific franchisee associations either created, sponsored or endorsed by the Franchisor, or independent franchisee associations.

ITEM 21. FINANCIAL STATEMENTS

Exhibit A are the audited Financial Statements for the Franchisor as of the fiscal years ended December 31, 2017, December 31, 2016, and December 31, 2015, and unaudited financial statements as of April 30, 2018.

ITEM 22. CONTRACTS

Exhibit B is the Franchise Agreement. Exhibit C is the Promissory Note. Exhibit D is the Equipment Lease Agreement.

ITEM 23. RECEIPT

The last page of this Disclosure Document is a detachable Receipt.

**ADDENDUM TO
ILFRICH INTEGRATED SOLUTIONS, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR STATE-SPECIFIC DISCLOSURES**

Item 17 of the Disclosure Document provided to a prospective franchisee for a franchised Garage Force Business to be located in or who is a resident of any state indicated below in this Addendum is amended by the addition of the following language:

Illinois: Your Franchise Agreement will be governed by Illinois law, including the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1-44 (the “Illinois Act”). The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by the Illinois Act.

Section 4 of the Illinois Act provides that the provisions of the Franchise Agreement which designate jurisdiction or venue in a forum outside of Illinois are void. The regulations promulgated under Section 4 of the Illinois Act require that the choice of law provisions of the Franchise Agreement cannot provide for a choice of law other than Illinois.

Section 41 of the Illinois Act provides that any condition, stipulation or provision purporting to require you to waive compliance with the Illinois Act or any other Illinois law is void. However, you can enter into a settlement agreement, execute a general release of a potential or actual lawsuit, and arbitrate any claim.

Maryland: Items 17(c) and 17(m) of the Disclosure Document are amended to disclose that the general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17(v) of the Disclosure Document is amended to disclose that a franchisee may bring a lawsuit in 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 three years after the grant of the franchise.

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

Minnesota: Minnesota Statutes, Section 80C.21 and Minn. Rule 2860.4400D prohibit the Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, requiring you to consent to liquidated damages, termination penalties or judgment notes, or requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minn. Stat. Secs. 80C.01 to 80C.22.

No provision of the Disclosure Document or the 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 remedy provided for by the laws of Minnesota.

The Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days notice of the nonrenewal of your franchise.

North Dakota: Covenants not to compete are generally unenforceable in North Dakota, except in limited circumstances provided by law.

The North Dakota Securities Commissioner has held that requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota is unenforceable.

Rhode Island: Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that a provision of a franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act.

South Dakota: Covenants not to compete are generally unenforceable in South Dakota, except in limited circumstances provided by law.

Any provision of the Franchise Agreement which designates jurisdiction or venue outside South Dakota or requires jurisdiction or venue in a forum outside of South Dakota is void if the cause of action is otherwise enforceable in South Dakota.

Washington: In the event of a conflict of laws, the provision of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the “Washington Act”) will prevail. The Washington Act 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 the franchise.

The scope of the joint and mutual release signed by you as a condition of transfer of the franchise will be limited by applicable law. A release or waiver or rights executed by a Washington franchisee will not include rights under the Washington Act, except for a negotiated settlement agreement executed after the Franchise Agreement is in effect 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 Washington Act, rights or remedies under the Washington 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.

In any arbitration involving a franchise purchased in Washington, the arbitration site will either be in Washington, a place mutually agreed upon at the time of the arbitration, or as determined by the Arbitrator.

**ADDENDUM TO
ILFRICH INTEGRATED SOLUTIONS, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

1. The following information is added to the State Cover Page of the Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT G OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THE FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THE FRANCHISE DISCLOSURE DOCUMENT.

2. Item 3 of the Disclosure Document is amended by the addition of the following language:

Except as provided in Item 3 of the Disclosure Document, with regard to the Franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the Franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by

a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Item 4 of the Disclosure Document is amended by the addition of the following language:

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

4. Item 5 of the Disclosure Document is amended by the addition of the following language:

The Initial Franchise Fee constitutes part of the Franchisor's general operating funds, and will be used as such in the Franchisor's discretion.

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

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

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

You may terminate the Franchise Agreement on any grounds available by law.

7. The following language is added to the end of the "Summary" section of Item 17(j), entitled "Assignment of contract by franchisor":

However, no assignment will be made except to an assignee that in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), entitled "Choice of forum", and Item 17(w), entitled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business Law of the State of New York.

Ilfrich Integrated Solutions, Inc.
FRANCHISE DISCLOSURE DOCUMENT
EXHIBIT A
FINANCIAL STATEMENTS

ILFRICH INTEGRATED SOLUTIONS, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

ILFRICH INTEGRATED SOLUTIONS, INC.
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FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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INDEPENDENT AUDITORS' REPORT

Ilfrich Integrated Solutions, Inc.
Onalaska, Wisconsin

We have audited the accompanying financial statements of Ilfrich Integrated Solutions, Inc. (an S corporation), which comprise the balance sheets as of December 31, 2017 and 2016, and the related statements of income, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 of 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 Ilfrich Integrated Solutions, Inc., as of December 31, 2017 and 2016, 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.

Pitzl & Pitzl, PA

Pitzl & Pitzl, PA
May 22, 2018

ILFRICH INTEGRATED SOLUTIONS, INC.
BALANCE SHEETS
AS OF DECEMBER 31, 2017 AND 2016

	<u>DECEMBER 31, 2017</u>	<u>DECEMBER 31, 2016</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 114,011	\$ 72,489
Accounts Receivable, Net	880,952	802,823
Notes Receivable	296,077	406,743
Inventory	26,588	69,539
Total Current Assets	<u>1,317,628</u>	<u>1,351,594</u>
EQUIPMENT AND FURNITURE		
Furniture, Equipment and Website	232,194	90,859
Less: Accumulated Depreciation	<u>(40,736)</u>	<u>(15,268)</u>
Equipment and Furniture, Net	<u>191,458</u>	<u>75,591</u>
OTHER ASSETS		
Organizational Costs	38,000	38,000
Accumulated Amortization	<u>(9,289)</u>	<u>(6,756)</u>
Total Other Assets	<u>28,711</u>	<u>31,244</u>
 Total Assets	 <u><u>\$ 1,537,797</u></u>	 <u><u>\$ 1,458,429</u></u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 325,514	\$ 677,138
Accrued Expenses	46,112	-
Total Current Liabilities	<u>371,626</u>	<u>677,138</u>
STOCKHOLDER'S EQUITY		
Common Stock, \$1 par value; 100 shares authorized and outstanding	100	100
Retained Earnings	1,166,071	781,191
Total Stockholder's Equity	<u>1,166,171</u>	<u>781,291</u>
 Total Liabilities and Stockholder's Equity	 <u><u>\$ 1,537,797</u></u>	 <u><u>\$ 1,458,429</u></u>

See independent auditors' report and accompanying notes to the financial statements.

ILFRICH INTEGRATED SOLUTIONS, INC.
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>DECEMBER 31, 2017</u>	<u>DECEMBER 31, 2016</u>
REVENUE	\$ 4,210,431	\$ 3,490,101
COST OF GOODS SOLD	<u>2,425,124</u>	<u>1,817,557</u>
GROSS PROFIT	1,785,307	1,672,544
EXPENSES		
Compensation and Benefits	451,117	354,508
Advertising, Marketing, and Printing	107,900	108,487
Rent Expense	69,000	58,500
Professional Fees	190,227	108,341
Amortization	2,533	2,533
Depreciation	25,468	11,818
Bad Debt	146,450	61,598
Bank Charges	4,831	138
Charitable Donations	5,000	-
Commissions	48,004	5,649
Dues and Subscriptions	2,254	618
Hardware and Software	8,242	1,825
Insurance	32,857	27,308
Interest	554	-
Licenses and Permits	2,198	3,886
Office Supplies	33,899	22,087
Repairs and Maintenance	9,203	27,310
Small Tools and Equipment	5,910	4,179
Telephone and Internet	10,720	12,520
Travel, Meals and Entertainment	80,091	20,697
Utilities	21,006	9,306
Vehicle Expenses	42,201	37,363
Total Operating Expenses	<u>1,299,665</u>	<u>878,671</u>
OPERATING INCOME	<u>485,642</u>	<u>793,873</u>
NET INCOME	<u>\$ 485,642</u>	<u>\$ 793,873</u>

See independent auditors' report and accompanying notes to the financial statements.

ILFRICH INTEGRATED SOLUTIONS, INC.
STATEMENTS OF STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	Common Shares Outstanding	Common Stock	Retained Earnings	Total Stockholder's Equity
BALANCE AT DECEMBER 31, 2015	<u>100</u>	<u>\$ 100</u>	<u>\$ 404,150</u>	<u>\$ 404,250</u>
Capital Contributed			-	-
Distributions	-	-	(416,832)	(416,832)
Net Income	-	-	793,873	793,873
BALANCE AT DECEMBER 31, 2016	<u>100</u>	<u>\$ 100</u>	<u>\$ 781,191</u>	<u>\$ 781,291</u>
Capital Contributed			163,117	163,117
Distributions	-	-	(263,879)	(263,879)
Net Income	-	-	485,642	485,642
BALANCE AT DECEMBER 31, 2017	<u>100</u>	<u>\$ 100</u>	<u>\$ 1,166,071</u>	<u>\$ 1,166,171</u>

See independent auditors' report and accompanying notes to the financial statements.

ILFRICH INTEGRATED SOLUTIONS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>DECEMBER 31, 2017</u>	<u>DECEMBER 31, 2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 485,642	\$ 793,873
Adjustments to Reconcile Net Income to Net Cash Provided		
By (Used In) Operating Activities:		
Depreciation	25,468	11,818
Amortization	2,533	2,533
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(78,129)	(559,817)
Notes Receivable	110,666	(406,743)
Inventory	42,951	(69,539)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(351,624)	527,669
Customer Deposits	46,112	(65,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>283,619</u>	<u>234,794</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Furniture, Equipment and Website	(141,335)	(58,988)
NET CASH USED BY INVESTING ACTIVITIES	<u>(141,335)</u>	<u>(58,988)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Shareholder Distributions	(100,762)	(416,832)
NET CASH USED BY FINANCING ACTIVITIES	<u>(100,762)</u>	<u>(416,832)</u>
NET INCREASE (DECREASE) IN CASH	41,522	(241,026)
CASH AT BEGINNING OF PERIOD	<u>72,489</u>	<u>313,515</u>
CASH AT END OF PERIOD	<u>\$ 114,011</u>	<u>\$ 72,489</u>

See independent auditors' report and accompanying notes to the financial statements.

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations

Ilfrich Integrated Solutions offers floor coating products, garage storage solutions, and franchise opportunities throughout the United States. Garage Force franchises are currently available for purchase in 40 states. The franchisees provide products and services primarily for residential garages, including the application and installation of coatings for concrete and concrete floors; the repair, maintenance and renovation of concrete and concrete floors; and the design and installation of cabinets and related storage accessories and organization systems.

Effective April 19, 2017 the name of the Company was changed from Garage Force International, Inc. to Ilfrich Integrated Solutions, Inc.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy:

Level 1 Inputs—Unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.

Level 2 Inputs—Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs—Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

The Company did not identify any assets or liabilities that are required to be presented at fair value on a reoccurring basis. Carrying values of non-derivative financial instruments, including cash, accounts receivable, accounts payable, accrued expenses and other current liabilities, approximated their fair values due to the short term maturity of these financial instruments.

See independent auditors' report

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

At December 31, 2017 and 2016, the Company maintained its cash at financial institutions in bank deposits, which occasionally exceeded the federally-insured limits. The Company has not experienced any losses on such accounts and does not believe it is exposed to any significant risk on cash.

Accounts Receivable

Accounts receivable are recognized when products are sold. The Company extends credit to many of its customers in the ordinary course of business. Generally, these sales are unsecured.

Accounts receivable are stated at cost, net of any allowance for doubtful accounts. The Company maintains allowances for doubtful accounts for estimated losses resulting from the failure of customers to make required payments. The Company reviews the accounts receivable on a periodic basis and makes allowances where there is doubt as to the collectability of individual balances. In evaluating the collectability of an individual accounts receivable balance, the Company considers many factors, including the age of the balance, the customer's payment history, its current credit-worthiness, and current economic trends.

Allowance for Doubtful Accounts

An allowance for uncollectible accounts is estimated and recorded based on management's judgement and experience. Accounts receivable are normally due thirty days after the issuance of the invoice. When management decides receivables are considered delinquent, they are written off based on individual credit evaluation and specific circumstances of the customer. The allowance for doubtful accounts on December 31, 2017 and 2016 was \$146,995 and \$47,238, respectively.

Property, Plant and Equipment

Property and equipment is stated at cost. Depreciation on property and equipment is computed using the straight line method over the estimated economic useful lives of the assets, which range from 3 to 15 years.

Inventory Valuation

Inventories are valued at the lower of cost or market with cost being determined on a first-in, first-out basis. Maintenance and office supplies are not inventoried, but charged to expense when purchased.

Income Taxes

The Company elected on May 12, 2014 to be taxed under the provisions of section 1362, subchapter S, of the Internal Revenue Code. Under those provisions the Company does not pay federal or state corporate income tax on its taxable income. Instead, the stockholders are liable for individual income taxes on their respective shares. The Company may be required to pay an Economic Development Surcharge tax to the State of Wisconsin or other fees to state taxing authorities as required by law.

Accounting for Uncertainty in Income Tax Items

The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations, or cash flows.

See independent auditors' report

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting for Uncertainty in Income Tax Items (continued)

Accordingly, the Company has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Company has adopted the provisions of Accounting Standards Codification (ASC) Topic 740, *Income Taxes*, relating to unrecognized tax liabilities. The adoption of these provisions did not result in an increase of unrecognized tax liabilities. The Company recognizes interest accrued and penalties related to unrecognized tax liabilities, if any, in income tax expense. The Company to date has not recognized any interest or penalties related to unrecognized tax liabilities.

Sales and Use Taxes

The Company's services may be subject to sales and use taxes in certain jurisdictions. The Company's agreements with its customers provide that payment of any sales or use tax assessments are the responsibility of the customers. If sales taxes are collected from the customers and remitted to the respective agencies, these taxes are recorded on a net basis and excluded from revenue and expense in our financial statements as presented.

Revenue Recognition

Sales are recognized when revenue is realized or becomes realizable and has been earned; in general revenue is recognized when the earnings process is complete. Revenue is recognized upon shipment of products for materials, delivery of equipment, and completion of training for franchise fees.

Advertising

The Company's policy is to expense advertising costs as such costs are incurred. Total advertising costs expensed in 2017 and 2016 were \$107,900 and \$108,487, respectively.

Shipping and Handling Costs

The Company reports shipping and handling fees charged to customers as part of the gross sales and the associated expense as part of direct selling expenses in cost of goods sold.

Compensated Absences

While employed by the Company employees may be entitled to paid vacation, sick days, and other time off depending on job classification, length of service and other factors. It is impracticable to estimate the amount of compensation for future absences, and, accordingly, no liability has been recorded in the accompanying financial statements. The Company's policy is to recognize the costs of compensated absences when paid to employees.

Reclassifications

Certain reclassifications may have been made to the 2016 financial statements in order to conform to the presentation of the 2017 financial statements, none of which have a material effect on financial position, results of operations or cash flows.

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements Recently Adopted

In November 2015, the FASB issued Accounting Standards Update (ASU) 2015-17, "Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes" (ASU 2015-17), which simplifies the reporting requirements of deferred taxes by requiring all organizations to classify all deferred tax assets and liabilities, along with any related valuation allowance, as noncurrent. The guidance is effective for companies with annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. We adopted ASU 2015-17 during our first quarter of 2017 on a prospective basis.

In November 2016, the FASB issued ASU 2016-18, "Restricted Cash" which clarifies guidance on the classification and presentation of restricted cash in the statement of cash flows. The standard states that restricted cash should be included within cash and cash equivalents on the statement of cash flows. This new guidance is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2017, and early adoption is permitted. We have adopted this guidance early and have included restricted cash within cash and cash equivalents on our consolidated statements of cash flows.

New Accounting Pronouncements Recently Adopted Recently Issued

In May 2014, the FASB issued an ASU that amends the FASB ASC by creating a new Topic 606, "Revenue from Contracts with Customers". The new guidance supersedes the revenue recognition requirements in Topic 605, "Revenue Recognition", and most industry-specific guidance on revenue recognition throughout the Industry Topics of the Codification. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply a five step model for recognizing and measuring revenue from contracts with customers. In addition, an entity should disclose sufficient qualitative and quantitative information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The new revenue recognition guidance, including subsequent amendments, is effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. As of the date of this filing, we have completed our contract review and policy drafting. Based on our review, we believe the timing of revenue recognition will not materially change from current practice and the impact of adopting the new guidance is not material to the results of operations. The Company does not anticipate that our internal control framework will materially change, but rather that existing internal controls will be modified and augmented as necessary.

In February 2016, the FASB issued ASU 2016-02, "Leases", which, for operating leases, requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. This new guidance is effective for annual reporting periods beginning after December 15, 2018 with early adoption permitted. We have not adopted this guidance early and are currently evaluating the effect on our consolidated financial statements.

See independent auditors' report

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 2 FAIR VALUE OF FINANCIAL INSTRUMENTS

As of December 31, 2017 and 2016 the carrying amounts of cash and cash equivalents, receivables, accounts payable and accrued expenses approximated their estimated fair values because of the short term nature of these financial instruments. Included in cash and cash equivalents as of December 31, 2017 and 2016 is a checking account balance which is reported at fair value. As of December 31, 2017 and 2016 the Company had no long-term debt.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities; fair values determined by Level 2 inputs utilize quoted prices (unadjusted) in inactive markets for identical assets or liabilities obtained from readily available pricing sources for similar instruments. The fair values determined by Level 3 inputs are unobservable values which are supported by little or no market activity.

It is the Company's policy to recognize transfers between levels of the fair value hierarchy, if any, at the end of the reporting period. However, there have been no such transfers during the period presented. Cash and cash equivalents have been classified as Level 1 assets on the Balance Sheets at December 31, 2017 and 2016.

NOTES RECEIVABLE

As of December 31, 2017, notes receivable consisted of the following:

	<u>2017</u>
Note receivable in monthly installments of \$2,233.60, payments due on the 10th day of each month; maturing in March 2019	\$ 48,948
Note receivable in monthly installments of \$2,658.19, payments due on the 10th day of each month; maturing in March 2019	58,486
Note receivable in monthly installments of \$1,736.63, payments due on the 10th day of each month; maturing March 2019	40,679
Note receivable in monthly installments of \$2,654.97, payments due on the 10th day of each month; maturing in March 2019	41,737
Note receivable in monthly installments of \$5,398.14, payments due on the 10th day of each month; maturing in March 2019	60,754
Note receivable in monthly installments of \$2,266.10, payments due on the 10th day of each month; maturing in March 2019	45,473
	<u><u>\$ 296,077</u></u>

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 3 STOCKHOLDER'S EQUITY

Common stockholder is entitled to one vote per share and distributions when declared by the Board of Directors.

NOTE 4 SIGNIFICANT CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to concentrations of credit risk are cash equivalents and accounts receivable. The Company attempts to limit its credit risk associated with cash equivalents by engaging with highly rated financial institutions. With respect to customer accounts receivable, the Company manages its credit risk by performing ongoing credit evaluations of its customers.

The following table shows the percentage of total revenue from customers whose revenue in the years ending December 31, 2017 and 2016 accounted for more than 5% of the Company's total revenue.

	<u>2017</u>	<u>2016</u>
Customer A	5.1%	12.7%
Customer B	6.2%	4.3%

The following table shows the percentage of total accounts receivable from customers in the years ended December 31, 2017 and 2016 accounted for more than 9% of the Company's total accounts receivable.

	<u>2017</u>	<u>2016</u>
Customer A	10.7%	0.0%
Customer B	9.5%	0.0%
Customer C	9.1%	8.5%

The Company has concentrated its risk for trade accounts payable. Substantially all of the balances are payable to companies located within the same geographic region.

NOTE 5 WARRANTY

The Company accrues an estimate of its exposure to warranty claims based on both current and historical sales data and warranty costs incurred. The Company assesses the adequacy of its recorded warranty liability annually and adjusts the amount as necessary. As of December 31, 2017 and 2016, the Company did not record an accrual for warranty liabilities.

ILFRICH INTEGRATED SOLUTIONS, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

NOTE 6 FRANCHISING

In general, the Company's franchise agreements provide for the payment of a franchise fee for each Franchise location opened. Franchisees pay continuing fees of 6% of sales. Subject to approval and payment of a renewal fee, a franchisee may generally renew its agreement upon expiration. The Company recognizes renewal fees in income when a renewal agreement becomes effective.

Initial franchise fees, which may be up to \$25,000, are generally recognized when substantially all services or conditions relating to the franchise sale have been performed or satisfied by the Company. Services provided by the Company include assistance in territory definition, marketing training, technical training, and implementation of an accounting and quality control system.

Franchise fee revenue for the year ended December 31, 2017 and 2016 consisted of \$1,335,000 and \$1,245,000, respectively, of initial franchise fees.

As territory is assigned to each franchise sold, the Company may reach the point where existing markets become saturated and initial franchising revenue declines. Unless new markets are entered into, franchise revenues aftermarket saturation will come primarily from continuing and renewal fees for existing franchises.

NOTE 7 LEASE OBLIGATIONS

The Company leases its real estate under a month to month operation lease with the right to renew at months end. Monthly rent for the years ended 2017 and 2016 was \$5,750 and \$4,875, respectively. The majority shareholder owns 100% of Siena Sunset Properties LLC and Castle Bluff LLC.

NOTE 8 TRANSACTIONS WITH RELATED PARTIES

The Company has entered into transactions with related parties. Details of these transactions are presented below:

- A. Garage Force Capital, Inc., a company related by common ownership, provides financing services to some of the customers of Ilfrich Integrated Solutions, Inc.
- B. The Company rents real estate from a related party under an operating lease as described in Note 7.

NOTE 9 SUBSEQUENT EVENTS

In compliance with ASC 855, Subsequent Events, the Company has evaluated subsequent events through May 22, 2018, the date the financial statements were available to be issued and no events occurred that required recording or disclosure in these financial statements.

Unaudited Financial Statements as of April 30, 2018

These Financial Statements Have Been Prepared Without An Audit. Prospective Franchisees Or Sellers of Franchises Should Be Advised That No Independent Certified Public Accountant Has Audited These Figures Or Expressed An Opinion with Regard to their Content Or Form.

Ilfrich Integrated Solutions, Inc.

BALANCE SHEET

As of April 30, 2018

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Checking	69,699.09
Market Rate Savings	0.00
State Bank Financial	363,734.62
Trust acct	0.00
Total Bank Accounts	\$433,433.71
Accounts Receivable	
Accounts Receivable	664,300.43
Allowance For Doubtful Accounts	-146,995.19
Total Accounts Receivable	517,305.24
Total Accounts Receivable	\$517,305.24
Other Current Assets	
Due to Garage Force Capital	9,999.81
Franchise Fee Payable	0.00
Inventory Asset	26,587.90
Notes Receivable	
Allowance for Bad Debts	0.00
Charles Zech	48,946.41
Dennis McDonald	58,486.15
Gregory Raney	40,679.04
Israel Jackson	41,737.25
Joseph Walker	0.00
Justin Hendren	60,754.37
Patrick McMenamy	0.00
Rob Gabrielson	45,473.36
Total Notes Receivable	296,076.58
Uncategorized Asset	-461.98
Undeposited Funds	429,705.27
Total Other Current Assets	\$761,907.58
Total Current Assets	\$1,712,646.53
Fixed Assets	
Accumulated Depreciation	-40,735.79
Tradeshow Booth	4,924.36
Vehicles	263,215.27
Web Development	1,560.00
Total Fixed Assets	\$228,963.84
Other Assets	
Accumulated Amortization	-9,288.88
Organization Costs	38,000.00
Total Other Assets	\$28,711.12

	TOTAL
TOTAL ASSETS	\$1,970,321.49
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	216,642.99
Total Accounts Payable	\$216,642.99
Credit Cards	
Capital One - Menards Card	0.00
GF AMEX	-26,968.90
GF AMEX - Pat	356,657.35
Total Credit Cards	\$329,688.45
Other Current Liabilities	
Accrued Expenses	46,112.26
Garage Force Capital - Line of Credit	163,117.22
Total Other Current Liabilities	\$209,229.48
Total Current Liabilities	\$755,560.92
Long-Term Liabilities	
Note Payable	0.00
Total Long-Term Liabilities	\$0.00
Total Liabilities	\$755,560.92
Equity	
Common Stock	100.00
Distributions	-350,633.62
Opening Balance Equity	0.00
Retained Earnings	1,272,424.94
Net Income	292,869.25
Total Equity	\$1,214,760.57
TOTAL LIABILITIES AND EQUITY	\$1,970,321.49

Ilfrich Integrated Solutions, Inc.

PROFIT AND LOSS

January - April, 2018

	TOTAL
Income	
Sales	941,128.78
Sales Discount	-6,947.98
Total Income	\$934,180.80
Cost of Goods Sold	
Cost of Goods Sold	25.91
Subcontractors	32,226.55
Supplies	435,939.60
Supplies & Materials - COGS	31.46
Technology Fees - Franchisees	363.98
Trailers - Franchisees	29,015.02
Total Cost of Goods Sold	\$497,602.52
GROSS PROFIT	\$436,578.28
Expenses	
Advertising	16,757.67
Auto	147.35
Bank Charges	859.26
Commissions & fees	88.85
Dues & Subscriptions	30.00
Hardware and Software	575.00
Insurance	2,034.98
Legal & Professional Fees	37,314.06
Meals and Entertainment	884.15
Office Expenses	9,752.83
Payroll Expense	53,104.70
QuickBooks Payments Fees	8,314.00
Rent or Lease	350.00
Repair & Maintenance	131.84
Shipping and delivery expense	1,260.09
Taxes & Licenses	15,283.25
Telephone	1,078.22
Travel	637.95
Travel Meals	17.41
Uncategorized Expense	107.82
Utilities	3,770.82
Vehicle Expense	851.31
Total Expenses	\$153,351.56
NET OPERATING INCOME	\$283,226.72
Other Expenses	
Miscellaneous	-9,642.53
Total Other Expenses	\$ -9,642.53
NET OTHER INCOME	\$9,642.53

	TOTAL
NET INCOME	\$292,869.25

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

BETWEEN

Ilfrich Integrated Solutions, Inc.

700 Stonebridge Avenue
Onalaska, WI 54650
Telephone: (608) 209-1507

AND

Name(s) of **Franchisee**

Street

City, State, Zip Code

Area Code and Telephone

Email Address

FRANCHISED TERRITORY:

DATE OF FRANCHISE AGREEMENT

_____, 20____

FRANCHISE AGREEMENT

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GARAGE FORCE®
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is made, entered into and effective this _____ day of _____, 20____ by and between Ilfrich Integrated Solutions, Inc., a Wisconsin corporation (the “Franchisor”) and _____, a(n) _____ (the “Franchisee”).

RECITALS

Business System. The Franchisor has developed a business concept and systems (the “Business System”) for operating businesses of a distinctive character and quality that provide services and products for residential garages, including the application of coatings for concrete and concrete floors; the repair, maintenance and renovation of concrete and concrete floors; and the design and installation of cabinets and related storage accessories and organization systems.

Marks. The Franchisor represents that it has the right and the authority to license the use of the name “Garage Force®” and certain other trademarks, trade names, service marks, slogans, logos and commercial symbols (the “Marks”) for use in connection with the businesses operated in conformity with the Business System to selected persons, businesses or entities who will comply with the Franchisor’s uniformity requirements and quality standards. The Franchisor has publicized the Marks to the public and other businesses as an organization of businesses operating under the Business System.

Operation of Franchised Business. The Franchisee desires to develop, own and operate a franchised business (the “Franchised Business” or the “Business”) using the Marks in conformity with the Business System and the Franchisor’s uniformity requirements and quality standards as established and promulgated from time to time by the Franchisor. The Franchisee understands and acknowledges the importance of complying with the high standards of quality, appearance, procedures, controls, cleanliness and service established by the Franchisor, and the necessity of operating the Business in strict conformity with the standards and specifications established by the Franchisor.

Review of Agreement. The Franchisee has had a full and adequate opportunity to read and review this Agreement and to be thoroughly advised of the terms and conditions of this Agreement by an attorney or other personal advisor, and has had sufficient time to evaluate and investigate the Business System and the financial requirements and economic and business risks associated with the Business System.

Development of Business System. The Franchisor is willing to provide the Franchisee with marketing, advertising, operational and other business information and “know-how” about the Business System and the Franchised Business that has been developed by the Franchisor over time and at a significant cost and investment to the Franchisor. The Franchisee acknowledges that it would take substantial capital and human resources to develop a business similar to the Franchised Business and as a result, desires to acquire from the Franchisor the right to use the Marks and the Business System and to own and operate a Franchised Business subject to and under the terms and conditions set forth in this Agreement.

Pursuant to the above Recitals and in consideration of the mutual promises and covenants set forth in this Agreement and for other good and valuable consideration, the parties hereby contract as follows:

ARTICLE 1
GRANT OF FRANCHISE

1.1 Franchised Territory

The Franchisor hereby grants to the Franchisee the right to operate one Franchised Business in conformity with the Business System using the name “Garage Force®” and the other Marks within the following territory: _____

(the “Franchised Territory.”) A map of the Franchised Territory may be attached as an exhibit to this Agreement and initialed by the Franchisor and the Franchisee.

1.2 Protected Territory

Subject to the Franchisee’s compliance with this Agreement, the Franchised Territory will be protected to the extent that the Franchisor will not own or operate, or authorize any other person to own or operate, a Franchised Business within the Franchised Territory during the term of this Agreement without the prior consent of the Franchisee. However, the Franchisor will have the absolute and unconditional right, at any location and in any area outside the boundaries of the Franchised Territory, to: (a) grant other franchisees the right to use the name “Garage Force®” and the other Marks and the Business System, and (b) operate company-owned businesses under the name “Garage Force®” and the other Marks and the Business System. During the term of this Agreement and thereafter, the Franchisor will have the right to (1) develop or acquire other business concepts operating under other brand names other than “Garage Force®” even if the locations or territories for those concepts are located in or include the Franchised Territory; and (2) directly or indirectly advertise and/or sell any proprietary products or services identified by the Marks or other marks that have been or may be developed by or for the Franchisor, to other persons or entities that are not franchisees, through methods of distribution including, without limitation, sales through wholesale outlets, retail stores, or by mail order, electronic commerce or any other direct or indirect sales method, anywhere in the world, including sales from and to locations within the Franchised Territory.

1.3 Conditions

The Franchisee hereby undertakes the obligation to operate the Franchised Business using the Business System within the Franchised Territory in strict compliance with the terms and conditions of this Agreement for the entire term of this Agreement. The rights and privileges granted to the Franchisee by the Franchisor under this Agreement are applicable only in the Franchised Territory and are personal in nature. The Franchisee may not use the Marks or operate the Franchised Business within any area other than within the Franchised Territory, and may not deliver the Products or Services identified by the Marks or the Business System to any customer located outside the boundaries of the Franchised Territory without the prior written consent of the Franchisor.

1.4 Personal License

The Franchisee will not have the right to franchise, subfranchise, license or sublicense its rights under this Agreement. The Franchisee will not have the right to transfer this Agreement or its rights under this Agreement, except as specifically provided for in this Agreement.

ARTICLE 2

TERM OF FRANCHISE;

FRANCHISEE’S OPTION TO REACQUIRE FRANCHISE

2.1 Term

The term of this Agreement will be for 10 years, and will commence on the date set forth on Page F-1 of this Agreement. This Agreement will not be enforceable until it has been signed by both the Franchisee and the Franchisor, and until a signed copy of this Agreement has been delivered by the Franchisor to the Franchisee.

2.2 Conditions to Option

At the end of the term of this Agreement, the Franchisee will have the option to reacquire the Franchise for the Franchised Territory, provided that the Franchisee has complied with the following conditions: (a) the Franchisee has given the Franchisor written notice at least 180 days prior to the end of the term of this Agreement of its intention to reacquire the Franchise for the Franchised Territory; (b) the Franchisee has at all times complied with all material terms and conditions of this Agreement and with the Franchisor’s material operating and quality standards and procedures; (c) all monetary obligations owed by the Franchisee to the Franchisor have been paid or satisfied prior to the end of the term of this Agreement and

have been timely paid throughout the term of this Agreement; (d) the Franchisee has agreed, in writing, to make the reasonable capital expenditures necessary to update the FF&E used in the Franchised Business to comply with the Franchisor's then-current image, standards, specifications and requirements; (e) the Franchisee and its employees have completed the required training designated by the Franchisor; (f) the Franchisee pays the Franchisor a "Franchise Reacquisition Fee" equal to 25% of the Franchisor's then-current Initial Fee charged to new franchisees; and (g) the Franchisee agrees to execute the then-current standard Franchise Agreement then being offered to new franchisees by the Franchisor.

2.3 Terms of Option

The Franchisee will have the option to reacquire the Franchise for the Franchised Territory under the same terms and conditions then being offered to other franchisees by the Franchisor under the Franchisor's then-current standard Franchise Agreement. If the Franchisee exercises its option to reacquire the Franchise for the Franchised Territory and executes the then-current standard Franchise Agreement, then the Franchisee will not be required to pay the Initial Fee specified in the then-current standard Franchise Agreement. The Franchisee will, however, be required to pay the Franchise Reacquisition Fee and will pay the Continuing Fees and all other fees at the rates specified in the then-current standard Franchise Agreement, and to pay any additional fees not specified or provided for in this Agreement but which are required to be paid to the Franchisor or others by the terms of the then-current standard Franchise Agreement. The Franchisee acknowledges that the terms, conditions, capital requirements, costs and economics of subsequent Franchise Agreements and the Franchisor's then-current standard Franchise Agreement may, at that time, vary in substance and form from this Agreement.

ARTICLE 3

LICENSING OF MARKS AND BUSINESS SYSTEM TO FRANCHISEE

3.1 Franchisor's Right to License Marks

The Franchisor warrants that it has the right and authority to grant the Franchise and, except as provided herein, to license the Marks and the Business System to the Franchisee. Any and all improvements to the Marks or the Business System made by the Franchisee will be the sole and absolute property of the Franchisor with the right to register and protect all such improvements in its name in accordance with applicable law. The Franchisee's use of the Marks and the Business System will inure exclusively to the benefit of the Franchisor, and any and all goodwill associated with the Marks and the Business System will inure exclusively to its benefit. Upon the expiration or termination of this Agreement, no monetary amount will be assigned as attributable to any goodwill associated with the Franchisee's use of the Marks and the Business System. The Franchisee will at no time take any action whatsoever to contest the validity or the ownership of the Marks or the Business System.

3.2 Conditions to License of Marks

The Franchisor hereby grants to the Franchisee the right to use the Marks and the Business System in accordance with the provisions of this Agreement. The Franchisee's personal right to use "Garage Force®" as the name of the Franchisee's Business and its right to use the Marks and the Business System applies only to the Franchisee's Business in the Franchised Territory, and such rights will exist only so long as the Franchisee fully performs and complies with all of the conditions, terms and covenants of this Agreement. The Franchisee will only have the right to use the Marks in connection with the operation of the Business and will not use the Marks in any way or in any other manner except as approved in writing by the Franchisor. The Franchisee will not have or acquire any rights in any of the Marks or the Business System other than the right of use as provided herein. The Franchisee will have the right to use the Marks and the Business System only in the manner prescribed, directed and approved by the Franchisor in writing. If, in the judgment of the Franchisor, the acts of the Franchisee are contrary to the limitations set forth in this Agreement or infringe upon or demean the goodwill, uniformity, quality or business standing associated with the Marks or the Business System, then the Franchisee will, upon written notice from the Franchisor, immediately modify its use of the Marks or the Business System in the manner prescribed by the Franchisor in writing.

3.3 Changes to Marks

Upon receipt of written notice from the Franchisor, the Franchisee will, at its sole expense, immediately adopt and use the new Marks or the changes and amendments to the Marks that are specified by the Franchisor in writing if a federal trademark registration is not granted for the “Garage Force®” name or any other Mark, if the ownership of any of the Marks is challenged by a third party or a third party claims superior rights to any or all of the Marks and the attorneys for the Franchisor are of the opinion that such Claims by the third party are legally meritorious, if there is an adjudication by a court of competent jurisdiction that any third party has superior rights to the Marks, or if a determination is otherwise made to utilize new Marks and/or to make changes or amendments to the Marks used in conjunction with the Business System. In that event, the Franchisee will immediately cease using the Marks specified by the Franchisor, and will, as soon as reasonably possible, commence using the new trademarks, trade names, service marks, logos, designs and commercial symbols designated by the Franchisor in writing in connection with the advertising, marketing, promotion and operation of the Franchisee’s Business. The Franchisee will not make any changes or amendments whatsoever to the Marks or the Business System without the prior written approval of the Franchisor.

3.4 Defense or Enforcement of Rights to Marks or Business System

The Franchisee will have no right to and will not defend or enforce any rights associated with the Marks or the Business System in any court or other proceedings for or against imitation, infringement, prior use or for any other claim or allegation. The Franchisee will give the Franchisor prompt and immediate written notice of any and all Claims made against or associated with the Marks and the Business System and will, without compensation for its time and at its expense, cooperate in all respects with the Franchisor in any lawsuits or other proceedings involving the Marks and the Business System. The Franchisor will have the sole and absolute right to determine whether it will commence any action or defend any litigation involving the Marks and/or the Business System, and the cost and expense of all litigation incurred by the Franchisor, including attorneys’ fees, specifically relating to the Marks or the Business System will be paid by the Franchisor.

3.5 Tender of Defense

If the Franchisee is named as a defendant or party in any action involving the Marks or the Business System solely because the plaintiff or claimant is alleging that the Franchisee does not have the right to use the Marks or the Business System in conducting the Business within the Franchised Territory, then the Franchisee will have the right to tender the defense of the action to the Franchisor. The Franchisor will, at its expense, defend the Franchisee in the action providing that the Franchisee has tendered the action to the Franchisor within 10 days after receiving service of the summons and complaint relating to the action. The Franchisor will indemnify and hold the Franchisee harmless from any Damages assessed against the Franchisee in any actions resulting solely from the Franchisee’s proper licensed use of the Marks and the Business System within the Franchised Territory in accordance with the terms and conditions of this Agreement if the Franchisee has tendered the defense of the action to the Franchisor; provided however, that the Franchisee will pay all costs relating to its adoption and use of any new Marks or any changes or amendments to the Marks in accordance with Article 3.3.

3.6 Franchisee’s Right to Participate in Litigation

The Franchisee may, at its expense, retain an attorney to represent it individually in all litigation and Court proceedings involving the Marks or the Business System, and may do so with respect to matters involving only the Franchisee (i.e. not involving the Franchisor or its interests); however, the Franchisor and its attorneys will control and conduct all litigation involving the Marks or the Business System. Except as provided for herein, the Franchisor will have no liability to the Franchisee for any Costs and Expenses that the Franchisee may incur in any litigation involving the Marks or the Business System, and the Franchisee will pay for all Costs and Expenses that it may incur in any litigation or proceeding arising as a result of matters referred to under this Article, unless it tenders the defense to the Franchisor in a timely manner as provided for herein.

ARTICLE 4

INITIAL FEE; INITIAL EQUIPMENT PACKAGE

4.1 Initial Fee

The Franchisee will pay an initial fee in the amount of \$25,000 (the “Initial Fee”) either: (a) by the payment of \$25,000 in full to the Franchisor on the date of this Agreement; or (b) pursuant to the terms of a five-year promissory note in the principal amount of \$25,000, plus interest as provided for therein, signed by the Franchisee simultaneously with the execution of this Agreement (the “Promissory Note”). The Initial Fee is non-refundable and is fully earned when paid by the Franchisee.

4.2 Initial Equipment Package

The Franchisee will acquire for use in the Franchised Business the trailer and certain supplies, merchandise, inventory and FF&E (the “Initial Equipment Package”) from the Franchisor or an Affiliate of the Franchisor prior to commencing business. The Franchisee will either: (a) pay the sum of \$40,000 in full payment for the Initial Equipment Package on the date of this Agreement; or (b) lease the Initial Equipment Package pursuant to the terms of an equipment lease agreement signed by the parties simultaneously with the execution of this Agreement (the “Equipment Lease Agreement”). Payments for the Initial Equipment Package are non-refundable and fully earned when paid by the Franchisee.

ARTICLE 5

CONTINUING FEES

5.1 Continuing Fees

In addition to the Initial Fee, on or before the Fee Payment Date (currently the third day after Gross Revenues are received by the Franchisee), the Franchisee will, for the entire term of this Agreement, pay the Franchisor “Continuing Fees” equal to 5% of the Franchisee’s Gross Revenues for the preceding Fee Payment Period (currently, the Fee Payment Period is continuous based on the Franchisee’s receipt of amounts due, and Continuing Fees are due on a rolling basis). The Franchisor will have the right to change the Fee Payment Period for Continuing Fees to Monthly or Weekly, or any other period that the Franchisor designates, at any time during the term of this Agreement. Except as set forth in Article 5.5 of this Agreement, the Franchisee will receive at least 30 days prior written notice from the Franchisor of the Franchisor’s determination to change of the Fee Payment Period or Fee Payment Date. The Continuing Fees paid by the Franchisee to the Franchisor will not be refundable to the Franchisee under any circumstances.

5.2 Franchisee’s Obligation to Pay

The Continuing Fees payable to the Franchisor under this Article will be calculated and paid to the Franchisor by the Franchisee during the entire term of this Agreement, and the Franchisee’s failure to pay the Continuing Fees to the Franchisor by the Fee Payment Date will be deemed to be a material breach of this Agreement. The Franchisee’s obligation to pay the Franchisor the Continuing Fees pursuant to the terms of this Agreement will be absolute and unconditional, and will remain in full force and effect until the term of this Agreement has expired. The Franchisee will not have the “right of offset” and, as a consequence, the Franchisee will timely pay all Continuing Fees due to the Franchisor under this Agreement regardless of any Claims the Franchisee may allege against the Franchisor.

5.3 Date Payable

The Franchisee will pay the Continuing Fees to the Franchisor on or before the Fee Payment Date for the preceding Fee Payment Period (currently the third day after Gross Revenues are received by the Franchisee) by pre-authorized bank transfer in accordance with Article 14.6 of this Agreement. Any Continuing Fees not received by the Franchisor on or before the Fee Payment Date for the preceding Fee Payment Period will be deemed to be past due. The Franchisee’s Gross Revenues Report required under Article 14 of this Agreement will be submitted to the Franchisor on or before the 10th day of each calendar month for the preceding calendar month.

5.4 Interest on Unpaid Continuing Fees

If the Franchisee fails to remit the Continuing Fees due to the Franchisor as provided for in this Article, then the amount of the unpaid and past due Continuing Fees will bear simple interest at the rate equal to the lesser of (a) the maximum legal interest rate allowable in the state in which the Franchisee's Business is located, or (b) 18% per annum.

5.5 Administrative Fee; Weekly Payments

If the Franchisee fails to pay any Continuing Fees within three days after the Fee Payment Date, then in addition to the interest payable by the Franchisee as set forth above, the Franchisee will pay the Franchisor an Administrative Fee of \$250, which will be immediately due and payable. If the Fee Payment Period is Monthly and the Franchisee fails to timely pay the Monthly Continuing Fee on the 10th day of the Month for the preceding Month, the Franchisor will have the right to require that the Franchisee immediately commence paying the Continuing Fee to the Franchisor on Friday of each Week for remaining term of this Agreement.

5.6 Collection Costs

The Franchisee will pay the Franchisor for any and all Costs and Expenses incurred by the Franchisor in the collection of unpaid and past due Continuing Fees.

ARTICLE 6 **BRANDING FEES; ADVERTISING**

6.1 Amount of Branding Fees

In addition to the Initial Fee and the Continuing Fees, the Franchisee will, at such time as the Franchisor establishes a separate account to be administered and controlled exclusively by the Franchisor as provided for in Article 6.8 of this Agreement (the "Branding Fund"), pay to the Franchisor "Branding Fees" equal to 1% of the Franchisee's Gross Revenues for the preceding Fee Payment Period on or before the Fee Payment Date for deposit into the Branding Fund. The Franchisee will receive at least 30 days prior written notice from the Franchisor of the Franchisor's determination to establish the Branding Fund. The Franchisor will have the right to change the Fee Payment Period for Branding Fees to Monthly or Weekly, or any other period that the Franchisor designates, at any time during the term of this Agreement. The Franchisor may also designate a Fee Payment Date and/or Fee Payment Period for the Branding Fee that is different from the Fee Payment Date and/or Fee Payment Period for the Continuing Fees. The Franchisee will receive at least 30 days prior written notice from the Franchisor of the Franchisor's determination to change of the Fee Payment Period or Fee Payment Date. Upon the Franchisor's establishment of the Branding Fund, the Branding Fees paid by the Franchisee to the Franchisor will be deposited by the Franchisor into the Branding Fund, and will not be refundable to the Franchisee under any circumstances.

6.2 Reimbursement of Branding Fee Payments

Prior to the Franchisor's establishment of the Branding Fund, the Franchisee will pay Branding Fees equal to 1% of the Franchisee's Gross Revenues to the Franchisor on or before the third day after such Gross Revenues are received by Franchisee. Until such time as the Branding Fund is established by the Franchisor, the Franchisor will periodically reimburse the Franchisee for the Branding Fee payments made by the Franchisee pursuant to this Article 6.2 during a calendar year within 30 days after the Franchisor's receipt of written evidence satisfactory to the Franchisor establishing that each Month during the applicable calendar year the Franchisee spent amounts equal to at least 1% of the Franchisee's Monthly Gross Revenues on approved media advertising, marketing, public relations, telemarketing and/or promotional programs for the Franchised Business in the Franchised Territory. If the Franchisee fails to provide written evidence acceptable to the Franchisor confirming that, in addition to the Local Advertising Expenditures required to be made by the Franchisee as provided for in Article 6.10, the Franchisee made approved advertising and promotion expenditures during the Months in a calendar year in amounts equal to the Branding Fee payments made by the Franchisee during the Months of the applicable calendar year, then the Franchisor will have the right to forever retain the Branding Fee payments made by the Franchisee to the Franchisor pursuant to this Article 6.2, and the Franchisor will utilize such amounts for advertising, promotion or other related expenditures as deemed appropriate by the Franchisor in its sole discretion.

6.3 Franchisee's Obligation to Pay

The Franchisee's obligation to pay the Branding Fees to the Franchisor does not reduce and is in addition to the Franchisee's Local Advertising Expenditures as set forth in Article 6.10 of this Agreement. The Branding Fees payable to the Franchisor under this Article will be calculated and paid to the Franchisor by the Franchisee during the entire term of this Agreement, and the Franchisee's failure to pay the Branding Fees to the Franchisor by the Fee Payment Date will be deemed to be a material breach of this Agreement. The Franchisee's obligation to pay the Franchisor the Branding Fees pursuant to the terms of this Agreement will be absolute and unconditional, and will remain in full force and effect until the term of this Agreement has expired. The Franchisee will not have the "right of offset" and, as a consequence, the Franchisee will timely pay all Branding Fees due to the Franchisor under this Agreement regardless of any Claims the Franchisee may allege against the Franchisor.

6.4 Date Payable

If applicable, the Franchisee will pay the Branding Fees to the Franchisor by the Fee Payment Date for the preceding Fee Payment Period by pre-authorized bank transfer in accordance with Article 14.6 of this Agreement. Any Branding Fees not received by the Franchisor on or before the Fee Payment Date for the preceding Fee Payment Period will be deemed to be past due. The Franchisee's Gross Revenues Report required under Article 14.4 of this Agreement will be submitted to the Franchisor on or before the 10th day of each calendar month for the preceding calendar month.

6.5 Interest on Unpaid Branding Fees

If the Franchisee fails to remit the Branding Fees due to the Franchisor as provided for in this Article, then the amount of the unpaid and past due Branding Fees will bear simple interest at the rate equal to the lesser of (a) the maximum legal interest rate allowable in the state in which the Franchisee's Business is located, or (b) 18% per annum.

6.6 Administrative Fee

If the Franchisee fails to pay any Branding Fees within three days after the Fee Payment Date, then in addition to the interest payable by the Franchisee as set forth above, the Franchisee will pay the Franchisor an Administrative Fee of \$250, which will be immediately due and payable.

6.7 Collection Costs

The Franchisee will pay the Franchisor for any and all Costs and Expenses incurred by the Franchisor in the collection of unpaid and past due Branding Fees.

6.8 Use of Branding Fees

The Franchisor will have the absolute and unilateral right to determine when, how and where the Branding Fees in the Branding Fund will be spent. This includes, without limitation, the right of the Franchisor to purchase and pay for product research and development, demographic research, customer research, production materials, brochures, radio and television commercial production costs, services provided by advertising agencies, toll free telephone numbers, call centers, signs, media time and space advertising (including radio, television, newspaper, magazine and other print advertising), public relations, telemarketing, direct mail advertising, promotional programs, advertising market research, graphics and design costs, creation and maintenance of online advertising and marketing materials, creation, hosting, software development, upgrades, and maintenance for a Garage Force® home page and any additional websites deemed necessary by the Franchisor, including Intranet websites; Internet, social media or other electronic promotions and advertising, e-commerce, other miscellaneous advertising, the costs of planning, organizing and conducting meetings and conventions for franchisees, the costs incurred in administering the Branding Fund and such other costs and expenses as the Franchisor deems appropriate and in the best interests of Garage Force® businesses and the Business System. All administrative and other costs associated with or incurred in the administration of or by the Branding Fund including, but not limited to, all long distance telephone charges, office rental, furniture, fixtures and equipment, leasehold improvements, personnel, Salaries, Travel Expenses, collection costs (including attorneys' fees paid in attempting to collect past due Branding Fees), and office supplies will be paid from the Branding Fees deposited into the Branding Fund. The Franchisor will not be required to spend the Branding Fees deposited into the Branding

Fund in: (a) any particular geographic or market area, (b) the Franchised Territory in proportion to the Branding Fees paid by the Franchisee, or (c) the calendar year in which the payments were made. All interest accrued by the Branding Fund will be the property of the Branding Fund. The Franchisor will not be required to pay any Branding Fees; however, all the company-owned businesses will be required to pay Branding Fees into the Branding Fund in the same manner as the franchised Garage Force® businesses. An unaudited summary showing the income and expenditures of the Branding Fund during each calendar year will be prepared by the Franchisor by March 31st of each year for the preceding year, and copies of the summary will, upon reasonable written request, be made available to the Franchisee for review.

6.9 Right to Borrow Funds

If the Branding Fund does not contain sufficient funds to make the expenditures determined by the Franchisor, in its sole discretion, to be necessary or advisable, then the Franchisor will have the right, but not the obligation, to loan funds to the Branding Fund in an amount sufficient to cover such expenditures, and the loan (plus interest as provided for herein) will be repaid from future Branding Fees paid by franchisees pursuant to their Franchise Agreements with the Franchisor. The Franchisor will have the right and option to either use its own funds, or borrow the necessary funds in the name of the Branding Fund from one or more financial institutions. The unpaid balance of any loan made by the Franchisor to the Branding Fund will be subject to interest at either: (a) the interest rate determined by the Franchisor at the time of the loan up to the maximum legal rate allowable by applicable law, if the Franchisor utilized its own funds for the loan; or (b) a rate equal to the rate of interest charged to the Franchisor by the financial institution for the amount of the loan, if the Franchisor borrowed the funds for the loan from a financial institution.

6.10 Local Advertising Expenditures

In addition to the payment of the Branding Fees to the Franchisor pursuant to Article 6.1 or Article 6.2, each calendar year during the term of this Agreement, the Franchisee will spend a minimum of 5% of its annual Gross Revenues for media advertising, marketing, public relations, telemarketing and/or promotional programs for the Franchised Business in the Franchised Territory which have been approved by the Franchisor in writing ("Local Advertising Expenditures").

6.11 Report of Local Advertising

The Franchisee will, in the form prescribed by the Franchisor, furnish the Franchisor with an accurate semi-annual accounting of the Franchisee's Local Advertising Expenditures made pursuant to Article 6.10 (the "Local Advertising Reports"). The Local Advertising Reports will be provided on or before July 15 of each year for the period January 1 through June 30 of that year, and on or before January 15 of each year for the period July 1 through December 31 of the previous year. If the Franchisee has failed to spend the required percentage of its annual Gross Revenues for Local Advertising Expenditures for its Franchised Business, then the Franchisee may be required to deposit with the Franchisor the difference between the amount that should have been spent by the Franchisee for approved advertising and promotion and the amount that was actually spent for approved advertising and promotion, and the amount deposited with the Franchisor will be utilized by the Franchisor for advertising, promotion and related administrative expenses as deemed appropriate by the Franchisor in its sole discretion.

6.12 Grand Opening Advertising

The Franchisee will, during the first 90 days of operation, spend a minimum of \$500 for a grand opening advertisement and promotional campaign for the Franchised Business. The grand opening advertising and promotional campaign may include the placement of advertisements with local media, press releases, business announcements, brochures, production costs, mailing costs and other advertising and marketing materials as the Franchisor, in its sole discretion, deems appropriate. The Franchisee will, in the form prescribed by the Franchisor, furnish the Franchisor with an accurate accounting of the Franchisee's approved grand opening expenditures made pursuant to this Article. The grand opening advertising campaign will be in addition to all other advertising requirements of the Franchisee set forth in this Agreement, and will not apply to the Franchisee's Local Advertising Expenditures required pursuant to Article 6.10 of this Agreement.

6.13 Participation in Marketing Programs

The Franchisee will participate in all local marketing and promotional programs which are required by the Franchisor as designated from time to time in the Operations Manual or otherwise designated by the Franchisor from time to time in writing. For purposes of conducting the marketing and promotional programs referred to in this Article, the Franchisee will provide the Franchisor with a copy of a list containing the names and mailing addresses of the Franchisee's customers, together with such other information as may be reasonably required by the Franchisor for marketing and promotional purposes. The Franchisee will provide this information in computer-readable electronic form or in such other form and format as the Franchisor may direct. The Franchisee will pay the Franchisor, or the provider of marketing and promotional programs at the direction of the Franchisor, for all costs associated with directing the required marketing and promotional materials to the Franchisee's customers. The Franchisee's costs for participating in these marketing and promotional programs may be applied by the Franchisee to the Local Advertising Expenditures required pursuant to Article 6.10 of this Agreement.

ARTICLE 7

CONFIDENTIAL OPERATIONS MANUAL AND OTHER INFORMATION

7.1 Compliance with Operations Manual

The Franchisor will permit the Franchisee to have access to the Franchisor's Operations Manual for the Franchised Business via any reasonable method, including electronically. In order to protect the reputation and goodwill of the Franchisor, and to maintain uniform operating standards under the Marks and the Business System, the Franchisee will at all times during the term of this Agreement conduct its Franchised Business in accordance with the Operations Manual.

7.2 Confidentiality of Operations Manual

The Operations Manual and all supplements, changes and modifications to the Operations Manual will remain the sole and exclusive property of the Franchisor. The information contained in the Operations Manual constitutes Confidential Information, and the Franchisee will at all times during the term of this Agreement and thereafter treat the Operations Manual, any other Operations Manual created for or approved for use in the operation of the Franchised Business, and the information contained therein as secret and confidential, and the Franchisee will use all reasonable means to keep such information secret and confidential. Neither the Franchisee nor any employees of the Franchisee will: (a) make any copy, duplication, record or reproduction of the Operations Manual, or any portion thereof, available to any unauthorized person; or (b) use the Operations Manual or any information contained therein in connection with the operation of any other business or for any purpose other than in conjunction with the operation of the Franchised Business; or (c) permit any person other than representatives of the Franchisee to access the Operations Manual. Notwithstanding any provision of this Agreement to the contrary, there may be certain circumstances where applicable law allows for the disclosure of certain Confidential Information under limited circumstances as specified in the Operations Manual or otherwise in writing by the Franchisor.

7.3 Revisions to Operations Manual

The Franchisor reserves the right to revise the Operations Manual at any time during the term of this Agreement as the Franchisor deems necessary to: (a) reflect new standards for the Products or Services offered for sale under the Business System; (b) protect the goodwill associated with the Marks; or (c) reflect new standards for the operation of the Franchisee's Business. The Franchisor will have the option of providing the revisions and updates to the Operations Manual to the Franchisee via any reasonable method, including electronically. The Franchisee expressly agrees to operate its Franchised Business in accordance with all such revisions. The Franchisee will at all times keep the Operations Manual current and up-to-date, and in the event of any dispute regarding the Operations Manual, the terms of the master copies of the Operations Manual maintained by the Franchisor will be controlling in all respects.

7.4 Confidentiality of Other Information

The Franchisor will be disclosing and providing to the Franchisee certain Confidential Information. The Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any person or Entity any Confidential Information which may be communicated to the

Franchisee, or of which the Franchisee may be apprised by virtue of this Agreement. The Franchisee will divulge Confidential Information only to its employees who must have access to it in order to operate the Franchised Business. Neither the Franchisee nor any employees of the Franchisee will make any copy, duplication, record or reproduction or any of Confidential Information available to any unauthorized person. Any client lists developed by either the Franchisor or the Franchisee and any information designated as Confidential Information by the Franchisor will be and remain the sole and exclusive property of the Franchisor.

7.5 Confidentiality and Noncompetition Agreements

All of the Franchisee's employees who have access to the Operations Manual, or any other Confidential Information, must, prior to obtaining access to the Operations Manual or any other Confidential Information, sign agreements in a form satisfactory to the Franchisor agreeing to maintain the confidentiality, during the course of their employment and thereafter, of all information designated by the Franchisor as Confidential Information. Copies of all such executed agreements will be submitted to the Franchisor upon request.

7.6 Remedies

The Franchisee acknowledges that the provisions of this Article are reasonable and necessary for the protection of the Franchisor and the Franchisor's franchisees. If the Franchisee violates any of the provisions contained in this Article, then the Franchisor will have the right to: (a) terminate this Agreement as provided for in Article 17; (b) seek injunctive relief from a court of competent jurisdiction; (c) commence an action or lawsuit against the Franchisee for damages; and (d) enforce all other remedies or take such other actions against the Franchisee that are available to the Franchisor under this Agreement, common law, in equity and any federal or state laws.

ARTICLE 8 TRAINING

8.1 Initial Training Program

The Franchisor will provide an initial training program for the Franchisee and the Franchisee's General Manager at such location as may be designated by the Franchisor, to educate, familiarize and acquaint them with the Business System and the operations of the Franchised Business. The initial training program will include classroom and on-the-job instruction on basic business procedures, training of employees, basic accounting procedures, basic computer operations, selling and marketing techniques, product knowledge, equipment acquisition, maintenance and operation, product application procedures, customer service, customer relations, and other business and marketing topics selected by the Franchisor. The Franchisee and the Franchisee's General Manager must successfully complete the initial training program prior to commencing the business operations of the Franchisee's Business. The initial training program, which will be scheduled by the Franchisor in its sole discretion, will be for up to five consecutive days. In the event the Franchisor determines that the Franchisee or the Franchisee's General Manager has failed to successfully complete the Franchisor's initial training program, then such person will not be permitted or authorized to participate in the management of the Franchisee's Business.

8.2 Payment of Training Expenses

During training, the Franchisee will pay all Training Expenses for the Franchisee and all other persons who attend a training program on behalf of the Franchisee.

8.3 Approval to Open; Opening Assistance

The Franchisee will not open and commence initial business operations until the Franchisor has given the Franchisee written approval to commence operation of the Franchisee's Business. If within 60 days after the Franchisee and its General Manager have successfully completed the Franchisor's initial training program, the Franchisee requests in writing that the Franchisor provide opening assistance to the Franchisee, the Franchisor will provide up to three days of on-the-job training and opening assistance to the Franchisee prior to or in conjunction with the initial operations of the Franchised Business in the Franchised Territory. The on-the-job training and opening assistance provided by the Franchisor may include assistance with

adopting internal controls, training employees, purchasing equipment and supplies, implementing accounting procedures, implementing the Business System and evaluating the Franchisee's operational knowledge, as determined by the Franchisor. The Franchisee will, within 10 days after receiving an invoice from the Franchisor, pay the Franchisor the amount indicated in the invoice to reimburse the Franchisor for the Travel Expenses incurred by the Franchisor's personnel to provide opening assistance to the Franchisee. If, in the sole determination of the Franchisor, more than three days of opening assistance is required for the Franchised Business, the Franchisee will also pay the Franchisor the then-current per diem fee charged by the Franchisor for such additional opening assistance. The Franchisee will, within 10 days after receiving an invoice, pay the Franchisor the amount indicated in the invoice for the additional opening assistance provided and reimburse the Franchisor for the additional Travel Expenses incurred by the Franchisor's personnel.

8.4 Additional Training

If the Franchisee chooses to send more than two people to the initial training program, the Franchisor determines that more than five days of initial training is necessary before approving the Franchisee's commencement of operations in the Franchised Territory, the Franchisee hires a new General Manager after the opening of the Business, or the Franchisor determines that additional training on topics to be selected by the Franchisor is necessary because the Franchisee's Business has failed to meet certain performance standards established by the Franchisor, or the Franchisor otherwise determines that additional training is necessary or required, the Franchisee will pay to the Franchisor the then-current per diem training fee charged by the Franchisor for each additional day of training provided by the Franchisor and the Training Expenses for each person who attends training on behalf of the Franchisee. If the Franchisor provides such training in the Franchised Territory, the Franchisee will also reimburse the Franchisor for all Travel Expenses incurred by the Franchisor. Payments for additional training will be due and payable by the Franchisee within 10 days after receiving an invoice from the Franchisor indicating the amount owed.

8.5 Release and Indemnification

The Franchisee and its Owners hereby waive any right to sue for Damages or other relief, and release all known and unknown Claims they may allegedly have against the Franchisor and/or any of its current and former Affiliates and their employees, agents, officers and directors, arising out of the adequacy or accuracy of the information provided at or any activities occurring during any training program, additional training and/or opening assistance (collectively referred to as "Training" in this provision), or any harm or injury any attendee or participant suffers during and as a result of his/her attendance at or participation in the Training. The Franchisee and the Owners agree to hold the Franchisor, its current and former Affiliates and their employees, agents, officers and directors harmless for any Damages incurred by the Franchisee, the Owners or any Affiliates, employees, agents, officers and directors arising out of, in any way connected with or as a result of attendance at or participation in the Training. The Franchisee, the Owners and all persons who attend and participate in the Training on behalf of the Franchisee will sign the documentation required by the Franchisor or an Affiliate as a condition to their attendance at, participation in and successful completion of the Training.

ARTICLE 9 **FRANCHISOR'S OBLIGATIONS**

9.1 Business System

Consistent with the Franchisor's uniformity requirements and quality standards, the Franchisor or its authorized representative will: (a) provide the Franchisee with a written schedule of all supplies, materials, items and FF&E which are necessary and required for the operation of the Franchisee's Business; (b) provide the Franchisee with a list of the Approved Suppliers and Designated Suppliers for the Products and Services necessary and required for the Franchisee's Business, and any updates to the list of the Approved Suppliers and Designated Suppliers made by the Franchisor from time to time; (c) make available to the Franchisee basic accounting and business procedures for use by the Franchisee in its Business; (d) make advertising and marketing recommendations; (e) review the Franchisee's Business as often as the Franchisor deems necessary and render written reports to the Franchisee as deemed appropriate by the Franchisor; (f)

legally protect and enforce the Marks and the Business System for the benefit of all franchisees in the manner deemed appropriate by the Franchisor; (g) provide the Franchisee with access to the Operations Manual and any supplements and modifications to the Operations Manual that may be published by the Franchisor from time to time; and (h) upon the reasonable written request of the Franchisee, render reasonable advisory services by telephone or in writing pertaining to use of the Business System and the operation of the Franchisee's Business as deemed appropriate, reasonable and necessary by the Franchisor.

9.2 Consulting Services

During the term of this Agreement, the Franchisor will, upon the reasonable written request of the Franchisee or if required by the Franchisor, provide consulting services, assistance and training to the Franchisee at a location in the Franchised Territory regarding marketing, advertising and promotional issues, operational issues, accounting matters, personnel issues, and other business matters or special projects relating to the Franchised Business. The Franchisee will pay the Franchisor the then-current charge imposed by the Franchisor for such consulting services, and will pay for the Travel Expenses incurred by the individual or individuals employed or retained by the Franchisor who provide such consulting services to the Franchisee within 10 days after receiving an invoice from the Franchisor indicating the amount owed.

ARTICLE 10 **PRODUCTS AND SERVICES**

10.1 Products and Services

The Franchisee will only offer and sell the Products and Services specified in the Operations Manual or that have been approved in writing by the Franchisor. The Franchisee will not, under any circumstances, have the right to offer or sell any other products or services that are not specified in the Operations Manual or otherwise approved by the Franchisor in writing. The Franchisee will offer and sell all of the Products and Services specified in the Operations Manual or otherwise approved by the Franchisor in writing and will maintain sufficient inventories to realize the full economic potential of the Business. The Franchisee will only offer for sale and sell the Products and Services on a retail basis (to the end user) in the Franchised Territory and will not sell any Products and Services or other products or services under any of the Marks or the Business System (a) on a wholesale basis (for resale to another retailer or wholesaler), (b) on a retail basis at or from any other location other than a location within the Franchised Territory (except as approved by the Franchisor in writing), (c) by means of the Internet, catalogue sales, mail order sales, infomercials or telemarketing, or (d) by any other means or methods of sales or distribution. The Franchisee will have the absolute right to sell all Products and Services to its customers and guests at whatever prices and on whatever terms it deems appropriate.

10.2 Approved Suppliers

The Franchisee will purchase the Products and Services specified in the Operations Manual or otherwise in writing by the Franchisor only from Approved Suppliers. The Franchisor or an Affiliate of the Franchisor may be an Approved Supplier or the only Approved Supplier for some or all of the Products and Services. The Franchisee will have the right to purchase such Products and Services from other suppliers provided they conform to the Franchisor's standards and specifications and provided that the Franchisor determines that the supplier's business reputation, quality standards, delivery performance, credit rating, and other criteria meet commercial business standards. If the Franchisee desires to purchase the Products and Services from other suppliers, then the Franchisee must, at its expense, submit samples, specifications, and product information requested by the Franchisor, for review and testing to determine whether the item complies with the Franchisor's standards and specifications. The Franchisor will also have the right to inspect the facilities of the proposed supplier, and the Franchisee will reimburse the Franchisor for the costs and expenses incurred to conduct the inspection. The Franchisor will complete all product testing within 30 days, and will notify the Franchisee of its determination within 30 days after the Franchisor receives the samples and other requested information from the Franchisee. The written approval of the Franchisor must be obtained by the Franchisee before any previously unapproved Products and Services are purchased or used by the Franchisee or Products and Services are acquired from a previously unapproved supplier.

10.3 Designated Suppliers

The Franchisee will purchase certain Products and Services specified in the Operations Manual or otherwise in writing by the Franchisor only from Designated Suppliers. The Franchisor or an Affiliate of the Franchisor may be a Designated Supplier for some or all of the Products and Services. The Franchisee will not have the right to substitute any new supplier or distributor for any Designated Supplier or to request or require the Franchisor to appoint or approve any new supplier or distributor as a Designated Supplier.

10.4 Payments to Franchisor or Affiliate

The Franchisee acknowledges that the Franchisor or an Affiliate of the Franchisor may receive commissions, volume discounts, purchase discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, co-op advertising, administrative fees, enhancements, price discounts, economic benefits and other payments (“Payments”) based upon purchases of Products and Services from Designated Suppliers, Approved Suppliers, the Franchisor, an Affiliate of the Franchisor and/or other suppliers, vendors and distributors (“Suppliers” or “Supplier”). Any Payments received by the Franchisor or an Affiliate of the Franchisor from any Suppliers as a result of or based on the Franchisee’s purchases from those Suppliers will be the exclusive property of the Franchisor or the Affiliate, and the Franchisee will not have any right to any Payments received by the Franchisor or an Affiliate from any Suppliers. If the Franchisor or an Affiliate of the Franchisor is a Supplier for any Products and Services and if the Franchisee purchases Products and Services from the Franchisor or the Affiliate, then any Payments made to the Franchisor or the Affiliate by any Supplier that is based on the Franchisee’s purchases of any Products and Services from the Franchisor or the Affiliate will be the exclusive property of the Franchisor or the Affiliate, and the Payment will be deemed to be a reduction of the price paid by the Franchisor or the Affiliate for the Products and Services sold to the Franchisee by the Franchisor or the Affiliate. The Franchisee will not, under any circumstances, have the right to receive or claim the right to any portion of any Payments received by the Franchisor or an Affiliate of the Franchisor from any Supplier for the sale of any Products and Services purchased by the Franchisor or the Affiliate, and thereafter sold to the Franchisee by the Franchisor or the Affiliate, and the purchase price paid by the Franchisee to the Franchisor or the Affiliate for such Products or Services Prices may include a mark-up as determined by the Franchisor or the Affiliate.

10.5 Branding of Products

The Franchisee will not under any circumstances have the right to: (a) use or display the Marks on or in connection with any product or service other than the Products and Services; (b) acquire, develop or manufacture any product under the name “Garage Force®” or any of the other Marks, or direct any other person or Entity to do so; (c) acquire, develop or manufacture any product that has been developed or manufactured by or for the Franchisor for use in conjunction with the Business System and which is sold under any of the Marks, or direct any other person or Entity to do so; and (d) use, have access to, or have any rights to any proprietary information, formulas or ingredients for any of the Franchisor’s proprietary products or other Products and Services.

10.6 Independent Evaluation of Services

The Franchisor will have the right to hire an independent evaluation service to visit and/or assess the Franchised Business and the quality of the Products and Services provided to customers by the Franchised Business. The Franchisor will determine the number and frequency of the visits the evaluation service will make to the Franchised Business and the form of the reports the evaluation service will provide to the Franchisor. The fees charged by the evaluation service for visiting and evaluating the Franchised Business will be paid by the Franchisor. The Franchisor will provide the Franchisee with copies of all reports prepared by the evaluation service reviewing the Franchised Business.

ARTICLE 11
QUALITY CONTROL UNIFORMITY
AND STANDARDS REQUIRED OF FRANCHISEE

11.1 Quality and Service Standards

The Franchisor will promulgate, from time to time, uniform standards of quality and service regarding the business operations of the Franchised Business so as to protect and maintain (for the benefit of all franchisees and the Franchisor) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the Business System. Accordingly, to insure that all franchisees will maintain and adhere to the uniformity requirements and quality standards for the Products and Services associated with the Marks and the Business System, the Franchisee agrees to maintain the uniformity and quality standards required by the Franchisor for all Products and Services associated with the Marks and the Business System and agrees to the following terms and conditions to assure that all franchised businesses will be uniform in nature and will sell and dispense quality Products and Services to the public. Any required specifications, standards and operating procedures exist to protect the Franchisor's interests in the Business System and the Marks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to the Franchisee.

11.2 Identification of Business

The Franchisee will operate the Business so that it is clearly identified and advertised as a Franchised Business. The style and form of the name "Garage Force®" and the Marks used in any advertising, marketing, public relations, telemarketing or promotional program or campaign must have the prior written approval of the Franchisor. The Franchisee will use the name "Garage Force®," the approved logo and all graphics commonly associated with the Business System and the Marks which now or hereafter may form a part of the Business System, on all FF&E, trailers, uniforms, advertising, public relations and promotional materials, Signs, videos, stationery, paper supplies, business cards and other materials used in the Franchisee's Business in the identical combination and manner prescribed by the Franchisor in writing. The Franchisee will not use or advertise any name or mark other than the Marks and the Franchisee's individual or corporate name on any trailer or materials used in connection with the Franchisee's Business without the Franchisor's prior written consent. The Franchisee will, at its expense, comply with all legal notices of registration and all trademark, trade name, service mark, copyright, patent and other notice markings that are required by the Franchisor or by applicable law.

11.3 Compliance with Standards

The Franchisee will operate its Franchised Business and use the Marks and the Business System in strict compliance with the moral and ethical standards, quality standards, operating procedures, policies, specifications, requirements and instructions required by the Franchisor, which may be amended and supplemented by the Franchisor from time to time.

11.4 Franchisee's Name

The Franchisee will not use the name "Garage Force®" or any of the other Marks in its business name or in any email address, Internet domain name, or similar online identifier. The Franchisee will hold itself out to the public as an independent contractor operating its Franchised Business pursuant to a license from the Franchisor. Whenever practical, the Franchisee will clearly indicate on its business checks, stationery, business cards, invoices, receipts, videos, advertising, public relations and promotional materials, and other written materials that the Franchisee is a franchisee of the Franchisor. The Franchisee will file for a certificate of assumed name in the manner required by applicable state law so as to notify the public that the Franchisee is operating its Franchised Business as an independent business pursuant to this Agreement.

11.5 Other Businesses

The Franchisee will not participate in any dual branding program, or in any other program, promotion or business pursuant to which a trademark, service mark, trade name, logo, slogan, or commercial symbol owned by any person or Entity other than the Franchisor is displayed, featured or used in connection with the Franchised Business without the prior written consent of the Franchisor.

11.6 Supplies and Equipment

The Franchisee will acquire the Initial Equipment Package and such other supplies, merchandise, inventory and FF&E required by the Franchisor and used by the Franchisee for the operation of its Franchised Business. The vehicles, trailers, supplies, merchandise, inventory and FF&E used in the Franchisee's Business must conform to the quality standards and uniformity requirements established by the Franchisor from time to time. All replacement vehicles, trailers, supplies, merchandise, inventory, FF&E and other items used in the Business by the Franchisee must be purchased or leased by the Franchisee from Approved Suppliers, Designated Suppliers and/or comply with the Franchisor's then-current standards and specifications. The Franchisee will be required to purchase or lease a vehicle with power and capacity sufficient to tow the trailer required for the operation of the Franchised Business. The vehicle used by the Franchisee in the operation of the Franchised Business must be kept in good working condition and must meet the appearance and cleanliness standards established by the Franchisor.

11.7 Approved Advertising and Promotion

The Franchisee will not conduct any media advertising, promotion, marketing, public relations or telemarketing programs or campaigns for its Franchised Business unless or until the Franchisor has given the Franchisee prior written approval for all concepts, materials or media proposed for any media advertising, promotion, marketing, public relations or telemarketing program or campaign. The Franchisee will not, and will not permit any third party to, advertise any business, services or products other than the Franchised Business through or in connection with the Franchisee's Business without obtaining the prior written approval of the Franchisor.

11.8 Maintenance of FF&E and Signs

The Franchisee will at all times repair and keep in good working order and appearance all FF&E and Signs used in the Franchisee's Business in accordance with the Franchisor's quality standards. The Franchisee will replace all FF&E and Signs as such items become worn-out or in disrepair with replacements which comply with the Franchisor's then-current standards and specifications.

11.9 Compliance with Operations Manual

The Franchisee will operate its Franchised Business in compliance with the Operations Manual, and will conform to the common image and identity created by the Products and Services associated with the Marks and the Business System which are portrayed and described by the Franchisor in the Operations Manual.

11.10 Compliance with Applicable Laws

The Franchisee will, at its expense, comply with all applicable federal, state, city, local and municipal laws, ordinances, rules and regulations pertaining to the operation of the Franchised Business including, but not limited to (a) health and safety regulations and laws; (b) environmental laws; (c) employment laws (including all wage and hour laws, employment laws, workers' compensation laws, discrimination laws, sexual harassment laws, disability and discrimination laws); (d) credit card and debit card laws applicable to consumers, including all privacy laws, and (e) tax laws (including those relating to individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes, inventory taxes, personal property taxes, real estate taxes and federal, state, and local income tax laws). The Franchisee will, at its expense, consult an attorney to obtain advice with regard to the Franchisee's compliance with all federal and state environmental laws, OSHA laws, licensing laws and all other laws relating to its Franchised Business. The Franchisee will, at its expense, be absolutely and exclusively responsible for determining the licenses and permits required by law for the Franchised Business, for timely filing, obtaining and qualifying for all such licenses and permits, and for maintaining throughout the term of this Agreement all permits, certificates and licenses necessary for the full and proper conduct of the Franchised Business including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, health and safety permits, certificates and licenses required under any applicable law, rule or regulation.

11.11 Other Laws

The Franchisee will comply and/or assist the Franchisor in its compliance efforts, as applicable, with any and all laws, regulations, executive orders or otherwise relating to anti-terrorist activities including, without

limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, the Franchisee will not enter into any prohibited transactions and will properly perform any currency reporting and other activities relating to the Franchised Business as may be required by the Franchisor or by law. The Franchisee confirms that it is not listed in the annex to Executive Order 13224, and agrees not to hire any person so listed or have any dealing with a person so listed. The Franchisee is solely responsible for ascertaining what actions must be taken by it to comply with all such laws, orders and/or regulations, and specifically acknowledges and agrees that its indemnification responsibilities as provided in Article 22 of this Agreement pertain to its obligations hereunder.

11.12 Payment of Obligations

The Franchisee will timely pay all of its uncontested and liquidated obligations and liabilities due and payable to the Franchisor, Affiliates of the Franchisor, suppliers, lessors and creditors of the Franchisee.

11.13 Payment of Taxes

The Franchisee will be absolutely and exclusively responsible and liable for the prompt filing and payment of all federal, state, city and local taxes including, but not limited to, individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, unemployment taxes, inventory taxes, personal property taxes, real estate taxes and other taxes payable in connection with the Franchisee's Business ("Taxes"). The Franchisor will have no liability for the Taxes which arise or result from the Franchisee's Business and the Franchisee will indemnify the Franchisor for any such Taxes that may be assessed or levied against the Franchisor which arise or result from the Franchisee's Business. It is expressly understood and agreed by the Personal Guarantors to this Agreement that their personal guaranty applies to the prompt filing and payment of all Taxes which arise or result from the Franchisee's Business.

11.14 Reimbursement of Franchisor for Taxes

In the event any "franchise" or other tax which is based upon the Gross Revenues, receipts, sales, business activities or operation of the Franchisee's Business is imposed upon the Franchisor by any taxing authority, then the Franchisee will reimburse the Franchisor in an amount equal to the amount of such taxes and related costs imposed upon and paid by the Franchisor. The Franchisee will be notified in writing if the Franchisor is entitled to reimbursement for the payment of such taxes and, in that event, the Franchisee will pay the Franchisor the amount specified in the written notice within 10 days after the date of the written notice.

11.15 Standard Attire

The Franchisee will require its employees to wear the standard attire or uniforms which have been established and approved by the Franchisor. All employees of the Franchisee will wear clean and neat attire and will practice good personal hygiene.

11.16 Smoking, Drug and Alcohol Use

The Franchisee will prohibit its employees from smoking on the Franchisee's customers' premises. The Franchisee will prohibit its employees from using, possessing or being under the influence of alcohol or any controlled substance (except as prescribed by a physician) during all times that the employee is on duty. The Franchisee will adopt and enforce employee policies requiring discharge of any employee who violates the above policies. The Franchisee's failure to enforce the above policies will be deemed to be a material breach of this Agreement.

11.17 Business Hours; Personnel

The Franchised Business will be open during the times and hours specified by the Franchisor in the Operations Manual, unless the Franchisor has agreed to different hours and times in writing. The Franchisee will at all times during business hours have management personnel on duty who are responsible for supervising the employees and the business operations of the Franchisee's Business. The Franchisee will have a sufficient number of adequately trained and competent personnel on duty to guarantee efficient service to the Franchisee's customers. The Franchisee will take such steps as are necessary to ensure that its

employees develop and preserve good customer relations, render competent, prompt, courteous and knowledgeable service and meet the quality and service standards established by the Franchisor.

11.18 Credit Cards

The Franchisee will honor all credit, charge, debit or cash cards or other credit or debit devices required or approved by the Franchisor in writing. The Franchisee must obtain the written approval of the Franchisor prior to honoring any unapproved credit, charge, debit or cash cards, or other credit or debit devices. To the extent the Franchisee will store, process, transmit or otherwise access or possess cardholder data in connection with the sale of products and services in conjunction with its Franchised Business, the Franchisee will maintain the security of cardholder data and adhere to the then-current Payment Card Industry Data Security Standards ("PCI DSS"), currently found at www.pcisecuritystandards.org, for the protection of cardholder data throughout the term of this Agreement. The Franchisee further understands it is responsible for the security of cardholder data in the possession or control of any subcontractors it engages to perform under this Agreement. Such subcontractors must be identified to and approved by the Franchisor in writing prior to sharing cardholder data with the subcontractor. The Franchisee will, if requested to do so by the Franchisor, provide appropriate documentation to the Franchisor to demonstrate compliance with applicable PCI DSS requirements by the Franchisee and all identified subcontractors.

11.19 Gift Cards, Gift Certificates and Coupons

The Franchisee will not create, sell or issue gift cards or gift certificates and will not issue coupons or discounts of any type except as may be approved in advance in writing by the Franchisor. The Franchisee will participate in all electronic and written gift certificate, gift card, coupon and customer loyalty programs approved by the Franchisor and will purchase or acquire all equipment necessary to accept electronic and written gift certificates, gift cards, coupons, and customer loyalty rewards and cards in the manner prescribed in the Operations Manual.

11.20 Standards of Service

The Franchisee will at all times give prompt, courteous and efficient service to its customers. The Franchisee will, in all dealings with its customers, suppliers and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct.

11.21 Inspection Rights

The Franchisee will permit the Franchisor or its representatives to enter, remain on, and inspect the Franchisee's Business whenever the Franchisor reasonably deems it appropriate and without prior notice to interview the Franchisee's employees and customers, to take photographs and videotapes of and examine the condition of the FF&E used in the operation of the Franchisee's Business, to examine or review representative samples of the Products and Services sold or used by the Franchisee's Business, to evaluate the quality of the Products and Services provided by the Franchisee to its customers, and to evaluate the appearance and conduct of the Franchisee's employees. The Franchisor will also have the right to send a representative of the Franchisor to evaluate the operations of the Franchised Business and the quality of the Products and Services provided by the Franchisee to its customers. The Franchisor will have the right to use all interviews, photographs and videotapes of the Franchised Business for such purposes as the Franchisor deems appropriate including, but not limited to, use in advertising, marketing and promotional materials. The Franchisee will not be entitled to, and hereby expressly waives, any right that it may have to be compensated by the Franchisor, its advertising agencies, and other franchisees of franchised businesses for the use of such photographs or videotapes for advertising, marketing and promotional purposes. The Franchisor will not use any photographs of the Franchisee's employees or customers unless written releases have been obtained by the Franchisor.

11.22 Management and Operation of Franchised Business

The Franchisor strongly recommends that the Franchisee (if an individual) actively participate in the management and operation of the Franchised Business, either as the General Manager or in another capacity. The Franchisee will be totally and solely responsible for the daily management and operation of the Franchised Business, and will control, supervise and manage all the employees, agents and independent contractors who work for or with the Franchisee. The Franchisee will be responsible for the acts of its

employees, agents and independent contractors, and will take all reasonable business actions necessary to ensure that its employees, agents and independent contractors comply with all applicable federal, state, city, local and municipal laws, statutes, ordinances, rules and regulations. The Franchisor will not have any right, obligation or responsibility to hire, control, supervise, schedule, manage or fire the Franchisee's employees, agents or independent contractors, and will no way be involved in the day-to-day operations of the Franchised Business. The Franchisee will be solely responsible for all employment decisions and functions of the Franchised Business including, without limitation, those related to hiring, firing, training, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, scheduling, supervision, and discipline of employees, regardless of whether the Franchisee receives advice or information from the Franchisor on these subjects. The Franchisee acknowledges and agrees that all personnel decisions will be made by the Franchisee, without any influence or advice from the Franchisor, and such decisions and actions will not be, nor be deemed to be, a decision or action of the Franchisor. Neither the Franchisee nor any employee of the Franchisee will be considered an employee of the Franchisor under any circumstances. To the extent that any legal authority determines that the Franchisor has a duty to act or not act with respect to any of the Franchisee's employees, the Franchisor hereby assigns to the Franchisee any such duty, and the Franchisee hereby accepts such assignment.

11.23 Operating Entity

The Entity that becomes the Franchisee under this Agreement must be responsible for operating and managing the Franchised Business and will not hold or have any Ownership Interest in, operate, or manage any other business of any kind without the prior written approval of the Franchisor.

11.24 Security Interest

This Agreement and the Franchise granted to the Franchisee hereunder may not be the subject of a security interest, lien, levy, attachment or execution by the Franchisee's creditors, any financial institution or any other party, except with the prior written approval of the Franchisor.

11.25 Franchisor's Right to Disclose

The Franchisor will have the right to disclose in its Franchise Disclosure Document as required by law, and in other documents and places as determined by the Franchisor, any information relating to the Franchised Business, including the Franchisee's name, any address and/or telephone number(s), revenues, expenses, results of operations and/or other information. Any disclosure by the Franchisor will be for reasonable business purposes, and its rights under this provision will survive the assignment, termination or expiration of this Agreement.

11.26 Notices of Default; Lawsuits or Other Claims

The Franchisee will immediately deliver to the Franchisor a copy of any notice of default received from any mortgagee, trustee under any deed of trust, contract for deed holder, lessor or any other party with respect to the Franchised Business and copies of all written notifications of any lawsuits, consumer claims, employee claims, federal or state administrative or agency proceedings or investigations or other claims, actions or proceedings relating to the Franchisee's Business. Upon request from the Franchisor, the Franchisee will provide such additional information as may be required by the Franchisor regarding the alleged default, lawsuit, claim, action, investigation or proceeding, and any subsequent action or proceeding in connection with the alleged default, lawsuit, claim, action, investigation or proceeding.

ARTICLE 12

COMPUTER EQUIPMENT AND SOFTWARE

12.1 Office and Telecommunication Equipment; Telephone Lines

The Franchisee will, at its sole expense, obtain and maintain at all times during the term of this Agreement, telecommunications and computer equipment for use in the operation of the Franchised Business as specified in the Operations Manual or otherwise in writing by the Franchisor.

12.2 Computer Equipment and Software

The Franchisee will, at its sole expense, purchase, lease, or acquire all of the Computer Equipment and Computer Software (sometimes collectively referred to as the "Computer System") required for the

operation of the Franchisee's Business specified in the Operations Manual or otherwise in writing by the Franchisor including, but not limited to, the Computer Equipment and Computer Software for, if/when applicable: (a) a customer relationship management system (the "CRM System"), (b) an accounting system, (c) the processing of credit cards and bank debit cards, (d) the processing of gift cards, gift certificates and the like, and (e) an on-line inventory ordering system. The Franchisee will, upon written notice from the Franchisor update and upgrade the Computer System as deemed necessary by the Franchisor from time to time for the efficient operation of the Franchised Business. The Computer System must provide the information and functions (including scheduling, estimating, bidding, reporting and employee timekeeping) described in the Operations Manual, and the Franchisee must enter all data and information into the Computer System and the CRM System (if/when applicable) that is required pursuant to the Operations Manual or otherwise in writing by the Franchisor. The Franchisor will have the right to directly access and download all Financial Records, Financial Statements and other information contained in the Computer System according to the protocol set forth in the Operations Manual. The Franchisee will be responsible for protecting itself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders, and the Franchisee waives any and all Claims against the Franchisor as the direct or indirect result of such disruptions, failures and attacks.

12.3 Other Equipment

The Franchisee will purchase and pay for all other electronic and other equipment described in the Operations Manual or otherwise required in writing by the Franchisor for the operation of the Franchised Business.

12.4 Internet Provider

The Franchisee will, at all times during the term of this Agreement, at the Franchisee's expense, have access to the Internet through a high speed connection.

12.5 Email Address

The Franchisee will, at all times during the term of this Agreement, maintain an active email account and will regularly monitor and respond to messages in the account within a reasonable amount of time. The Franchisee's email address will be provided to the Franchisor and will be used as a method for the Franchisee and the Franchisor to communicate with each other and to transmit documents and other information. The Franchisee will not use the name "Garage Force®" as any part of its email address or its domain name.

12.6 Internet Website; Intranet Matters

The Franchisee will not establish a website or other online presence to advertise or promote its Franchised Business without the prior written consent of the Franchisor. All features of any proposed website or other online presence, including the domain name or other online identifier, content, format, and links to other websites, must be approved by the Franchisor prior to the activation of the website or other online presence by the Franchisee. The Franchisee will not have the right to use or register any internet name or email address in any class or category that contains the words "Garage Force" or any abbreviation, acronym or variation of those words without the Franchisor's prior written consent. If the Franchisor develops an Intranet network through which the Franchisor and its franchisees can communicate by email or similar electronic means, then the Franchisee will use the Garage Force® Intranet in strict compliance with the standards, protocols and restrictions that are set forth in the Operations Manual. The Franchisee will not transmit any confidential information, documents or data over the Internet without first encrypting the transmission using the encryption program adopted by the Franchisor for the Intranet site. The Franchisee will not make any derogatory, defamatory or libelous statements in any transmission made through the Intranet site or by any other means.

12.7 Social Media

None of the Franchisee or its Owners, employees or agents will have the right to use any of the Marks or other intellectual property of the Franchisor on any social network, social media or online community on the Internet or any other online, digital or electronic medium including, but not limited to, any "blog," YouTube, Facebook, MySpace, Wikipedia, professional networks like Linked-In, live-blogging and micro-

blogging tools like Twitter, virtual worlds, file, audio and video sharing sites, and other similar social networking media or tools (“Social Media”), except with the prior written permission of the Franchisor. The Franchisee and its Owners, employees and agents will comply with all of the Franchisor’s policies, standards and procedures for use of any Social Media that in any way references the Marks or involves the Franchised Business.

ARTICLE 13

INSURANCE

13.1 General Liability Insurance

The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, general liability insurance with coverage of at least \$2,000,000 insuring the Franchisee, the Franchisor and their respective officers, directors, Owners, agents and employees from and against any and all Claims and Damages of any kind whatsoever, including errors and omissions, bodily injury, personal injury, death, property damage, products liability, data security/cyber breach liability and all other Claims and Damages resulting from the condition, operation, use, business or occupancy of the Franchised Business.

13.2 Vehicle Insurance

The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, automobile liability insurance with coverage of at least \$1,000,000 insuring the Franchisee, the Franchisor and their respective officers, directors, Owners, agents and employees from any and all Claims and Damages of any kind whatsoever resulting from the use, operation or maintenance of all vehicles owned by the Franchisee or used by the Franchisee or any of the Franchisee’s employees (including vehicles owned or leased by any employee of the Franchisee) in connection with the Franchisee’s Business.

13.3 Property Insurance; Fire and Extended Coverage

The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, “all risks” property insurance coverage, which must include fire and extended coverage, for the inventory, FF&E owned or leased by the Franchisee and used by the Business. The Franchisee’s property insurance policy (including fire and extended coverage) must have coverage limits of at least “replacement” cost.

13.4 Umbrella Liability Insurance

The Franchisee will procure and maintain in full force and effect, at its sole cost and expense, “umbrella” liability insurance with coverage of at least \$2,000,000 insuring the Franchisee, the Franchisor and their respective officers, directors, Owners, agents and employees from and against any and all Claims and Damages of any kind whatsoever in excess of the coverages obtained pursuant to Article 13.1 and 13.2 above.

13.5 Other Insurance

The Franchisee will, at its sole cost and expense, procure and maintain all other insurance required by state or federal law, including workers’ compensation insurance for its employees, as well as all insurance required under any lease, mortgage, deed of trust, contract for deed or any other legal contract in connection with the Franchisee’s Business.

13.6 Insurance Companies; Evidence of Coverage

All insurance companies providing coverage to the Franchisee and the Franchisee’s Business must be acceptable to and approved by the Franchisor, and must be licensed in the state where coverage is provided. The Franchisee will provide the Franchisor with certificates of insurance evidencing the insurance coverage required pursuant to this Article no later than the date the Franchisee opens for business, and the Franchisee will immediately provide a new certificate of insurance to the Franchisor upon expiration, change or cancellation of any insurance policy.

13.7 Defense of Claims

All liability insurance policies procured and maintained by the Franchisee will require the insurance company to provide and pay for attorneys to defend any Claims brought against the Franchisee, the Franchisor, and their respective officers, directors, Owners, employees and agents.

13.8 Franchisor's Rights

All insurance policies procured and maintained by the Franchisee pursuant to this Article will name the Franchisor as an additional named insured, will contain endorsements by the insurance companies waiving all rights of subrogation against the Franchisor, and will stipulate that the Franchisor will receive copies of all notices of cancellation, nonrenewal, or coverage reduction or elimination at least 30 days prior to the effective date of such cancellation, nonrenewal or coverage change.

13.9 Franchisee's Insurance Obligations

The Franchisee's obligation to obtain and maintain these insurance policies in the amounts specified shall not be limited in any way by reason of any insurance that the Franchisor may maintain, nor does the Franchisee's procurement of required insurance relieve the Franchisee of liability under the indemnification obligations described in Article 22. The Franchisee's insurance procurement obligations under this Article are separate and independent of the Franchisee's indemnity obligations. The Franchisor does not represent or warrant that any insurance that the Franchisee is required to purchase will provide adequate coverage for the Franchisee. The Franchisee should consult with its own insurance agents, brokers, attorneys and other insurance advisors to determine the level of insurance protection it needs and desires, in addition to the coverage and limits required by the Franchisor.

13.10 Material Breach

The Franchisee's failure to comply with the provisions of this Article will be deemed to be a material breach of this Agreement and the Franchisor will have the right, but not the obligation, to procure on behalf of the Franchisee and the Franchisee's Business, any and all insurance required under this Agreement with the agent and insurance company of the Franchisor's choice. The Franchisor will invoice the Franchisee for all costs and expenses incurred by the Franchisor to procure the required insurance coverage on behalf of the Franchisee and the Franchisee's Business. Within 10 days after receipt of an invoice from the Franchisor, the Franchisee must pay all amounts owed to the Franchisor for the Costs and Expenses to procure insurance coverage on behalf of the Franchisee and the Franchised Business.

ARTICLE 14 **FINANCIAL STATEMENTS, REPORTS OF GROSS REVENUES,** **FORMS AND ACCOUNTING**

14.1 Monthly, Year-To-Date and Annual Financial Statements

The Franchisee will, at its expense, provide the Franchisor with monthly and year-to-date Financial Statements, as well as annual Financial Statements for the Franchisee's Business. All Financial Statements will be in the form prescribed by the Franchisor in writing, will conform to the standard chart of accounts prescribed by the Franchisor and will be prepared in accordance with generally accepted accounting principles applied on a consistent basis. The Franchisee's monthly and year-to-date Financial Statements will be delivered to the Franchisor by the 15th day of each month for the preceding month, and the Franchisee's annual Financial Statements will be delivered to the Franchisor within 90 days after the Franchisee's fiscal year end.

14.2 Verification of Financial Statements

If the Franchisee's annual Financial Statements are not certified by an independent certified public accountant, then the Franchisee's annual Financial Statements must be verified by the Franchisee's President and Chief Financial Officer, or if the Franchisee is not a corporation, then by the Franchisee's Managing Partner or Chief Operating Partner and the Franchisee's Chief Financial Partner.

14.3 Tax Returns

Within 90 days after the Franchisee's fiscal year end, the Franchisee will provide the Franchisor with signed copies of the Franchisee's annual federal and state income tax returns, sales tax returns, and copies of any other federal, state and local tax returns filed by the Franchisee for the Franchised Business including, but not limited to, any amended tax returns filed by the Franchisee for preceding years together with written proof that the Franchisee has paid all taxes due.

14.4 Reports of Gross Revenues

The Franchisee will maintain an accurate written record of the daily Gross Revenues for the Franchisee's Business and will remit a signed and verified statement of the Gross Revenues generated by, at, as a result of, or from the Franchisee's Business using such forms as the Franchisor may from time to time prescribe in writing (the "Gross Revenues Report"). The Gross Revenues Reports will be due on the 10th day of each calendar month for the preceding calendar month.

14.5 Franchisor's Audit Rights

The Franchisee and the Franchisee's accountants will make all of their Financial Records available to the Franchisor at all reasonable times for review and audit by the Franchisor or its designee, and will provide the Franchisor with adequate facilities to conduct the review and audit. If the Financial Records are computerized, then the Franchisor will have the absolute right to access the Franchisee's computer and software programs containing the Financial Records. The Franchisor or its designee will have the right to make copies of the Franchisee's Financial Records in hard copy or electronic form. The Franchisee's Financial Records for each fiscal year will be kept in a secure place by the Franchisee and will be available for audit by the Franchisor for at least five years. If an audit by the Franchisor results in a determination that the Franchisee's Gross Revenues were understated by more than 2%, or that the Franchisee has underpaid the Continuing Fees by more than \$500 during any 12-month period, then the Franchisee will pay the Franchisor for all costs and expenses (including Salaries of the Franchisor's employees, Travel Expenses, and audit fees) that the Franchisor incurred as a result of the audit of the Franchisee's Financial Records. If the Franchisee has underpaid the Franchisor, then the Franchisee will, within 10 days after receipt of an invoice from the Franchisor indicating the amounts owed, pay to the Franchisor any deficiency in Continuing Fees or other amounts owed to the Franchisor, together with interest and Administrative Fees as provided for herein. The Franchisee's failure or refusal to produce the Financial Records for audit by the Franchisor in accordance with this Article 14.5 will constitute a material breach of this Agreement and will be grounds for the immediate termination of this Agreement by the Franchisor.

14.6 Electronic Funds Transfers

The Franchisee will, from time to time during the term of this Agreement, execute such documents as the Franchisor may request to provide the Franchisee's unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing the Franchisee's bank or financial institution to pay the Franchisor or an Affiliate of the Franchisor directly by electronic funds transfer ("EFT") the full amount of the Continuing Fees, Branding Fees and other sums due and payable by the Franchisee to the Franchisor or the Affiliate under this Agreement or any other agreement, and to charge such payments to the account of the Franchisee. The EFT withdrawal authorizations will be in the form prescribed by the Franchisor. EFT withdrawals will be initiated by the Franchisor on the Fee Payment Date as set forth in this Agreement, and upon the issuance of an invoice by the Franchisor or an Affiliate of the Franchisor for other amounts payable by the Franchisee. The Franchisee's EFT authorizations will permit the Franchisor to designate the amount to be withdrawn from the Franchisee's account, and to adjust such amount from time to time, for the Continuing Fees, Branding Fees and other sums then payable by the Franchisee. If the Franchisee fails at any time to provide the Gross Revenues Reports required under this Article, then the Franchisor will have the right, in its sole discretion, to estimate the amount of fees payable by the Franchisee for the applicable Fee Payment Period, and to withdraw the amount of the estimated fees by EFT from the Franchisee's bank account in accordance with the provisions of this Article 14.6. The Franchisee will at all times maintain a balance in its account at its bank or financial institution sufficient to allow the appropriate amount to be withdrawn from the Franchisee's account for all current fees or other amounts payable by the Franchisee and paid directly to the Franchisor or an Affiliate of the Franchisor. It will be a default under this Agreement if the Franchisee fails to maintain an account balance sufficient to pay the fees or other amounts payable by the Franchisee, or if the Franchisee closes the account designated to pay the fees and other amounts owed without first designating a new account and notifying the Franchisor of the new account information. The Franchisee will be responsible for all fees imposed by its bank or financial institution in connection with the Franchisee's EFT payments.

ARTICLE 15

FRANCHISOR'S RIGHT OF FIRST REFUSAL

15.1 Right to Purchase Business Assets

The Franchisee will not Transfer the Business or the Business Assets to any party without first offering the same to the Franchisor in a written offer that contains all material terms and conditions of the proposed Transfer (the "Price and Terms"). This provision does not apply to the assignment or pledge of the Business Assets (with the exception of this Agreement) by the Franchisee to a bank, financial institution or other lender made in connection with the financing of the trailers, supplies, inventory, Signs, FF&E, and/or the real estate and building used in the Franchisee's Business.

15.2 Notice of Proposed Sale.

Within 15 business days after receipt by the Franchisor of the Franchisee's written offer specifying the Price and Terms for the proposed Transfer of the Business Assets, the Franchisor will give the Franchisee written notice in which the Franchisor will either waive its right of first refusal to purchase, or will state an interest in negotiating to purchase the Business Assets. If the Franchisor commences negotiations to purchase the Franchisee's Business Assets as set forth herein, then the Franchisee will not Transfer the Business Assets to a third party until the Franchisor and the Franchisee agree in writing that the negotiations have terminated. If the Franchisor waives its right to purchase, then the Franchisee will have the right to complete the Transfer of the Business Assets according to the Price and Terms set forth in the written notice to the Franchisor; however, any such Transfer to a third party is expressly subject to the terms and conditions set forth in Article 16 of this Agreement. If the Franchisee does not consummate the Transfer of the Business Assets to a third party upon the Price and Terms previously presented to the Franchisor in writing, but negotiates a sale price with a third party that is lower or on different terms and conditions than the stated Price and Terms for the Business Assets presented to the Franchisor, then the offer must be recommunicated or made to the Franchisor by the Franchisee. The Franchisor will give the Franchisee written notice within 15 business days thereafter which will state whether or not the Franchisor is interested in purchasing the Business Assets according to the proposed new terms. The Franchisee's obligations under this Agreement including, but not limited to, its obligations to pay the Continuing Fees and Branding Fees, and to operate the business as a Franchised Business in accordance with this Agreement will in no way be affected or changed because of the Franchisor's nonacceptance of the Franchisee's written offer to purchase the Business Assets, and as a consequence, the terms and conditions of this Agreement will remain in full force and effect. Moreover, if the Franchisor does not exercise the rights granted to it pursuant to this provision and if the Franchisee complies with Article 16 and Transfers the Business Assets to a third party, then both the Franchisee and the third party purchaser will be required to comply in all respects with the terms and conditions of this Agreement and the Transfer of the Business Assets will not relieve the Franchisee of its obligations under this Agreement. The Franchisor's decision not to exercise the rights granted to it pursuant to this provision will not, in any way, be deemed to grant the Franchisee the right to terminate this Agreement and will not affect the term of this Agreement.

15.3 Sale of Ownership Interests by Franchisee's Owners

The Ownership Interests of the Franchisee owned by the Franchisee's Owners may not be Transferred by the Franchisee's Owners until the Ownership Interests offered for Transfer have first been offered to the Franchisor in writing under the same terms and conditions offered to any third party. In the event the Franchisee's Owners desire to Transfer any Ownership Interests, then the Franchisee's Owners will first offer them to the Franchisor in writing under the same terms and conditions being offered to any third party. The Franchisor will have 15 business days within which to accept any Owner's offer to Transfer the Ownership Interests. Notwithstanding the terms of this Article, the Franchisee's Owners may bequeath or Transfer their Ownership Interests to their spouse or children or to the other registered Owners of the Franchisee without first offering it to the Franchisor, provided that each proposed transferee Owner who will be involved in the operations or management of the Business is, in the Franchisor's reasonable judgment, qualified from a managerial and financial standpoint to operate the Franchised Business in an economic and businesslike manner. The Franchisee and the Franchisee's Owners must give the Franchisor prior written notice of all proposed Transfers, and the proposed transferee Owners must agree to be

personally liable under this Agreement and enter into a written agreement where they agree to perform all the terms and conditions of this Agreement. All certificates evidencing Ownership Interests issued by the Franchisee to its Owners must bear the following legend:

The Ownership Interest represented by this certificate is subject to a written Franchise Agreement which grants the Franchisor the right of first refusal to purchase this Ownership Interest from the Owner. Any person acquiring the Ownership Interest represented by this certificate will be subject to the terms and conditions of the Franchise Agreement between the company named on this certificate and the Franchisor, which includes covenants not to compete that apply to all Owners.

15.4 Acknowledgment of Restrictions

The Franchisee acknowledges and agrees that the restrictions imposed by the Franchisor on the transfer of the Business Assets are reasonable and necessary to protect the goodwill associated with the Business System and the Marks, as well as the Franchisor's reputation and image, and are for the protection of the Franchisor, the Franchisee and all other franchisees that own and operate franchised businesses. Any Transfer of the Business Assets permitted by this Article will not be effective until the Franchisor receives fully executed copies of all documents relating to the Transfer, and the Franchisor has consented in writing to the Transfer.

15.5 Selling Owners Subject to Covenant Not to Compete

Any Owner of the Franchisee that Transfers any of his or her Ownership Interests in the Franchisee will be subject to the provisions of Article 20.3 of this Agreement after the Transfer.

15.6 Right of Franchisor to Purchase Franchise Assets

If this Agreement expires or is terminated by either the Franchisor or the Franchisee for any reason whatsoever, if the Franchisee wrongfully terminates this Agreement by failing to comply with Article 18 or otherwise, or if the Franchisee at any time ceases to do business within the Franchised Territory as a Franchised Business, then the Franchisor will have the right, but not the obligation, to purchase the Franchised Business, including the then-usable vehicles, supplies, inventory and FF&E, and all other assets that are required by the Franchisor for a standard Franchised Business and owned by the Franchisee in its Business and to acquire any lease or other contract rights of the Franchisee (the "Franchise Assets"). The Franchisor will not purchase any assets from the Franchisee that are not part of the standard Franchised Business. Within two business days after this Agreement expires or is terminated by either party, wrongfully terminated by the Franchisee or the Franchisee ceases to do business as a Franchised Business, the Franchisee must give the Franchisor written notice listing the cost and asking price for each of the Franchise Assets. If the Franchisee fails to give the Franchisor this notice and/or if the Franchisor and the Franchisee cannot agree on the price of the Franchise Assets, then either party will have the right to demand that the price of the Franchise Assets be determined by arbitration as provided for in Article 26. The Arbitrators will not consider any value for goodwill associated with the name "Garage Force®" in determining the fair market value of the Franchise Assets since the right of purchase granted to the Franchisor pursuant to this provision only applies after this Agreement has expired or been terminated or the Franchisee has ceased doing business. If the Arbitrators are unable to determine the fair market value of any of the Franchise Assets, then they will be valued at book value (cost less depreciation). The Franchisor will have the right, but not the obligation, to purchase any or all of the Franchise Assets from the Franchisee for cash within 20 days after the fair market value of the Franchise Assets has been established by the Arbitrators in writing. Nothing in this provision may be construed to prohibit the Franchisor from enforcing the terms and conditions of this Agreement, including the covenants not to compete contained in Article 20.

ARTICLE 16 **TRANSFER**

16.1 Transfer by Franchisor

This Agreement may be unilaterally Transferred by the Franchisor without the approval or consent of the Franchisee, and will inure to the benefit of the Franchisor's successors and assigns. The Franchisor will

give the Franchisee written notice of any such Transfer, and the assignee will be required to fully perform the Franchisor's obligations under this Agreement.

16.2 Transfer by Franchisee to Owned or Controlled Entity

In the event the Franchisee is an individual or partnership, this Agreement may be Transferred by the Franchisee, without first offering it to the Franchisor pursuant to Article 15, to an Entity which is owned or controlled by the Franchisee without paying any Transfer Fee, provided that: (a) the Franchisee and the Owners who own a majority (51% or greater) of the voting Ownership Interests of the transferee Entity sign or have signed a personal guaranty in the form contained in this Agreement; (b) the Franchisee furnishes prior written proof to the Franchisor substantiating that the transferee Entity will be financially able to perform all of the terms and conditions of this Agreement; and (c) none of the Owners owns, operates, franchises, develops, manages or controls any Competing Business. The Franchisee will give the Franchisor 30 days written notice prior to the proposed date of Transfer of this Agreement to an Entity owned or controlled by the Franchisee; however, the Transfer of this Agreement will not be valid or effective until the Franchisor has received the documents its attorneys deem reasonably necessary to properly and legally document the Transfer of this Agreement to the Entity as provided for herein.

16.3 Transfer by Individual Franchisee in Event of Death or Permanent Disability

If the Franchisee is an individual, then in the event of the death or permanent disability of the Franchisee, this Agreement may be Transferred or bequeathed by the Franchisee to any designated person or beneficiary without first offering the Franchisor the right to acquire this Agreement pursuant to Article 15 of this Agreement and without the payment of any Transfer Fee. However, the Transfer of this Agreement to the transferee or beneficiary of the Franchisee will be subject to the applicable conditions in Article 16.4, and will not be valid or effective until the Franchisor has received the properly executed legal documents which its attorneys deem necessary to properly and legally document the Transfer or bequest of this Agreement. Furthermore, the transferee or beneficiary must agree to be unconditionally bound by the terms and conditions of this Agreement and to personally guarantee the performance of the Franchisee's obligations under this Agreement.

16.4 Approval of Transfer

Subject to the provisions of Article 16.2 and 16.3, this Agreement or the Business Assets, may be Transferred by the Franchisee only with the prior written approval of the Franchisor. The Franchisor will not unreasonably withhold its consent to any Transfer of this Agreement, provided the Franchisee and/or the transferee Franchisee comply with the following conditions: (a) the Franchisee has complied in all respects with the applicable provisions of Article 15 of this Agreement; (b) the Franchisee has provided written notice to the Franchisor of the proposed Transfer at least 90 days prior to the Transfer date; (c) all of the Franchisee's monetary obligations due to the Franchisor have been paid in full, and the Franchisee is not otherwise in default under this Agreement; (d) the Franchisee has executed a written agreement, in a form satisfactory to the Franchisor, in which the Franchisee agrees to observe all applicable provisions of this Agreement, including the provisions with obligations and covenants that continue beyond the expiration or termination of this Agreement which includes the covenants not to compete contained in Article 20 of this Agreement; (e) the transferee Franchisee is not and does not intend to own, operate or be involved in a Competing Business; (f) the Franchisor and the Franchisee have executed a joint and mutual release, in a form satisfactory to the Franchisor, of any and all Claims against the Franchisor or the Franchisee and their respective officers, directors, shareholders, Owners, agents and employees, in their corporate and individual capacities arising from, in connection with, or as a result of this Agreement, any obligations of the Franchisor under this Agreement, or the Franchisee's initial purchase of the Franchise including, without limitation, all past and future Claims arising under any federal or state franchising laws, unfair or deceptive trade practices laws, anti-trust laws, or any other federal, state or local law, rule or ordinance; provided, however, that the terms of the release between the Franchisor and the Franchisee will exclude (i) any Claims based on any unpaid Continuing Fees, Branding Fees, or other amounts payable by the Franchisee on or before the date of this Agreement, (ii) any Claims brought by any third party against the Franchisor based on any event that occurred prior to the date of this Agreement, and (iii) any obligations of the Franchisor and the Franchisee arising out of or in connection with any other agreements or contracts executed by them that

will remain in force and effect; (g) the transferee Franchisee has demonstrated to the Franchisor's satisfaction that he, she or it meets the Franchisor's managerial, financial and business standards for new franchisees, possesses a good business reputation and credit rating, and possesses the aptitude and ability to operate the Franchised Business in an economic and businesslike manner (as may be evidenced by prior related business experience or otherwise); (h) prior to the date of Transfer, the transferee Franchisee and its General Manager must successfully complete the training program prescribed by the Franchisor and the transferee Franchisee must pay the Training Expenses for the transferee Franchisee and all other persons sent to the Franchisor's training program; and (i) the transferee Franchisee and all parties having a legal or beneficial interest in the transferee Franchisee, including, if applicable, the transferee Franchisee's Owners and Personal Guarantors as required by the Franchisor, execute the Franchisor's then-current standard Franchise Agreement for a term ending on the date of expiration of this Agreement and such other ancillary agreements as the Franchisor may require for the Transfer of the Franchised Business. The transferee Franchisee will not be required to pay any Initial Fee, and will pay the Continuing Fees and Branding Fees to the Franchisor at the rate specified in this Agreement. However, the transferee Franchisee will be required to pay all additional fees and to comply with all other provisions not specified or provided for in this Agreement but which are required pursuant to the terms of the then-current standard Franchise Agreement. The Franchisor may expand upon, and provide more details related to, the conditions for Transfer and the Franchisor's consent as described in this Article 16.4, and may do so in the Operations Manual or otherwise in writing.

16.5 Transfer to Competitor Prohibited

The Franchisee will not Transfer this Agreement to any person or Entity that owns, operates, franchises, develops, consults with, manages, is involved in, or controls any Competing Business. If the Franchisor refuses to permit a Transfer of this Agreement under this Article 16.5, the Franchisee's only remedy will be to have an Arbitrator or a court of competent jurisdiction determine whether the proposed transferee is involved in a Competing Business.

16.6 Acknowledgment of Restrictions

The Franchisee acknowledges and agrees that the restrictions imposed by the Franchisor on the transfer of this Agreement and the Business Assets are reasonable and necessary to protect the goodwill associated with the Business System and the Marks, as well as the Franchisor's reputation and image, and are for the protection of the Franchisor, the Franchisee and all other franchisees that own and operate franchised businesses. Any Transfer permitted by this Article 16 will not be effective until the Franchisor receives fully executed copies of all documents relating to the Transfer, and the Franchisor has consented in writing to the Transfer.

16.7 Transfer Fee

If, pursuant to the terms of this Article 16, this Agreement is Transferred to another person or Entity, or if the Franchisee's Owners Transfer in the aggregate controlling interest in the Franchisee to a third party, then the Franchisee will pay the Franchisor a Transfer Fee of \$3,000 for the costs incurred by the Franchisor for training the transferee Franchisee and its General Manager, attorneys' fees, accountants' fees, out-of-pocket expenses, long distance telephone calls, administrative costs and the time of its employees and officers. The Transfer Fee must be paid by the Franchisee to the Franchisor on or before the date of closing on the Transfer.

ARTICLE 17

FRANCHISOR'S TERMINATION RIGHTS; DAMAGES

17.1 Conditions of Breach

In addition to its other rights of termination contained in this Agreement, the Franchisor will have the right to terminate this Agreement if: (a) the Franchisee fails to open and commence operations of its Franchised Business within six months after the date of this Agreement; (b) the Franchisee violates any material provision, term or condition of this Agreement including, but not limited to, failure to timely pay the Initial Fee, any Continuing Fees, any Branding Fees or any other monetary obligations or fees due to the Franchisor; (c) the Franchisee or any of its General Managers, directors, officers or majority Owners are

convicted of, or plead guilty to or no contest to, a charge of violating any law relating to the Business, or any felony; (d) the Franchisee fails to conform to the Business System or the standards of uniformity and quality for the Products and Services promulgated by the Franchisor in connection with the Business System; (e) the Franchisee fails to timely pay any of its uncontested obligations or liabilities due and owing to its employees, suppliers, banks, purveyors and other creditors, the Franchisor or an Affiliate of the Franchisor; (f) the Franchisee is determined to be insolvent within the meaning of any state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee, or the Franchisee files for bankruptcy or is adjudicated a bankrupt under any state or federal law; (g) the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (h) any check issued by the Franchisee is dishonored because of insufficient funds (except where the check is dishonored because of an error in bookkeeping or accounting) or closed accounts; (i) the Franchisee fails to acquire the Initial Equipment Package and such other supplies, merchandise, inventory and FF&E required for its Business prior to commencing business; (j) the Franchisee voluntarily or otherwise Abandons its Business; (k) the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the name "Garage Force®" any other Marks or the Business System; (l) the Franchisee fails to file any required federal, state or other income or sales tax return or fails to timely pay any federal, state or other income or sales taxes when due; (m) the Franchisee commits a Lease Default, as defined in the Equipment Lease Agreement; (n) the Equipment Lease Agreement is terminated prior to its expiration date; (o) a monetary or other default by the Franchisee under the terms of the Promissory Note occurs; or (p) in accordance with the provisions of the Promissory Note, the entire unpaid balance of the Promissory Note is declared immediately due and payable.

17.2 Notice of Breach

The Franchisor will not have the right to terminate this Agreement for a breach set forth in Article 17.1 unless and until: (a) written notice setting forth the alleged breach in detail has been given to the Franchisee by the Franchisor; and (b) the Franchisee fails to correct the alleged breach within the period of time specified by applicable law. In the event that applicable law does not specify a time period to correct an alleged breach, then the Franchisee will have 30 days after the date of the written notice to correct the alleged breach, except where the written notice states that the Franchisee is delinquent in the payment of any Continuing Fees, Branding Fees or other amounts payable to the Franchisor pursuant to this Agreement, in which case the Franchisee will have 15 days after the date of the written notice to correct the breach by making full payment (including interest and Administrative Fees as provided for herein) to the Franchisor. If the Franchisee fails to correct the alleged breach set forth in the written notice within the applicable period of time, then this Agreement may be terminated by the Franchisor as provided for in this Agreement. For the purposes of this Agreement, an alleged breach of this Agreement by the Franchisee will be deemed to be "corrected" if both the Franchisor and the Franchisee agree in writing that the alleged breach has been corrected.

17.3 Notice of Termination

If the Franchisor has complied with the provisions of this Article and if the Franchisee has not corrected the alleged breach set forth in the written notice within the time period specified in this Agreement, then the Franchisor will have the absolute right to terminate this Agreement by giving the Franchisee written notice that this Agreement is terminated and in that event, the effective date of termination of this Agreement will be the day the written notice of termination is given, as specified in Article 28.

17.4 Franchisor's Immediate Termination Rights

Notwithstanding any other provision of this Agreement, the Franchisor will have the absolute right and privilege, unless precluded by applicable law, to immediately terminate this Agreement if: (a) the Franchisee or any of its General Managers, directors, officers or majority Owners are convicted of, or plead guilty to or no contest to a charge of violating any law relating to the Franchisee's Business, or any felony; (b) the Franchisee is determined to be insolvent within the meaning of any state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee, or the Franchisee files for bankruptcy or is adjudicated a bankrupt under any state or federal law; (c) the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of

creditors; (d) the Franchisee voluntarily or otherwise Abandons its Business; (e) the Franchisee fails or refuses to permit the Franchisor to audit the Franchisee's Financial Records or fails or refuses to produce its Financial Records for audit by the Franchisor in accordance with Article 14.5; (f) the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the Franchisor's Marks or the Business System and the Franchisee fails to correct the breach within 24 hours of written notice from the Franchisor of the breach; (g) the Franchisee commits a Lease Default, as defined in the Equipment Lease Agreement; (h) the Equipment Lease Agreement is terminated prior to its expiration date; (i) a monetary or other default by the Franchisee under the terms of the Promissory Note occurs; or (j) in accordance with the provisions of the Promissory Note, the entire unpaid balance of the Promissory Note is declared immediately due and payable.

17.5 Notice of Immediate Termination

If this Agreement is terminated by the Franchisor pursuant to Article 17.4 above, then the Franchisor will give the Franchisee written notice that this Agreement is terminated and in that event, the effective date of termination of this Agreement will be the day the written notice of termination is given, as specified in Article 28.

17.6 Damages

In the event this Agreement is terminated by the Franchisor pursuant to this Article 17, or if the Franchisee breaches this Agreement by a wrongful termination or a termination that is not in accordance with the terms and conditions of Article 18 of this Agreement, then the Franchisor will be entitled to seek recovery from the Franchisee for all Damages that the Franchisor has sustained and will sustain in the future as a result of the Franchisee's breach of this Agreement, taking into consideration the Continuing Fees and other amounts that would have been payable by the Franchisee for the remaining term of this Agreement.

17.7 Other Remedies

Nothing in this Article 17 will preclude the Franchisor from seeking other remedies or damages under state or federal laws, common law, or under this Agreement against the Franchisee including, but not limited to, attorneys' fees, punitive damages and injunctive relief.

ARTICLE 18 **FRANCHISEE'S TERMINATION RIGHTS**

18.1 Conditions of Breach

The Franchisee will have the right and privilege to terminate this Agreement, as provided herein, if: (a) the Franchisor violates any material provision, term or condition of this Agreement; or (b) the Franchisor fails to timely pay any material uncontested obligations due and owing to the Franchisee.

18.2 Notice of Breach

The Franchisee will not have the right to terminate this Agreement or to commence any action, lawsuit or arbitration proceeding against the Franchisor for breach of this Agreement, injunctive relief, violation of any state, federal or local law (including alleged violations of franchise laws), violation of common law (including allegations of fraud and misrepresentation), rescission, general or punitive damages, or termination, unless and until: (a) written notice setting forth the alleged breach or violation in detail has been given to the Franchisor by the Franchisee; and (b) the Franchisor fails to correct the alleged breach or violation within 30 days after the date of the written notice. If the Franchisor fails to correct the alleged breach or violation, as provided for herein, within 30 days after written notice of the alleged breach, then this Agreement may be terminated by the Franchisee as provided for in this Agreement. For the purposes of this Agreement, an alleged breach or violation of this Agreement by the Franchisor will be deemed to be "corrected" if both the Franchisor and the Franchisee agree in writing that the alleged breach or violation has been corrected.

18.3 Arbitration

If the Franchisor files a demand for arbitration, as provided for in this Agreement, within 30 days after the date the Franchisor is given written notice of any alleged breach of this Agreement by the Franchisee, then

the Franchisee will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration, the Arbitrators determine that the Franchisor has breached this Agreement and the Franchisor fails to correct the breach within the applicable time period. If the Arbitrators determine that the Franchisor has violated or breached this Agreement as alleged by the Franchisee in the written notice given to the Franchisor, then the Franchisor will have 30 days from the date the Arbitrators issue a written determination on the matter to correct the specified breach or violation of this Agreement. If the Franchisor does timely correct the specified breach or violation of this Agreement, then this Agreement will remain in full force and effect. If the Franchisor does not correct the specified breach or violation of this Agreement, then the Franchisee will have the right to terminate this Agreement by giving the Franchisor written notice that this Agreement is terminated, and in that event the effective date of termination of this Agreement will be the day the written notice of termination is given, as specified in Article 28. For the purpose of this Agreement, any controversy or dispute on the issue of whether the Franchisor has timely corrected the specified breach or violation of this Agreement will also be subject to arbitration as provided for herein. The time limitation set forth in this Article within which the Franchisor may demand arbitration of a dispute or controversy relating to the right of the Franchisee to terminate this Agreement for an alleged breach will be mandatory. If the Franchisor fails to comply with the time limitation set forth in this Article, the Franchisee may terminate this Agreement as provided for herein.

18.4 Waiver

The Franchisee must give the Franchisor immediate written notice of any alleged breach or violation of this Agreement after the Franchisee has knowledge of, believes, determines or is of the opinion that there has been an alleged breach or violation of this Agreement by the Franchisor. If the Franchisee fails to give written notice to the Franchisor of any alleged breach or violation of this Agreement within one year from the date that the Franchisee has knowledge of, believes, determines or is of the opinion that there has been an alleged breach or violation by the Franchisor, then the alleged breach or violation by the Franchisor will be deemed to be condoned, approved and waived by the Franchisee, the alleged breach or violation by the Franchisor will not be deemed to be a breach or violation of this Agreement by the Franchisor, and the Franchisee will be barred from commencing any arbitration or other action against the Franchisor for that alleged breach or violation.

18.5 Injunctive Relief Available to Franchisor

Notwithstanding any of the foregoing provisions, if the Franchisee gives the Franchisor any notice of an alleged breach or violation of this Agreement or of any laws that give rise to Claims, Damages and/or the termination of this Agreement by the Franchisee, then the Franchisor will have the absolute right to immediately commence legal action against the Franchisee to enjoin and prevent the termination of this Agreement by the Franchisee until the matter has been heard in arbitration without giving the Franchisee any notice and without regard to any waiting period that may be contained in this Agreement. If the Franchisor commences such legal action against the Franchisee and if a court of competent jurisdiction determines that this Agreement or any provision is not subject to arbitration for any reason, then the Franchisee will not have the right to terminate this Agreement, as provided for herein, unless and until a court of competent jurisdiction has ruled on the merits that the Franchisor has breached this Agreement in the manner alleged by the Franchisee, and then only if the Franchisor fails to correct the breach or violation within 30 days after a final judgment has been entered against the Franchisor and all time for appeals by the Franchisor has expired. If the Franchisor commences any legal action against the Franchisee as contemplated by this provision, which will include legal actions for injunctive relief against the Franchisee to enjoin termination of this Agreement, then the Franchisor will not be required to post any bonds or security whatsoever in such legal action.

ARTICLE 19
FRANCHISEE'S OBLIGATIONS UPON
TERMINATION OR EXPIRATION

19.1 Termination of Use of Marks; Other Obligations

In the event this Agreement is terminated for any reason or this Agreement expires without the Franchisee reacquiring the Franchise for the Franchised Territory, then the Franchisee will: (a) within five days after termination, pay all fees and other amounts due and owing to the Franchisor or an Affiliate under this Agreement, the Equipment Lease Agreement and/or the Promissory Note; (b) immediately return to the Franchisor by first class prepaid United States mail the Operations Manual, advertising materials and all other printed materials pertaining to the Franchised Business; (c) immediately inform its suppliers in writing of the termination of the Franchisee's right to operate the Franchised Business; and (d) comply with all other applicable provisions of this Agreement. Upon termination or expiration of this Agreement for any reason, the Franchisee's right to use the name "Garage Force®," the other Marks and the Business System will terminate immediately. The Franchisee agrees and acknowledges that its continued use of the Marks after the expiration or termination of this Agreement will be without the Franchisor's consent and will constitute an "exceptional case" under federal trademark law (15 U.S.C. §1117), entitling the Franchisor to recover treble damages, Costs and Expenses, and attorneys' fees.

19.2 Transfer of Directory Listings

Upon termination or expiration of this Agreement, the Franchisor will have the absolute right to notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use all telephone numbers and all directory listings under the "Garage Force®" name and to authorize the telephone company and all listing agencies to transfer to the Franchisor or its assignee all telephone numbers and directory listings for the Franchised Business. The Franchisee acknowledges that the Franchisor has the absolute right and interest in and to all telephone numbers and directory listings associated with the Marks, and the Franchisee hereby authorizes the Franchisor to direct the telephone company and all listing agencies to transfer the Franchisee's telephone numbers and directory listings to the Franchisor or the Franchisor's assignee if this Agreement expires or is terminated for any reason whatsoever. The telephone company and all listing agencies will have the right to accept this Agreement as evidence of the exclusive rights of the Franchisor to such telephone numbers and directory listings and this Agreement will constitute the authority from the Franchisee for the telephone company and listing agency to transfer all such telephone numbers and directory listings to the Franchisor. The Franchisee will not make any Claims or commence any action against the telephone company and the listing agencies for complying with this provision.

ARTICLE 20
FRANCHISEE'S COVENANTS NOT TO COMPETE

20.1 Consideration

The Franchisee, the Franchisee's Owners and the Personal Guarantors acknowledge that, pursuant to this Agreement, the Franchisee, its partners or officers and its employees will receive specialized training and Confidential Information from the Franchisor pertaining to the Business System and the operation of the Franchised Business. In consideration for the receipt of training and the use and license of the Confidential Information, the Franchisee, the Franchisee's Owners and the Personal Guarantors will comply in all respects with the provisions of this Article.

20.2 In-Term Covenant Not to Compete

The Franchisor has advised the Franchisee that this provision is a material provision of this Agreement, and that the Franchisor will not sell a Garage Force® franchise to any person or Entity that does or intends to own, operate or be involved in a Competing Business. Consequently, the Franchisee, the Franchisee's Owners and the Personal Guarantors will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, or owner of any other person or Entity, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or Entity engaged in any Competing Business, except with the prior written consent of the Franchisor.

20.3 Post-Term Covenant Not to Compete

The Franchisee, the Franchisee's Owners and the Personal Guarantors will not, for a period of 18 months after the termination or expiration of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director or owner of any other person or Entity, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or Entity engaged in any Competing Business which is located in, or within 50 miles of, the Franchised Territory, the territory of any other Garage Force® businesses operated by the Franchisor, an Affiliate of the Franchisor, or any franchisees of the Franchisor, or any protected area granted to any other person or Entity by the Franchisor pursuant to a development agreement, subfranchise agreement or other agreement. The Franchisee, the Franchisee's Owners and the Personal Guarantors expressly agree that the time and geographical limitations set forth in this provision are reasonable and necessary to protect the Franchisor and the Franchisor's franchisees if this Agreement expires or is terminated by either party for any reason, and that this covenant not to compete is necessary to permit the Franchisor the opportunity to resell and/or develop a new Franchised Business at or in the area near the Franchised Territory. The Franchisee, the Franchisee's Owners, and Personal Guarantors acknowledge and agree that the length of time in this Section 20.3 shall be tolled for any period in which any such party is in breach of these covenants or any other period during which the Franchisor seeks to enforce this Agreement.

20.4 Injunctive Relief

The Franchisee, the Franchisee's Owners and the Personal Guarantors agree that the provisions of this Article are necessary to protect the legitimate business interests of the Franchisor and the Franchisor's franchisees including, without limitation, prevention of the unauthorized dissemination of Confidential Information to competitors of the Franchisor and the Franchisor's franchisees, protection of the Franchisor's trade secrets and the integrity of the Franchisor's franchise system, and prevention of the duplication of the Business System by unauthorized third parties. The Franchisee, the Franchisee's Owners and the Personal Guarantors also agree that damages alone cannot adequately compensate the Franchisor if there is a violation of this Article by the Franchisee, the Franchisee's Owners or the Personal Guarantors, and that injunctive relief against the Franchisee, the Franchisee's Owners and the Personal Guarantors is essential for the protection of the Franchisor and the Franchisor's franchisees. The Franchisee, the Franchisee's Owners and the Personal Guarantors agree therefore, that if the Franchisor alleges that the Franchisee, the Franchisee's Owners or the Personal Guarantors have breached or violated this Article, then the Franchisor will have the right to petition a court of competent jurisdiction for injunctive relief against the Franchisee, the Franchisee's Owners and the Personal Guarantors, in addition to all other remedies that may be available to the Franchisor. The Franchisor will not be required to post a bond or other security for any injunctive proceeding. In cases where the Franchisor is granted ex parte injunctive relief against the Franchisee, the Franchisee's Owners or the Personal Guarantors, then the Franchisee, the Franchisee's Owners or the Personal Guarantors will have the right to petition the court for a hearing on the merits at the earliest time convenient to the court.

ARTICLE 21 **INDEPENDENT CONTRACTORS**

The Franchisor and the Franchisee are each independent contractors and, as a consequence, there is no employer-employee or principal-agent relationship between the Franchisor and the Franchisee. The Franchisee will not have the right to and will not make any agreements, representations or warranties in the name of or on behalf of the Franchisor or represent that their relationship is other than that of franchisor and franchisee. Neither the Franchisor nor the Franchisee will be obligated by or have any liability to the other under any agreements or representations made by the other to any third parties. The Franchisee will take all reasonable steps necessary to inform the public, customers, suppliers, lenders and other business establishments that the Franchised Business is independently owned and operated by the Franchisee pursuant to a Franchise from the Franchisor.

ARTICLE 22

INDEMNIFICATION

22.1 Indemnification

The Franchisor and its current and former Affiliates and their respective employees, executives, shareholders, members, Owners, attorneys, accountants and agents (individually and collectively, the “Indemnified Parties”) will not be obligated to any person or Entity for any Claims and Damages arising out of, from, in connection with, or as a result of this Agreement, the relationship between the parties, or the Franchisee’s Business. Except as provided for in Article 3.5, the Franchisee will indemnify and hold harmless the Indemnified Parties against, and will reimburse the Indemnified Parties for, all Damages that the Indemnified Parties incur in the defense of or as a result of any Claim brought against the Indemnified Parties arising from, in connection with, arising out of, or as a result of this Agreement, the relationship between the parties, or the Franchisee’s Business. Any of the Indemnified Parties will have the right to defend any Claim made against it arising from, as a result of, in connection with this Agreement, the relationship between the parties, or the Franchisee’s Business.

22.2 Attorneys’ Fees and Other Costs

The Franchisee will pay all Costs and Expenses incurred by the Franchisor in enforcing any term, condition or provision of this Agreement or in seeking to enjoin any violation of this Agreement by the Franchisee. In any action brought pursuant to this Agreement where the Franchisor prevails against the Franchisee, the Franchisee will indemnify the Franchisor for all Costs and Expenses that it incurs in any lawsuit or proceeding arising under this Agreement.

22.3 Continuation of Obligations

The indemnification and other obligations contained herein will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 23

DISCLAIMERS; ACKNOWLEDGMENTS

23.1 No Financial Projections

The Franchisor expressly disclaims the making of any representations, estimates, projections, warranties or guaranties, expressed or implied, regarding potential sales, Gross Revenues, income, profits or earnings, expenses, value, or the financial or business success of the Franchisee’s Business, except as set forth in the Franchisor’s Franchise Disclosure Document, a copy of which has been provided to the Franchisee.

23.2 No Income or Refund Warranties

The Franchisor does not warrant or guarantee to the Franchisee: (a) that the Franchisee will derive income or profit from the Franchised Business; or (b) that the Franchisor will refund all or part of the Initial Fee, the purchase price for the Initial Equipment Package, or the price paid for the Franchisee’s Business or repurchase any of the trailers, products, supplies or FF&E supplied or sold by the Franchisor or an Approved or Designated Supplier if the Franchisee is unsatisfied with its Business.

23.3 Acknowledgements by Franchisee

The Franchisee acknowledges that it has conducted an independent investigation of the Franchised Business and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that the financial and business success of the Franchised Business will be primarily dependent upon the personal efforts of the Franchisee, its management and its employees. The Franchisee acknowledges that it has not received any express or implied representations or warranties described in Article 23.1 or Article 23.2 from the Franchisor or any of the Franchisor’s officers, employees or agents that were not contained in the Franchise Disclosure Document received by the Franchisee (hereinafter referred to in this provision as “Representations”). The Franchisee further acknowledges that if it had received any such Representations, it would not have executed this Agreement, and that it would have: (a) promptly notified the President of the Franchisor in writing of the person or persons making such Representations; and (b) provided to the Franchisor a specific written statement detailing the Representations made.

23.4 Other Franchisees

The Franchisee acknowledges that other franchisees of the Franchisor have or will be granted franchises at different times different locations, under different economics and in different situations, and further acknowledges that the economics and terms and conditions of such franchises may vary substantially in form and in substance from those contained in this Agreement.

23.5 Receipt of Agreement and Franchise Disclosure Document

The Franchisee acknowledges that it received a copy of this Agreement with all material blanks fully completed at least seven calendar days prior to the date that this Agreement was executed by the Franchisee. The Franchisee further acknowledges that it has received a copy of the Franchisor's Franchise Disclosure Document at least 14 calendar days prior to the date on which this Agreement was executed.

23.6 Representations of Entity Franchisee

If the Franchisee is an Entity, the Owners represent and warrant that: (a) the Franchisee is duly organized, validly existing and in good standing under the laws of the state of its organization; (b) the Franchisee is qualified to do business in the state in which the Franchised Business is located; (c) the Franchisee has delivered to the Franchisor a copy of its corporate charter or certificate of organization and current good standing certificates from all states in which the Franchisee is incorporated, organized or qualified to do business; and (d) the Ownership Interests of the Franchisee are accurately stated in the connection with the signatures of the Owners appearing below.

ARTICLE 24 **FRANCHISEE'S LEGAL COUNSEL**

The Franchisee acknowledges that the Franchisor has strongly recommended that the Franchisee should retain an attorney or other advisor to: review the Franchisor's Franchise Disclosure Document, including the Franchisor's financial statements and this Agreement; to review all leases, contracts and other legal documents relating to the Franchised Business; to review the economics, operations and other business aspects of the Franchised Business; to advise the Franchisee on tax issues, financing matters, insurance matters, employee matters, health and safety laws, motor vehicle laws, environmental laws, licensing laws, laws relating to the application or use of cleaning and sealing products used in the Franchised Business, and other applicable state and federal laws; to determine compliance with franchising and other applicable laws; to advise the Franchisee on the structure of its Franchised Business and other business matters; and to advise the Franchisee as to the terms, conditions and obligations of this Agreement and the potential economic benefits and risks of loss relating to this Agreement and the Franchised Business. The name, address and telephone number of the Franchisee's attorney or other advisor is: _____

_____, telephone number (____) _____.

ARTICLE 25 **ENFORCEMENT**

25.1 Injunctive Relief

Notwithstanding the provisions of Article 26 of this Agreement, the Franchisor will have the right to petition a court of competent jurisdiction for the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to: (a) the Franchisor's Marks and the Business System; (b) the obligations of the Franchisee upon termination or expiration of this Agreement; (c) the Transfer of this Agreement, the Franchisee's Business or the Ownership Interests of the Franchisee; (d) Confidential Information and covenants not to compete; and (e) any act or omission by the Franchisee or the Franchisee's employees that, (1) constitutes a violation of any applicable law, ordinance or regulation, (2) is dishonest or misleading to the clients or customers of the Franchisee's Business or other franchised businesses, (3) constitutes a danger to the employees, public, clients or customers of the Franchisee's Business, or (4) may impair the goodwill associated with the Franchisor's Marks and the Business System. The Franchisor will be entitled to injunctive relief against the Franchisee without posting a bond or other security. The Franchisee will indemnify the Franchisor for all Costs and Expenses that it incurs in any lawsuit or proceedings under this provision in accordance with Article 22.2.

25.2 Waiver

The Franchisor and the Franchisee may, by written instrument signed by the Franchisor and the Franchisee, waive any obligation of or restriction upon the other under this Agreement. Acceptance by the Franchisor of any payment by the Franchisee and the failure, refusal or neglect of the Franchisor to exercise any right under this Agreement or to insist upon full compliance by the Franchisee of its obligations hereunder including, without limitation, any mandatory specification, standard or operating procedure, will not constitute a waiver by the Franchisor of any provision of this Agreement.

25.3 Payments to Franchisor

The Franchisee's payment obligations under this Agreement are absolute and unconditional. The Franchisee will not for any reason withhold payment of any Continuing Fees or any other fees or payments due the Franchisor pursuant to this Agreement or pursuant to any other contract, agreement or obligation to the Franchisor. The Franchisee will not have the right to "offset" any liquidated or unliquidated amounts, damages or other funds allegedly due to the Franchisee by the Franchisor against any Continuing Fees or any other fees or payments due to the Franchisor under this Agreement or under any other agreement or contract.

25.4 Effect of Wrongful Termination

In the event that the Franchisor or the Franchisee takes any action to terminate this Agreement and/or to convert the Franchised Business to another business without first complying with the terms and conditions (including the written notice and opportunity to cure provisions) of Article 17 or Article 18 of this Agreement, as applicable, then such action will not relieve the Franchisee, its Owners, or Personal Guarantors of, or release any such person from, any obligations under this Agreement, and the terms and conditions of this Agreement will remain in full force and effect until such time as this Agreement expires or is terminated in accordance with the provisions of this Agreement and applicable law.

25.5 Cumulative Rights

The rights of the Franchisor hereunder are cumulative and no exercise or enforcement by the Franchisor of any right or remedy hereunder will preclude the exercise or enforcement by the Franchisor of any other right or remedy hereunder or which the Franchisor is entitled by law to enforce.

25.6 Venue and Jurisdiction

Unless provided by this Agreement or applicable law to the contrary, all claims not subject to arbitration that are initiated by either party against the other party will be venued exclusively in a state or federal court located in the Western District of Wisconsin. The Franchisee acknowledges that the Franchisee and its Owners, officers, directors and employees have had substantial business and personal contacts with the Franchisor in the State of Wisconsin. Consequently, the Franchisor, the Franchisee, and each of their officers, directors and Owners, and the Personal Guarantors do hereby agree and submit to personal jurisdiction in the State of Wisconsin for the purposes of any suit, proceeding or arbitration hearing brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy.

25.7 Binding Agreement

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

25.8 No Oral Modification

No modification, change, addition, rescission, release, amendment or waiver of this Agreement and no approval, consent or authorization required by any provision of this Agreement may be made except by a written agreement signed by duly authorized officers or partners of the Franchisee and the President or a Vice President of the Franchisor. The Franchisee and the Franchisor will not have the right to amend or modify this Agreement orally or verbally, and any attempt to do so will be void in all respects.

25.9 Entire Agreement

This Agreement supersedes and terminates all prior agreements, either oral or in writing, between the parties involving the franchise relationship and therefore, representations, inducements, promises or agreements alleged by either the Franchisor or the Franchisee that are not contained in this Agreement will not be

enforceable. The recitals are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between the Franchisor and the Franchisee relating to the subject matter of this Agreement. Notwithstanding the foregoing, any representations contained in the Disclosure Document provided to the Franchisee by the Franchisor will be enforceable.

25.10 Joint and Several Liability

If the Franchisee consists of more than one individual, then the liability of all such individuals under this Agreement will be deemed to be joint and several.

25.11 Headings; Terms

The headings of the Articles are for convenience only and do not in any way define, limit or construe the contents of such Articles. The term “Franchisee” as used herein is applicable to one or more individuals, a corporation or a partnership, as the case may be, and the singular usage includes the plural, the masculine usage includes the neuter and the feminine, and the neuter usage includes the masculine and the feminine. References to “Franchisee,” “assignee” and “transferee” which are applicable to an individual or individuals will mean the principal owner or owners of the equity or operating control of the Franchisee or any such assignee or transferee if the Franchisee or such assignee or transferee is a corporation or partnership. If the Franchisee consists of more than one individual, then all individuals will be bound jointly and severally by the terms and conditions of this Agreement.

ARTICLE 26 **ARBITRATION**

26.1 Disputes Subject to Arbitration

Except as expressly provided to the contrary in this Agreement, all disputes, including allegations of fraud, misrepresentation or violation of any state or federal laws or regulations, arising under, as a result of, or in connection with this Agreement and other agreement between the Franchisor (or an Affiliate) and the Franchisee, the Franchisee’s Business or the Personal Guaranty will be subject to arbitration in accordance with the Code of Procedure of the National Arbitration Forum (the “NAF”), Post Office Box 50191, Minneapolis, Minnesota 55405, 1-800-474-2371 (www.adrforum.com).

26.2 Notice of Dispute

The party alleging the dispute must provide the other party with written notice setting forth the alleged dispute in detail. The party who receives written notice alleging the dispute will have 30 days to resolve the dispute, unless the written notice alleges that the Franchisee is delinquent in the payment of any fees or other payments payable to the Franchisor, in which case the Franchisee will have 15 days to make full payment (including interest and Administrative Fees as provided for herein) to the Franchisor.

26.3 Demand for Arbitration

If the dispute alleged by either party has not been resolved within the time period provided for in this Agreement, then either party may promptly demand arbitration as provided in this Section 26 (but, in any event, before the applicable statute of limitations would bar the institution of legal or equitable proceedings based upon the claim or dispute) by giving the other party written notice demanding arbitration. Within 10 days after a written demand for arbitration has been made by the party demanding arbitration, either party will have the right to request the office of the NAF in St. Paul, Minnesota to initiate the procedures necessary to appoint a three-arbitrator panel in accordance with the Code of Procedure of the NAF. The Arbitrators will be appointed as provided for herein within 60 days after a written demand for arbitration has been made in accordance with the Code of Procedure of the NAF.

26.4 Venue and Jurisdiction

All arbitration hearings will take place exclusively in Onalaska, Wisconsin, and will be scheduled by the Arbitrators within 90 days after the Arbitrators have been selected. The Franchisee acknowledges that the Franchisee and its Owners, officers, directors and employees have had substantial business and personal contacts with the Franchisor in the State of Wisconsin. Consequently, the Franchisor, the Franchisee and the Franchisee’s officers, directors, Owners and Personal Guarantors do hereby agree and submit to personal

jurisdiction in the State of Wisconsin in connection with any arbitration hearings hereunder and any suits brought to enforce the decision of the Arbitrators, and do hereby waive any rights to contest venue and jurisdiction in the State of Wisconsin and any claims that venue and jurisdiction are invalid. The parties acknowledge and agree that this Article will survive the termination or expiration of this Agreement.

26.5 Powers of Arbitrators

The authority of the Arbitrators will be limited to making a finding, judgment, decision and award relating to the interpretation of or adherence to the written provisions of this Agreement. The Arbitrators will have no authority to add to, delete or modify the terms and provisions of this Agreement. All findings, judgments, decisions and awards of the Arbitrators will be limited to the dispute set forth in the written demand for arbitration, and the Arbitrators will have no authority to decide any other issues. The Arbitrators will not have the right or authority to award punitive damages to the Franchisor, the Franchisee or the Franchisee's officers, directors, Owners or Personal Guarantors except as permitted in Section 17.7. All findings, judgments, decisions and awards by the Arbitrators will be in writing, will be made within 30 days after the arbitration hearings have been completed, and will be final and binding on the Franchisor, the Franchisee, the Franchisee's officers, directors, Owners and Personal Guarantors. The written decision of the Arbitrators will be deemed to be an order, judgment and decree and may be entered as such in any court of competent jurisdiction by either party.

26.6 Disputes Not Subject to Arbitration

In addition to those disputes described in Section 25.1, the following disputes between the Franchisor and the Franchisee will not be subject to arbitration: (a) any dispute involving the Marks or which arises under or as a result of Article 3 of this Agreement; (b) any dispute involving immediate termination of this Agreement by the Franchisor pursuant to Article 17.4 and Article 17.5 of this Agreement; (c) any dispute involving enforcement of the confidentiality provisions of this Agreement; and (d) any dispute involving enforcement of the covenants not to compete contained in Article 20 of this Agreement.

26.7 No Collateral Estoppel or Class Actions

All arbitration findings and awards expressly made by the Arbitrators will be final and binding on the Franchisor, the Franchisee and the Franchisee's officers, directors, Owners and Personal Guarantors; however, such arbitration findings and awards may not be used: (1) to collaterally estop either party from raising any like or similar issue in any other or subsequent arbitration, litigation, court hearing or other proceeding involving third parties or other franchisees, or (2) by any third party or other franchisee to establish any fact, action, finding, violation, or otherwise used by any third party or other franchisee as evidence, in any arbitration, litigation, court hearing or other proceeding involving the Franchisor or the Franchisee. In any arbitration between them, neither the Franchisor nor the Franchisee may introduce as evidence, or otherwise use to establish any fact, action, finding or violation, any findings, conclusions, orders or awards resulting from any prior arbitration, litigation, court hearing or other proceeding involving the Franchisee and a third party or the Franchisor and a third party or other franchisee. No party except the Franchisor, the Franchisee, and the Franchisee's officers, directors, Owners and Personal Guarantors will have the right to join in any demand for arbitration and, therefore, the Arbitrators will not be authorized to permit class, common, or consolidated actions or to permit any other party to be impleaded in any arbitration. The Franchisee hereby agrees not to seek joinder of any claims with those of any other party. The Franchisee and the Franchisor agree that neither party will be entitled to allege punitive, exemplary, consequential, or other special damages, except as set forth in Section 17.7. Thus, except as provided in Section 17.7, the Arbitrators will not have the right to award punitive, exemplary, consequential, or other special damages to either party and both parties expressly waive their rights to allege or claim punitive damages.

26.8 Costs and Expenses

Except as provided to the contrary in Article 5.6 and Article 22.2, each party will pay the Costs and Expenses incurred by it in the arbitration proceeding. The Franchisor and the Franchisee will each pay one-half of the Arbitrator's fee.

26.9 Confidentiality

All evidence, testimony, records, documents, findings, decisions, judgments and awards pertaining to any arbitration hearing between the Franchisor and the Franchisee will be secret and confidential in all respects. The Franchisor and the Franchisee will not disclose the decision or award of the Arbitrators and will not disclose any evidence, testimony, records, documents, findings, orders, or other matters from the arbitration hearing to any person or Entity except as required by law.

26.10 Performance During Arbitration of Disputes

The Franchisor and the Franchisee will perform their respective obligations pursuant to this Agreement during arbitration of any dispute.

26.11 Federal Arbitration Act

This Agreement and any issue regarding arbitration arising under this Agreement will be governed by the Federal Arbitration Act and the federal common law of arbitration.

ARTICLE 27

GOVERNING LAW; STATE MODIFICATIONS; SEVERABILITY

27.1 Governing Law

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.) and as set forth in Article 26.11 above, this Agreement and the relationship between the Franchisor and the Franchisee will be governed by the laws of the state in which the Franchised Territory is located; provided however, if the Franchised Territory includes more than one state, then this Agreement and the relationship between the Franchisor and the Franchisee will be governed by the laws of the state in which the Franchisee's principal place of business is located. The provisions of this Agreement which conflict with or are inconsistent with applicable governing law will be superseded and/or modified by such applicable law only to the extent such provisions are inconsistent. All other provisions of this Agreement will be enforceable as originally made and entered into upon the execution of this Agreement by the Franchisee and the Franchisor.

27.2 State Modifications

If the Franchised Territory is located in any one of the states indicated below in this Article 27.2, or if the laws of any such state are otherwise applicable due to the domicile of the Franchisee or for any other reason, then the designated provisions of this Agreement will be amended and revised as follows:

(a) **Illinois.** If pursuant to Article 27.2, this Agreement is governed by the laws of the State of Illinois; then: (1) any provision in this Agreement that designates jurisdiction or venue in a forum other than the State of Illinois is void, and this Agreement will not require the Franchisee to litigate any cause of action arising under this Agreement or the Illinois Franchise Disclosure Act (the "Illinois Act") outside of Illinois, provided however, that this Agreement may provide for mediation or arbitration in a forum outside of Illinois; (2) Sections 19 and 20 of the Illinois Act provide rights to the Franchisee relating to the termination and nonrenewal of the Franchise which will supersede any inconsistent provisions of this Agreement; (3) this Agreement is amended to provide that the periods of limitation contained in Section 27 of the Illinois Act will be applicable to any action maintained by the Franchisee to enforce any liability created by the Illinois Act; and (4) Section 41 of the Illinois Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Act is void; therefore, any acknowledgments contained in Article 23 or Article 25.9 will be unenforceable against the Franchisee.

(b) **Maryland.** This Agreement is governed by the laws of the State of Maryland and the following amendments are hereby made to this Agreement if the Franchisee is a Maryland resident, if the Franchised Territory is located in Maryland, or if the laws of the State of Maryland are otherwise applicable to this Agreement:

(1) Article 16.4(f) of this Agreement is hereby amended to provide that the general release required as a condition to the renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law (the “Maryland Law”);

(2) Article 25.6 of this Agreement is hereby amended to provide that the Franchisee may bring a lawsuit in Maryland for Claims arising under the Maryland Law;

(3) This Agreement is hereby amended to provide that any Claims arising under the Maryland Law must be brought within three years after the grant of the Franchise; and

(4) This Agreement is hereby amended to provide that all representations requiring the Franchisee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Law.

(c) Minnesota. If this Agreement is governed by the laws of the State of Minnesota, then: (1) Article 1 of this Agreement will be amended to provide that, except in certain circumstances specified by law, the Franchisor must give the Franchisee at least 180 days prior written notice of nonrenewal of the Franchise; (2) Article 17.2 will be amended to require that, except as set forth in Article 17.4 and 17.5, if the Franchisor gives the Franchisee written notice that the Franchisee has breached this Agreement, such written notice will be given to the Franchisee at least 90 days prior to the date this Agreement is terminated by the Franchisor, and the Franchisee will have 60 days after receipt of such written notice within which to correct the breach specified in the written notice; (3) notwithstanding any provisions of this Agreement to the contrary, a court of competent jurisdiction will determine whether the Franchisor will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by the Franchisor against the Franchisee, the Franchisee’s Owners or the Personal Guarantors. (4) Article 15.4(f) of this Agreement will be inapplicable to rights provided to the Franchisee or to any liability imposed by Minn. Stat. §80C.01 to §80C.22; (5) in accordance with Minn. Stat. §80C.17, Subd. 5, the Franchisee will have no more than three years after the cause of action accrues to commence an action pursuant to Minn. Stat. §80C.17; and (6) any provision of this Agreement which requires the Franchisee to waive its rights to jurisdiction or venue in the State of Minnesota will not be applicable to the Franchisee.

(d) New York. If this Agreement is governed by the laws of the State of New York, then Article 7.3 will be amended to provide that modifications to the Operations Manual by the Franchisor will not unreasonably increase the Franchisee’s obligations or place an excessive economic burden on the Franchisee’s operations.

(e) North Dakota. If this Agreement is governed by the laws of the State of North Dakota, then: (1) the covenant not to compete upon termination or expiration of this Agreement contained in Article 20.3 may be unenforceable, except in certain circumstances provided by law; (2) Article 22.2 is amended to provide that the prevailing party in any enforcement action will be entitled to recover its Costs and Expenses; (3) the consent by the Franchisee to jurisdiction and venue in La Crosse County, Wisconsin contained in Article 25.6 may be inapplicable; provided, however, that such inapplicability in the State of North Dakota will not be construed to mean that venue in La Crosse County, Wisconsin is improper, or that the Franchisee, its officers, directors, Owners and Personal Guarantors are not subject to jurisdiction in North Dakota or in any other state; (4) the provisions of Article 26.4 requiring arbitration hearings to take place in Onalaska, Wisconsin will be inapplicable, and in the event of arbitration between the Franchisor and the Franchisee, such arbitration will be conducted in Fargo, North Dakota, or at a mutually agreed upon location; (5) any provisions of this Agreement which limit the statute of limitations period for Claims under the North Dakota Franchise Investment Law (the “North Dakota Law”) or the parties’ rights or remedies under the North Dakota Law, such as the right to recover exemplary or punitive damages or to a jury trial, will not be enforceable; and (6) any provisions of this Agreement which require the Franchisee to consent to termination damages or liquidated damages will not be enforceable under the North Dakota law.

(f) Rhode Island. If this Agreement is governed by the laws of the State of Rhode Island, then any provision of this Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

(g) South Dakota. If this Agreement is governed by the laws of the State of South Dakota, then: (1) Article 17.2 of this Agreement will be amended to provide that if the Franchisee breaches the provisions of this Agreement including the failure to meet performance or quality standards or to pay any fees or other payments payable to the Franchisor pursuant to this Agreement, the Franchisor will provide the Franchisee with at least 30 days written notice and an opportunity to cure prior to the termination of this Agreement by the Franchisor; (2) the covenant not to compete upon termination or expiration of this Agreement contained in Article 20.3 of this Agreement may be unenforceable, except in certain circumstances provided by law; (3) any provision of this Agreement which designates jurisdiction or venue outside of the State of South Dakota or requires the Franchisee to agree to jurisdiction or venue in a forum outside of the State of South Dakota is void with respect to any cause of action which is otherwise enforceable in the State of South Dakota; (4) any acknowledgment provision, disclaimer, integration clause or provision having a similar effect in this Agreement will not negate or act to remove from judicial review any statement, misrepresentation or action that violates Chapter 37-5B or a rule or order under Chapter 37-5B; (5) the provisions of this Agreement requiring that arbitration hearings take place in Onalaska, Wisconsin will be inapplicable, and in the event of arbitration between the Franchisor and the Franchisee, such arbitration will be conducted in Sioux Falls, South Dakota, or at a mutually agreed upon location; and (6) the provisions of this Agreement which require that actions be commenced within one year and that limit the parties' rights to recover punitive, exemplary, incidental, indirect, special or consequential damages may not be enforceable under South Dakota law.

(h) Washington. If this Agreement is governed by the laws of the State of Washington, then: (1) in the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the "Washington Act") will prevail; (2) the arbitration site will be either in Washington, a place mutually agreed upon at the time of the arbitration, or as determined by the Arbitrators; (3) a release or waiver of rights executed by the Franchisee will not include rights under the Washington Act, except when executed pursuant to a negotiated settlement after this Agreement is in effect and where the parties are represented by independent counsel; (4) any provision of this Agreement which unreasonably restricts or limits the statute of limitations period for Claims under the Washington Act, rights or remedies under the Washington Act, such as a right to a jury trial, may not be enforceable; (5) the Transfer Fee payable pursuant to Article 16.7 is collectable by the Franchisor to the extent that it reflects the Franchisor's reasonable estimated or actual costs in effecting the Transfer; and (6) the Washington Act and court decisions thereunder may supersede the terms of this Agreement in the Franchisee's relationship with the Franchisor, including the areas of termination and renewal of the Franchise.

(i) Wisconsin. If this Agreement is governed by the laws of the State of Wisconsin, then the provisions of the Wisconsin Fair Dealership Law, Wis. Stat. Chapter 135, will supersede any conflicting terms of this Agreement.

27.3 Severability

It is the desire and intent of the parties to this Agreement, including the Franchisee's Owners and the Personal Guarantors, that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by the Franchisor is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. If any provision of this Agreement is adjudicated to be invalid or unenforceable, then such provision will be deemed amended to modify or delete that portion thus adjudicated to be invalid or unenforceable. Such modification or deletion will apply only with respect to the operation of such provision in the particular

jurisdiction in which the adjudication is made. Further, to the extent any provision of this Agreement is deemed unenforceable by virtue of its scope or limitation, the parties to this Agreement, including the Franchisee's Owners and the Personal Guarantors, agree that the scope and limitation provisions will, nevertheless, be enforceable to the fullest extent permissible under the applicable laws and public policies applied in such jurisdiction where enforcement is sought.

ARTICLE 28

NOTICES

All notices to the Franchisor will be in writing and will be addressed to the Chief Executive Officer of the Franchisor at Ilfrich Integrated Solutions, Inc., Attn: Chief Executive Officer, 700 Stonebridge Avenue, Onalaska, WI 54650, or such other address as the Franchisor may subsequently designate in writing, and to Ryan R. Palmer, Esq., Gray Plant Mooty, 500 IDS Center, 80 South 8th Street, Minneapolis, MN 55402. Except as otherwise provided by applicable law, all notices under this Agreement will be in writing and delivered to the addressee by any of the following means: (a) by personal service, (b) by prepaid certified U.S. mail, (c) by facsimile, email or other electronic transmission, or (d) by a recognized overnight delivery service (such as Federal Express, United States Express Mail, Airborne Express or UPS) which requires a written receipt or acknowledgement of delivery. All notices to the Franchisee will be sent to the address for the Franchisee set forth on the cover page of this Agreement, or such other address as the Franchisee may subsequently designate in writing. For the purposes of this Agreement, written notice will be deemed received by the addressee (i) on the day received, if it is sent by personal service, U.S. certified mail or by a recognized overnight delivery service, (ii) on the date of transmission, if it is sent by facsimile and the transmission has been confirmed by the sender, or (iii) on the date of transmission, if sent by email or other electronic transmission and the sender does not receive a notice of non-delivery.

ARTICLE 29

DEFINITIONS

For purposes of this Agreement, the following words will have the following definitions:

29.1 Abandon

"Abandon" will mean conduct of the Franchisee, including acts of omission as well as commission, indicating the willingness, desire or intent of the Franchisee to discontinue operating the Franchisee's Business in accordance with the quality standards, uniformity requirements and the Business System as set forth in this Agreement and the Operations Manual.

29.2 Affiliate

"Affiliate" will mean any Entity that, directly or indirectly, owns or controls, is owned or controlled by, or is under common ownership with or controlled by the Franchisor.

29.3 Approved Suppliers

"Approved Suppliers" will mean the suppliers and distributors that have been approved in writing by the Franchisor to offer and sell the Products and Services specified in the Operations Manual or otherwise in writing by the Franchisor. The Franchisor or an Affiliate of the Franchisor may be an Approved Supplier or the only Approved Supplier for any or all Products or Services.

29.4 Business System

"Business System" will mean the Franchisor's business concept and methods for operating businesses of a distinctive character and quality that provide the Products and Services. "Business System" will include all of the uniformity requirements, standards of quality, procedures, specifications and instructions established and amended from time to time by the Franchisor.

29.5 Business Assets

"Business Assets" will mean: (a) FF&E, Signs, trailers, supplies, inventory, equipment leases, contracts, and all other assets owned by the Franchisee and used in connection with the Franchised Business; (b) all assets listed on the Franchisee's Financial Statements and tax returns; (c) this Agreement; (d) any Ownership Interest in the Franchisee; and (e) all other interest in the Franchisee or the Franchised Business.

29.6 Claims

“Claims” will mean any and all demands, complaints, filings, allegations, assertions, requests for payment or compensation, challenges, allegations of liability, causes of action, mediation, arbitration and/or lawsuits.

29.7 Competing Business

“Competing Business” will mean any business that offers Products or Services that are the same as or similar to those Products and Services offered by the Franchised Business, or which is otherwise competitive with or similar to the Franchised Business.

29.8 Computer Equipment

“Computer Equipment” will mean the computer hardware and peripherals used in the operation of the Business, including printers, monitors, modems, and networking equipment, and other computer systems and electronic devices specified in the Operations Manual or otherwise in writing by the Franchisor.

29.9 Computer Software

“Computer Software” will include the computer software and operating system approved and specified in this Agreement, the Operations Manual, or otherwise in writing by the Franchisor for use in the operation of the Franchised Business.

29.10 Confidential Information

“Confidential Information” will mean all of the Franchisor’s proprietary information, knowledge and know-how concerning the Business System and the procedures, operations and data used in connection with the Business System and the operation of franchised businesses including, without limitation, business plans and strategies, marketing and advertising plans, drawings, client lists, materials, brochures, marketing materials, technology, methods, procedures, specifications, techniques, teaching methods, computer software programs, systems and other business information which the Franchisor copyrights or designates as trade secret, confidential or proprietary.

29.11 Costs and Expenses

“Costs and Expenses” will mean all attorneys’ fees, deposition costs, expert witness fees, court costs, investigation costs, accounting fees, filing fees and Travel Expenses (and interest on such fees, costs and expenses).

29.12 Damages

“Damages” will mean all losses, damages, judgments, liabilities, fines, penalties, assessments, and all related expenses, and will include, without limitation: (a) damages to real and personal property and damages for loss of use of real and personal property; (b) damages for lost profits; (c) special, consequential, exemplary and punitive damages; (d) personal injury damages; (e) damages resulting from the death of a person or persons, including wrongful death damages; (f) Costs and Expenses and all other expenses incurred in defending any Claims; (g) Salaries, Travel Expenses and all related expenses incurred in defending any Claims; (h) amounts paid in settlement of any disputed Claims; (i) product liability damages; (j) amounts paid pursuant to any court judgment or court decree, resulting from any civil or criminal claims, demands, allegations, lawsuits, litigation, arbitration proceedings, administrative actions or other legal proceedings; (k) damages assessed under any federal, state or local statutes, rules, regulations or ordinances; and (l) all other amounts paid or incurred as a result of any Claims.

29.13 Designated Supplier

“Designated Supplier” will mean the only and exclusive supplier or distributor that is authorized by the Franchisor to sell certain Products and Services specified in the Operations Manual or otherwise in writing by the Franchisor. The Franchisor or an Affiliate of the Franchisor may be a Designated Supplier for any or all Products and Services.

29.14 Dollars

“Dollars” will mean United States of America dollars.

29.15 Entity

“Entity” will mean any corporation, limited liability company, general partnership, limited partnership, limited liability partnership, or other legal entity formed in compliance with applicable law.

29.16 Fee Payment Date

“Fee Payment Date” will mean either the 10th day of the Month for the preceding Month or Friday of each Week for the preceding Week, as determined by the Franchisor.

29.17 Fee Payment Period

“Fee Payment Period” will mean either Monthly or Weekly, in the sole discretion of the Franchisor.

29.18 FF&E

“FF&E” will mean the furniture, fixtures, trailers, vehicles and equipment, including mechanical equipment, Computer Equipment and Computer Software, specified in the Operations Manual or otherwise in writing by the Franchisor for use in the operations of the Franchised Business.

29.19 Financial Records

“Financial Records” will mean the computerized and hand prepared records and ledgers, sales ledgers, work papers, books, bank statements, federal and state income tax returns, federal and state sales tax returns, and other financial information for the Franchisee’s Business.

29.20 Financial Statements

“Financial Statements” will mean a balance sheet, profit and loss statement, statement of cash flows and footnotes prepared in accordance with generally accepted accounting principles applied on a consistent basis. The Franchisee’s Financial Statements will be presented in the exact form and format prescribed by the Franchisor, and will be categorized according to the standard chart of accounts developed and approved by the Franchisor.

29.21 Franchise

“Franchise” will mean the right granted to the Franchisee authorizing the Franchisee to operate a Franchised Business in conformity with the Business System using the name “Garage Force®” and the other Marks.

29.22 General Manager

“General Manager” will mean the individual responsible for the overall management of the Franchisee’s Business including, but not limited to, administration, customer relations, basic operations, marketing, community relations, recordkeeping, employee staffing and training, inventory control, hiring and firing, and maintenance of the FF&E.

29.23 Gross Revenues

“Gross Revenues” will mean the total dollar income received by the Franchisee from all cash or credit sales to customers or clients of the Franchisee’s Business for all Products and Services provided under the Business System, regardless of whether such Products or Services are provided to customers or clients by the Franchisee, its employees or independent contractors hired by the Franchisee. “Gross Revenues” will not include any sales, use or gross receipts tax imposed by any federal, state, municipal or governmental authority directly upon sales, if: (a) the amount of the tax is added to the selling price and is expressly charged to the customer; (b) a specific record is made at the time of each sale of the amount of such tax; and (c) the amount of such tax is paid to the appropriate taxing authority by the Franchisee.

29.24 Marks

“Marks” will include the name “Garage Force®” and such other trademarks, trade names, service marks, logos, slogans and commercial symbols as the Franchisor has or may develop for use in connection with the franchised businesses operated in conformity with the Business System and the Franchisor’s uniformity requirements and quality standards.

29.25 Month; Monthly

“Month” will mean a calendar month. “Monthly” will mean once per Month.

29.26 Operations Manual

“Operations Manual” will mean the confidential and copyrighted standard operations, procedures and training manual(s) developed by the Franchisor that contains mandatory and suggested specifications, standards and procedures for the operation of Garage Force® businesses, as supplemented, changed or modified from time to time by the Franchisor.

29.27 Owner; Ownership Interests

“Owner” will mean any individual or Entity who owns shares of capital stock in the Franchisee, if the Franchisee is a corporation, or who owns a membership or partnership interest in the Franchisee, if the Franchisee is a limited liability company or a partnership. “Ownership Interests” will mean shares of capital stock in the Franchisee, if the Franchisee is a corporation, or a membership or partnership interest in the Franchisee, if the Franchisee is a limited liability company or a partnership.

29.28 Personal Guarantors

“Personal Guarantors” will mean the individuals who sign the Personal Guaranty attached to this Agreement.

29.29 Training Expenses

“Training Expenses” will mean the Salaries, payroll taxes, unemployment compensation, workers’ compensation insurance, medical insurance, Travel Expenses, and all other expenses for the Franchisee and all other persons who attend the Franchisor’s training programs on behalf of the Franchisee.

29.30 Products and Services

“Products and Services” will mean all of the products, goods, supplies, items, merchandise and/or services specified in the Operations Manual or otherwise in writing by the Franchisor that have been approved by the Franchisor for use or sale by Garage Force® businesses under the Marks and the Business System.

29.31 Salary or Salaries

“Salary” or “Salaries” will mean wages or hourly rate of pay, fringe benefits, federal and state withholding taxes and Social Security taxes.

29.32 Signs

“Signs” will mean the interior and exterior signs used to advertise or identify the Franchised Business in customers’ yards and on the trailers used in the Franchised Business.

29.33 Transfer or Transferred

“Transfer” or “Transferred” will mean to sell, assign, trade, transfer, lease, sublease or otherwise dispose of.

29.34 Travel Expenses

“Travel Expenses” will include all transportation, lodging, food, entertainment, automobile rental, and related expenses and costs.

29.35 Week; Weekly

“Week” will mean seven consecutive days beginning on Sunday and ending on Saturday. “Weekly” will mean once per Week.

IN WITNESS WHEREOF, the Franchisor, the Franchisee and the Franchisee’s Owners have respectively signed this Agreement effective as of the day and year first above written.

[signatures on next page]

“Franchisor”

Ilfrich Integrated Solutions, Inc.

In the Presence of:

By _____
Its _____

In the Presence of:

“Franchisee”

By _____
Its _____

By _____
Its _____

Each of the undersigned Owners of the Franchisee hereby confirms that the Ownership Interests set forth below for each Owner are true and correct and, as a condition to the Franchisor agreeing to enter into this Agreement with the Franchisee, each Owner agrees to execute and be bound by the terms and conditions of the Personal Guaranty attached to this Agreement.

<u>In the Presence of:</u>	<u>Names of Owners:</u>	<u>Percentage of Ownership:</u>
_____ Signature	_____ Signature	_____%
_____ Print Name	_____ Print Name	
_____ Signature	_____ Signature	_____%
_____ Print Name	_____ Print Name	
_____ Signature	_____ Signature	_____%
_____ Print Name	_____ Print Name	
_____ Signature	_____ Signature	_____%
_____ Print Name	_____ Print Name	_____%
	Total	<u>100%</u>

PERSONAL GUARANTY

THIS PERSONAL GUARANTY (this “Personal Guaranty”) is made and entered into this _____ day of _____, 20____, by and between Ilfrich Integrated Solutions, Inc., a Wisconsin corporation (the “Franchisor”), and the undersigned personal guarantors (the “Personal Guarantors”).

WHEREAS, the Franchisor and _____ (the “Franchisee”) have entered into a Franchise Agreement, dated the same date as set forth above, for the operation of a Franchised Business in the Franchised Territory identified in Article 1.1 (the “Franchise Agreement”).

WHEREAS, it is the desire of the undersigned Personal Guarantors to personally guaranty the obligations of the Franchisee under the Franchise Agreement, which is incorporated herein by reference, and to be individually, jointly and severally bound by the terms and conditions of the Franchise Agreement.

NOW, THEREFORE, in consideration of the execution of the Franchise Agreement by the Franchisor, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do individually, jointly and severally hereby become surety and guaranty for the payment of all amounts and the performance of the covenants, terms and conditions of the Franchise Agreement, including the covenants not to compete, to be paid, kept and performed by the Franchisee.

Obligations under Agreement. The undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including the covenants not to compete, and agree that this Personal Guaranty should be construed as though the undersigned and each of them executed an agreement containing the identical terms and conditions of the Franchise Agreement. The undersigned acknowledge receiving a copy of the Franchise Agreement.

Default of Franchisee. If any default should at any time be made therein by the Franchisee, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay to the Franchisor the Initial Fee, payments for the Initial Equipment Package, the Continuing Fees, the Branding Fees and all other fees and payments due and payable to the Franchisor under the terms and conditions of the Franchise Agreement.

Non-Compliance by Franchisee. If the Franchisee fails to comply with any other terms and conditions of the Franchise Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of the Franchise Agreement for and on behalf of the Franchisee.

Obligations Payable to Franchisor. If the Franchisee is at any time in default on any obligation to pay monies due to the Franchisor or any Affiliate of the Franchisor, whether for the Initial Fee, payments for the Initial Equipment Package, the Continuing Fees, the Branding Fees, other fees and payments, merchandise, products, supplies, Signs, FF&E, or other products purchased by the Franchisee or for any other indebtedness of the Franchisee to the Franchisor or any Affiliate of the Franchisor, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay all such monies due and payable from the Franchisee to the Franchisor or any Affiliate of the Franchisor upon default by the Franchisee.

Binding Agreement. The provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of the successors and assigns of the Franchisor.

Jurisdiction and Venue. Except as precluded by applicable law, all arbitration hearings, litigation, actions or proceedings pertaining to this Personal Guaranty will be brought and venued in accordance with the applicable Articles of the Franchise Agreement.

PERSONAL GUARANTORS

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

Signed by: _____, Individually

Address

City, State and Zip Code

Area Code and Telephone

TELEPHONE LISTING AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20____, by and between Ilfrich Integrated Solutions, Inc. (the "Franchisor"), and _____ (the "Franchisee").

WHEREAS, the Franchisor is the franchisor of Garage Force® businesses and the licensor of the name "Garage Force®" and certain other trademarks, trade names, service marks, logos and commercial symbols (the "Marks"); and

WHEREAS, the Franchisor and the Franchisee have entered into a Franchise Agreement, dated the same date as this Agreement (the "Franchise Agreement") pursuant to which the Franchisee is granted the right to operate a franchised Garage Force® business (the "Garage Force Business" or the "Business") and to use the Marks in telephone directory listings for the Franchisee's Garage Force Business; and

WHEREAS, the Franchisee is authorized to continue using the Marks until such time as the Franchise Agreement is terminated or expires.

NOW, THEREFORE, the Franchisor and the Franchisee hereby agree as follows:

1. The Franchisee is authorized to obtain telephone service for the Franchisee's Garage Force Business. Such service will not be used in conjunction with any other business or residential telephone service.
2. The Franchisee is authorized and agrees to secure on-line white pages, Yellow Pages and directory assistance listings for the Franchisee's Garage Force Business only in the name of "Garage Force®." No other names may be used in conjunction with the Business and the Marks, and no additional listings may be used with the telephone number(s) assigned to the Business, unless approved in writing in advance by the Franchisor.
3. All telephone directory listings, Yellow Pages display advertising, layout, and copy will be approved in advance in writing by the Franchisor, and the Franchisee agrees that it will not place any such copy unless the written approval of the Franchisor is attached. Placement of display advertising by the Franchisor or its advertising agency for the Franchisee through a national Yellow Pages service will constitute automatic approval.
4. The Franchisee agrees that the telephone numbers and telephone directory listings for the Garage Force Business will be considered to be the sole property of the Franchisor. The Franchisee acknowledges that the Franchisor has the absolute right and interest in all of the telephone numbers and telephone directory listings associated with the Marks, and the Franchisee hereby authorizes the Franchisor to direct the telephone company and all listing agencies to transfer all of the Franchisee's telephone numbers and directory listings to the Franchisor or the Franchisor's assignee if the Franchise Agreement expires or is terminated for any reason whatsoever.
5. Upon the expiration or termination of the Franchise Agreement for any reason, the Franchisee agrees that it will immediately cease all use of such telephone numbers and telephone directory listings and that all such telephone numbers and telephone directory listings will remain the sole property of the Franchisor, subject to the Franchisor's obligation to pay all fees due therefore that become due and payable after the date of the cessation of the Franchisee's right to use the Marks and the telephone numbers and telephone directory listings associated with the Marks.
6. The Franchisee hereby releases and forever discharges the Franchisor and its successors or assigns and the telephone company from liability of any kind or character which results or may result directly or indirectly from the Franchisor's exercise of its rights hereunder or from the telephone company's cooperation with the Franchisor in effecting the terms of this Agreement.
7. The Franchisor will have the absolute right to notify the telephone company and all listing agencies of the termination or expiration of the Franchisee's right to use all telephone numbers and all classified and other directory listings under the "Garage Force®" name and to authorize the telephone company and all listing

agencies to transfer to the Franchisor or its assignee all telephone numbers and directory listings of the Franchisee's Garage Force Business.

8. The telephone company and all listing agencies will have the right to accept this Agreement as evidence of the exclusive rights of the Franchisor to such telephone numbers and directory listings, and this Agreement will constitute the authority from the Franchisee for the telephone company and listing agency to transfer all such telephone numbers and directory listings to the Franchisor. The Franchisee will not make any claims or commence any action against the telephone company and the listing agencies for complying with this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

“Franchisor”

In the Presence of:

Ilfrich Integrated Solutions, Inc.

By _____
Its _____

In the Presence of:

“Franchisee”

By _____
Its _____

By _____
Its _____

AUTHORIZATION TO HONOR ELECTRONIC FUNDS TRANSFER

PAYEE

BANK NAME

ACCOUNT NO.

ABA NO.

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, drafts, orders and electronic debits (collectively "debits") drawn on such account which are payable to the above named Payee. It is agreed that the Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by the Depositor. It is further agreed that if any such debit is not honored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever. This authorization shall continue in force until the Depository and the Payee have received at least 30 days written notification from the Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

(1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.

(2) To indemnify the Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend, at the Depositor's own cost and expense, any action which might be brought by any persons or entities because of any actions taken by the Depository or the Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or the Payee's participation therein.

Name of Depository Bank (Franchisee's Bank): _____

Depository Bank Telephone Number: _____

Account Type: (check one)

☐

Consumer Checking

☐

Business Checking

☐

Consumer Savings

☐

Business Savings

Account Number: _____ Routing Number: _____

Name of Franchisee (as listed on account): _____

(Please attached one voided check)

By: _____
Signature of Franchisee's Authorized Representative

Title

Date: _____, 20__

CONFIDENTIALITY AGREEMENT

Effective this ____ day of _____, 20____, in consideration of his or her employment with _____ (the "Employer"), a franchisee of Ilfrich Integrated Solutions, Inc. (the "Franchisor"), it is hereby agreed that the undersigned (the "Employee") will, at all times during the term of his or her employment and thereafter, comply with the terms and conditions of this Agreement.

1. During such time as the Employee is an employee of or associated with the Employer, and for a period of one (1) year after the termination of the Employee's employment or association with the Employer (whether voluntary or involuntary, and for any reason), or the retirement of the Employee from employment or association with the Employer, the Employee:

a. will treat the Franchisor's Operations Manual and other operations or procedures manuals (the "Manuals"), and any of the Franchisor's other confidential materials (including, but not limited to, videotapes, films, drawings, diagrams and computer programs) created for or approved for use in the operation of the Garage Force® Business, and the information, knowledge, methods or techniques contained or described therein (collectively, the "Confidential Materials"), as secret and confidential and as the sole and absolute property of the Franchisor, and will use all reasonable means to keep them secret and confidential, including, without limitation, the following:

i. the Employee will not communicate, divulge or use for the benefit of himself/herself personally or any other person or entity, any information contained in the Manuals or Confidential Materials;

ii. the Employee will not copy, duplicate, videotape, photograph, record or otherwise reproduce the Manuals or Confidential Materials, in whole or in part;

iv. the Employee will not make the Manuals or any Confidential Materials available to any unauthorized person or entity, or allow any unauthorized person or entity access to the Manuals or any Confidential Materials; and

v. the Employee will not use the Manuals or any Confidential Materials for any purpose other than the performance of his or her duties as an employee of the Employer's Garage Force® Business.

2. The Employee further agrees that the one (1) year period described in this Agreement will be extended for a number of months equal to the number of months, if any, for which the Employer pays the Employee his or her monthly base compensation or other severance pay after the termination of the Employee's association with the Employer, and will also be extended beyond such one (1) year period for a period of time equal to the duration of any breach of this Agreement by the Employee.

4. The Employee and the Employer further acknowledge and agree:

a. that the Franchisor is a third-party beneficiary of the rights and obligations set forth in this Agreement;

b. that the Franchisor will suffer irreparable harm in the event of any breach or violation of this Agreement;

c. that the Franchisor will have the right to enforce the provisions of this Agreement in its own name in the event of any breach or violation, or threatened breach or violation, of this Agreement; and

d. that the Franchisor will have the right to obtain specific performance, temporary restraining orders, preliminary injunctions, injunctions and other equitable relief to the extent reasonably necessary to protect its interests in prohibiting competitive activities from any court of competent jurisdiction or Arbitrator.

The undersigned Employer and Employee understand and accept the obligations set forth herein and agree to be bound by them.

EMPLOYEE:

EMPLOYER:

By _____

Its _____

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C

PROMISSORY NOTE

PROMISSORY NOTE

\$25,000

(city)

(state)

(date)

1. **FOR VALUE RECEIVED**, the undersigned, _____, a(n) _____ (the "Franchisee"), promises to pay to the order of Garage Force Capital, Inc., a Wisconsin corporation, its successors and assigns ("Garage Force"), the principal sum of Twenty-Five Thousand Dollars (\$25,000), together with interest (calculated on the basis of actual days elapsed and a 360-day year) on the unpaid principal balance hereof until this Note is fully paid at a fixed annual rate of 18%. Principal and interest will be payable in 60 consecutive equal monthly installments of Six Hundred Thirty-Four and 84/100ths Dollars (\$634.84), the first of which will be due and payable the 10th day of _____, 20____ and subsequent installments which will be due and payable on the 10th day of each calendar month thereafter until the entire principal balance of this Note plus all accrued interest is paid in full. If not sooner paid, the entire unpaid balance of this Note along with all accrued interest will be due and payable on _____ 10, 20____.

2. **Payments by EFT.** The Franchisee will, from time to time, execute such documents as Garage Force may request to provide the Franchisee's unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing the Franchisee's bank or financial institution to pay Garage Force directly by electronic funds transfer ("EFT") the monthly installments payable by the Franchisee under this Note, and to charge the amount of the installments to the account of the Franchisee. The EFT withdrawal authorizations will be in the form prescribed by Garage Force's bank. Transfers will be made on the 10th day of each month. Garage Force reserves the right to require any payment on this Note, whether such a payment represents a regular installment or represents a prepayment or final payment, to be made by certified or cashier's check, wired federal funds, automatic bank transfer, or other immediately available funds. If applicable, all payments on this Note are payable at the address stated above, or at such other address as Garage Force may provide in writing to the Franchisee.

3. **Evidence of Obligation under Franchise Agreement.** This Note evidences an obligation of the Franchisee to Garage Force in the principal amount stated above made in connection with the Garage Force® Franchise Agreement dated as of the date of this Note between the Franchisee and Ilfrich Integrated Solutions, Inc. (the "Franchise Agreement"), pursuant to which the Franchisee will operate a franchised Garage Force® business (the "Franchise").

4. **Business Purposes.** The Franchisee represents and warrants to Garage Force that the obligation evidenced by this Note is strictly and exclusively FOR BUSINESS PURPOSES ONLY, which means for a commercial or industrial enterprise carried on for the purpose of active or passive investment or profit.

5. **Due Date; Acceleration.** If not sooner paid in full, Garage Force will have the right, at its option, to declare this Note to be immediately due and payable in full, together with all accrued interest

(Initial)

and any other fees and charges, without notice or demand: (a) three days after the due date of any installment or payment of principal and interest on this Note; (b) 60 months after the date of this Note; (c) if the Franchisee assigns all interest in the Franchise Agreement and/or Franchise unless Garage Force agrees in writing to permit assignment of the Franchisee's obligations under this Note to the assignee of the Franchise; (d) if the Franchisee ceases operating the Franchise without Garage Force's prior written consent; (e) upon the termination of the Franchise Agreement; or (f) should a petition be filed by or against the Franchisee under the United States Bankruptcy Code or any other law relating to insolvency, reorganization, receivership or relief of debtors or a trustee, receiver or similar officer is appointed for the Franchisee or for the Franchisee's property. The occurrence of any of the events listed in the preceding sentence will constitute a "default" of this Note. As used in this Note, "due date" means the maturity date whether it is the stated maturity date or such earlier date by reason of acceleration.

6. **Administrative Fee.** If the Franchisee fails to pay any installment or payment of principal and interest on this Note for three days after the same becomes due, whether by acceleration or otherwise, Garage Force may at its option impose and the Franchisee will pay an administrative fee of One Hundred Dollars (\$100). The administrative fee will apply individually to all installments and payments past due with no daily adjustment and will be used to defray the costs of Garage Force incident to collecting such late installment or payment. This provision will not be deemed to excuse a late installment or payment or be deemed a waiver of any other rights Garage Force may have, including but not limited to, the right to declare the entire unpaid balance due on this Note immediately due and payable.

7. **Cross-Default.** A default by the Franchisee under the terms of this Note will be a default by the Franchisee under the terms of the Franchise Agreement. Upon the occurrence of any event giving the other party the right to terminate the Franchise Agreement, then, in any such event, Garage Force may, at its option, declare this Note to be immediately due and payable, together with all accrued interest and any other fees and charges, without notice or demand, whereupon this Note will be immediately due and payable in full.

8. **Application of Payments.** If this Note is not paid on the due date or any event occurs that would entitle Garage Force to declare this Note to be immediately due and payable, Garage Force will have the right to set off the indebtedness evidenced by this Note against any indebtedness of Garage Force to the Franchisee, notwithstanding any statements to the contrary in the Franchise Agreement or any other agreement between Garage Force (or an affiliate) and the Franchisee.

9. **Payment of Costs.** The Franchisee agrees to pay all costs of collection incurred by Garage Force, including but not limited to, attorneys' fees and legal expenses, if this Note is not paid when due whether suit is commenced or not, including but not limited to, costs and expenses in litigation, bankruptcy or insolvency proceedings.

10. **Prepayment Allowed.** In addition to any payments required pursuant to this Note, this Note may be prepaid, in whole or in part, at any time upon five business days prior notice to Garage Force. The prepayment notice will state the proposed date and aggregate principal amount of such prepayment, and the Franchisee will make prepayment in accordance with the notice. Any prepayment will be accompanied by all accrued interest to the date of such prepayment on the amount prepaid. Any prepayment will be applied to principal installments in the inverse order of their maturities, and no prepayment will suspend any required payment pursuant to this Note.

11. **No Waiver.** No failure on the part of Garage Force to exercise any right or remedy under this Note will constitute a waiver of any right or remedy, and no waiver of any past default will constitute

(Initial)

waiver of any future default or any other default. No failure to accelerate the debt evidenced by this Note by reason of default, or acceptance of a past due installment, or indulgence granted from time to time will be construed to be a waiver of the right to insist upon prompt payment thereafter or to impose late charges retroactively or prospectively, or will be deemed to be a novation of this Note or a reinstatement of the debt evidenced hereby or a waiver of the right of acceleration or any other right, or be construed to preclude the exercise of any right which Garage Force may have, whether by the laws of the state governing this Note, by agreement or otherwise; and the Franchisee and each endorser or guarantor expressly waives the benefit of any statute or rule or law or equity which would produce a result contrary to or in conflict with the foregoing.

12. **Changes to Note.** This Note may only be changed by an agreement in writing signed by the party against whom such agreement is sought to be enforced. Garage Force may at any time renew this Note or extend its maturity date for any period and release any security for, or any party to, this Note, all without notice to or consent of and without releasing any accommodation maker, endorser or guarantor.

13. **Franchisee's Waiver of Presentment and Other Rights.** Unless precluded by applicable law, the Franchisee, for itself and its successors and assigns, and each endorser or guarantor of this Note, for its heirs, personal representatives, successors and assigns, waives presentment, protest, demand, diligence, notice of dishonor and of nonpayment, and waives and renounces all rights to the benefit of any statute of limitations and any moratorium, appraisement, exemption and homestead now provided or which may hereafter be provided by any federal or state statute, including but not limited to exemptions provided by or allowed under United States Bankruptcy, both as to itself personally and as to all of its property, whether real or personal, against the enforcement and collection of the obligations evidenced by this Note and any and all extensions, renewals and modifications of this Note.

14. **Dispute Resolution.** This Note shall be governed by the dispute resolution provisions set forth in the Franchise Agreement.

15. **Application of Usury Laws to Interest Payments.** It is the intention of the parties to conform strictly to applicable usury laws, and all agreements between the Franchisee and Garage Force, whether now existing or hereafter arising, are limited so that in no event will the amount paid or agreed to be paid to or collected by Garage Force for the use, forbearance or detention of the money to be due hereunder, or for the payment or performance of any covenant or obligation contained in this Note, the Franchise Agreement, or any mortgage, assignment of rents or security agreement given to secure indebtedness of the Franchisee to Garage Force, or in any other document evidencing, securing or pertaining to the indebtedness evidenced by this Note, exceed the maximum amount permissible under applicable usury law. If, under any circumstances whatsoever, fulfillment of any provision of this Note or of any other document, at the time performance of such provisions will be due, involves exceeding the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled will be reduced to the limit of such validity; and if under any circumstances Garage Force ever receives an amount deemed interest which would exceed the highest lawful rate, such amount that would be excessive interest will be applied to the reduction of the principal amount owing hereunder or to other indebtedness owed by the Franchisee to Garage Force and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal and such other indebtedness, the excess will be deemed to have been a payment made by mistake and will be refunded to the Franchisee. All sums paid or agreed to be paid to Garage Force for the use, forbearance or detention of the indebtedness of the Franchisee outstanding from time to time will, to the extent permitted by applicable law, be amortized from the date of disbursement of the proceeds of this Note until payment in full so that the actual rate of interest on account of the indebtedness is uniform through the term of this Note.

(Initial)

IN WITNESS WHEREOF, the Franchisee has caused this instrument to be executed as of the day and year first above written.

“Franchisee”

By _____

Its _____

GUARANTY

Each of the undersigned personal guarantors unconditionally guarantees the due and punctual payment when due of the principal amount of the foregoing Note, together with interest accrued and to accrue thereon and all other amounts owing by the Franchisee to Garage Force, and agrees that this Guaranty guarantees payment and not collection. Each of the undersigned personal guarantors individually acknowledges, restates and agrees to the provisions of Paragraphs 13 and 14 of the foregoing Note.

Dated: _____

(personal guarantor)

Dated: _____

(personal guarantor)

Dated: _____

(personal guarantor)

Dated: _____

(personal guarantor)

(Initial)

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D

EQUIPMENT LEASE AGREEMENT

**GARAGE FORCE CAPITAL, INC.
EQUIPMENT LEASE AGREEMENT**

THIS EQUIPMENT LEASE AGREEMENT (this "Lease"), is made and entered into as of _____, 20__ (the "Effective Date") by and between:

Garage Force: Garage Force Capital, Inc., a Wisconsin corporation ("Garage Force"); and

Franchisee: _____, a(n) _____ ("Franchisee").

RECITALS

WHEREAS, Franchisee has entered into a Franchise Agreement with Ilfrich Integrated Solutions, Inc., an Affiliate of Garage Force, dated _____, 20__ (the "Franchise Agreement"), granting Franchisee the right to own and operate a franchised Garage Force® business (the "Garage Force Business") pursuant to the terms of the Franchise Agreement; and

WHEREAS, Garage Force is the owner of the equipment listed on Exhibit A attached hereto (the "Leased Equipment"); and

WHEREAS, Franchisee wishes to lease the Leased Equipment from Garage Force for use in its Garage Force Business, upon the terms and conditions contained in this Lease, and Garage Force is interested in leasing the Leased Equipment to Franchisee upon the same terms and conditions;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Garage Force and Franchisee hereby agree as follows:

**SECTION 1
AGREEMENT TO LEASE**

Garage Force hereby leases to Franchisee and Franchisee hereby hires and takes from Garage Force, subject to the terms, conditions and provisions of this Lease, the Leased Equipment. As used herein, the term "Leased Equipment" shall include all items referenced on Certificates of Acceptance regardless of whether such Certificates are delivered on the Effective Date or thereafter, and all replacement parts, additions, repairs, accessions and accessories of or to any item of Leased Equipment, whether now or in the future.

**ARTICLE 2
TERM OF LEASE**

The term of this Lease (the "Term") shall commence on the Effective Date and shall continue until the later of: (i) 60 months after the Effective Date; or (ii) the payment in full of the Rent set forth in Article 3 of this Lease (the "Expiration Date"). Unless this Lease is terminated prior to the Expiration Date as provided for herein, Franchisee shall become the sole owner of the Leased Equipment upon the payment by Franchisee to Garage Force of One Dollar (\$1.00) (the "Purchase Price") on the Expiration Date. As soon as practical after the Expiration Date and the payment by Franchisee of the Purchase Price, Garage Force agrees to transfer and assign ownership of the Leased Equipment to Franchisee and to execute all documents required for Franchisee to take ownership of the Leased Equipment.

ARTICLE 3
PAYMENT OF RENT; SHIPPING COSTS

The rent ("Rent") payable with respect to the Leased Equipment shall be a total amount equal to Forty Thousand Dollars (\$40,000). Franchisee shall pay the Rent to Garage Force in 59 equal monthly installments of Six Hundred Sixty-Six and 67/100 Dollars (\$666.67) and one final monthly installment of Six Hundred Sixty-Six and 59/100 Dollars (\$666.47) over a period of 60 months beginning on the Effective Date of this Lease and on the 10th day of each month thereafter for the next 59 months. Franchisee will, from time to time, execute such documents as Garage Force may request to provide Franchisee's unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing Franchisee's bank or financial institution to pay Garage Force directly by electronic funds transfer ("EFT") the monthly installments payable by Franchisee under this Lease, and to charge the amount of the installments to the account of Franchisee. The EFT withdrawal authorizations will be in the form prescribed by Garage Force's bank. Transfers will be made on the 10th day of each month. Garage Force reserves the right to require any payment on this Lease, whether such a payment represents a regular installment or represents a prepayment or final payment, to be made by certified or cashier's check, wired federal funds, automatic bank transfer, or other immediately available funds. Rent shall be paid at Garage Force's offices at 700 Stonebridge Avenue, Onalaska, Wisconsin, or at such other place as Garage Force may designate in writing from time to time. Franchisee's obligation to pay the Rent to Garage Force is absolute and unconditional under all circumstances, notwithstanding: (i) any setoff, abatement, reduction, counterclaim, recoupment, defense or other right which Franchisee may have against Garage Force, its assignees, or any other person or Entity for any reason whatsoever, including, without limitation, any breach by Garage Force of this Lease; (ii) any defect in title, condition, operation, merchantability, fitness for use, or any damage to or destruction of any Leased Equipment; (iii) any interruption or cessation of use or possession of any Leased Equipment for any reason whatsoever; (iv) any insolvency, bankruptcy, reorganization or similar proceedings instituted by or against Franchisee; or (v) any other circumstances happening, or event whatsoever, whether or not unforeseen or similar to any of the foregoing. If Franchisee fails to timely remit any Rent, then the amount of the past due payment will bear simple interest at the lesser of the maximum legal rate allowable by applicable law or 18% simple interest per annum. Franchisee shall pay Garage Force an Administrative Fee of Two Hundred Fifty Dollars (\$250) for each delinquent payment within five days after the delinquent payment was due. Franchisee will, immediately upon receipt of an invoice from Garage Force, reimburse Garage Force for any and all costs incurred by Garage Force in the collection of any past due payments, including attorneys' fees and costs. Franchisee shall pay all shipping costs required to ship the Leased Equipment to Franchisee.

ARTICLE 4
POSSESSION, USE, MAINTENANCE & CHANGES IN LOCATION OF EQUIPMENT

So long as a Lease Default has not occurred, Franchisee shall be entitled to the possession and use of all Leased Equipment in accordance with the terms of this Lease. Franchisee shall keep and maintain all Leased Equipment in good operating condition, repair and appearance, and protect the same from deterioration, other than normal wear and tear, and shall use each such item in the regular course of the operation of its Garage Force Business in accordance with the terms of the Franchise Agreement, within its normal capacity, without abuse, and in a manner contemplated by Garage Force. Franchisee shall at all times and, at its sole cost and expense, make all necessary repairs, alterations and replacements to all Leased Equipment, any and all of which shall immediately become the property of Garage Force and subject to this Lease. Garage Force may require Franchisee to replace one or more of the items of Leased Equipment, at Franchisee's cost and expense, if such Leased Equipment does not meet the then-current standards as required under the Franchise Agreement. Franchisee shall comply with manufacturer instructions relating to the use of each of the items of Leased Equipment. Without limiting the generality

of the foregoing, each of the items of Leased Equipment shall be used at all times in the conduct of lawful business of Franchisee and in compliance with the Franchise Agreement and any applicable laws and governmental regulations. Franchisee shall not, without Garage Force's prior written consent, part with possession or control of the Leased Equipment or attempt or purport to sell, pledge, mortgage or otherwise encumber any of the Leased Equipment or otherwise dispose of or encumber any interest under this Lease. Garage Force shall have the right, but not the obligation, from time to time during reasonable business hours to enter upon Franchisee's premises or elsewhere for the purpose of confirming the existence, condition and proper maintenance of the Leased Equipment.

ARTICLE 5

GARAGE FORCE'S TITLE, IDENTIFICATION & RIGHT OF INSPECTION OF EQUIPMENT

During the Term of this Lease, title to each of the items of Leased Equipment is and shall remain in Garage Force or its assignees, and Garage Force and its assignees shall have the right to display notice of its ownership by affixing to each of the items of Leased Equipment an identifying plate, stencil or other indicia of ownership. Franchisee shall not directly or indirectly create, incur or suffer a mortgage, claim, lien, charge, encumbrance or the legal process of a creditor of Franchisee of any kind upon or against this Lease or any of the Leased Equipment. Franchisee shall at all times protect and defend, at its own cost and expense, the title of Garage Force from and against such mortgages, claims, liens, charges, encumbrances and legal processes of creditors of Franchisee and shall keep each of the items of Leased Equipment free and clear from all such claims, liens and legal processes. If any such lien or encumbrance is incurred, Franchisee shall immediately notify Garage Force and shall take all actions required by Garage Force to remove the same, provided that Franchisee may contest any lien or encumbrance if (i) Franchisee acts in good faith, (ii) Franchisee undertakes such contest and continues the same in good faith, and (iii) Franchisee deposits with Garage Force such reasonable security as Garage Force may require to protect Garage Force against the enforcement of the lien being contested and loss of the Leased Equipment affected. Each Leased Equipment shall be and remain personal property.

ARTICLE 6

RETURN OF EQUIPMENT

Upon the termination of this Lease prior to the Expiration Date, Franchisee shall return the Leased Equipment to Garage Force in good condition, reasonable wear and tear excepted.

ARTICLE 7

TAXES, EXPENSES, FEES & CHARGES

Franchisee agrees that, during the Term with respect to the Leased Equipment, in addition to Rent and other charges which may accrue hereunder, it will promptly pay all taxes, assessments and other governmental charges of any kind or nature levied or assessed (i) upon the interest of Franchisee in the Leased Equipment or upon the use or operation thereof or on Franchisee's earnings arising therefrom, and (ii) against Garage Force on account of its acquisition or ownership of the Leased Equipment or any part thereof, or the use or operation thereof or the leasing hereof to Franchisee, or the Rent herein provided for, or the earnings arising therefrom, exclusive, however, of any taxes based on the net income of Garage Force. Garage Force and Garage Force's assignees assume no liability and makes no representation as to the treatment by Franchisee of this Lease, the Leased Equipment, or the rental payments for financial statement or tax purposes. Franchisee is advised to consult with its attorney and/or accountant with respect to such matters.

ARTICLE 8
RISK OF LOSS; DAMAGE TO EQUIPMENT

8.1 Risk of Loss.

As between Garage Force and Franchisee, Franchisee shall bear the risk of all loss or damage to any of the Leased Equipment or caused by any of the Leased Equipment during the period from the time the same is shipped by Garage Force or the vendor thereof until the Expiration Date. Garage Force shall not be obligated to undertake by litigation or otherwise the collection of any claim against any person for loss or damage to the Leased Equipment.

8.2 Destruction; Unit Replacement.

If any of the Leased Equipment is lost, stolen, destroyed, seized by governmental action or, in Franchisee's opinion or Garage Force's opinion, damaged ("Event of Loss"), this Lease shall remain in full force and effect without abatement of Rent, and Franchisee shall promptly replace such Leased Equipment at its sole cost and expense with a replacement equipment identical to Leased Equipment. Title to such replacement equipment immediately shall vest and remain in Garage Force, and such replacement equipment shall be deemed to be Leased Equipment under this Lease. Upon such vesting of title and provided Franchisee is not in default under this Lease, Garage Force shall cause to be paid to Franchisee any insurance proceeds actually received by Garage Force for the replacement of Leased Equipment. Franchisee shall promptly notify Garage Force of any Event of Loss and shall provide Garage Force with and shall enter into, execute and deliver such documentation as Garage Force shall request with respect to the replacement of any such Leased Equipment.

ARTICLE 9
INSURANCE

Franchisee shall maintain at all times on the Leased Equipment insurance in the forms and in the amounts specified in the Franchise Agreement.

ARTICLE 10
DISCLAIMER OF WARRANTIES

GARAGE FORCE MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, AS TO ANY MATTER INVOLVING OR RELATING TO ANY OF THE LEASED EQUIPMENT WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF ANY OF THE LEASED EQUIPMENT, ITS MERCHANTABILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, INFRINGEMENT AGAINST USE OR THAT USE INFRINGES UPON THE RIGHTS OF A THIRD PARTY, NOR ANY WARRANTY THAT THE LEASED EQUIPMENT WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, REGULATION OR CONTRACT SPECIFICATIONS OF FRANCHISEE, IT BEING AGREED THAT THE EQUIPMENT IS LEASED BY FRANCHISEE "AS IS." GARAGE FORCE EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE LEASED EQUIPMENT WHETHER EXPRESSED OR IMPLIED. FRANCHISEE AGREES THAT NO EMPLOYEE OR AGENT OF GARAGE FORCE IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS LEASE OR MAKE ANY REPRESENTATION OR WARRANTY REGARDING THE LEASED EQUIPMENT, AND THAT NO SUCH REPRESENTATION OR WARRANTY HAS BEEN MADE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, FRANCHISEE AGREES THAT GARAGE FORCE SHALL NOT BE LIABLE (AND WILL NOT ASSERT ANY CLAIM AGAINST GARAGE FORCE) FOR ANY DEFECTS, EITHER LATENT OR PATENT, IN ANY OF THE LEASED EQUIPMENT, OR FOR ANY DIRECT OR CONSEQUENTIAL DAMAGES IN CONNECTION THEREWITH OR ARISING THEREFROM, WHETHER INJURY TO PERSON OR

PROPERTY, OR FOR ANY LOSS OF USE THEREFOR OR FOR ANY INTERRUPTION IN FRANCHISEE'S BUSINESS OCCASIONED BY FRANCHISEE'S INABILITY TO USE ANY OF THE LEASED EQUIPMENT FOR ANY REASON WHATSOEVER. AS TO EACH ITEM OF LEASED EQUIPMENT, FRANCHISEE WARRANTS THAT UPON EXECUTION OF THE CERTIFICATE OF ACCEPTANCE SUCH LEASED EQUIPMENT HAS BEEN TESTED TO FRANCHISEE'S SATISFACTION AND IS IN GOOD ORDER AND WORKING CONDITION.

ARTICLE 11

FRANCHISEE'S REPRESENTATION AND WARRANTIES REGARDING TRANSACTION

Franchisee represents and warrants to Garage Force that: (i) the making of this Lease is duly authorized on the part of Franchisee, constitutes a valid and binding obligation of Franchisee, enforceable against Franchisee in accordance with its terms; (ii) the making of this Lease and the due performance by Franchisee, including the commitment and payment of the Rent, shall not result in any breach of, or constitute a default under, or violation of, Franchisee's Articles or Certificate of Incorporation, By-laws, or any agreement to which Franchisee is a party or by which Franchisee or its property is bound; and (iii) no approval or consent is required from any person, entity or governmental authority with respect to the entering into, or performance of this Lease, by Franchisee.

ARTICLE 12

INDEMNIFICATION

Franchisee agrees that Garage Force shall not be liable for, and Franchisee shall indemnify, defend and save harmless Garage Force (and its Affiliates and assigns) from and against any and all liability, loss, diminution, damage, expense, causes of action, suits, claims or judgments arising from or caused directly or indirectly by: (i) Franchisee's failure to perform any term, condition or provision of this Lease; (ii) injury to person (including death) or damage to property resulting from or based upon actual or alleged use, operation, delivery or transportation of any or all of the Leased Equipment (including patent and latent defects whether or not discoverable); and/or (iii) inadequacy of the Leased Equipment, or any part thereof, for any purpose or any deficiency or defect therein (whether patent or latent defects and whether or not discoverable), or use or maintenance thereof, or any repairs, servicing or adjustments thereto or any delay in providing or failing to provide any thereof, or any interruption or loss of service or use thereof, or any loss of business from any of the foregoing. Franchisee shall, at its sole cost and expense, defend any and all suits which may be brought against Garage Force, either alone or in conjunction with others upon any such liability or claim(s) and shall satisfy, pay and discharge any and all judgments and fines or penalties that may be recovered against Garage Force in any such action or actions, provided, however, that Garage Force shall give Franchisee written notice of any such claim or demand. Franchisee and Garage Force agree to cooperate with each other, to the extent that there are no conflicts of interests, in the settlement or defense of any actions or claims relating thereto. Franchisee agrees that its obligations under this Section shall survive the expiration or cancellation of this Lease and the termination of Franchisee's right to possess the Leased Equipment or otherwise.

ARTICLE 13

RELATIONSHIP OF PARTIES; FURTHER ASSURANCES

13.1 Relationship.

Garage Force and Franchisee agree that this Lease is and is intended to be construed as a lease, and Franchisee acknowledges that it has no right, title or interest in the Leased Equipment, except as set forth hereunder. Neither Franchisee, nor any of Franchisee's agents or employees, shall ever be deemed to be the agents of Garage Force or any assignee of Garage Force, and Garage Force shall not be responsible for the acts or omissions of Franchisee, its agents or employees. To the extent that any court of competent

jurisdiction or governing law should at any time determine that this Lease constitutes a security arrangement as opposed to a true lease, the parties then agree that this Lease shall constitute a security agreement within the meaning of the Uniform Commercial Code and that Garage Force shall be considered a secured party under the provisions thereof and shall be entitled to all the rights and remedies of a secured party thereunder, and Franchisee, as debtor, grants to Garage Force, as secured party, a security interest in the Leased Equipment; provided, however, nothing herein shall be construed nor shall the inclusion of this paragraph be interpreted as derogating from the stated intent and contractual understanding of the parties that this is a true lease. Wherever necessary or convenient to afford Garage Force the full benefits of a secured party under the Uniform Commercial Code, this Lease shall be construed as such and for purposes of the Uniform Commercial Code Garage Force shall be considered to be a “secured party” and Franchisee a “debtor.” For any filing purposes this Lease concerns equipment which are not fixtures. The address of the “debtor” shall be the address of Franchisee as set forth in this Lease and the address of the “secured party” shall be the address of Garage Force as set forth in this Lease.

13.2 Further Assurances.

Franchisee shall execute and deliver to Garage Force, promptly and at Franchisee’s expense, such other documents and assurances, and take such further action as Garage Force may request, in order to effectively carry out the intent and purposes of this Lease and to establish and protect the rights, interests and remedies of Garage Force hereunder. This shall include, without limitation, providing Uniform Commercial Code financing statements. All documentation shall be in a form acceptable to Garage Force and its assignees. Franchisee shall pay all costs associated with such financing statements upon relocation or reconfiguration of the Leased Equipment. Franchisee agrees that Garage Force is authorized to file financing statements or amendments thereto without the signature of Franchisee with respect to any or all of the Leased Equipment and, if a signature is required by law, then Franchisee appoints Garage Force as Franchisee’s attorney-in-fact and agent to execute any such financing statements. Franchisee agrees to pay any and all filing fees, stamp taxes, registration fees, recordation fees or similar charges in connection with such filings. The powers granted by Franchisee to Garage Force and its assigns in this Section shall be deemed powers coupled with an interest and the same are irrevocable.

ARTICLE 14

DEFAULT BY FRANCHISEE; REMEDIES

14.1 Default.

Franchisee shall be in default of this Lease upon the occurrence of any one of the following events (each a “Lease Default”):

- (a) Franchisee fails to pay Rent or any other sum due under this Lease when due or payable;
- (b) Franchisee fails to observe or perform any of the other terms or conditions of this Lease;
- (c) Franchisee fails to make any other payment of any kind owing to Garage Force or an Affiliate of Garage Force under this Lease, the Franchise Agreement, or any other agreement or arrangement between Franchisee and Garage Force or an Affiliate of Garage Force, or any other event of default occurs under any such agreement or arrangement;
- (d) Any Leased Equipment is sold, leased or otherwise disposed of by Franchisee, or any Leased Equipment is attached, levied upon, encumbered, pledged, or otherwise seized under any judicial process and such proceedings are not dismissed, vacated or fully stayed within 30 days;
or

- (e) If the interest of Franchisee in this Lease or any of the Leased Equipment shall be assigned by Franchisee to any party, or sold under execution or under any other legal provision, or by operation of law devolve upon or pass to any person or persons other than Franchisee.

14.2 Remedies of Garage Force.

Upon the occurrence of a Lease Default, Garage Force shall have all the rights and remedies provided by applicable law and by this Lease, and Garage Force may, at its option, in addition to any other remedies which may be available to it (including those of a secured party under the Uniform Commercial Code), and without liability, or further notice, demand, legal process or hearing, which are hereby expressly waived by Franchisee:

- (a) Declare all sums due and to become due hereunder immediately due and payable, provided that Franchisee shall not be obligated to make a payment of interest which is prohibited by law;
- (b) Proceed by court action or other proceedings either at law or equity to enforce performance by Franchisee of any and all terms, conditions and provisions of this Lease and to recover damages for the breach thereof;
- (c) Demand that Franchisee deliver each and every item of Leased Equipment to Garage Force or its designee at Franchisee's expense and at such place as Garage Force shall designate with such delivery in compliance with the terms, conditions and provisions of this Lease;
- (d) Cancel the Lease; and/or
- (e) Enter into any premises of or under the control of Franchisee or any agent of Franchisee where any Leased Equipment may be or by Garage Force is believed to be, and repossess all or any item thereof, disconnecting and separating all thereof from any other property and using all force necessary or permitted by applicable law to do so, Franchisee hereby waiving all further rights to possession of the Leased Equipment and all claims from injuries suffered through or loss caused by such repossession; but such repossession shall be without prejudice as to Garage Force to prove or claim as and for damages for the breach of this Lease by Franchisee such amounts afforded by statutory or common law applicable to leases notwithstanding the construction or characterization of this Lease.

No remedy of Garage Force hereunder shall be exclusive of any remedy herein or provided by law, but each shall be cumulative and in addition to every other remedy. Without limiting the generality of the foregoing, it is also the intent of the parties that Garage Force may choose statutory and/or common law remedies afforded to lessors of personal property or that of secured creditors under the Uniform Commercial Code, notwithstanding the ultimate construction or characterization of this Lease. Franchisee shall pay all of Garage Force's reasonable attorneys' fees, costs and disbursements which may be incurred in connection with a Lease Default and ultimate pursuit by Garage Force of its rights and remedies under this Lease.

ARTICLE 15 **MISCELLANEOUS**

15.1 Notices.

All notices to Garage Force will be in writing and will be made by personal service upon an officer of Garage Force or sent by prepaid certified mail addressed to Garage Force Capital, Inc., Attn: Chief Executive Officer, 700 Stonebridge Avenue, Onalaska, Wisconsin 54650, or such other address as Garage Force may designate in writing, with a copy to Gray Plant Mooty, Attn: Ryan R. Palmer, 500 IDS Center, 80 South 8th Street, Minneapolis, Minnesota 55402. All notices to Franchisee will be made by personal

service upon Franchisee (or, if applicable, upon an officer of Franchisee) or sent by prepaid certified mail addressed to Franchisee at the following address: _____, or such other address as Franchisee may later designate in writing. For the purposes of this Lease, personal service will include service by a recognized overnight delivery service (such as Federal Express, Airborne Express or UPS) which requires a written receipt of delivery from the addressee.

15.2 Entire Agreement.

FRANCHISEE REPRESENTS THAT IT HAS READ, RECEIVED, RETAINED A COPY OF AND UNDERSTANDS THIS LEASE, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. GARAGE FORCE AND FRANCHISEE AGREE THAT THIS LEASE, THE FRANCHISE AGREEMENT AND THE PERSONAL GUARANTY ATTACHED TO THE FRANCHISE AGREEMENT SHALL CONSTITUTE THE ENTIRE AGREEMENT AND SUPERSEDE ALL PROPOSALS, ORAL OR WRITTEN, ALL PRIOR NEGOTIATIONS AND ALL OTHER COMMUNICATIONS BETWEEN GARAGE FORCE AND FRANCHISEE WITH RESPECT TO THE LEASED EQUIPMENT. This Lease will not supersede any written agreements or contracts that are signed concurrently with this Lease. In addition, any other leases between the parties will remain in full force and effect in accordance with the terms and conditions thereof, and will not be superseded by this Lease. Notwithstanding the foregoing, any representations contained in the Franchise Disclosure Document provided to Franchisee by Ilfrich Integrated Solutions, Inc. relating to this Lease will be enforceable.

15.3 Third Party Beneficiaries.

No term, condition or provision of this Lease or any Lease Schedule is intended, nor shall it be deemed or construed, to benefit any person or entity which is not a party to this Lease, other than permitted assigns of the parties hereto.

15.4 Lease Irrevocable.

This Lease is irrevocable for the full Term hereof and the Rent shall not abate by reason of termination of Franchisee's right of possession of the Leased Equipment and/or the taking of possession of the Leased Equipment by Garage Force or for any other reason.

15.5 Waiver.

No delay or omission in the exercise of any right or remedy herein provided or otherwise available to Garage Force, or prior course of conduct, shall impair or diminish Garage Force's rights to exercise the same or any other right of Garage Force; nor shall any obligation of Franchisee hereunder be deemed waived. The acceptance of Rent by Garage Force after it is due shall not be deemed to be a waiver of any breach by Franchisee of its obligations under this Lease.

15.6 Modification.

Garage Force and Franchisee agree that any modifications or amendment to this Lease shall be in writing and shall be signed by both parties or the permitted assignee, if any.

15.7 Successors.

This Lease and each Lease Schedule shall inure to the benefit of and be binding upon Garage Force and Franchisee and their respective successors in interest and permitted assigns.

15.8 Assignment.

Franchisee shall not assign this Lease or assign its rights in or sublet the Leased Equipment, or any interest therein without Garage Force's or its assignee's prior written consent and only on such terms as are acceptable to Garage Force or its assignee in their sole and absolute discretion. No permitted sublease or assignment by Franchisee of any of its rights under this Lease or in the Leased Equipment shall in any way

discharge or diminish any of Franchisee's obligations to Garage Force or its assignee under this Lease. No assignment fee to Garage Force shall be due upon Franchisee's assignment of this Lease with Garage Force's prior written consent. Garage Force may assign and/or encumber its rights, and delegate its duties (if any), in, to and under this Lease, the Leased Equipment, and any other document or instrument in connection herewith, without the consent of Franchisee, upon written notice to Franchisee. Upon such an assignment or encumbrance (or subsequent assignment or encumbrance by Garage Force's assignee which also does not require Franchisee's consent), Franchisee shall promptly pay all Rent to such an assignee, and continue to perform each and every obligation of Franchisee required to be performed hereunder, and such an assignee shall be deemed to be "Garage Force" hereunder.

15.9 Titles; Captions.

Section titles and captions are not intended to have legal effect or limit or otherwise affect the interpretation of this Lease.

15.10 Severability.

If any provisions of this Lease shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions thereof shall not be affected or impaired in any way, and the parties agree to negotiate in good faith for an acceptable substitute to such an invalid or unenforceable provision.

15.11 Ambiguous Provisions.

The parties hereto agree that if any term, condition or provision of this Lease or any Lease Schedule is construed or deemed to be ambiguous that such ambiguity is not to be construed against the party who drafted this Lease.

15.12 Dispute Resolution.

This Lease shall be governed by the dispute resolution provisions set forth in the Franchise Agreement.

15.13 Counterparts.

This Lease may be executed in counterparts, each of which shall constitute but one and the same instrument.

15.14 Definitions.

Capitalized terms used but not defined herein shall be ascribed the definitions given to them in the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed as of the day and year first set forth above.

[signatures on next page]

In the Presence of:

**“Garage Force”
Garage Force Capital, Inc.**

By _____

Its _____

In the Presence of:

“Franchisee”

Legal Name

By _____

Its _____

And

By _____

Its _____

**Exhibit A to
EQUIPMENT LEASE AGREEMENT**

LEASED EQUIPMENT

- Job Trailer (8x16) with full graphic wrap
- 18" Planetary Grinder Package including:
 - Medium Bond Diamonds
 - Soft Bond Diamonds
 - Coating Removal Tools
 - Power Cord with Plugs
 - Dust Shroud
- 5" Variable Speed Hand Grinder
- Hand Grinder Dust Shroud
- Vacuum Package including:
 - Vacuum Head
 - 20 Tank
 - 5 Caster Dolly
- Vacuum Hose 25 ft x 2" w/cuffs
- 50 ft x 1 1/2" Vacuum Hose w/cuffs
- Vacuum Y Adapter
- Aluminum Wand for Vacuum
- Vacuum Squeegee 14"
- Cordless Mixing Drill
- 110v 9" Shot Blaster
- Steel Shot (qty 2)
- Hand Held Magnet
- Walk-Behind Magnet Broom
- 10,000w Generator
- Knee pads
- iPad with Case
- Mobile Printer
- Power Inverter
- Putty Knife Set
- Extension Cord 50 ft (qty 2)
- Laser Thermometer
- Laser Measurer
- Leaf Blower
- Hearing Protection
- Eye Protection
- 5 Quart Bucket with Measurements (qty 4)
- 2.5 qt Plastic Bucket with Measurements (qty 4)
- 1 qt Plastic Bucket with Measurements (qty 4)
- Chip Brush 3" (qty 12)
- Nap Roller Cover 18" 3/8" (qty 12)
- 18" Wooster Roller Frame (qty 2)
- 9" Roller Frame
- Nap Roller 9" 3/8" Nap (qty 12)
- Roller Frame Handle 6' Threaded (qty 2)
- Wooster Heavy Duty Paint Tray (qty 2)
- Notched Squeegee Blade Assembly & Handle (qty 2)
- 1/8" Notched Squeegee Blade (qty 2)
- 24" Rubber Squeegee with Handle and Bracket
- Squeegee Blade 24" (qty 6)
- Drop cloth 4 ft x 15 ft leak-proof
- Gloves - 1 Box
- Shoe Spikes 3/4" (qty 2)
- Replacement Shoe Spikes Straps (set of 6)
- Rags - Bag 7# (qty 3)
- Paddle Mixing Wand (qty 2)
- Scraper 14" Blade with 5' Metal Handle (qty 2)
- Hand Scraper 10"
- Moisture Meter
- PH Testing Kit (qty 2)
- 5 Gallon Plastic Bucket - White (qty 3)
- Storage Bin (qty 4)
- 10 ft Free-Standing Trade Show Booth
- 500 12-Page Brochures
- Door Hangers (500)
- Yard Signs (10)
- 500 Business Cards
- 8x4 Banner
- Free Standing Banner
- Display Cabinet
- Polo Shirts (qty 4)
- Sweatshirts (qty 4)
- T-shirts (qty 10)
- Hats (qty 4)

CERTIFICATE OF ACCEPTANCE

TO: Garage Force Capital, Inc., a Wisconsin corporation ("Garage Force")

FROM: _____, a(n) _____
("Franchisee")

RE: Equipment Lease Agreement dated _____, 20__ (the "Lease")

Capitalized terms used in this Certificate shall have the meaning ascribed to them under the Lease.

Acceptance of Equipment

Franchisee hereby certifies that all of the Leased Equipment listed in Exhibit A to the Lease has been delivered to and inspected by Franchisee, and found to be in good order and working condition and accepted for all purposes of the Lease, as the Leased Equipment under the Lease, all on the date on which this Certificate of Acceptance has been signed by Franchisee (the "Acceptance Date").

Franchisee hereby represents and warrants to Garage Force that on the Acceptance Date set forth below (a) no Lease Default by Franchisee under the Lease or event which, with the giving of notice or lapse of time or both, would become such Lease Default by Franchisee, has occurred and is continuing, and (b) Garage Force has fully performed all covenants and conditions to be performed by it under the Lease, if any.

If applicable, Franchisee approves payment to the supplier or suppliers of the Leased Equipment by Garage Force.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, FRANCHISEE ACKNOWLEDGES THAT THE LEASED EQUIPMENT IS OF THE DESIGN, CAPACITY AND MANUFACTURE SPECIFIED FOR AND BY FRANCHISEE AND THAT FRANCHISEE IS SATISFIED THAT THE SAME IS SUITABLE FOR FRANCHISEE'S PURPOSES. THIS CERTIFICATE OF ACCEPTANCE IS MADE AND GIVEN TO GARAGE FORCE IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, CONDITIONS AND PROVISIONS OF THE LEASE, INCLUDING, WITHOUT LIMITATION, THE DISCLAIMER OF REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE LEASED EQUIPMENT BY GARAGE FORCE, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WHICH IS MORE FULLY SET FORTH IN THE LEASE.

IN WITNESS WHEREOF, Franchisee has caused this Certificate of Acceptance to be duly executed on this _____ day of _____, 20__.

FRANCHISEE: _____

By _____

Its _____

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E

SAMPLE RELEASE

Ilfrich Integrated Solutions, Inc.

SAMPLE RELEASE

Unless precluded by applicable state law, if you sell, assign or transfer your Franchise Agreement to a third party, you will sign a joint and mutual release containing language substantially similar to the following:

This Joint and Mutual Release is made, entered into and effective this ____ day of _____, 20__, by and between Ilfrich Integrated Solutions, Inc. (the “Franchisor”) and _____ (the “Franchisee”).

The Franchisee entered into a Franchise Agreement, dated _____, 20__, with the Franchisor (the “Agreement”) authorizing the Franchisee to open and operate a franchised Garage Force® Business in the following described Franchised Territory: _____.

The Franchisee desires to transfer, sell and assign the Franchise Agreement to a third party (the “Assignee”).

The Franchisor has agreed to consent to the transfer, sale and assignment of the Franchise Agreement by the Franchisee to the Assignee, a condition of which is the execution of the following joint and mutual release by the Franchisor and the Franchisee:

1. Release of Franchisor by Franchisee. For and in consideration of the execution of this Joint and Mutual Release and the consent by the Franchisor to the assignment of the Franchise Agreement to the Assignee, the Franchisee and its affiliates hereby release and forever discharge the Franchisor and its current and former affiliates from any and all claims which the Franchisee and its affiliates have had or now have or may in the future have against the Franchisor and its current and former affiliates or any of them, for, upon or by reason of any matter, fact or thing whatsoever from the beginning of time through and including the date of this Joint and Mutual Release including, but not limited to, any alleged violations of the Federal Trade Commission’s Trade Regulation Rule relating to Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures, “mini” FTC laws, deceptive or unfair trade practices laws, franchise laws or securities laws, and all other local, municipal, state, federal or other laws, statutes, rules or regulations, and any alleged breaches or violations of the Franchise Agreement and/or any other agreements between the Franchisee and its affiliates and any of them, and the Franchisor and its affiliates and any of them; provided, however, that this provision will not apply to any claims specifically excluded by terms of this Joint and Mutual Release.

2. Release of Franchisee by Franchisor. For and in consideration of the execution of this Joint and Mutual Release and the consent by the Franchisor to the assignment of the Franchise Agreement to the Assignee, the Franchisor and its affiliates hereby release and forever discharge the Franchisee and its affiliates from any and all claims which the Franchisor and its affiliates have had or now have against the Franchisee and its affiliates for, upon or by reason of any matter, fact or thing whatsoever from the beginning of time through, up to and including the date of this Joint and Mutual Release including, but not limited to, any local, municipal, state, federal or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement, and/or any other agreements between the Franchisee and its affiliates and any of them, and the Franchisor and its affiliates and any of them; provided, however, that this provision will not apply to any claims specifically excluded by terms of this Joint and Mutual Release.

“Franchisee”

By _____

Its _____

“Franchisor”

Ilfrich Integrated Solutions, Inc.

By _____

Its _____

The above language may be modified or supplemented to address issues specific to the transfer of your Franchise Agreement to a third party, or to comply with applicable law (see the Addendum to the Franchise Disclosure Document).

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F

FRANCHISEE QUESTIONNAIRE

FRANCHISEE QUESTIONNAIRE

As you know, Ilfrich Integrated Solutions, Inc. (the “Franchisor”) and you are preparing to enter into a Franchise Agreement for the operation of a franchised Garage Force® Business (the “Franchise”). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question.

QUESTION	YES	NO
1. Have you received and personally reviewed the Franchisor’s Franchise Disclosure Document (the “Disclosure Document”) provided to you?		
2. Did you sign a receipt for the Disclosure Document indicating the date you received it?		
3. Do you understand all of the information contained in the Disclosure Document?		
4. Have you received and personally reviewed the Franchise Agreement and each exhibit or schedule attached to it?		
5. Please insert the date on which you received a copy of the Franchise Agreement with all material blanks fully completed: _____		
6. Do you understand the terms of and your obligations under the Franchise Agreement?		
7. Have you discussed the benefits and risks of operating the Franchise with an attorney, accountant or other professional advisor?		
8. Do you understand the risks associated with operating the Franchise?		
9. Do you understand that the success or failure of the Franchise will depend in large part upon your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?		
10. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		
11. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchise will generate that is contrary to, or different from, the information contained in the Disclosure Document?		
12. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs involved in operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		
13. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		

QUESTION	YES	NO
14. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance relating to the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		

If you answered "Yes" to any of questions ten (10) through fourteen (14), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of the foregoing questions, please leave the following lines blank.

You understand that your answers are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration Disclosure Law.

FRANCHISE APPLICANT

FRANCHISE APPLICANT

Dated: _____, 20____

Dated: _____, 20____

Ilfrich Integrated Solutions, Inc.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G

STATE AGENCY EXHIBIT

**STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Business Oversight California Department of Business Oversight	320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1 st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7 th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21st Floor New York, NY 10005 212-416-8236
New York (Agent)	Attention: New York Secretary of State New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 69-1 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9 th Floor Richmond, VA 23219 804-371-9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 201 W. Washington Ave., Suite 300 Madison, WI 53703

Ilfrich Integrated Solutions, Inc.
FRANCHISE DISCLOSURE DOCUMENT

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 Ilfrich Integrated Solutions, Inc. offers you a franchise, it must provide this Disclosure Document to you at least 14 calendar days before you sign a binding agreement with, or make a payment to, Ilfrich Integrated Solutions, Inc. or an affiliate in connection with the proposed franchise sale.

Iowa and New York require that Ilfrich Integrated Solutions, Inc. give you this Disclosure Document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of the Franchise Agreement or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that Ilfrich Integrated Solutions, Inc. give you this Disclosure Document at least 10 business days before the execution of any binding Franchise Agreement or other agreement or the payment of any consideration, whichever occurs first.

If Ilfrich Integrated Solutions, 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in the State Agency Exhibit.

Issuance Date: July 13, 2018

The effective dates for this Disclosure Document in the franchise registration states are listed on the third page of this Disclosure Document.

The franchise seller(s) for this offering is/are: Michael Peterson (608) 209-1507 and/or Tim Trailer (855) 436-7230, 700 Stonebridge Avenue, Onalaska, Wisconsin 54650, _____.

Ilfrich Integrated Solutions, Inc. authorizes the respective state agencies identified in the State Agency Exhibit to receive service of process for it in the particular state.

I received this Disclosure Document, dated July 13, 2018, that included the following exhibits:

Addendum to Disclosure Document for State-Specific Modifications

Exhibit A - Financial Statements

Exhibit B - Franchise Agreement

Exhibit C - Promissory Note

Exhibit D - Equipment Lease Agreement

Exhibit E - Sample Release

Exhibit F - Franchisee Questionnaire

Exhibit G - State Agency Exhibit

Signed: _____	Signed: _____
Print Name: _____	Print Name: _____
Address: _____	Address: _____
City/State/Zip: _____	City/State/Zip: _____
Telephone: _____	Telephone: _____
Dated: _____	Dated: _____

Copy To:

Ilfrich Integrated Solutions, Inc.
700 Stonebridge Avenue
Onalaska, WI 54650

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City/State/Zip: _____

Telephone: _____

Dated: _____

Signed: _____

Print Name: _____

Address: _____

City/State/Zip: _____

Telephone: _____

Dated: _____

Copy To:
Franchisee

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Copy To:
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Minneapolis, MN 55402