

## FRANCHISE DISCLOSURE DOCUMENT

UBIF FRANCHISING, CO.  
A FLORIDA CORPORATION  
200 SOUTH ORANGE AVENUE, SUITE 200  
ORLANDO, FLORIDA 32801  
877-224-4349  
WWW.UBREAKIFIX.COM  
FRANCHISING@UBREAKIFIX.COM

# UBREAKIFIX

What Can I Fix For You Today?

The franchise offered is for “UBREAKIFIX” stores (“**“UBREAKIFIX” Store**”) that principally offer and sell repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment, as well as other related services and ancillary products, including a program for accepting used mobile and other electronic devices in exchange for payment and for purposes of resale. We offer 2 franchise programs:

1. A single “UBREAKIFIX” Store. The total investment necessary to begin operation of a “UBREAKIFIX” franchise ranges from \$85,400 to \$225,350, excluding land. This includes initial fees totaling between \$60,800 and \$110,100 that must be paid to the franchisor or its affiliates including the cost of pre-opening inventory, equipment, furnishings and signs (ranging between \$35,800 and \$57,600) that must be paid to the franchisor or its affiliates. If you (or your owner in the case of an entity) are an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by us or our affiliate, the initial franchise fee for your first Franchise Agreement will be equal to \$25,000 and you will not pay an initial training fee. If you (or your owner in the case of an entity) were an officer, director or employee of our affiliate, UBREAKIFIX Co., as of July 4, 2011, you will not pay an initial franchise fee or initial training fee. We also participate in the IFA VetFran Program, offering qualified veterans a 20% discount on the initial franchise fee.

2. Multiple “UBREAKIFIX” Stores within a defined area under an Area Development Agreement. There is a non-refundable initial development fee of \$12,500 multiplied by the number of “UBREAKIFIX” Stores (excluding the first “UBREAKIFIX” Store) which you must open, plus \$40,000 representing the initial franchise fee and \$12,500 representing the initial training fee for your first Franchise Agreement. However, if you are an existing franchisee with an open and operational “UBREAKIFIX” Store and then enter into an Area Development Agreement, you will pay an initial franchise fee equal to \$25,000 for each additional “UBREAKIFIX” Store you agree to open. If you (or your owner in the case of an entity) are an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by us or our affiliate, the initial franchise fee for your first (and each subsequent) Franchise Agreement for your “UBREAKIFIX” Stores will be equal to \$25,000 and you will not pay an initial training fee. In all cases, we will credit the development fee against the initial franchise fees (at the rate of \$12,500 for the second and each subsequent Franchise Agreement).

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 document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Justin M. Wetherill at 200 South Orange Avenue, Suite 200, Orlando Florida 32801.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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: May 16, 2018 as amended July 24, 2018.

## STATE COVER PAGE

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

Call the state administrators listed in Exhibit H for information about the franchisor, about other franchisors, 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 US BY LITIGATION, ARBITRATION, OR MEDIATION ONLY IN FLORIDA. OUT-OF-STATE LITIGATION, ARBITRATION, OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES, IT MAY ALSO COST MORE TO SUE, ARBITRATE OR MEDIATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

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

State	Effective Date	State	Effective Date
California	May 18, 2018 as amended on _____	New York	July 17, 2018 as amended on _____
Hawaii	May 26, 2018 as amended on _____	North Dakota	June 7, 2018 as amended on _____
Illinois	July 18, 2018 as amended on _____	Rhode Island	May 1, 2018 as amended on _____
Indiana	May 18, 2018	South Dakota	May 18, 2018
Maryland	See Separate FDD	Virginia	See Separate FDD
Michigan		Washington	
Minnesota	See Separate FDD	Wisconsin	May 16, 2018 as amended on _____

In all the other states, the effective date of this disclosure document is the issuance date of May 16, 2018 as amended July 24, 2018.

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:**

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - a. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
  - b. The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
  - c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

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

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EXHIBITS:

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- B. Area Development Agreement  
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- C. General Release
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- E. Confidentiality Agreement
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- I. Table of Contents of Franchise Operations Manuals
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- K. Purchase Agreements
  - K-1 Asset Purchase Agreement
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- L. Template National Account Participation Agreement
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**ITEM 1**  
**THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

To simplify the language in this disclosure document, “we,” “us” or “UBIF” means UBIF Franchising, Co., a Florida corporation, the franchisor. “You” means the individual, corporation, partnership, limited liability company, or other entity who buys the franchise. If the franchisee will operate through a corporation, partnership, limited liability company, or other entity, “you” also includes the franchisee’s owners or partners.

Our principal business address is 200 South Orange Avenue, Suite 200, Orlando, Florida 32801. We conduct business under the name of our corporation. The principal business address of our agent for service of process in Florida is Min Cho at 200 South Orange Avenue, Suite 200, Orlando Florida 32801. Our agents for service of process in other states listed in the attached Exhibit H.

We are a Florida corporation, incorporated on December 12, 2012. We will franchise stores under the name “UBREAKIFIX” (“**UBREAKIFIX** Stores”). We have not previously engaged in any other line of business. We have been offering “UBREAKIFIX” franchises since February 2013. One or more of our affiliates, owns an interest in entities that operate 28 (as of December 31, 2017) existing “UBREAKIFIX” Stores that are substantially similar to the franchised “UBREAKIFIX” Stores offered in this disclosure document. We have not previously offered franchises in any other line of business, nor do we intend to operate “UBREAKIFIX” Stores ourselves, though one or more of our affiliates may continue to do so.

Since February 2013, in certain geographic areas, we use “Regional Representatives” to assist us in offering and selling franchises to franchisees who will sign agreements directly with us. Regional Representatives will then provide certain supervisory and support services as we may delegate, to franchisees located in their assigned territories after franchisees join the “UBREAKIFIX” system. If you are in an area that does not currently have a Regional Representative, we reserve the right to assign one or more Regional Representatives at a later date. The services we delegate to Regional Representatives may include supporting sales, promotions and campaigns; supervising, servicing, promoting and participating in “UBREAKIFIX” programs, seminars, conventions, conferences, promotions, campaigns or activities; assisting and monitoring your performance; circulating promotional and sales materials to franchisees; providing training to franchisees; assisting in the collection of delinquent franchisee accounts; sourcing, locating, qualifying and acting as a liaison with local suppliers; holding informational sessions and regional and area meetings, seminars, conferences, programs, campaigns and activities; disseminating our policies, news and views; and helping locate buyers for franchisee resales of their franchises. We will remain responsible for performing all franchisor obligations to you under the franchise agreement, even those we delegate to the Regional Representative.

We have a parent company, UBREAKIFIX Holdings Co (“**Parent**”), which was incorporated on December 22, 2017 under the laws of the state of Florida. As of March 5, 2018, Parent began owning 100% of UBIF Franchising Co. We also have one affiliate, UBREAKIFIX Repair Parts Co. that provides products or services to our franchisees. Our Parent and affiliate share our agent for service of process and principal business address, and do not offer franchises for “UBREAKIFIX” Stores or in any other line of business. UBREAKIFIX Repair Parts Co. was incorporated on August 31, 2011 under the laws of the state of Florida, and operates our distribution center and also supplies repair parts and other goods or services to our franchisees’ and our Affiliate-owned “UBREAKIFIX” Stores. We have no predecessors during the ten year period immediately before the close of our most recent fiscal year.

The “UBREAKIFIX” concept was developed by UBREAKIFIX Co. which opened as an online business, in April, 2009, and which continues as ubreakifix.com. We have the right to offer “UBREAKIFIX” franchises under a Trademark and Intellectual Property License Agreement with UBREAKIFIX Co. In September 2009, UBIF 1 Co. (a previously affiliated company of UBREAKIFIX Co) opened the first “UBREAKIFIX” store.

“UBREAKIFIX” Stores principally offer and sell repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment, as well as other related services and ancillary products which we approve from time to time, (the “**Approved Products and Services**”), to Residential and Small Business Customers,<sup>1</sup> and we may in the future add (but do not currently offer) a program for purchasing used mobile and other electronic devices for resale (our “**Device Recommerce Program**”), at and from the location and on a limited mobile basis within the territory. We offer separate franchise programs by this disclosure document (unit franchises and multi-unit area development franchises), though we may not necessarily allow you the opportunity to purchase under both of these programs.

You will sign a Franchise Agreement (Exhibit A), to operate a single “UBREAKIFIX” Store at a location which you choose and which we approve.

If you participate in our area development program, we will assign a defined area within which you must develop and operate a specified number of “UBREAKIFIX” Stores within specified periods of time. The development area may be one city, one or more counties, one or more states, or some other defined geographic area. You will sign an Area Development Agreement (Exhibit B) which will describe your development area and your development schedule and other obligations. For each “UBREAKIFIX” Store you open under the Area Development Agreement, promptly after our approval of the site for the “UBREAKIFIX” Store, you will sign a separate Franchise Agreement on the then current form used by UBIF, which may differ from the current form of Franchise Agreement attached as an exhibit to this disclosure document, at the time, except to the extent otherwise provided in your Area Development Agreement.

We believe that the market for repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment is mature and consists of the general public. We believe that the market for electronic device recommerce is growing and also consists of the general public. You will compete with other local, regional and national companies offering services similar to those offered by a “UBREAKIFIX” Store. As with all businesses, your choice of location is critical to your success, no matter how good the concept. The typical “UBREAKIFIX” Store will contain approximately 500-1500 square feet and will most likely be located in suburban areas in business districts. The “UBREAKIFIX” Stores will typically be open year round, closing only on selected holidays, and are somewhat seasonal in that sales tend to increase in August, likely due to increased summer activity by consumers leading to more cell phone breakage, and conversely sales tend to decline in February, following more sedentary winter activity by consumers.

A wide variety of Federal, state, and local laws, rules, and regulations have been enacted that may impact the operation of your “UBREAKIFIX” Store, and may include those which (a) establish general standards, permitting restrictions and requirements and other specifications and requirements for the construction, design, maintenance and operation of the business premises; (b) set standards pertaining to employee health and safety; (c) regulate matters affecting the health,

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<sup>1</sup>Defined as a residential customer or a business customer with 300 or fewer employees located solely within your “UBREAKIFIX” Store territory.

safety and welfare of your customers, like general health and sanitation requirements for businesses; restrictions on smoking; availability of and requirements for public accommodations and requirements for fire safety and general emergency preparedness; (d) establish procedures for the disposal of electronic and hazardous wastes; and (e) regulate advertisements. Some cities or other local government agencies impose local licensing requirements. In addition, certain municipalities and other local and possibly state governmental units regulate the purchase and resale of used products, such as mobile devices and other electronics, which may require you to obtain a second-hand dealer license, pawn license and otherwise comply with “anti-fencing” laws. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your “UBREAKIFIX” Store and should consider both their effect and cost of compliance.

## **ITEM 2 BUSINESS EXPERIENCE**

### **President & Co-Founder: Justin Wetherill**

Justin Wetherill has been our President since our incorporation on December 12, 2012. He is also President as well as the Co-Founder with David Reiff since UBREAKIFIX Co.’s incorporation on April 23, 2009. Since September 1, 2011, he has also been and continues to be the President of our distribution affiliate UBREAKIFIX Repair Parts Co. which operates our distribution center. Since March 11, 2015, he has served as Vice President of UBIF FL Corp. Since August 1, 2011, he has served as the President of UBIF 16 Co.

### **Vice President & Co-Founder: David Reiff**

David Reiff has been our Vice President since our incorporation on December 12, 2012. He was also the Co-Founder of UBREAKIFIX Co. with Justin Wetherill and has served as its Vice President since it was founded on April 23, 2009. Since September 1, 2011, he has served as the Vice President of UBREAKIFIX Repair Parts Co. Since March 11, 2015, he has served as Vice President of UBIF FL Corp. Since August 1, 2011, he has served as the Vice President of UBIF 16 Co.

### **Vice President of Operations: Edward Trujillo**

Edward Trujillo is our Vice President of Operations. Prior to that, Mr. Trujillo served as our Vice President of Franchise Sales and Vice President of Services. Since March 11, 2015, he has served as Vice President of UBIF FL Corp. Since August 1, 2011, he has served as the Vice President of UBIF 16 Co. Prior to this, Mr. Trujillo had developed and been a managing partner in 8 “UBREAKIFIX” locations throughout the United States since August 1, 2009. He also was one of the managing partners of the first “UBREAKIFIX” retail location in Orlando, Florida, opened in August 1, 2009. From March 3, 2007 to August 1, 2009, Mr. Trujillo was President of Etrujillo Investments, Inc. in Oviedo, Florida, in which he owned and operated two nationally branded Fuel/Convenience Store franchises.

### **Chief Financial Officer and Treasurer: Mitchell Paul**

Mitchell Paul has been our Chief Financial Officer since September 2017. Prior to joining us he was the Executive Vice President of Elements International, a furniture company in Dallas, Texas from December 2016 to September 2017. From December 2015 until December 2016 he was the President of Ideaitalia, a furniture company in Conover, North Carolina. From December 2014 until December 2015, he was the Chief Administrative Officer of Buddy’s Home Furnishings, a

furniture store franchisor in Tampa, Florida. From December 2013 until December 2014, he was President of American Signature, Inc., a furniture retailer in Columbus, Ohio.

**Vice President, General Counsel, and Secretary: Min Cho**

Min Cho has been our Vice President, General Counsel, and Secretary since August 2017. Prior to joining us, he was a litigation partner at Holland & Knight LLP in Orlando, Florida, from January 2013 to August 2017. Prior to becoming a partner, he was a litigation associate at Holland & Knight LLP from August 2007 to December 2013.

**Vice President of Franchising: Todd Evans**

Todd Evans has been our Vice President of Franchising since July 3, 2015. Prior to joining us he was the Vice President of Franchising since he joined Rent-A-Tire, in Los Angeles, California in April 2014. Prior to joining Rent-A-Tire, Mr. Evans was Vice President of Franchising for Aaron's, Inc. in Atlanta, Georgia from July 2001 until April 2014.

**Vice President of Services and Development: Kevin Cundiff**

Kevin Cundiff has been our Vice President of Services & Development since August 2017. Prior to joining us, he previously served as Vice President of Fortegra in Saint Louis, Missouri, and as National Sales Director of ProtectCELL, a Fortegra subsidiary, from 2012 to 2017.

**Vice President of Strategy: Michael Scott Jones**

Scott Jones has been our Vice President of Strategy since March 2017. Prior to joining us, he was the Senior Vice President of Strategic Growth at TCC (aka The Cellular Connection) in Carmel, Indiana, from November 2014 until March 2017. Scott was the President/ CEO of Cellular Center & Freedom Wireless in Huntsville, Alabama, from January 2011 to November 2014.

**Training Director: Josh Galindo**

Josh Galindo has been our Training Director since our incorporation. Prior to that, from March 7, 2011 until December 12, 2012, Mr. Galindo was a Manager and Tech at our Orlando, Florida location. Prior to joining us, Mr. Galindo was a Genius for Apple Inc., a technology company based in Cupertino, California from July 12, 2004 to December 17, 2010 at an Apple store located in Orlando, Florida.

**Director of Franchise Operations: Dan McDonald**

Dan McDonald has been our Director of Franchise Operations since August 22, 2016. Prior to joining us, from January 2012 until May 2016 he was the Regional Vice President for both the Franchise and Corporate operations with Pearle Vision in the U.S. and Puerto Rico.

**Vice President of Supply Chain: Evan Hoffman**

Evan Hoffman has been Vice President of Supply Chain of our affiliate, UBREAKIFIX Repair Parts Co. since September 2017. Prior to joining us, he was Director, SCM at Fortegra (formerly ProtectCELL) in Farmington Hills, Michigan from April 2015 to September 2017 and Senior Manager, Supply Chain Operations from October 2013 to March 2015. From June 2012 until

October 2013, Mr. Hoffman was a Manager, Distribution Engineering for The Home Depot in Van Buren, Ohio and Atlanta, Georgia.

### **Regional Representatives**

See Exhibit O for information concerning Regional Representatives in your state, if applicable.

### **ITEM 3 LITIGATION**

The following does not relate to our company or its activities, but involves a matter naming Todd Evans, our Vice President of Franchising (“Evans”) while he was employed by Aaron’s, Inc.

W.E. Hall and Sons Company v . Aaron’s, Inc. and K. Todd Evans (Ontario Superior Court of Justice File No. 08-CL-007418). On February 22, 2008, W.E. Hall and Sons Company (“Hall”) issued an action against Aaron’s, Inc. and Evans, alleging that Aaron’s and Evans had (1) made certain misrepresentations on operations infrastructure support for the “Aaron’s” brand franchised system in Canada and (2) failed to comply with the disclosure obligations in the Arthur Wishart Act (Franchise Disclosure), 2000 with respect to projected operating costs, for 3 “Aaron’s” brand franchises Aaron’s sold to Hall in Cambridge, Kitchener and Hamilton, Ontario, Canada. Hall alternatively alleged that Aaron’s fundamentally breached its obligations to Hall under the 3 franchise agreements. Aaron’s filed a counterclaim against Hall and his related parties for breach of contract based on Hall’s unilateral termination of his franchise agreements.

In a related matter, Aaron Rents, Inc. v. Willard Eugene Hall, Clay Taber and Anne Taber (Civil Action File No. 2008EV004822F), filed in the State Court of Fulton County, Georgia, Aaron’s brought action against the named defendants as personal guarantors of a SunTrust Bank loan under which Hall defaulted and for which Aaron’s also had been an original guarantor. Under a Consent Judgment dated April 1, 2009, judgment was entered for Aaron’s and against the defendants for \$506,382.94, pre-judgment interest of \$42,610.02, attorneys’ fees of \$54,924.30 and post-judgment interest at 6.75% per annum. The parties engaged in mediation and entered into a confidential global settlement of the Canadian and U.S. actions in an agreement under which the parties agreed to a full and final mutual release from all claims, and Aaron’s agreed to pay Hall CN\$1,400,000 inclusive of interest, costs and taxes to avoid the costs and uncertainty of continued litigation. An order dismissing the action and the counterclaim on a without costs basis was issued and entered by the Ontario Superior Court of Justice on March 9<sup>th</sup>, 2011 and the U.S. judgment was correspondingly marked as satisfied.

Other than these 2 matters, no litigation must be disclosed in this Item. See Exhibit O for information concerning Regional Representatives in your state, if applicable.

### **ITEM 4 BANKRUPTCY**

There is no bankruptcy information that is required to be disclosed in this Item. See Exhibit O for information concerning Regional Representatives in your state, if applicable.

## **ITEM 5 INITIAL FEES**

### Franchise Agreement

You must pay a \$40,000 lump sum initial franchise fee and a \$12,500 initial training fee when you sign your first franchise agreement. The initial franchise fee and initial training fee are not refundable under any circumstances. We will waive the initial training fee for your second or subsequent franchise agreement, in our sole discretion, if you or your Operating Principal has previously completed the training program to our satisfaction and your existing “UBREAKIFIX” Store(s) is/are operating in accordance with our standards and specifications.

We intend to waive the initial franchise fee and the initial training fee for Franchise Agreements executed with our affiliated entities for our 28 (as of December 31, 2017) existing company-owned or affiliate-owned “UBREAKIFIX” Stores. If you purchase an existing “UBREAKIFIX” store owned by one of our affiliates, you will pay a purchase price for the business as mutually agreed by you and that affiliate.

If you (or your owner in the case of an entity) is an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by us or our affiliate, the initial franchise fee for your first Franchise Agreement will be equal to \$25,000 and you will not pay an initial training fee.

If you (or your owner in the case of an entity) were an officer, director or employee of our affiliate, UBREAKIFIX Co., as of July 4, 2011, you will not pay an initial franchisee fee or initial training fee.

If you are converting an existing, independent electronic device repair service store to a “UBREAKIFIX” Store, we may waive a significant portion of your initial franchise fee and/or initial training fee, as we may mutually agree.

Before you open your “UBREAKIFIX” Store, you must purchase pre-opening inventory of equipment, tools, supplies, parts, an interior graphics and sign package, window graphics and accessories that you must purchase from us and our Affiliate, UBREAKIFIX Repair Parts Co. You may also purchase furniture and fixtures as well as a POS (Point of Sale) / Information System from UBREAKIFIX Repair Parts Co. We estimate that the pre-opening inventory (including the furniture and fixtures as well as the POS / Information System) will range between approximately \$39,000 and \$76,700 and is not refundable under any circumstances. This does not apply in the case of a Franchise Agreement signed in connection with your purchase of an existing “UBREAKIFIX” Store, either from another franchisee or from an entity affiliated with us. In addition, you may also have the opportunity to participate in one or more National Account authorized provider programs, under the terms of which you may be obligated to purchase new, like new or reclaimed or refurbished parts directly from the manufacturer through UBREAKIFIX Repair Parts Co., including an initial supply of necessary OEM parts and equipment (in an amount which we do not expect to exceed \$10,000 in parts and \$6,000 in equipment) prior to participating in addition to ongoing replacement inventory.

We will review one proposed site for your “UBREAKIFIX” Store at no charge. However, for the second site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site, which we currently estimate to be up

to \$1,000, including our expenses for travel, food and lodging in connection with any on-site review.

We are a member of the International Franchise Association (“IFA”) and participate in the IFA’s VetFran Program, which provides special financial incentives to qualified veterans. Through this program, the Small Business Administration (“SBA”) will provide financing to qualified applicants. We offer a 20% discount on the initial fee for the first store of qualified Veterans of the U.S. Armed Forces. In order to qualify, you must, among other business requirements, have received an Honorable Discharge and must own at least 50% of the franchised business. You must advise us of Veteran status (and provide evidence of qualification) before signing your Franchise Agreement.

If the Franchise Agreement is executed in connection with an assignment, including if you purchased your Store from an existing franchisee, the existing franchisee will pay us a non-refundable administrative/transfer fee and reimburse our associated out-of-pocket costs, in lieu of you paying an Initial Franchisee Fee. In addition, your seller must provide you an initial training program training following the closing of the sale, *but* at our election, you must instead attend our Initial Training Program and pay our Initial Training Fee.

If you are a party to a pre-existing Area Development Agreement or Regional Representative Agreement that provides for payment amounts that differ from what is described above, your payments will be revised to conform to the terms of your pre-existing agreement. Otherwise, the initial franchise fee is uniform for franchises we are currently offering in this state.

In 2017, our initial franchise fees ranged from \$0 (in a case where a new franchisee bought an existing business from another franchisee and was charged a \$12,500 training fee in lieu of an initial franchise fee) to \$40,000.

#### Area Development Agreement

When you sign our current form of Area Development Agreement, you must pay us a non-refundable initial development fee equal to \$12,500 multiplied by the number of “UBREAKIFIX” Stores that you must open (excluding the first “UBREAKIFIX” Store). You will concurrently sign your first Franchise Agreement and pay \$40,000 representing the initial franchise fee and \$12,500 representing the initial training fee for your first Franchise Agreement. When we accept the site for each subsequent “UBREAKIFIX” Store, you will sign a separate Franchise Agreement and pay us an initial franchise fee of \$25,000. If you are an existing franchisee with an open and operational “UBREAKIFIX” Store and then enter into an Area Development Agreement at some later point in time, you will pay an initial franchise fee equal to \$40,000 for the first “UBREAKIFIX” Store you agree to open, and then \$25,000 for each additional “UBREAKIFIX” Store you agree to open under that Area Development Agreement. If you (or your owner in the case of an entity) are an Experienced Manager, with at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by us or our affiliate, the initial franchise fee for your first (and each subsequent) Franchise Agreement for your “UBREAKIFIX” Stores, will be equal to \$25,000 and you will not pay an initial training fee. In all cases, we will credit the development fee against the initial franchise fees (at the rate of \$12,500 for the second and each subsequent Franchise Agreement until the development fee is exhausted).

In all cases, the development fee is non-refundable, fully earned by us when paid, and is uniform for franchises we are currently offering in this state (except as described above).

Asset Purchase Agreement

If you acquire a franchise for an existing “UBREAKIFIX” Store owned by us or one of our affiliates, you will enter into an asset or stock/membership purchase agreement and, if applicable, a Secured Promissory Note under which you will pay a negotiated price for the assets and going concern value of that Store; no company-owned or affiliate-owned Store were sold in our fiscal year ending December 31, 2017.

**ITEM 6  
OTHER FEES<sup>1</sup>**

(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
Continuing Royalty	7% of Non-Recommerce Revenue; and  4% of Recommerce Revenue	Payable electronically by the end of each Accounting Period during the term of the Franchise Agreement.	<p>“Accounting Period” means a calendar month.</p> <p>Our Device Recommerce Program involves your purchase of used mobile and other electronic devices for resale, and “Recommerce Revenue” is all revenue received or receivable as payment, whether in cash or for credit or barter, or other means of exchange (and, if for credit or barter, whether or not payment is received therefor), for any and all electronic devices sold by you to any party (other than us or our affiliates) pursuant to the Device Recommerce Program, during each Accounting Period of the Term.</p> <p>“Non-Recommerce Revenue” means Gross Sales during each Accounting Period, other than Recommerce Revenue for such Accounting Period.</p> <p>“Gross Sales” includes all revenues received or receivable by you as payment, whether in cash or for credit, barter or other means of exchange (and whether or not payment is received), for any and all goods, merchandise, services or products sold in or from your “UBREAKIFIX” Store, or which are promoted or sold under any of the Marks, during each Accounting Period during the term of the Franchise Agreement, whether or not we offer the services or products in our other locations. Gross Sales <u>includes</u> the</p>



(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
			<p>imputed amount of gross sales used in calculating your losses under any business interruption insurance, before the insurer's deduction for expenses not incurred during the loss period, but after the satisfaction of any applicable deductible. "Gross Sales" <u>excludes</u> (i) sales, value added or other tax, excise or duty charged to customers imposed by any Federal, state, municipal or local authority, based on sales of specific goods, products, merchandise or services sold or provided at or from your "UBREAKIFIX" Store and actually paid to the appropriate governmental authority; (ii) revenues received on account of sales of pre-paid gift cards and certificates; provided, however, that revenues received on redemption of the pre-paid gift cards and certificates shall be included as part of "Gross Sales;" and (iii) revenues received on account of sales of devices to Company or Company's Affiliates pursuant to the Device Recommerce Program.</p>
Advertising Fee	Up to 2% of Gross Sales as determined by UBIF.	Same as Continuing Royalty	<p>When established by UBIF, the advertising contribution will be in addition to the 2% of Gross Sales that you must spend on local advertising under Section 8.2 of your Franchise Agreement. As of the date of this disclosure document, we have not established the advertising fund.</p> <p>We do not currently do so, however we may, in the future require you to expend, in addition to the Advertising Fee, if any, at least 2% of your Gross Sales on local advertising.</p>

(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
Advertising cooperatives (“Co-op”)	Your minimum contributions to the advertising cooperative will be determined by us.	As determined by the Co-op	We do not currently do so, however if we do so in the future, you must participate in any advertising Co-op for the region in which your “UBREAKIFIX” Store is located. We will notify you in writing if you must join a regional advertising cooperative for your area and the amount of your advertising cooperative contributions. We determine the area of each advertising cooperative.
National Account Administrative Fee	Up to 5% of Gross Sales as determined by UBIF	Same as Continuing Royalty	We may charge you an administrative fee, which shall not exceed 5% of your Gross Sales resulting from performance of services to National Accounts.  National Accounts include: (i) potential or existing businesses (or the businesses’ customers) that have multiple offices, facilities, retail premises, or operations located (or which we expect to be located) within and outside of your Territory under your Franchise Agreement; or (ii) department store, electronics or computer retailer, “membership based retailer,” like Costco or Sams Club, or other business(es) whose clientele include potential customers for Approved Products and Services.

(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
Internet Referral Source Administrative Fee	An amount which will not exceed 5% of your Gross Sales resulting from performance of services to customers from Internet Referral Sources.	Upon demand	<p>We do not currently do so, however we may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of leads from Internet Referral Sources, and we may charge you an administrative fee, which shall not exceed 5% of your Gross Sales resulting from performance of services to customers from Internet Referral Sources.</p> <p>The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by you under the Franchise Agreement, including with respect to National Accounts, Royalties and Advertising Fees. We may deduct from our payments due to you any amounts you owe to us.</p>
Referral Commission	The Referral Commission will be set by us, not to exceed 10% of the Total Ticket Price received from Referred Customers.	Upon demand	<p>“Total Ticket Price” is the Gross Sales you derive from a Referred Customer, exclusive of sales tax and prior to applying any discounts, credits, rebates, adjustments, and shipping, handling, insurance and transportation costs. We may enter arrangements whereby various walk-in retail or other similar businesses (“Referring Businesses”) introduce potential servicing leads (“Referred Customers”) in exchange for a Referral Commission. You will pay us the applicable Referral Commission which we will then pay to the Referring Businesses. We may provide a centralized billing system, dispatch service and/or other systems related to the administration or servicing of leads from Referring Businesses.</p>
Technology and Customer Support Fee	1% of Gross Sales during the preceding Accounting Period	Same as Continuing Royalty	

(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
On Site Opening Assistance	Our out-of-pocket expenses	Upon demand	We will provide the On-Site Training at no additional charge; provided, however, that if we determine in our reasonable judgment that more than 3 weeks of on-site training is necessary, you must reimburse us for all travel, living, compensation, and other expenses we incur as a result of extending the On-Site Training, and at our election a per diem training charge at our then current rates.
New Hire Training Device Kits	\$500-\$2,500, depending on whether the rented Kit is returned undamaged	Upon demand	We make available a training device kit intended for you to use after the Initial Training Program to train your future new hires via our Remote New Hire program. It contains all of the devices used by our Training team during the course of the new store/new hire training that is conducted for all new franchisees. (The kit will be rented to you for an upfront cost of \$500, plus a \$2,000 security deposit (“ <u>Deposit</u> ”). Once the training is completed and you have returned the kit in the same condition as delivered, we will refund the Deposit; if any device is damaged or rendered inoperable during the course of a new hire’s training the cost of replacement will be deducted from the Deposit.
Additional Training & Assistance	Our then-current charge, currently \$125 per person per day	Prior to beginning of training	The initial training fee covers the initial training program for up to 3 persons. We may charge a fee for any additional personnel that attend the initial training program. Also, we will not charge for mandatory training but reserve the right in our sole discretion to charge a fee for any optional training courses which we may periodically offer, in our sole discretion. In addition to any training fee, you must pay all transportation costs, food, lodging and similar costs incurred in connection with attendance at any additional training courses.

(1) Type of fee	(2) Amount	(3) Due Date	(4) Remarks
Annual Meeting Expenses	Our then-current charge, currently \$299.99 per attendee	As Incurred	We intend to host an annual meeting or convention of franchisees which you must attend. We will not charge a registration fee to attend but you will be responsible for bearing all of your and your employees' Travel Expenses, to attend. You must also pay us a fee to cover a portion of your and your employees' meals and/or local transportation at the annual meeting.
Transfer / Assignment	10% of our then-current initial franchise fee plus our out of pocket costs associated with the transfer/assignment, including attorneys' fees (the amount of which will vary depending on the circumstances, which we do not expect to exceed \$1,500).	Upon submission of your request to transfer or assign	<p>Payable when you transfer your franchise or upon any "Assignment" as defined in the Franchise Agreement.</p> <p>No charge if franchise is transferred to an entity which you control, but you must reimburse us for our out-of-pocket costs (the amount of which will vary depending on the circumstances, which we do not expect to exceed \$1,500).</p> <p>If you offer securities in a private offering then, in addition to the transfer fee, you must pay us the greater of:  (a) a non-refundable fee equal to \$5,000, or  (b) our reasonable costs and expenses (the amount of which will vary depending on the circumstances, which we do not expect to exceed \$5,000) associated with reviewing the proposed offering</p>
Audit	Cost of audit plus interest <sup>2</sup> on the underpayment at the highest rate allowable by law (not to exceed 18%).	Upon demand	You must pay the cost of the audit if the audit shows an under-reporting or under-recording of 2% or more. If the audit shows an under-reporting or under-recording error of 5% percent or more, we, in addition to any other rights and remedies we may have, have the right to terminate the Franchise Agreement
Late Fee	Interest of 18% per annum, or the highest interest rate allowable by law, on any unpaid amounts.	Upon demand	Due only if you are late in paying any amounts owed to us.

<b>(1) Type of fee</b>	<b>(2) Amount</b>	<b>(3) Due Date</b>	<b>(4) Remarks</b>
Charges for unpaid checks, drafts or electronic payments	Our costs and expenses arising from the non-payment, including bank fees in the amount of at least \$50 and other related fees incurred by us, subject to limitations and restrictions under applicable law to the contrary.	Upon demand	Payable only if any check, draft, electronic or other payment is unpaid because of insufficient funds or otherwise
Renewal Fee	10% of our then-current initial franchise fee	Upon signing a successor franchise agreement.	
Supplier Review Costs	Costs of review of application and inspection, currently \$100.	Upon demand	<p>You or your proposed Supplier must pay us in advance (or if we request, reimburse us) our reasonably anticipated costs to review the Supplier's application and all current and future reasonable costs and expenses, to inspect and audit the Suppliers' facilities, equipment, and products, and all product testing costs paid by us to third parties.</p> <p>Currently, we estimate Supplier Review Costs to be \$100. We do not anticipate this to increase in the foreseeable future.</p>
Insurance	Cost of insurance plus our costs to obtain the insurance for you, currently approximately \$1,500 annually	Upon demand, see Remarks	If you do not obtain and maintain the requisite insurance coverage, we may, at our option, purchase the insurance for you and you must pay us the premiums and our costs to obtain the insurance, which we estimate will cost approximately \$1,500 per year.
Express Credit Transfer Fee	3.5%	Upon demand	This fee is charged once you transfer funds from your Express Credit account into your Distro Credit account. There is no interest payable under the Express Credit program.

<b>(1) Type of fee</b>	<b>(2) Amount</b>	<b>(3) Due Date</b>	<b>(4) Remarks</b>
Email account fee	Currently, \$100 yearly per email account, but subject to change	Upon demand, see Remarks	You must also maintain a functioning e-mail address for your store, on our outsourced web hosting service. We reserve the right to require you to reimburse us for our actual costs associated with this service.
Site Review Fees	Currently, between \$0 and \$1,000	Upon demand, see Remarks	We will review one proposed site at no charge. However, for the second site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site. These figures include our expenses for travel, food and lodging in connection with each on-site review.
Equipment, Tools, Parts, Supplies and Products Inventory	Then current published wholesale prices for each particular item	Upon shipment	Your “UBREAKIFIX” Store may only offer the public the products and services we approve. Before you open your “UBREAKIFIX” Store, you must purchase a pre-opening inventory of equipment, tools, supplies, and needed to begin business, for a total cost of between \$11,800 and \$16,600. <sup>4</sup> As they are depleted, and as new products come to market that require your repair services, you must replenish your inventory as needed to meet reasonably anticipated consumer demand for your business. The items include things such as such glass screens for iPods, iPhones, iPads, and other tools and parts for repairing computers, smart phones, tablets, gaming consoles and other electronic equipment. Our affiliate, UBREAKIFIX Repair Parts Co., presently makes most of these items available for your purchase, and you will pay the same prices as paid by other similarly situated franchisees.

<b>(1) Type of fee</b>	<b>(2) Amount</b>	<b>(3) Due Date</b>	<b>(4) Remarks</b>
Promotional Campaigns	Not to exceed 100% of our actual cost	Upon demand, See Remarks	We may establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. You and each Co-op Advertising Region, if any, must participate in these promotional campaigns under the terms and conditions we may establish. Your participation may include purchasing point of sale advertising material, posters, flyers, product displays and other promotional material (unless provided at no charge through the Advertising Fund).
Extension Program	\$1,000 for each of the first 6 months of extension, and \$1,500 per month for months 7-12; payable on a monthly basis		If you, are in good faith using your best efforts to commence operations within 9 months of signing the Franchise or Area Development Agreement, then we may, upon written request and execution of our then-current withdrawal authorization form, we will permit you to extend, for up to twelve (12) months, the date by which you must commence operating your "UBREAKIFIX" Store.

(1) All fees are imposed by and are payable to UBIF, or our affiliate. All fees are non-refundable and are uniform for franchises currently being offered in this state, except that if you are converting one or more existing independent electronic device repair service stores to the "UBREAKIFIX" brand, we may agree to a short, mutually agreeable, abatement of your Continuing Royalty to help defer some of your costs associated with bringing the converted stores up to the standard UBREAKIFIX trade dress.

(2) Interest begins from the date of the underpayment.

(3) If you are a party to a pre-existing Area Development Agreement or Regional Representative Agreement that provides for payment amounts that differ from what is described above, your payments will be revised to conform to the terms of your pre-existing agreement.

(4) You may also have the opportunity to participate in one or more National Account authorized provider programs. Under the terms of these programs, you may be obligated to purchase new, like new or reclaimed or refurbished parts purchased directly from the manufacturer through our affiliate, UBREAKIFIX Repair Parts Co. This may also include an initial supply of necessary OEM parts and equipment (in an amount which we do not expect to exceed \$5,000 in parts and \$3,000 in equipment) prior to participating and ongoing replacement inventory, which may



be on an automatic inventory replenishment arrangement to prevent your inventory count for necessary parts falling below required levels.

**ITEM 7  
ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

(1) Type of Expenditure	(2) Amount		(3) Method of Payment	(4) When Due	(5) To Whom Paid
	Low	High			
Initial Franchise Fee (1)	\$0 **	\$40,000	Lump Sum	Upon Signing Franchise Agreement	Us
Initial Training Fee (1)	\$0**	\$12,500	Lump Sum	Upon Signing first Franchise Agreement	Us
Initial Parts and Accessories	\$10,000	\$23,000	Lump Sum	Prior to Opening	Our Affiliates or Approved Suppliers
Initial Inventory of Equipment, Tools, Supplies, and POS Hardware (2)	\$11,800	\$16,600	Lump Sum	Prior to Opening	Our Affiliates or Approved Suppliers
Furniture and Fixtures	\$12,000	\$15,000	Lump Sum	Prior to Opening	Our Affiliates or Approved Suppliers
Interior Signage	\$2,000	\$3,000	Lump Sum	As Arranged	Our Affiliates or Approved Suppliers
External Signage	\$2,500	\$8,500	As Arranged	As Arranged	Vendors
Wages, Travel and Living Expenses During Training (3)	\$15,000	\$20,000	As Arranged	As Arranged	Airlines, Hotels and Vendors
Wages, Travel and Living Expenses During Site Review (4)	\$0	\$1,000	As Arranged	As Arranged	Us
Legal and Accounting (5)	\$1,000	\$10,000	As Arranged	As Arranged	Vendors
Business Licenses and Permits	\$350	\$750	As Arranged	As Arranged	Government
First 3 Months Marketing	\$0	\$5,500	Monthly	As Arranged	Vendors

(1) Type of Expenditure	(2) Amount		(3) Method of Payment	(4) When Due	(5) To Whom Paid
	Low	High			
Insurance	\$750	\$2,000	As Incurred	As Arranged	Vendors
Rent - 3 Months	\$0	\$15,000	As Arranged	Monthly	Landlord
Security Deposits	\$2,000	\$7,500	As Arranged	As Arranged	Landlord and Government
Construction and Leasehold Improvements	\$3,000	\$30,000	As Arranged	As Arranged	Contractors
Additional Funds - 3 Months(6)	\$0	\$15,000	As Incurred	As Incurred	Employees and Vendors
<b>TOTAL</b>	\$60,400	\$225,350			

**\*\*** We intend to waive the initial franchise fee and the initial training fee for Franchise Agreements executed with our affiliated entities for our 28 (as of December 31, 2017) existing company-owned “UBREAKIFIX” Stores. If you purchase an existing “UBREAKIFIX” Store owned by one of our Affiliates, you will pay a purchase price for the business as mutually agreed by you and that Affiliate. We may waive the initial training fee for your second or subsequent franchise agreement, in our sole discretion, if you or your Operating Principal have previously completed the training program to our satisfaction. If you (or your owner in the case of an entity) were an officer, director or employee of our affiliate, UBREAKIFIX Co., as of July 4, 2011, you will not pay an initial franchisee fee or initial training fee.

The above chart describes the estimated initial investment for a single “UBREAKIFIX” Store. If you sign an Area Development Agreement, you must also pay us a non-refundable initial development fee equal to \$12,500 multiplied by the number of “UBREAKIFIX” Stores (excluding the first “UBREAKIFIX” Store) which you must open, and you will concurrently sign your first Franchise Agreement and pay \$40,000 representing the initial franchise fee and \$12,500 representing the initial training fee for your first Franchise Agreement. When we accept the site for each subsequent “UBREAKIFIX” Store, you will sign a separate Franchise Agreement and pay us an initial franchise fee of \$25,000. However, we will apply a \$12,500 credit from the development fee against the initial franchise fees for the second and each subsequent Franchise Agreement until the development fee is exhausted). If you are an Experienced Manager, the initial franchise fee for your first (and each subsequent) “UBREAKIFIX” Stores is \$25,000 and you will not pay an initial training fee.

Note: Actual costs will vary for each franchisee and each location depending on a number of factors. Payments to us are not refundable. We are not able to represent whether or not amounts that you may pay to third parties are refundable.

1. The initial franchise fee and initial training fee are detailed in Item 5. The initial training fee is payable in connection with your first franchise agreement. As described in Item 5, we participate in the IFA’s VetFran Program. If you are a qualified Veteran, you will receive a 20% discount on the initial franchisee fee for the first Franchise Agreement.

2. This figure includes the approximate initial cost for the Information Systems which is \$2,500 to \$5,000 (which includes vendor provided training). We have not included the cost of software maintenance agreements, if any. This figure also does not include any technical support costs associated with operating the hardware or software. These figures also do not include the cost of an initial supply of necessary OEM parts and equipment (which we do not expect to exceed \$5,000 in parts and \$3,000 in equipment) that you may be obligated to purchase if you participate in certain National Account authorized provider programs, the terms of which mandate that new, like new or reclaimed or refurbished parts must be purchased directly from the manufacturer through our affiliate, UBREAKIFIX Repair Parts Co.
3. These figures include your costs of travel, food, lodging and other expenses during your initial 3-week training program. The initial training program will be approximately 48 hours per week of training over a 3-week period.
4. Upon receiving the information regarding a proposed site, we will review the information and either accept or reject the proposed site. We will review one proposed site at no charge. However, for the second site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site. The high end estimate above assumes we will review two sites. If additional site reviews are necessary, we estimate that each one could cost up to an additional \$1,000. These figures include our expenses for travel, food and lodging in connection with each on-site review.
5. If you also sign an Area Development Agreement, we anticipate that your legal fees may be larger and range from \$1,000 to \$10,000.
6. The estimate of additional funds for the initial phase of your business is based on your staff salaries and operating expenses for the first 3 months of operation. The estimate of additional funds does not include an owner's salary or draw. The additional funds required will vary by your area; how much you follow our methods and procedures; your management skills, experience and business acumen; the relative effectiveness of your staff; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. If you also sign an Area Development Agreement, you should plan and budget accordingly based on the development schedule listed in your area development agreement. You should plan on incurring additional payroll expenses for training associates for stores that are not open yet.

#### General

In compiling these estimates, we rely on the experience of our Affiliates in the construction and development of "UBREAKIFIX" Stores. These amounts are the minimum recommended levels to cover your operating expenses for 3 months. However, we cannot guarantee that this amount will be sufficient. Additional working capital may be required if sales are low or fixed costs are high. The disclosure laws require us to include this estimate of all costs and expenses to operate your franchise during the "initial phase" of your business, which is defined as 3 months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period," so our disclosures cover a 3 month period. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

### Real Estate

You are solely responsible for locating your “UBREAKIFIX” Store site (the “**Location**”), subject to our acceptance. Unless we notify you in writing that the proposed site is acceptable within 30 days after you have submitted a site review request package for a proposed site (or 15 days after receipt of additional information which we request), the site will be deemed rejected. You may not relocate your “UBREAKIFIX” Store without our prior written consent.

If you do not already have a location when you sign your Franchise Agreement, you must promptly purchase or lease a site for your “UBREAKIFIX” Store. You must submit your proposed lease to us for acceptance at least 15 days before you sign it. Our acceptance of your lease is based solely on our own interests and does not represent any guarantee or endorsement by us of the Location or confirmation that the lease complies with applicable law or that the terms of the lease are favorable to you. If we accept the proposed lease, we will notify you of our acceptance of the lease. Your lease must not (a) obligate us in any manner, (b) contain any provision inconsistent with your Franchise Agreement, or (c) contain a non-competition covenant which restricts us or our Affiliates. In addition, your lease must provide for a term at least as long as the term of your Franchise Agreement and must include the lease addendum attached to the Franchise Agreement as Exhibit D.

If you purchase the Location, you must submit the purchase contract to us for approval at least 15 days before you sign it, and provide a fully signed copy within 15 days following signing.

You must construct, equip and improve your “UBREAKIFIX” Store in compliance with our current design criteria. You may employ any architects and general contractors you desire; however, all plans and modifications to the Location must be submitted to us for our review and acceptance before you start construction. Unless we notify you in writing that the plans and modifications are accepted, they will be deemed rejected. You may not open your “UBREAKIFIX” Store until you receive written authorization from us to do so, which may be subject to our satisfactory inspection of your “UBREAKIFIX” Store, which may be accomplished remotely or by travel to your site at our sole discretion. You must commence operation of your “UBREAKIFIX” Store no later than 9 months following the date you sign the Franchise Agreement.

### Merchandise, Materials, Supplies and Services

You must offer only Approved Products and Services at your “UBREAKIFIX” Store and such products and services must be offered strictly in accordance with our “System Standards.” “Approved Products and Services” presently consist of (a) repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment; installation and set-up of computers and electronic equipment; (b) remote or on-site installation, set-up and maintenance of computer hardware, software, and other electronic equipment, (c) customer training; (d) the marketing, offer and sale of various items of approved hardware, software, accessories, ink, toner and other consumables, server infrastructure upgrades, for computers, peripheral equipment, smart phones, tablets, gaming consoles and other electronic equipment, (e) remote data backup and monitoring; (f) offering the Device Recommerce Program; and (g) other sales, support and service that we authorize through remote, telephone, in-home or on-site sales and services. To be able to

provide repair services, you will need to purchase and maintain an inventory of certain tools, supplies, replacement parts and products.

Our “System Standards” include the specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines we establish for the operation of a “UBREAKIFIX” Store, as modified by us over time, including those we establish specifically for the Device Recommerce Program specifically, which may include System Standards regarding which mobile and other electronic devices you may accept through the program, and policies and procedures for inspecting, evaluating, grading and reselling devices.

Although we presently allow you to purchase these items from any approved supplier, our affiliate UBREAKIFIX Repair Parts Co. makes most of these items available for your purchase, at the same prices charged to other franchisees. We reserve the right to in the future designate certain items that may only be purchased from us or our Affiliates or from suppliers we designate (“**Designated Products and Services**”). In some instances, National Accounts may require their branded replacement parts to be purchased from them directly or through UBREAKIFIX Repair Parts Co. The Designated Products and Services may include: (i) products that bear the “UBREAKIFIX” mark or marks; (ii) ink, toner, consumables, tools, supplies, replacement parts, accessories, fixtures, furnishings, equipment, uniforms, supplies, stationary, packaging, forms, computer hardware, software, modems and peripheral equipment and other items, whose quality or other specifications we deem to be of significant importance to your “UBREAKIFIX” Store or which are produced or manufactured in accordance with our specifications and/or formulas, and products and services which we select as designated products and services, and (iii) services, including remote computer maintenance and data backup, computer repair, monitoring, training, and other items of service like those provided by organizations that provide referrals to or pre-screen service professionals that we may authorize you from time to time to use to provide additional and/or specialized support and assistance to customers.

We may also specify certain products and services, like merchandise, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, packaging, forms, Information Systems, and other products, supplies, services and equipment, some of which may be restricted to designated brands and models, other than Designated Products and Services, which you may or must use and/or offer and sell at your “UBREAKIFIX” Store (“**Ancillary Products and Services**”). You may, but will not be obligated to, purchase the Ancillary Products and Services from us or our Affiliates, if we or our Affiliates, supply the same. You may use, offer or sell only the Ancillary Products and Services that we have expressly authorized, and that are purchased or obtained from us or a producer, manufacturer, distributor, supplier or service provider (“**Supplier**”) designated or approved by us under the franchise agreement.

If you wish to obtain authorized Ancillary Products and Services from a Supplier other than us or one we have previously approved or designated (and not subsequently disapproved), you must seek our approval of the Supplier by written notice which (i) identifies the name and address of the Supplier, (ii) contains the information we request or require to be provided in the Manuals (e.g. financial, operational and economic information regarding its business ), and (iii) identifies the authorized item you seek to purchase from the Supplier. Upon request, we will furnish you with specifications for the Ancillary Products and Services if they are not in the Manuals. The proposed Supplier must comply with our usual and customary requirements regarding insurance, indemnification and non-disclosure, and must demonstrate to our reasonable satisfaction (a) its ability to supply products meeting our specifications, (b) its reliability with respect to delivery and

consistent quality of products or services, and (c) its ability to price the proposed products competitively. The proposed Supplier must, at our request, furnish at no cost product samples, specifications and other information we may require, and allow us or our representatives to inspect the proposed Supplier's facilities and establish economic terms, delivery, service and other requirements consistent with our other distribution relationships for other "UBREAKIFIX" Stores.

We will use our good faith efforts to notify you of our decision within 60 days after we receive your request for approval and all requested back-up information.

Among the other factors we may consider in deciding whether to approve a proposed Supplier, we may consider the effect that the approval may have on our and our franchisees' ability to obtain the lowest distribution costs with the quality and uniformity of product offered system-wide by "UBREAKIFIX" franchisees. We may also require a Supplier to agree in writing: (i) to provide us free samples on request of any Ancillary Products and Services it intends to supply, (ii) to faithfully comply with our specifications, and (iii) to sell any product bearing our trademarks only to our franchisees and only under a Trademark License Agreement in form we provide (which may require payment of a royalty), and (iv) to provide to us duplicate purchase invoices for our records and inspection. We reserve the right to subsequently revoke our approval upon written notice to you.

You or your proposed Supplier must pay us in advance (or if we request, reimburse us) our reasonably anticipated costs to review the Supplier's application and all current and future reasonable costs and expenses, to inspect and audit the Suppliers' facilities, equipment, and products, and all product testing costs paid by us to third parties.

One or more of our officers own an interest in UBREAKIFIX Holdings Co. which owns 100% interest in UBREAKIFIX Repair Parts Co., which will supply various products and services to you.

We have entered into an agreement with our Affiliate, UBREAKIFIX Repair Parts Co. who is an approved supplier and supplies repair parts and other goods or services to our Franchisees' and our Affiliates' "UBREAKIFIX" Stores. In 2017, UBREAKIFIX Repair Parts Co. had revenue of \$23,887,409 from the sale of goods and services to "UBREAKIFIX" franchisees. Otherwise, we have not negotiated purchase agreements with suppliers or established purchasing or distribution cooperatives. We review all suppliers whom you propose to use. None of our revenue during our fiscal year ended December 31, 2017 was derived from required purchases or leases by franchisees.

You must purchase your initial inventory of interior graphics, UBIF branded glass, and a sign package, window graphics, equipment, tools, supplies, parts and accessories from us or our Affiliate, but you may purchase these items on an ongoing basis from our Affiliate or from approved suppliers. Neither we nor our Affiliates are the only approved suppliers for any products, goods or services. Our Affiliate intends to operate competitively against other approved suppliers to provide franchisees with a lower cost, higher quality solution. UBREAKIFIX Repair Parts Co. does include a mark-up on its prices, and will continue to derive revenue and profits from its sales of goods and services to franchisees, but UBIF will not derive revenue on account of those sales. We will not derive revenue from any other approved suppliers and any arrangements with them will be made to directly benefit the franchisee.

We do not provide any material benefits to you upon your use of any approved suppliers. We do not currently derive revenue or other material consideration based on your purchases of products, merchandise and services from unaffiliated suppliers. There are no purchasing or distribution cooperatives.

We estimate that substantially all of your expenditures for leases and purchases in establishing your “UBREAKIFIX” Store and substantially all of your expenditures on an ongoing basis during the operation of your “UBREAKIFIX” Store will be for goods and services which are subject to sourcing restrictions (that is, which must meet our standards and specifications), or which must be purchased from suppliers which we designate or approve.

We may periodically require you to participate in test programs and market research to determine the salability of new products and services. The test programs may include selling certain products and offering specific services. If you are requested to participate in a test program, you must provide timely reports and other relevant information regarding the test program.

You must operate your “UBREAKIFIX” Store in compliance with the standard procedures, policies, rules and regulations contained in the Manuals. We do not reward or provide material benefits to you based on your use of designated suppliers, but doing so is one of your obligations under the franchise agreement and may obligate you to purchase replacement or other designated or approved Suppliers and may terminate your franchise agreement if you purchase from unapproved sources in violation of your agreement.

#### Computer Equipment & Information Systems

You must obtain the “POS System” as detailed in the Manuals. The POS System must be connected via a high-speed connection at all times and be capable of accessing the Internet. You must obtain certain Information Systems that we specify. You must also obtain related service contracts, support contracts and other similar arrangements.

#### Records

All of your bookkeeping and accounting records, financial statements, and all reports you submit to us must conform to our requirements.

#### Insurance

You must maintain suitable insurance coverage and minimum amounts specified in the Franchise Agreement, Manuals or by written notice, including all risk property and casualty insurance for the replacement value of your Location; business interruption insurance providing for continued payment of all amounts due (or to become due) to us under your Franchise Agreement or any other agreement with us; workers compensation insurance as required by applicable law. Currently, you must maintain comprehensive public liability insurance against claims for bodily and personal injury, death and property damage in the amount of \$1,000,000. All policies must name us as an additional insured. You may obtain additional insurance coverage as you feel necessary. You may purchase your insurance from any carrier subject to our approval, not to be unreasonably withheld.

## Advertising

In addition to your advertising contribution, you must spend at least 2% of Gross Sales on local advertising and promotion (“**Local Advertising**”), conforming with our policies and standards. At our request, you must provide us, for review and approval, an advertising plan which details the Local Advertising to be provided over a 12 month period.

## Vehicle

If you wish to use one or more Vehicles in connection with your “UBREAKIFIX” Store, the vehicles must be used in the manner prescribed in the Manuals, and meet our System Standards, for example, specifications for quantity, make, model, year, color, signage and body wrap and customize the Vehicle as we instruct, including applying and installing all decals, logos and wraps, and you must obtain and maintain insurance policies meeting System Standards. You must maintain the condition and appearance of the vehicle in a “like new” condition and repair, perform periodic maintenance as necessary, and keep it clean, free of dents, scratches or other damage or mechanical problems. The allowed vehicles are the following: new Nissan Cube, Ford Transit or Dodge/Mercedes Sprinter. You must also maintain automobile insurance coverage, currently including bodily injury coverage of one million dollars per person / two million dollars aggregate.

### **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.**

<b>Obligation</b>	<b>Section In Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	Sections 5.1, 5.2 and 5.3 of Franchise Agreement; Section 6.1 of Area Development Agreement	Items 8 & 11
b. Pre-opening purchases/leases	Section 5.3 of Franchise Agreement Sections 3.A	Item 8
c. Site development and other pre-opening requirements	Section 5.4 of Franchise Agreement; Section 6.1 of Area Development Agreement	Items 7 & 11
d. Initial and ongoing training	Article 6 of Franchise Agreement	Item 11
e. Opening	Section 5.4.4 of Franchise Agreement	None



Obligation	Section In Agreement	Disclosure Document Item
f. Fees	Article 4 of Franchise Agreement; Article 5 of Area Development Agreement	Items 5 & 6
g. Compliance with standards and policies/Operations Manuals	Article 7 of Franchise Agreement	Item 11
h. Trademarks and proprietary information	Article 11 of Franchise Agreement	Items 13 & 14
i. Restrictions on products/services offered	Sections 7.6, 9.1, 9.2, 9.3 and 9.4 of Franchise Agreement	Item 16
j. Warranty and customer service requirements	Section 9.6 of Franchise Agreement	Item 11
k. Territorial development and sales quotas	Article 2 of Area Development Agreement	Item 12
l. Ongoing product/service purchases	Sections 9.1, 9.2, 9.3 and 9.4 of Franchise Agreement	Item 8
m. Maintenance, appearance, and remodeling requirements	Section 5.5 of Franchise Agreement	Item 11
n. Insurance	Article 16 of Franchise Agreement	Items 6 & 8
o. Advertising	Article 8 of Franchise Agreement	Items 6 & 11
p. Indemnification	Sections 13.2.4, 13.3.4, 17.1 and 17.2 of Franchise Agreement; Sections 7.3, 10.1 and 10.2 of Area Development Agreement	Item 6
q. Owner's participation/management/staffing	Section 7.2 of Franchise Agreement	Items 11& 15
r. Records/reports	Section 10.1 and 10.4 of Franchise Agreement	Item 6
s. Inspections/audits	Sections 10.2 and 10.3 of Franchise Agreement	Items 6 & 11

Obligation	Section In Agreement	Disclosure Document Item
t. Transfer	Sections 13.2, 13.3 and 13.4 of Franchise Agreement; Section 7.3 of Area Development Agreement	Item 17
u. Renewal	Sections 3.2, 3.3 and 3.4 of Franchise Agreement; Section 4.2, 4.3 and 4.4 of Area Development Agreement	Item 17
v. Post-termination obligations	Article 15 of Franchise Agreement; Section 4.5 of Area Development Agreement	Item 17
w. Non-competition covenants	Section 12.1 of Franchise Agreement; Sections 8.1 and 8.2 of Area Development Agreement	Item 17
x. Dispute resolution	Article 19 of Franchise Agreement; Section 10.17 of Area Development Agreement	Item 17

## ITEM 10 FINANCING

Except as described below, we do not offer direct or indirect financing.

### **Inventory Financing.**

As of the date of this disclosure document, we do not offer any direct financing to franchisees, however, our affiliate uBreakiFix Repair Parts Co. (aka “**Distro**”), currently offers an “Express Credit” unsecured line of credit (“**LOC**”) for inventory purchases to eligible franchisees who meet its criteria. If you want to participate and use the line of credit, and if Distro approves you, you will enroll by accepting the online terms and conditions published on Distro’s intranet and summarized below (see Exhibit M for a copy of Distro’s current terms and conditions). Distro will establish maximum credit limits (presently up to \$1,500) per store for inventory purchases, on terms and conditions it establishes from time to time, including the following current terms:

1. A 3.5% fee will be applied to all transfers of funds from your Express Credit account into your Distro Credit account (“**Transfer Fee**”). This fee is charged once you transfer and there is no interest payable under the program above and beyond that. Transfer Fees are separate fees and not included in the available balance in your Distro Credit account. For example, if you transfer \$100 from your Express Credit account into your Distro Credit account, you will have \$100 of available credit in your Distro Credit account, but the balance owed under the LOC shall be \$103.50.

2. The funds in the LOC may only be used to purchase parts, inventory or materials from Distro.

3. Any and all positive credits that you are entitled to receive for buybacks, returned parts, etc., will be applied to the LOC balance upon Distro's or our receipt of same from a manufacturer or vendor, if applicable.

4. Positive credit entries will appear in your Distro Credit account once the Express Credit balance is paid in full. Once your Express Credit balance is at \$0, you will begin to see positive credits in your Distro Credit account. Express Credit is a revolving line of credit and will be available to you as long as funds are available to transfer. However, Distro reserves the right to end the program at any time upon reasonable prior notice to you.

5. You may pay down the balance owed under your LOC at any time via ACH or credit card. Your outstanding balance will be automatically repaid; with all positive Distro Credit that you receive (e.g., for out of warranty buy-backs and Return Material Authorizations for returned parts) automatically applied towards your Express Credit balance.

6. You will repay all costs, expenses and reasonable attorneys' fees, incurred by Distro in connection with the LOC, including any defaults, as well as any proceedings which may involve the LOC, including, but not limited to, arbitration, litigation, and bankruptcy proceedings.

7. The terms of the LOC and all rights and obligations of the parties will be construed and interpreted in accordance with Florida state law. The exclusive venue for any proceeding which may be brought in connection with the LOC shall be in Orange County, Florida. Further, in regard to any judicial proceeding, each party expressly waives any right to a jury trial.

8. Your payment and performance will be subject to the Guarantee that your Owners sign in connection with your purchase of the franchise (see Item 15). A default under the LOC is also considered to be a default under your Franchise Agreement and Area Development Agreement, if applicable, and if not cured would subject your Franchise Agreement to termination.

9. The current Distro terms and conditions do not require you to waive defenses or other legal rights (for example, confession of judgment), or bar you from asserting a defense against Distro, the Distro's assignee, if any, or us. It is not Distro's practice or intent to sell, assign, or discount to a third party all or part of the LOC financing arrangement. Neither we nor any affiliate receives any consideration for your placing financing with Distro, except for the fee to Distro described in paragraph 1 above.

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

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

FRANCHISE AGREEMENT

**Pre-Opening Obligations**

Before you open your “UBREAKIFIX” Store, we will do the following:

Site Review. If you have not found a location for your “UBREAKIFIX” Store when you sign the Franchise Agreement, you must promptly locate one or more proposed sites which meet our current standards and specifications. For each proposed site, you will submit to us certain information regarding the site that we request. Upon receiving the information regarding a proposed site, we will review the information and either accept or reject the proposed site. We will review one proposed site at no charge. However, for the second site that we review, and for each additional site, you must reimburse us for all costs and expenses that we incur in reviewing the site. If we do not approve your proposed site within 30 days after your submission (or 15 days after you provide any supplemental information we request), the site will be deemed rejected. (Franchise Agreement, §5.1.) Your “UBREAKIFIX” Store location will be purchased or leased by you from independent third parties.

Site Selection Assistance. You are solely responsible for selecting the site of your “UBREAKIFIX” Store, which will be subject to our review and acceptance. We do not locate sites for you. However, we may, without obligation, assist you in locating or evaluating a site. You may not construe any assistance we may provide, or our acceptance as a guarantee or other assurance that the site will be successful. The factors we consider in accepting sites include general location and neighborhood, traffic patterns, parking, size, physical characteristics of existing buildings and lease terms. (Franchise Agreement, § 5.2)

Site Design Assistance. We will provide a copy of our basic specifications for the design and layout of your “UBREAKIFIX” Store. You are responsible for the costs of preparing architectural, engineering and construction drawings and site plans, which you must submit to us for our review and approval before you begin construction of your “UBREAKIFIX” Store. You are responsible for the costs of construction and remodeling. (Franchise Agreement, § 5.4.)

Training. We provide an initial training program and on-site opening assistance described below. (Franchise Agreement, §§ 6.1 and 6.2)

Manuals. You will have access to our confidential Manuals during the term of your franchise agreement through our online portal system. The Manuals contain our standard operational procedures, policies, rules and regulations with which you must comply. (Franchise Agreement, § 7.4) Attached as Exhibit I to this disclosure document, is a copy of the table of contents of our Manuals that indicates the number of pages devoted to each subject.

## **Time to Open**

We estimate the typical length of time between signing a Franchise Agreement and opening a “UBREAKIFIX” Store is between two and six months, assuming that a location can be obtained and leased within one month after you sign the Franchise Agreement. If there are unforeseen delays, it could take considerably longer for you to open your “UBREAKIFIX” Store. Factors that may affect the length of time it takes you to open your “UBREAKIFIX” Store include the process of negotiating a lease, construction delays, drafting architectural plans, obtaining permits, weather conditions, shortages, and delayed installation of equipment, fixtures and signs.

Following the Effective Date and before the renovation or construction of your “UBREAKIFIX” Store, we will provide you with copies of our specifications for the design and layout of your “UBREAKIFIX” Store and required fixtures, equipment, furnishings, decor, trade dress, and signs. You will construct, equip and improve your “UBREAKIFIX” Store in accordance with our System Standards, unless we agree, in writing, to any modifications. You will employ licensed architects, engineers and general contractors, at your sole cost and expense, to prepare architectural, engineering and construction drawings and site plans, and to obtain all permits required to construct, remodel, renovate, and/or equip your “UBREAKIFIX” Store. All plans, and modifications and revisions must be submitted to us for our review and acceptance before you commence construction (within 60 days after signing the Franchise Agreement, unless we otherwise agrees in writing).

Subject only to Force Majeure (provided that you continuously comply with the terms of the Franchise Agreement), you must complete construction or renovation, as the case may be, of your “UBREAKIFIX” Store and all improvements, including installation of all fixtures, signs, equipment and furnishings as soon as possible, but in any event within 6 months after commencement of construction, unless we consent in writing to a longer period of time. You must commence operation of your “UBREAKIFIX” Store no later than 9 months following the date you sign the Franchise Agreement.

## **Obligations After Opening.**

During the operation of the franchise business:

1. Upon reasonable request, we will give you additional assistance and advice to help you run your “UBREAKIFIX” Store. In our sole discretion, we may send a representative to your “UBREAKIFIX” Store to discuss your operations. If provided at your request, you must reimburse our expenses and pay our then current training charges. (Franchise Agreement, § 6.3)

2. We will periodically designate Approved Products and Services which you must stock and provide. We or our Affiliate(s) will sell you the products, as long as we supply them. (Franchise Agreement, § 7.6) Approved Products and Services presently consist of (a) repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment; installation and set-up of computers and electronic equipment; (b) remote or on-site installation, set-up and maintenance of computer hardware, software, and other electronic equipment, (c) customer training; (d) the marketing, offer and sale of various items of approved hardware, software, accessories, ink, toner and other consumables, server infrastructure upgrades, for computers, peripheral equipment, smart phones, tablets, gaming consoles and other electronic equipment, (e) remote data backup and monitoring; (f) the Device Recommerce Program; and

(g) other sales, support and service that we authorize through remote, telephone, in-home or on-site sales and services.

3. We may, at our option, establish an Intranet through which our franchisees may communicate with each other, and through which we may communicate with you and may disseminate the Manuals, updates to the Manuals, and other confidential information to you. We will have sole discretion and control over all aspects of the Intranet, including content and functionality. (Franchise Agreement, § 7.13)

4. Approve or disapprove any advertising, direct mail, identification and promotional materials and programs you propose to use in connection with local advertising. (Franchise Agreement, § 8.1)

5. We establish System Standards (defined as specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines, as we may modify from time to time in writing) governing the marketing, solicitation, sale and provision of services to any (i) potential or existing businesses (or the businesses' customers) that have multiple offices, facilities, retail premises, or operations located (or which we expect to be located) within and outside of your Territory under your Franchise Agreement; or (ii) department store, electronics or computer retailer, "membership based retailer," like Costco or Sams Club, or other business(es) whose clientele include potential customers for Approved Products and Services ("**National Accounts**"). You must comply with these System Standards, as amended by us, from time to time. We reserve the exclusive right to solicit, enter into, and administer national and/or regional contracts with National Accounts, provided we will offer you the opportunity to service the office, facility, service, or operation of the National Account located in your Territory for so long as you remain in good standing and in compliance with all of your obligations under the franchise agreement, including the System Standards. You may not solicit National Accounts, regardless where their offices, facilities, services, or operations may be situated without our prior written consent. You will have no right to negotiate any agreement with National Accounts unless we expressly request you do so in writing. You may service an office, facility, service or operation of the National Account located in your Territory (and accept assignments to service a National Account outside of your Territory) only if you agree to participate in the program we have established with the applicable National Account, including the execution of a participation agreement, if we request, acceptance of the compensation we offer to you and the policies we establish related to the National Account, and, you may not attempt to arrange any different terms or collect any additional fees than those which we have negotiated. If you do not participate in the program for a National Account, or if you fail to comply with the terms of the franchise agreement, the participation agreement or other terms related to any National Account program in which you participate, or otherwise fail to meet all System Standards, we may, without compensation to you, offer the arrangement with the National Account to another franchisee or retain the same for our or our Affiliate's account, even though located within your Territory. We may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of National Accounts, and we may charge you an administrative fee, which shall not exceed 5% of your Gross Sales resulting from performance of services to National Accounts. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by you under the Franchise Agreement with respect to National Accounts, including Royalties and Advertising Fees. Payment for services performed under any contract for a National Account will be contingent on our receiving payment from the National Account; we do not guaranty payment by the National

Account. We may deduct from our payments due to you any amounts you owe us. You will be paid promptly, typically within thirty (30) days of our receipt of the payment by the National Account.

**Advertising (Franchise Agreement, § 8)**

**Advertising Fund**

Currently, we do not require any contributions to be made to the Advertising Fund. In the future, however, we may require you to pay us an Advertising Fee that we determine (not to exceed 2% of your gross sales) to our advertising fund. We will direct all advertising programs and control the creative concepts, materials and media used, media placement and allocation. Media placement may be on a national, regional or local basis. We need not make expenditures that are equivalent or proportionate to your contributions. We need not ensure that any particular franchisee benefits directly or proportionately from fund advertising. The fund is not a trust and we are not a fiduciary.

The fund may be used to meet all costs of administering, directing, preparing, placing and paying for national, regional or local advertising to promote and enhance the image, identify or patronage of “UBREAKIFIX” Stores owned by us or our Affiliates and by franchisees. We will either transfer the advertising contributions to a separate entity to whom we have delegated the responsibility to operate and maintain the advertising fund or administratively segregate on our books and records the advertising contributions we receive from franchisees. However, we are not required to maintain the contributions paid by you or other franchises to the fund and income earned by the fund in a separate account. But we may not use this money principally to solicit new franchise sales. We may include information regarding acquiring a franchise on or as a part of materials and items produced by or for the Advertising Fund.

Within 60 days following each of our fiscal years in which we operated the Advertising Fund, we will prepare an unaudited report certified as correct by a UBIF officer showing the Advertising Fund balance at the beginning of the year, the total amount contributed by franchisees and allocated by us on behalf of our company or Affiliate-owned “UBREAKIFIX” Stores, and the amount actually expended for the year, and remaining balance or deficit in the Advertising Fund at the end of the fiscal year end. At your request, we will furnish a copy of the report to you. We do not conduct an audit of the Advertising Fund.

We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Advertising Fund in that year and may cause the Advertising Fund to borrow funds to cover deficits or invest in surplus funds. If we spend less than the total of all contributions to the Advertising Fund during any fiscal year, we may accumulate those sums for use in later years. If we or an Affiliate advances money to the Advertising Fund beyond what it contributes on account of our company or Affiliate-owned “UBREAKIFIX” Stores, we will be entitled to reimbursement. Any interest earned on monies held in the Advertising Fund may be retained by us for our own use, in our discretion.

Although we intend the fund to be perpetual we can terminate the fund. We will not terminate the fund until it has spent all money in the fund for advertising and promotional purposes.

As of December 31, 2017, we did not require franchisees to contribute to the Advertising Fund. Once we require franchisees to contribute, not all franchisees may be obligated to contribute, and some may contribute a different amount or at a different rate, as we determine appropriate. We will allocate for each “UBREAKIFIX” Store operated by us or any affiliate the amount that would

be required to be contributed to the Advertising Fund if it were a franchised “UBREAKIFIX” Store. We will either transfer the advertising contributions to a separate entity to whom we have delegated the responsibility to operate and maintain the advertising fund or administratively segregate the on our books and records, but commingled with our general operating funds, the advertising contributions we receive from franchisees. We or our Affiliates may collect rebates and allowances and credits from suppliers based on purchases or sales by us, our Affiliates and franchisees and have the right to retain the sums for our own purposes, return the sums to be used by one or more franchisees, including for designated purposes, and use the sums for advertising the “UBREAKIFIX” brand, or one or more Advertising Fund expenditures in our discretion. Any contribution of the rebates or credits to the Advertising Fund will not reduce your obligation to pay the Advertising Fee. Our Regional Representatives are not permitted to collect rebates and allowances and credits from suppliers based on purchases or sales by you.

We may include information regarding acquiring a franchise on or as a part of materials and items produced by or for the Advertising Fund.

#### Other Advertising Information

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your area or territory.

You may develop advertising materials for your own use, at your own cost. You must submit to us all advertising materials not prepared or previously approved by us, for our approval. If we do not approve your advertising materials within 15 days, the proposed advertising will be deemed disapproved. (Franchise Agreement § 8.1)

Although we do not currently do so, we may, in the future require you to expend, in addition to the Advertising Fee, if any, at least 2% of your Gross Sales on local advertising (“**Local Advertising Expenditure**”) and promotion of your “UBREAKIFIX” Store, conforming to our specifications in the Manuals. Although not required to do so, we strongly recommend that you expend an amount equal to 3-5% Gross Sales as your Local Advertising Expenditure during each year, on approved advertising programs. At our request, you must submit, for our acceptance, a local advertising plan that details the local advertising you will conduct over a 12 month period. Without our express written consent, you may not use your Local Advertising Expenditure for market-wide research, seminars, entertainment, fees paid to consultants not approved by us, incentive programs, charitable contributions, press parties or specialty items (unless part of a market-wide program approved by us and the cost is not recovered by the promotion). (Franchise Agreement § 8.2)

#### Advertising Council

There is no advertising council composed of franchisees that advises the franchisor on advertising policies. The Franchise Agreement does not give us the power to form, change or dissolve an advertising council.

#### Advertising Cooperatives

As of the date of this disclosure document, we have not established any local or regional advertising cooperatives (“**Co-op**”). If we do so in the future, you must participate in any advertising Co-op for the region in which your “UBREAKIFIX” Store is located. We will notify



you in writing if you must join a regional advertising cooperative for your area and the amount of your advertising cooperative contributions. We determine the area of each advertising cooperative.

Each advertising cooperative must adopt written governing documents. A copy of the governing documents (if one has been established) is available upon request. At all meetings of cooperative advertising regions, each participating franchisee is entitled to one vote per “UBREAKIFIX” Store that franchisee operates in the cooperative region and we are entitled to one vote for each company-owned “UBREAKIFIX” Store in the region.

Your minimum contributions to the advertising cooperative will be determined by us. However, each cooperative may increase the contribution by affirmative vote of not less than a majority of the voting power of the cooperative region. We or our Affiliate, as applicable, will contribute to the advertising cooperative for each of our company or Affiliate-owned “UBREAKIFIX” Stores located in the cooperative region on the same basis as franchisees.

The advertising cooperative must prepare quarterly and annual financial statements prepared by an independent CPA and be made available to all franchisees in that advertising cooperative.

#### **Referral Programs (Franchise Agreement § 8.7.6)**

To competitively attract customers, we may enter arrangements with walk-in retail or other similar businesses (“**Referring Businesses**”) who will introduce their customers as potential servicing leads (“**Referred Customers**”) in exchange for us rewarding the Referring Businesses with a Referral Commission on sales to the Referred Customers in an amount which we establish not to exceed 10% of the Total Ticket Price (defined below). You will pay us the applicable Referral Commission on every sale you make to a Referred Customer, which we will then pay to the Referring Businesses. The “Total Ticket Price” is the Gross Sales derived by you from the Referred Customer, exclusive of sales tax and prior to applying any discounts, credits, rebates, adjustments, and shipping, handling, insurance and related transportation costs. We may establish System Standards governing the referral of Referred Customers, and you must comply with them. We may provide a centralized billing system, dispatch service and/or other systems related to the administration or servicing of leads from Referring Businesses.

#### **Point of Sale/Information Systems (Franchise Agreement, § 7.3)**

Before you commence operating your “UBREAKIFIX” Store, you must purchase the required computer and point-of-sale hardware and software, remote control software, Internet connections and service, required dedicated telephone lines and other computer-related accessories, software, peripherals and equipment (the “**Information Systems**”). The approximate initial cost to you for the Information Systems is \$2,500 to \$5,000 (which includes vendor provided training); to purchase and install the Information Systems. POS systems will be provided by our affiliate and will include one computer system with all necessary software pre-installed, one receipt printer, one cash drawer, one bar code scanner, one monitor and all other necessary peripherals required to operate POS system. You may also purchase the POS system from any approved supplier. The pre-installed POS software will have at a minimum the ability to track inventory, sales, customers, sales tax collected, repairs in progress, and employee hours. We will provide initial POS training on site and continued POS training through the company internet. Basic trouble shooting and tech support will also be provided by us. We reserve the right to make changes to existing POS systems or

change POS systems at any time. You must obtain high-speed communications access for your point-of-sale system, like broadband, DSL or other high-speed capacity.

You must also maintain a functioning e-mail address for your store, on our outsourced web hosting service. We reserve the right to require you to reimburse us for our actual costs associated with this service (presently about \$100 yearly per email account, but subject to change). You must apply for and maintain systems for use of debit cards, credit cards, loyalty and Gift Cards and other non-cash payment methods. You must adhere to all PCI (Payment Card Industry), CISP (Cardholder Information Security Program) and SDP (Site Data Protection) compliance specifications, as amended.

You must sell, or otherwise issue, as we may designate, stored-value, loyalty and gift cards, certificates and other non-cash payment methods (collectively “**Gift Cards**”) that we designate and only in the manner specified in the Manuals. You must fully honor all Gift Cards that are in the form approved or required by us, regardless of whether the Gift Card was issued by you or another franchisee or operator in the “UBREAKIFIX” System, or purchased at any other location, like a retail or grocery store, via the internet or via other means of distribution. You must sell, issue and redeem (without any offset) Gift Cards in accordance with the procedures and policies we may specify in the Manuals or otherwise in writing (the “**Gift Card Program**”). You may be required to (a) enter into a separate agreement with a third party provider of Gift Card processing services under the terms and conditions as may be required by the third party for participation in the Gift Card Program; (b) purchase or upgrade, as necessary, hardware, software or other equipment, required for participation in the Gift Card Program; (c) purchase and maintain sufficient inventory of Gift Cards for sale at your “UBREAKIFIX” Store; (d) promote the sale of Gift Cards using only marketing methods and materials we approve; (e) comply in all material respects with all applicable laws, statutes and regulations in performing your obligations under the Franchise Agreement and otherwise in connection with the Gift Card Program; and (f) execute other agreements or documents as may be reasonably required by us in connection with the Gift Card Program. We may discontinue or modify the Gift Card Program at any time, in our sole discretion.

The required Information Systems includes one computer system with all necessary software pre-installed, one receipt printer, one cash drawer, one bar code scanner, one monitor and all other necessary peripherals required to operate POS system. The pre-installed POS software will have at a minimum the ability to track inventory, sales, customers, sales tax collected, repairs in progress, and employee hours. You must purchase this system from suppliers we designate.

The system will store information concerning your sales, inventory, accounting and other operations.

We may enter into agreements with Internet Referral Sources to refer customers to us and our franchisees, including you, and we may establish System Standards governing the referral of customers derived via Internet Referral Sources. You must comply with these System Standards, as amended by us from time to time, and we may condition your right to receive and make referrals on your compliance with these System Standards. We do not currently do so, however we may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of leads from Internet Referral Sources, and we may charge you an administrative fee, which shall not exceed 5% of your Gross Sales resulting from performance of services to customers from Internet Referral Sources. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by you under the Franchise Agreement, including with respect to

National Accounts, Royalties and Advertising Fees. We may deduct from our payments due to you any amounts you owe to us. You will not enter into any arrangement or agreement with an Internet Referral Source without our prior written consent.

You must provide all assistance we require to bring your point of sale system on-line with our headquarters computer at the earliest possible time and to maintain this connection as we require. We may retrieve all information that we consider necessary, desirable or appropriate. There are no contractual limitations on our right to access information.

Neither we nor any of our Affiliates have an obligation to provide ongoing maintenance, repairs, upgrades or updates to the system. There are no contractual limitations on our ability to require you to update, upgrade or replace the Information Systems, add components to the Information Systems, and upgrade, update or replace components of the Information Systems. We may require you to update, upgrade or replace the Information Systems, including hardware and/or software, upon written notice, and these costs might not be fully amortizable over the time remaining in the term of your Franchise Agreement. We cannot estimate the cost of maintaining, updating or upgrading the Information Systems or its components because it will depend on your repair history, local costs of computer maintenance services in your area and technological advances which we cannot predict at this time.

**Training** (Franchise Agreement, Article 6)

Before opening your first “UBREAKIFIX” Store to the public, we will train up to 3 persons at our training facilities in Orlando, Florida; or at some other location closer to your “UBREAKIFIX” Store as we determine (the “**Designated Training Facility**”). The initial training program consists of approximately 48 hours per week of training over a 3-week period. The following table describes our initial training program:

**TRAINING PROGRAM**

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-The- Job Training</b>	<b>Location</b>
Smartphone Repairs	28	0	Orlando, FL*
iPad Repair	14	0	Orlando, FL*
Basic PC Troubleshooting	4	0	Orlando, FL*
Basic Mac Troubleshooting	4	0	Orlando, FL*
Liquid Damage Repair	8	0	Orlando, FL*
Basic Soldering Skills	8	0	Orlando, FL*
Customer Service Training	8	0	Orlando, FL*
POS/Work Order Training	16	0	Orlando, FL*
Practice/Review	6	0	Orlando, FL*
UBIF Portal Training	0	12	Orlando, FL*
Marketing	0	2	Orlando, FL*
Employee Management	0	2	Orlando, FL*
Financials and Brand Management	0	2	Orlando, FL*

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-The-Job Training</b>	<b>Location</b>
Q&A and Discussion	0	3	Orlando, FL
Company Tours	0	3	Orlando, FL*
Dynamic In-Store Training	0	24	Orlando, FL
<b>Total</b>	96	48	

\* Or another Designated Training Facility closer to your “UBREAKIFIX” Store, as we determine.

We will hold training as frequently as we determine necessary. If you are an individual, you must attend and complete the training program to our satisfaction. If you are an entity, your Operating Principal, must attend and complete the training program to our satisfaction. In either case, your “UBREAKIFIX” Store Manager must attend and complete the training program to our satisfaction. We do not have a formal training staff. Training is conducted by various members of our staff and management personnel who have at least 2 years’ experience in the technology industry and at least 6 months of experience in the operation of “UBREAKIFIX” Stores. The training is conducted under the supervision of our Director of Training, Josh Galindo who has 4 years of experience as a general manager of our “UBREAKIFIX” Store, franchisees and employee manager. We may delegate certain initial and ongoing training and supervisory services to a Regional Representative in whose assigned territory you are located; see Exhibit O for information concerning Regional Representatives in your state, if any.

Specialized teaching materials will be used including manuals, checklists and exams.

Except as described below, we will provide the initial training program for up to three persons, and you must pay the initial training fee of \$12,500 (for your first “UBREAKIFIX” Store) plus the travel and living expenses for you and your employees during that training. We may charge you our then-current training fee for any additional personnel that attend the initial training program and for any additional training we provide. If you or any of your affiliates already own or operate 1 or more “UBREAKIFIX” Stores, we are not obligated to provide and you are not obligated to attend the initial training program (and pay the initial training fee), provided however, that we may require you or your Operating Principal to attend the initial training program for your or your affiliate’s second or subsequent “UBREAKIFIX” Store if we determine, in our sole discretion, that your existing “UBREAKIFIX” Store(s) do(es) not meet our standards and specifications.

If you wish to participate in certain of our National Account programs you will have to pay an additional training fee due at our then-current rates (presently \$125/day for 3 days) due to the specific OEM parts and devices we will provide for your use during this specialized training.

Immediately before and after each “UBREAKIFIX” Store opens to the public, we will provide up to 3 weeks of on-site training to your Operating Principal and “UBREAKIFIX” Store Manager. We do not charge a fee for on-site training, however, if we determine that it is necessary to provide more than 3 weeks of on-site training, you must reimburse us for our costs and expenses, including wages, salaries, travel and lodging expenses, that we incur as a result of extending the on-site training.

We will provide additional assistance and training to you and your employees upon your request or as we deem necessary to instruct you and your employees with regard to new procedures or programs which we deem important to the operation of your “UBREAKIFIX” Store. We may also provide optional additional assistance for you and your employees. The additional assistance may be held on a national or regional basis at locations that we choose. We may establish charges for the additional assistance, and in addition to any charges we establish, you must pay all transportation costs, food, lodging and other similar costs that you and your employees incur in connection with attending any additional training.

## **ITEM 12 TERRITORY**

### Franchise Agreement

The location of your franchise will be specified in the franchise agreement. However, if you and we have not agreed upon the location of your “UBREAKIFIX” Store when you sign your franchise agreement, you must secure a location for your “UBREAKIFIX” Store at a site accepted by us; we will assign you a provisional territory for 90 days within which to find a site meeting our standards. Our acceptance of a proposed location is not a guarantee that your “UBREAKIFIX” Store will be successful. You may not relocate the “UBREAKIFIX” Store without our prior written approval. You may apply for the right to open additional “UBREAKIFIX” Stores under separate franchise agreements, but we have no obligation to allow you to open additional “UBREAKIFIX” Stores. The franchise agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises.

During the term of your Franchise Agreement, we will not open or operate, or license others to own or operate, any “UBREAKIFIX” Store at any physical site in your Territory. Your Territory will be described in Exhibit A to your Franchise Agreement before you sign the agreement; provided, that if we have not agreed upon the location when you sign, we will determine the size and boundaries of your Territory when we approve your location, the exact size of which will vary depending on the location you select. It will be a radius of one (1) mile surrounding your “UBREAKIFIX” Store if located in an urban area or three (3) miles surrounding your “UBREAKIFIX” Store if located in a suburban area. Alternatively, it may be some other geographic area (containing a day time and residential population of approximately 100,000 persons), described by attaching a map, or by reference to streets, natural boundaries or zip codes.

We reserve all rights not expressly granted in the franchise agreement (“Reserved Rights”). Accordingly, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Our Reserved Rights include, the exclusive, unrestricted right, in our discretion, directly and indirectly and through our employees, affiliates, representatives, franchisees, licensees, assigns, agents and others:

(i) to own or operate, and to license others (which may include our Affiliates) to own or operate “UBREAKIFIX” Stores at any location outside your Territory and regardless of proximity to your “UBREAKIFIX” Store, (ii) to own or operate, and to license others (which may include our Affiliates) to own or operate other businesses operating under names other than “UBREAKIFIX”, at any location, within or outside your Territory (and Development Area if applicable) and regardless of their proximity to your “UBREAKIFIX” Store; and (iii) to advertise and promote “UBREAKIFIX” services at any location and by any means, including the Internet;

(ii) To provide repair work on products “mailed-in” by customers and/or provide customer support and assistance remotely by other means, to customers wherever located, including to customers in your Territory (and Development Area, if applicable), and to solicit repair work, support and assistance by means of the Internet or Internet web site, direct mail advertising and other distribution methods, provided, however, that we intend to refer the customers to mail their devices for repair to, or have their remote support and assistance performed by, the most conveniently located “UBREAKIFIX” Store, as we determine in good faith (to qualify for referrals you must be in compliance with your agreement and all System Standards);

(iii) To accept mail-in electronic devices in exchange for payment or resale and/or provide electronic device recommerce related support and assistance to customers wherever located, including to customers located within your Territory, and to solicit such electronic devices by means of the Internet or Internet web site, direct mail advertising and other distribution methods (that is, your right to participate in the Device Recommerce Program is limited to face-to-face transactions from your “UBREAKIFIX” Store, unless we permit otherwise);

(iv) To promote, market, offer, sell and re-sell merchandise and other products via the Internet, direct mail advertising, or other distribution methods or channels of commerce, including to customers located within your Territory (and Development Area, if applicable) and at any location (regardless of its proximity to your “UBREAKIFIX” Store); and

(v) To provide services to or for National Accounts at any location, or to or for National Account customers at any location, within or outside your Territory (and Development Area, if applicable), and regardless of proximity to your “UBREAKIFIX” Store, subject to the information provided below under “National Accounts.”

We do not pay compensation to you for soliciting or accepting orders from inside your Territory.

### **National Accounts.**

We reserve the exclusive right to solicit, enter into, and administer national and/or regional contracts with National Accounts, provided we will offer you the opportunity to service the office, facility, service, or operation of the National Account located in your Territory for so long as you remain in good standing and in compliance with all obligations under your Franchise Agreement. You must comply with System Standards governing the marketing, solicitation, sale and provision of services to National Accounts. Participation by you in National Account programs is optional, though strongly encouraged, and before you may participate, you must typically execute a separate National Accounts Participation Agreement for each National Account agreeing to abide by the specific terms and conditions that have been established with the National Account. For your reference, we have attached our standard template form of National Accounts Participation Agreement as Exhibit L to this disclosure document, however, each National Account establishes its own requirements and so the actual terms, which are confidential, will vary depending on the particular National Account’s rules and requirements. We will provide you for review, a copy of the actual National Accounts Participation Agreement for each currently available existing National Account, after you have entered into a Franchise Agreement and before you commit to participate.

You may not solicit National Accounts, even if their offices, facilities, services, or operations may be in your Territory unless we otherwise give our prior written consent. You have no right to negotiate a national or regional representative agreement with National Accounts unless we expressly request ask you to do so in writing. You may service an office, facility, service or

operation of National Account in your Territory (and accept assignments to service a National Account outside of your Territory) only if you agree to participate in the program we establish with the National Account, including the execution of a participation agreement, if we request, acceptance of the compensation we offer to you and other policies we establish related to the National Account. If you do not participate in the program, or if you fail to comply with applicable terms and conditions, you will be responsible for any resulting damages, and in addition, we may, without compensation to you, offer the arrangement to another franchisee or retain it for our or our Affiliate's account, even if located in your Territory. We may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of National Accounts, and charge an administrative fee, which shall not exceed 5% of the Gross Sales earned by you from performance of services to National Accounts. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable with respect to National Accounts, including Royalties and Advertising Fees.

### **Temporary Additional Service Area.**

In our sole discretion, we may, upon your written request, authorize you on a temporary and either exclusive or non-exclusive basis, or otherwise, to operate in areas contiguous to your Territory which may or may not have also been assigned to others including us and our affiliate, or another franchisee (each an **"Unassigned Area"**), upon the terms and subject to the conditions (which may include the execution of a separate written agreement), and during the time period(s), as we determine.

You do not receive any right of first refusal or other rights of any type to an Unassigned Area by operating in that Unassigned Area. We may sell any Unassigned Area territory at any time, without advance notice to you. If we authorize you to operate outside your Territory, the authorization shall at all times be and remain subject to our right to rescind, cancel, amend or modify it in our sole and absolute discretion.

### Area Development Agreement

Under the Area Development Agreement, we grant you the right to develop and operate a specified number of "UBREAKIFIX" Stores at locations in a specified Development Area, subject to our approval. The Development Area may be one or more cities, counties, states or some other defined area.

During the term of the Area Development Agreement, we will not operate or grant a license or franchise to any other person to operate another "UBREAKIFIX" Store in your Development Area. We expressly retain all of the same Reserved Rights with respect to the Development Area as described above with respect to your Franchise Agreement Territory. Accordingly, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.


If you fail to meet any of your obligations under the Area Development Agreement, including the development obligations, or commit a material breach of any Franchise Agreement that you have signed, or a material breach of any other agreement with us, we may terminate your right to develop, open and operate "UBREAKIFIX" Stores in your Development Area, but the termination of your right to develop your Development Area based solely on your failure to meet the development schedule, will not terminate any rights granted under the Franchise Agreements then in effect between you and us, absent a breach of the Franchise Agreement itself. After the

expiration of the term of your Area Development Agreement, we may own, operate, or franchise or license others to operate additional “UBREAKIFIX” Stores anywhere, without restriction, including in your Development Area, subject to the rights granted to you in your Territory established under any then existing Franchise Agreement, provided that, if you determine that further development of your Development Area is desirable after the term of your agreement, you must notify us in writing, including the number of proposed “UBREAKIFIX” Stores and the proposed development schedule, within 180 days before the expiration of your Area Development Agreement. If we determine that your proposed additional development is unacceptable in any respect, we will negotiate with you in good faith for 60 days to try to agree upon a mutually acceptable development schedule. If we determine that your proposed additional development is acceptable or if you and we reach an agreement on an alternative additional development obligation, you will have the right to enter into a new Area Development Agreement and undertake additional development of your Development Area. If you do not exercise your right to enter into a new area development agreement, we may own, operate, franchise or license other to operate additional “UBREAKIFIX” Stores in your Development Area subject only to the territorial rights reserved to you in the individual Franchise Agreements.


**ITEM 13  
TRADEMARKS**

Franchise Agreement

We license you the right to operate a “UBREAKIFIX” Store under the name “UBREAKIFIX.” You may also use our other designated current or future trademarks to operate your “UBREAKIFIX” Store. Our Affiliate, UBREAKIFIX Co., has licensed us to offer and sell franchises, and to sublicense the right to use the following principal marks, among others, in connection with the operation of “UBREAKIFIX” Stores under a written License Agreement dated as of January 1, 2013, having a 50-year term, renewable for automatic consecutive one year terms unless either party elects not to renew. The License Agreement provides that upon termination or expiration UBREAKIFIX Co. will honor all then-existing franchise agreement then in effect for the balance of the term, including the term of any renewal agreements provided for in the franchise agreements. By principal trademark we mean primary trademarks, service marks, names, logos, and commercial symbols used to identify your “UBREAKIFIX” Store. UBREAKIFIX Co. has registered following principal trademarks on the Principal Register of the U.S. Patent and Trademark Office and all required affidavits have been filed:

MARK	REGISTRATION NUMBER	REGISTRATION DATE
UBREAKIFIX	3855288	10/5/2010
	4371477	7/23/2013



MARK	REGISTRATION NUMBER	REGISTRATION DATE
<p data-bbox="220 352 553 401">UBREAKIFIX</p>	<p data-bbox="764 352 867 380">4364495</p>	<p data-bbox="1175 352 1295 380">7/9/2013</p>
	<p data-bbox="764 541 867 569">4662899</p>	<p data-bbox="1162 541 1308 569">12/30/2014</p>

As of the date of this disclosure document, there are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court; or any pending infringement, opposition, or cancellation proceeding; or any pending material federal or state court litigation involving the trademarks. As of the date of this disclosure document, we know of no prior rights or infringing uses that could materially affect your use of the principal trademarks.

You must follow our rules when you use these principal trademarks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our registered name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

We do not know of either superior prior rights or infringing uses in the state in which your “UBREAKIFIX” Store will be located that could materially affect your use of the principal trademarks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademarks. We will take the action we think appropriate. We will have sole discretion to take the action we deem appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office proceeding arising out of any infringement, challenge or claim relating to any principal trademark. You must sign all documents, render assistance and do all things that our counsel deems necessary to protect our interests in any litigation or U.S. Patent and Trademark Office proceeding or otherwise to protect our interests in the principal trademarks.

If a third party challenges your proper use of our marks, we will take such action as we deem necessary and appropriate to defend you. You may participate in the defense, but at your own cost. You must notify us immediately when you learn about the infringement or challenge.

You must modify or discontinue the use of a principal trademark, at your expense, if we modify or discontinue it. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

**ITEM 14**  
**PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

We do not own any right in or to any patents or copyrights that are material to the franchise system, except as described below. We do not have any pending patent or copyright applications or registrations. We do, however, claim common law copyright protection for our proprietary software web-based P.O.S and for our portal system, printed literature and our Confidential Operations Manuals. We will allow you to use our portal system and you will have access to our Manuals for confidential use in your “UBREAKIFIX” Stores. The software and Manuals are our property and you may not duplicate, copy, disclose or disseminate the contents at any time, without our express written consent. We may modify or supplement the software and Manuals upon notice or delivery to you. You must keep them current at all times, and upon the termination or non-renewal of your Franchise Agreement return the software and Manuals to us.

You may not copy, divulge or use any confidential information, which may include our Policies and the contents of our Manuals, marketing concepts, and operating methods and techniques (the “**Confidential Materials and Practices**”) during or after the term of your Franchise Agreement, except in connection with the operation of your “UBREAKIFIX” Store under a valid Franchise Agreement. You must follow all reasonable procedures we prescribe to prevent unauthorized use and disclosure of our Confidential Materials and Practices. You must inform your employees to whom the information, or any of it, is made available of this obligation of confidence, and have them sign a written non-disclosure, and submit a copy to us for our files.

There are no infringing uses actually known to us that could materially affect your use of the copyrights, trade secrets, processes, methods, procedures, or other proprietary information described above. There are no agreements currently in effect that limit our rights to use or license the above-mentioned copyrights in any manner.

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

Franchise Agreement

If you are an individual, you must directly supervise the franchise business on its premises. If you are not an individual, you must designate an “Operating Principal” acceptable to us who has completed the training program to our satisfaction and will be principally responsible for communicating with us about business, operational and other ongoing matters concerning your “UBREAKIFIX” Store. The Operating Principal must have the authority and responsibility for the day-to-day operations of your “UBREAKIFIX” Store.

You (or your Operating Principal) must have completed the training program to our satisfaction and you must have a “UBREAKIFIX” Store Manager and a staff of employees who have been trained to our satisfaction. Your Operating Principal, if applicable, must (a) devote his or her full time and best efforts solely to the operation of your “UBREAKIFIX” Store; (b) meet our educational, experience, financial and other reasonable criteria for the position, as contained in the Manuals or otherwise in writing; (c) be an owner with 10% or more (direct or indirect) of your equity or voting rights; (d) be accepted by us.

At our request, your Operating Principal and “UBREAKIFIX” Store Manager(s) must sign a written confidentiality agreement regarding trade secrets described in Item 14 and to conform with the covenants not to compete described in Item 17.

Each individual who owns a 10% or greater interest in the franchisee entity must sign an agreement (Exhibit D - Guaranty) assuming and agreeing to discharge all obligations of the “Franchisee” under the Franchise Agreement.

During the term of your Franchise Agreement, you must, maintain a business credit card with an available credit limits of not less than \$10,000 against which you will authorize us to charge amounts due from you, which are not drawn down by us by EFT. You will be responsible for any bank and credit card company charges imposed on us on account of credit card payments and the costs of these charges will be added to the amounts you owe us.

## **ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

### Franchise Agreement

You must sell and offer all and only those products and services that we authorize at or from your “UBREAKIFIX” Store (i.e., “Approved Products and Services”). Approved products may differ among our franchisees, and may vary depending on the operating season and geographic location of your “UBREAKIFIX” Store or other factors. Upon receipt of written notice from us, you must sell and provide additional approved products and/or services according to the instructions and within the time specified in the notice. You must stop selling and providing any previously approved or discontinued products and/or services upon notice from us. There is no limit on our right to change the approved products or services that you must sell. You may not stop offering any approved product or service without our express written approval. At our request, you must also sell certain test products and/or offer certain test services. If you are asked to do so, you must provide us with reports and other relevant information regarding the test products and services.

You must offer and sell all Approved Products and Services in accordance with our “System Standards.”

Our “System Standards” include the specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines we establish for the operation of a “UBREAKIFIX” Store, as modified by us over time, including those we establish specifically for the Device Recommence Program specifically, which may include System Standards regarding which mobile and other electronic devices you may accept through the program, and policies and procedures for inspecting, evaluating, grading and reselling devices.

Unless specifically directed by us in writing, you must participate in all advertising, marketing, promotions, research and public relations programs instituted by the Advertising Fund.

You may not offer, sell or provide any approved products in connection with any trademark, service mark, logo type or commercial symbol of any other person or business entity without our express written consent.

You may not use alternative distribution channels to solicit or fill orders.

We reserve the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. You and each Co-op Advertising Region, if any, must participate in such promotional campaigns upon such terms and conditions as we may establish. Your participation may include the purchase point of sale advertising material, posters, flyers, product displays and other promotional material (unless provided at no charge through the Advertising Fund).

**ITEM 17  
RENEWAL, TERMINATIONS, TRANSFER, AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

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

FRANCHISE AGREEMENT

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise Term	§ 3.1	Approximately 10 years. (We may adjust the exact term to coincide with the term and option terms in your lease)
b. Renewal or extension of the term	§ 3.2	If you are in good standing, you may enter into 2 successor franchise agreements, each with a 10 year term. You may be asked to sign a contract with materially different terms and conditions than your original contract. You have no further right to enter into additional successor franchise agreements, but may apply for the right to operate a “UBREAKIFIX” Store under a new franchise agreement.
c. Requirements for franchisee to renew or extend	§§ 3.2 - 3.4	We use the term “renewal” to refer to extending our franchise relationship at the end of your initial term (and any other renewal or extension of the initial term) and you must, at our option, sign a new franchise agreement that may have materially different terms and conditions than your original contract  You must have complied with your obligations during the term of your Franchise Agreement, must undertake remodeling to comply with our then-currents standards, must not have committed 3 or more material defaults of your Franchise Agreement during any 36 month period, must comply with our then-current training requirements, must sign a general release and

Provision	Section in Franchise Agreement	Summary
		successor franchise agreement, which may differ from the current form of franchise agreement, must pay a renewal fee in the amount of 10% of the then-current initial franchise fee.
d. Termination by franchisee	§ 14.8	You may terminate if we materially default, and if we do not cure the default within 60 days after our receipt or written notice from you detailing the alleged default.
e. Termination by Franchisor without cause	None	Not Applicable.
f. Termination by Franchisor with cause	§§ 14.1 – 14.7	We can terminate only if you default under your Franchise Agreement.
g. “Cause” defined – curable defaults	§ 14.4	You have 5 days to cure non-payment of fees and 10 days to cure defaults not listed in Section 14.3 of your Franchise Agreement.
h. “Cause” defined – non-curable defaults	§14.2 – 14.3	Non curable defaults: (i) bankruptcy or insolvency; (ii) unsatisfied judgment; (iii) seizure, take-over or foreclosed upon (iv) a levy of execution of attachment up on Franchise Agreement or upon any property used in the “UBREAKIFIX” Store; (v) unreleased mechanics lien or if any person commences any action to foreclose; (vi) if you allow or permit any judgment to be entered against us or any of our affiliates, arising out of or relating to the operation of the “UBREAKIFIX” Store; (vii) a condemnation or transfer in lieu of condemnation has occurred; (viii) imminent danger to the public health / health and safety violations; (ix) conviction, pleads guilty or nolo contendere to a felony or any other crime or offense; (x) failure to comply with your confidentiality or non-competition provisions of your franchise agreement; (xi) abandonment; (xii) Assignment without our consent; (xiii) repeated defaults, even if cured; (xiv) violation of law which is not cured within 10 days; (xv) sale of unauthorized products; (xvi) knowingly maintaining false books, underreporting or under recording of Gross Sales, certain underreporting or under-recording; (xvii) trademark and confidential information

Provision	Section in Franchise Agreement	Summary
		misuse; (xviii) misrepresentations in connection with the acquisition of the Agreement; (xix) failing to complete training; and (xx) failing to meet the Financial Covenants.
i. Franchisee's obligations on termination/non-renewal	Article 15	You must stop using our Marks; pay all amounts due to us; return all training and promotional material to us; makes cosmetic changes to your "UBREAKIFIX" Store so that it no longer resembles our proprietary design; at our election, sell the equipment and furnishings that we designate to us, assign to us or our designee (or, at our election, terminate) all voice and data telephone numbers used in connection with your "UBREAKIFIX" Store; authorize and instruct the telephone company and all listing agencies of the termination of your right to use any telephone number or listing associated with your "UBREAKIFIX" Store and authorize and instruct the telephone companies and listing agencies to transfer and assign the telephone numbers and directory listing to us, sign and deliver to us all documents that must be filed with any governmental agency indicating that you are no longer licensed to use our Marks. See also "r" below.
j. Assignment of contract by Franchisor	§ 13.1	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	§ 13.2.1	Includes transfer of control of your business, transfer of the agreement or change in ownership of a franchisee which is an entity.
l. Franchisor approval of transfer	§§ 13.2	Transfers require our express written consent
m. Conditions for franchisor approval of transfer	§ 13.2 - 13.4	New franchisee: must qualify, assume the Franchise Agreement or sign a new Franchise Agreement, complete training and pay our training fee, refurbish the "UBREAKIFIX" Store. You must provide us with an estoppel agreement and a list of all persons having an interest in the Franchise Agreement or in the Franchisee, pay all amounts then-due to us, sign a general release, provide us

Provision	Section in Franchise Agreement	Summary
		<p>with all documents relating to the transfer, disclose to us all material information that we request regarding the transferee, the purchase price, and the terms of the transfer, must not be in default of the Franchise Agreement, and pay a transfer fee.</p> <p>(See also “r” below).</p> <p>If the Franchise Agreement was signed under an Area Development Agreement, all Franchise Agreements must be assigned to the same assignee.</p> <p>With our written consent, you may transfer a franchise agreement to an entity of which you directly own 100% interest for convenience of ownership. If the new franchisee is a business entity, all holders of a 10% or greater interest in the new franchisee must sign a guaranty. You must reimburse us for all costs and expenses that we incur in connection with the transfer, including attorneys’ fees.</p> <p>Before shares of a Franchisee which is a business entity may be offered by private offering, you must provide us with copies of all offering materials; indemnify us, our Affiliates, officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each in connection with the offering; and pay us a non-refundable fee of \$5,000 or a greater amount if necessary to reimburse us for our costs and expenses associated with reviewing the proposed offering.</p>
n. Franchisor’s right of first refusal to acquire franchisee’s business	§ 13.2.3I	We can match any offer for your business.
o. Franchisor’s option to purchase franchisee’s business	Article 18 § 5.3.1 and Exhibit D to Franchise Agreement “Addendum to Lease”	Upon termination or expiration of your Franchise Agreement, we may purchase the equipment and furnishings as we designate that are associated with your “UBREAKIFIX” Store, using a 5-year straight line amortization period. Your lease must also grant us the option to assume the Lease, or execute a substitute lease on the same terms for the then remaining term of the Lease plus all remaining option/renewal terms, upon termination,

Provision	Section in Franchise Agreement	Summary
		<p>expiration or your failure to exercise any option to renew, and/or extend the term of the Lease, as well as to cure your Lease default and succeed to rights in your Lease, or enter into a substitute Lease on the same terms.</p> <p>We have the right to purchase all of the assets of your business, including all fixtures, equipment, inventory and contract rights, free and clear of all liens and encumbrances at any time after the first to occur of: (a) 24 months after the opening date of your “UBREAKIFIX” Store; (b) 24 months after the opening date of the first “UBREAKIFIX” Store you open under an Area Development Agreement (if applicable); or (c) if applicable, the day that your Area Development Agreement is terminated, if it is terminated because of your failure to meet your development obligation. The purchase price will be either (i) 2 times your “UBREAKIFIX” Store-Level EBITDA; or (ii) the fair market value of the assets. You may choose the methodology used to determine the purchase prices, but if you do not make a timely selection of the methodology, the methodology used will be determined by us.</p> <p>You must make customary representations and warranties to us.</p>
p. Death or disability of franchisee	§ 14.3.2	<p>Your heirs have 9 months after your death or legal incapacity to enter into a new franchise agreement, if the heirs meet our standards and qualifications. If your heirs do not meet our standards and qualifications, the heirs may sell to a person approved by us. See “m” above.</p>



Provision	Section in Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	§12.1	Cannot engage in “Competitive Activities” which means to, own, operate, lend to, advise, be employed by, or have any financial interest in any business, other than a “UBREAKIFIX” Store operated under a validly subsisting franchise agreement with us, that: (i) specializes in repair services relating to computers, smart phones, tablets, gaming consoles or other electronic equipment, or (ii) offers mobile or other electronic device trade-in services, recommerce programs or similar “cash for device” programs. “Competitive Activities” do not include: direct or indirect ownership, solely as an investment, of securities of any entity which is traded on any national securities exchange if the owner of the securities (i) is not a controlling person of, or a member of a group which controls, the entity; and (ii) does not, directly or indirectly own 5% or more of any class of securities of the entity.
r. Non-competition covenants after the franchise is terminated or expires	§ 12.1	Except with our express written consent, no involvement in any Competitive Activities, as defined above, for 2 years in your Territory or within a 20 mile radius of any then existing “UBREAKIFIX” Store.
s. Modification of the agreement	§ 20.8	The Franchise Agreement may be modified only by written agreement between the parties.
t. Integration/Merger clause	§20.8	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement other related written agreements may not be enforceable
u. Dispute resolution by arbitration or mediation	Article 19	Subject to applicable local state law to the contrary, all disputes, other than disputes relating to preliminary injunction relief, must first be submitted to a process of negotiation and non-binding mediation. If mediation is not successful, all disputes except for those related to preliminary injunction relief must be arbitrated in Florida.
v. Choice of forum	§20.14	Subject to applicable local state law to the contrary, Arbitration following unsuccessful negotiation and mediation must be in Florida.

<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
w. Choice of law	§20.7	Subject to applicable local state law to the contrary, Florida law applies, except for the provisions respecting non-competition, which are governed by local law.

AREA DEVELOPMENT AGREEMENT

<b>Provision</b>	<b>Section in Area Development Agreement</b>	<b>Summary</b>
a. Length of the Franchise Term	§ 4.1	Typically 3 years or until you sign a Franchise Agreement for your last “UBREAKIFIX” Store necessary to satisfy your Development Obligation, whichever is earlier.
b. Renewal or extension of the term	§§ 2.4 and 4.2	You do not have the right to renew your Area Development Agreement. However, if we determine that further development of your Development Area is desirable, if you are in good standing and you are not in default under your Area Development Agreement, we will offer you the opportunity to develop additional “UBREAKIFIX” Stores. Unless we consent, you may not open more than the total number of “UBREAKIFIX” Stores comprising your Development Obligation.
c. Requirements for franchisee to renew or extend	§§ 4.3 -4.4	We use the term “renewal” to refer to extending our franchise relationship at the end of your initial term (and any other renewal or extension of the initial term) and you must, at our option, sign a new area development agreement that may have materially different terms and conditions than your original contract  You must sign a new Area Development Agreement on our then current form, which will contain your additional development obligation. You and your affiliates who have a currently existing franchise agreement or area development agreement with us must sign a general release.
d. Termination by franchisee	None	Not Applicable

Provision	Section in Area Development Agreement	Summary
e. Termination by Franchisor without cause	None	Not Applicable
f. Termination by Franchisor with cause	§ 9.1	We can terminate if you or any of your affiliates materially default under the Area Development Agreement, an individual Franchise Agreement, or any other agreement with us or any of our affiliates.
g. “Cause” defined – curable defaults	§ 9.1	You have 5 days to cure non-payment of fees and 10 days to cure any other default, provided that in the case of a breach or default in the performance of your obligations under any Franchise Agreement or other agreement, the notice and cure provisions of the agreement will control.
h. “Cause” defined – non-curable defaults	§ 9.1	Non curable defaults include: unapproved transfers; failure to meet development obligations, any breach of unfair competition provisions, and failure to meet Financial Covenants.
i. Franchisee’s obligations on termination/non-renewal	§ 4.5	You will have no further right to develop or operate additional “UBREAKIFIX” Stores which are not, at the time of termination, the subject of a then existing Franchise Agreement between you and us. You may continue to own and operate all “UBREAKIFIX” Stores under any then existing Franchise Agreements.
j. Assignment of contract by Franchisor	§ 7.1	No restriction on our right to assign.
k. “Transfer” by franchisee – defined	§ 7.3	Includes transfer of control of your business, transfer of the agreement or change in ownership of a franchisee which is an entity.
l. Franchisor approval of transfer	§ 7.3	Transfers require our express written consent, which we may grant or withhold for any reason at all in our sole judgment.
m. Conditions for franchisor approval of transfer	§§ 7.2 and 7.3	Except as describe below, you may not transfer your Area Development Agreement or any Franchise Agreement signed under the Area Development Agreement except with our written consent and a simultaneous assignment of the Area Development Agreement and all Franchise Agreements signed under the Area Development Agreement to the same assignee.

Provision	Section in Area Development Agreement	Summary
		<p>With our written consent, you may transfer a franchise agreement to an entity of which you directly own 100% interest for convenience of ownership. If the new franchisee is a business entity, all holders of a 10% or greater interest in the new franchisee must sign a guaranty. You must reimburse us for all costs and expenses that we incur in connection with the transfer, including attorneys' fees.</p> <p>At our election, the assignee must sign our then current form of Franchise Agreement for each "UBREAKIFIX" Store then developed or under development.</p> <p>Before shares of a Franchisee which is a business entity may be offered by private offering, you must provide us with copies of all offering materials; indemnify us, our Affiliates, officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each in connection with the offering; and pay us a non-refundable \$5,000 fee to reimburse us for our costs and expenses associated with reviewing the proposed offering.</p>
n. Franchisor's right of first refusal to acquire franchisee's business	None	Not Applicable
o. Franchisor's option to purchase franchisee's business	None	Not Applicable
p. Death or disability of franchisee	§§ 7.3 and 9.1	We allow your heirs a reasonable time, up to 9 months, after your death or legal incapacity to assign the Area Development Agreement to a person acceptable to us, in our sole discretion. See also "m" above.

Provision	Section in Area Development Agreement	Summary
q. Non-competition covenants during the term of the franchise	§ 8.1	Unless we otherwise consent, you can not engage in “Competitive Activities” which means to, own, operate, lend to, advise, be employed by, or have any financial interest in any business, other than a “UBREAKIFIX” Store operated under a validly subsisting franchise agreement with us, that: (i) specializes in repair services relating to computers, smart phones, tablets, gaming consoles or other electronic equipment; or (ii) offers mobile or other electronic device trade-in services, recommerce programs or similar “cash for device” programs. “Competitive Activities” do not include: direct or indirect ownership, solely as an investment, of securities of any entity which is traded on any national securities exchange if the owner of the securities (i) is not a controlling person of, or a member of a group which controls, the entity; and (ii) does not, directly or indirectly own 5% or more of any class of securities of the entity.
r. Non-competition covenants after the franchise is terminated or expires	§ 8.2	Except with our express written consent, no involvement in any Competitive Activities, as defined above, for 24 months within the Development Area.
s. Modification of the agreement	§ 10.9	The agreement may be modified only by written agreement between the parties.
t. Integration/Merger clause	§ 10.9	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement other related written agreements may not be enforceable
u. Dispute resolution by arbitration or mediation	§ 10.17	Subject to applicable local state law to the contrary, all disputes, other than disputes relating to preliminary injunction relief, must first be submitted to a process of negotiation and non-binding mediation. If mediation is not successful, all disputes except for those related to preliminary injunction relief must be arbitrated in Florida.
v. Choice of forum	§§ 10.15 and 10.17	Subject to applicable local state law to the contrary, Arbitration following unsuccessful negotiation and mediation must be in Florida.

Provision	Section in Area Development Agreement	Summary
w.Choice of law	§ 10.8	Subject to applicable local state law to the contrary, Florida law applies, except for the provisions respecting Non-Competition, which are governed by the law of the state in which you will operate.

**ITEM 18  
PUBLIC FIGURES**

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

**ITEM 19  
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

Success in most businesses (including franchised ones) depends, in large part, on your personal efforts and your marketing, operational, financial, administrative and other skills and your active participation in the daily operations of the business. You should determine the level of personal effort you can commit to the operation of your UBREAKIFIX store and whether you possess the skills that will contribute to your success.

The franchisee-operated UBREAKIFIX stores for which information is included in this Item 19 are substantially similar to your store in appearance, and in the products and services offered. Some of the franchisee-operated UBREAKIFIX stores included in this Item 19 are located in metropolitan markets where expenses are frequently higher than non-metropolitan markets, and those stores generally have to achieve relatively higher revenues to cover higher expenses. The amount of revenues and expenses incurred will vary from store to store, whether located in a metropolitan market or a non-metropolitan market. In particular, the revenues and expenses of a franchisee business will be directly affected by many factors, such as: (a) geographic location; (b) competition from other firms in the market which offer similar products and services; (c) the presence of other businesses opened under the UBREAKIFIX Mark; (d) the wage and benefit levels paid by franchisee, and whether the franchise owner assumes the position of store manager or hires a store manager; (e) the potential additional payment by a franchisee of an Advertising Fee, National Account Administrative Fee, Referral Commissions, Internet Referral Source Administrative Fee, and Customer Service Fee; (f) contractual arrangements with real estate lessors; (g) the extent to which the franchisee borrows working capital and the applicable interest rate(s) on these borrowings; (h) potential price increases on parts over time and if purchased from a supplier other

than our affiliated supplier, UBREAKIFIX Repair Parts Co.; (i) the price the franchisee charges for repair work; (j) the cost of any other vehicles used in the business (if any); (k) the pace and level of use, market acceptance, and market penetration of smart phones, tablets and other devices that UBREAKIFIX repairs; (l) future technological developments; (m) other discretionary expenditures; (n) the quality of management and service at the franchisee-operated business; (o) the franchisee's legal, accounting and other professional fees; (p) the existence of National Accounts and their level of penetration in certain markets; (q) federal, state and local income and other taxes; (r) State laws; and (s) accounting methods. Therefore, the information in this Item 19 should be used only as a reference in conducting your own analysis and preparing your own projected income statements, balance sheets and cash flow statements. UBREAKIFIX strongly suggests that you consult your own financial advisor or personal accountant and conduct an independent investigation on any financial projections and federal, state, local income taxes or any other applicable taxes that you may incur in operating a UBREAKIFIX store.

**Some franchises have earned these amounts. Your individual results may differ. There is no assurance that you will earn or sell as much.**

Written substantiation for the financial performance representations in this Item 19 will be made available to prospective franchisees upon reasonable request.

Other than the following performance representation, UBREAKIFIX does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with 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 Justin M. Wetherill at 200 South Orange Ave., Suite 200, Orlando Florida 32801, 877-224-4349; the Federal Trade Commission; and the appropriate state regulatory agencies.

#### **Analysis of Average Revenues and Expenses for franchisee-operated UBREAKIFIX Stores**

As of December 31, 2017, there were 326 franchisee-operated UBREAKIFIX stores in operation. To ensure there were enough months of operation to properly rank the stores included, only stores which were 2 years or older by that date (i.e., a total of 138 stores) were considered in preparing this financial performance representation ("FPR"). In addition, not all stores submitted financial information for all of their months of operation to UBREAKIFIX. Of these 138 stores, 134 stores submitted information, with the average store submitting information for 77% of their first 36 months they were in operation (i.e., 4,233 months of information for all 134 stores). Four stores did not submit any data so they have been excluded.

This FPR reflects the averages for each identified category of revenue and expense for the top and bottom quartile of these 134 reporting franchisee-operated stores during their respective first three (3) years of operations, using the financial information they submitted for the four year period from January 1, 2014 through December 31, 2017 (the "**Four Year Reporting Period**"). Financial data used in preparing the FPR was limited to the Four Year Reporting Period.

To determine which stores fell within each quartile, we ranked these 134 stores based on their average monthly Gross Sales throughout the Four Year Reporting Period (i.e., not a single year). If they failed to report Gross Sales for any month(s) during the Four Year Reporting Period, we imputed the revenue for the missing month(s) by taking an average for all months that were

reported by the franchisee during the Four Year Reporting Period. The stores were then separated into quartiles and annual averages for the top and bottom quartiles are presented below; the middle two quartiles are omitted.

The methodology used in arriving at the numbers presented employs the following bases and assumptions:

- The data for each store used in calculating its revenues and expenses for its respective first, second and third years of operation occurred at different times, depending on when the store opened. Some stores completed all three years within the Four Year Reporting Period (e.g., a store opening on July 1, 2014 completed its third year of operations on June 30, 2017). Some stores first opened before the Four Year Reporting Period, but completed all of their first three (3) years of operation during the Four Year Reporting Period. Still others first opened during the Four Year Reporting Period, but completed their second and/or third year of operations after the Four Year Reporting Period.
- For any store which has a first, second and/or third year of operation which falls completely outside the Four Year Reporting Period, that store is excluded from the applicable column in the charts below relating to that year or years. For any store which has a first, second or third year of operation which falls partially outside the Four Year Reporting Period, that store is included in the applicable column relating to that year or years, but its performance is calculated by annualizing its performance during the months which fell within the Four Year Reporting Period. The following example is illustrative:

A store that opened on July 1, 2012, is included only in the columns for the second and third year of operation because its first year was completed on June 30, 2013, before the Four Year Reporting Period began. Its performance in the second year of operation (i.e, from July 1, 2013 through June 30, 2014) is calculated and presented using its annualized performance during the six month period from January 1, 2014 through June 30, 2014, which fell within the Four Year Reporting Period. Its performance in the third year of operation (i.e, from July 1, 2014 through June 30, 2015) is calculated and presented using its actual performance because all 12 months fell within the Four Year Reporting Period; the only exception being that if the store failed to report Gross Sales for any of these month(s), we imputed the revenue for the missing month(s) in as described below.

- If data for any month(s) are missing in any operational year due to a failure to report, an average was taken for all months that were reported by the franchisee for the applicable first, second and third year of operation, respectively, and we imputed the data for the missing month(s) by using the average monthly income and expenses for that operational year. For example, if a store submitted eight (8) months of financials during its first 12 months of operations, the monthly average of the eight (8) reported months was calculated and then multiplied by 12, i.e., annualized.
- In the third twelve (12) months of business in the *top quartile*, five (5) of the stores that submitted financial data for the third year recorded that data in 2017 and 2018. Since the FPR is inclusive of data only during the Four Year Reporting Period, only the financial data recorded in 2017 of the third year was used. For example, if a store submitted six (6) months of financials during the third year in 2017, the monthly average is calculated and multiplied by 12 (annualized). In the first year of operation in the top quartile, there are 17 stores listed in



the sample set; 13 of the stores' first year of business was recorded before 2014 and four (4) of the stores did not submit data for their first year, therefore these stores have been excluded. In the second year of business in the top quartile, there are 30 stores in the sample set; two (2) of the stores' second year of business was recorded before 2014 and two (2) of the stores did not submit data for their second year, therefore these stores have been excluded. In the third year of business in the top quartile, there are 33 stores in the sample set; one (1) of the stores did not submit data for the third year, therefore this store has been excluded.

- In the third twelve (12) months of business in the *bottom quartile*, 19 of the stores that submitted financial data for the third year recorded that data in 2017 and 2018. Since the FPR is inclusive of data only during the Four Year Reporting Period, only the financial data recorded in 2017 of the third year was included. For example, if a store submitted six (6) months of financials during the third year in 2017, the monthly average is calculated and multiplied by 12 (annualized).
- Lastly, a derivation table is presented showing the highest, lowest, average, median, store count above the average, and % of stores above the average for each quartile presented. This information is shown in four (4) tables as further described below.

This information is compiled from data supplied by the franchisees, which UBREAKIFIX did not audit or verify. UBREAKIFIX recommends you contact the franchisees listed on Exhibit F to this Disclosure Document about the operations and financial performance of their franchisee-operated UBREAKIFIX stores.

### **Description of Table 1-A and Table 2-A**

Table 1-A and 2-A reflect the historical arithmetic mean (average) annualized Total Revenue, Merchant Account Fees, Purchases – Parts and Materials, Total Cost of Goods Sold, Gross Profit, Continuing Royalty, Miscellaneous Expenses, Occupancy Expenses, Payroll Expense, Promotions and Advertising, Sales Tax, Technology Fee, Total Expenses and Net Income for the top revenue quartile and bottom revenue quartile of franchisee-operated UBREAKIFIX Stores. The store counts vary for each of the annualized groupings because the stores are ranked based on the revenue for all months submitted. Some stores that ranked in the top quartile did not rank in the top quartile for all three of the annual periods. Some stores that ranked in the bottom quartile did not rank in the bottom quartile for all three of the annual periods.

While the averages indicate a general increasing Total Revenue trend over the first three (3) years, the Total Revenue of each specific franchisee-operated UBREAKIFIX store did not increase every year and not all franchisee-operated UBREAKIFIX stores experienced the same pace or level of growth, or any growth from one benchmark month to the next – some experienced a year over year reduction of sales in the reported month. Figures are not adjusted for inflation.

### **Description of Table 1-B and Table 2-B**

Table 1-B and 2-B are the derivation tables and reflect the historical highest, lowest, average, median and number and percent of franchisee-operated UBREAKIFIX stores higher than the group average, on an average annualized basis for each of the first three (3) years of operation for the top revenue quartile and bottom revenue quartile of franchisee-operated UBREAKIFIX Stores. This information is calculated for each category and does NOT represent a single store across all categories. They are the highest and lowest values for all stores included in that quartile. As a result, the lowest and highest numbers may represent annualized results for different stores e.g. the lowest sales may be for a different store than the highest payroll.

As noted above these numbers reflect the unaudited financials as submitted by each franchisee.

### **Table Notes:**

The following notes (i) generally define each line item category shown on the attached Tables, (ii) identify some of the reasons why your results may differ, (iii) franchisee may categorize their expenses differently than the notes below, and (iv) highlight other factors you should be aware of. You should review the attached Tables only in conjunction with the following notes, which are an integral part of the numerical information.

#### **Note 1: Total Revenue**

DEFINED: Total Revenue is the sum of all income received from the sale of repair services and the sale of accessories. This amount also includes any Sales Tax amount collected.

VARIANCES FOR FRANCHISEE: Due to price sensitivity in the market place, UBREAKIFIX has outlined recommended maximum pricing. Within UBREAKIFIX's guidelines, you will determine the retail sales price for repair services and accessories for your store. UBREAKIFIX has established National Accounts which could have an impact on your Total Revenue and Gross Profit (See Item 6 of this Disclosure Document).

#### **Note 2: Merchant Account Fees**

DEFINED: Merchant Account Fees is the sum of processing charges and fees from credit card merchant processing services.

VARIANCES FOR FRANCHISEE: The merchant processing company you elect to use may have different rates.

#### **Note 3: Purchases - Parts and Materials**

DEFINED: Parts and Materials is the sum of all expenses associated with inventory, including: the purchase of accessories, parts and the cost of shipping inventory to the store. This value is the sum of all these costs less any credits given for merchandise returned for refurbishment and damaged or defective merchandise returned for return merchandise authorization ("RMA").

VARIANCES FOR FRANCHISEE: You may decide to calculate the value of your inventory on a different basis. Most franchisee-operated UBREAKIFIX Stores calculate financials on a cash basis

and records the parts purchased, not the parts sold. UBREAKIFIX recommends purchasing inventory from our Affiliate, UBREAKIFIX Repair Parts Co. who is an approved supplier and supplies repair parts and other goods or services to our franchisees and our Affiliates, but UBREAKIFIX presently allows you to purchase most parts and inventory (excluding certain items associated with National Accounts) from other approved suppliers whose costs may differ (See Item 8). If you do not return merchandise for refurbishment or return damaged or defective merchandise for RMA's your values will differ as well. You may be required to carry certain inventory on consignment for certain National Accounts.

#### **Note 4: Total Cost of Goods Sold (COGS)**

DEFINED: Total COGS is the sum of all Merchant Account Fees and Parts and Materials cost.

VARIANCES FOR FRANCHISEE: See comments in Variances for Franchisee in Notes 1, 2 and 3.

#### **Note 5: Gross Profit**

DEFINED: Gross Profit is calculated as Total Revenue less the Cost of Goods Sold.

VARIANCES FOR FRANCHISEE: See comments in Variances for Franchisee in Notes 1 - 4.

#### **Note 6: Continuing Royalty**

DEFINED: 7% of Franchisee's Gross Sales other than Recommerce Revenue during the accounting period. In some situations, we charge a National Account Administrative Fee described in Item 6 for on-boarding and managing National Accounts.

VARIANCES FOR FRANCHISEE: The Continuing Royalty Fee is a consistent amount charged to all franchisees. Some conversion franchisees receive a short abatement time to help defer some of the cost associated with bringing the converted stores up to the standard UBREAKIFIX trade dress. UBREAKIFIX established several National Accounts in 2017 and 2018. With that in mind, there are some monthly profit and loss statements submitted by franchisees that reflect the payment of a National Account Administrative Fee, but because the introduction of National Accounts has occurred only recently, some franchisees included in this report did not have National Account revenue or pay a National Account Administrative Fee.

#### **Note 7: Miscellaneous Expenses**

DEFINED: Miscellaneous Expenses are the sum of all general and administrative expenditures related to the day-to-day operations of a UBREAKIFIX Store not referenced in other expense categories, including: bank service charges, insurance expense, shipping cost, accounting/professional fees, security cost and all other miscellaneous cost. This FPR does not reflect interest, income taxes, depreciation or amortization.

VARIANCES FOR FRANCHISEE: Several of these amounts may differ depending on the day-to-day operations of your business location and its individual needs. Your financing arrangements, if any, could be substantially different with higher interest rates depending on your debt levels, financing sources, collateral and your credit-worthiness.

### **Note 8: Occupancy Expense**

DEFINED: Occupancy Expense is the sum of all business occupancy cost including: rental space cost, common area maintenance (C.A.M), property taxes, real estate insurance, internet and telephone cost, general store supplies, electric, water and gas utilities.

VARIANCES FOR FRANCHISEE: UBREAKIFIX locations are typically 700 to 1,500 square feet spaces in strip-type shopping centers and freestanding buildings. The cost per square foot and available space will depend on the location and market conditions but lease rates generally range between \$17 - \$29 per square foot and C.A.M. charges generally range between \$5 - \$9 per square foot. Occasionally, rent abatement is part of lease negotiations which typically will reduce the occupancy expense for the first several months.

### **Note 9: Payroll Expenses**

DEFINED: Payroll Expense is the sum of all business personnel cost, including: salaries and hourly pay for both full-time and part-time employees, employee and employer contributions for F.I.C.A. taxes, federal unemployment taxes, state unemployment taxes, worker's compensation insurance, group health insurance (if any), and payroll processing fees. UBREAKIFIX Stores generally open with 2 to 4 employees.

VARIANCES FOR FRANCHISEE: UBREAKIFIX associates generally earn between \$9 - \$20 per hour. Your Payroll Expense may be higher if your store is not owner-operated or lower if it is owner-operated. Also, your payroll expense could vary considerably based on prevailing wage rates and, if applicable, statutory minimum wage rates in the area of your store, and the amount of non-salary benefits, if any, you provide to your employees, such as group health insurance coverage.

### **Note 10: Promotion and Advertising**

DEFINED: Promotion and Advertising is the sum of all advertising expenses, including: online advertising, social media costs, in-store artwork and brochures, giveaways and job advertisements. Some UBREAKIFIX Stores were in close proximity to each other and may have combined advertising.

VARIANCES FOR FRANCHISEE: UBREAKIFIX has a recommended advertising plan and budget but you will decide the type and level of advertising within our guidelines. We do not currently do so, however we may, in the future require you to expend, in addition to the Advertising Fee, if any, up to 2% of your Gross Sales on local advertising (See Item 6 of this Disclosure Document).

### **Note 11: Sales Tax**

DEFINED: Sales Tax is the sum of all state, city and local sales tax collected and paid to the corresponding department.

VARIANCES FOR FRANCHISEE: Depending on the city and state your location is located; tax rates will differ. You will be required to pay all taxes. Again, UBREAKIFIX suggests that you consult your own financial advisor or personal accountant on any federal, state, local sales and income taxes or any other applicable taxes that you may incur in operating your store. Some

Franchisees include Sales Tax in their Total Revenue submission but Franchisees do not pay a Continuing Royalty on Sales Tax.

**Note 12: Technology and Customer Service Fee**

DEFINED: 1% of Franchisee's Gross Sales during the accounting period, to defray a portion of the costs and expenses incurred by Company to support the Portal Store Operating System and the Customer Service Department.

VARIANCES FOR FRANCHISEE: The Technology and Customer Service Fee is a consistent amount charged to all franchisees. Some conversion franchisees receive a short abatement time to help defer some of the cost associated with bringing the converted stores up to the standard UBREAKIFIX trade dress.

**Note 13: Total Expense**

DEFINED: Total Expense is the sum of Continuing Royalty, Miscellaneous Expenses, Occupancy Expense, Payroll Expense, Promotion and Advertising, Sales Tax and Technology and Customer Service Fee expense. The figures do not reflect the payment of the Advertising Fee or the Internet Referral Source Administrative Fee. If, and when the Advertising Fee and/or the Internet Referral Source Administrative Fee (see Item 6 of FDD) are established, you will have to pay those fees and they will therefore affect your Net Income. UBREAKIFIX established several National Accounts in 2017 and 2018. With that in mind, there are some monthly profit and loss statement submitted by franchisees that reflect the payment of a National Account Administrative Fee. This FPR does not reflect interest, income taxes, depreciation or amortization.

VARIANCES FOR FRANCHISEE: See comments in Variances for Franchisee in Notes 6 - 12. You will have to determine the amount of your district and/or corporate overhead expense, if any.

**Note 14: Net Income**

DEFINED: Net Income is total Gross Profit less Total Expense.

VARIANCES FOR FRANCHISEE: See comments in Variances for Franchisee in Notes 5 - 13. You will have to determine the amount of your district and/or corporate overhead expense, if any.

**TABLE 1-A**  
**Statement of Average Revenues and Expenses for**  
**Top Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1		Year 2		Year 3	
	Average	%	Average	%	Average	%
<b>Total Revenue (Note 1)</b>	<b>\$456,327</b>	<b>100%</b>	<b>\$656,095</b>	<b>100%</b>	<b>\$701,990</b>	<b>100%</b>
<b>Cost of Goods Sold</b>						
Merchant Account Fees (note 2)	\$8,298	1.8%	\$10,468	1.6%	\$10,223	1.5%
Purchases - Parts and Materials (Note 3)	\$181,370	39.7%	\$242,824	37.0%	\$261,722	37.3%
<b>Total COGS (Note 4)</b>	<b>\$189,668</b>	<b>41.6%</b>	<b>\$253,292</b>	<b>38.6%</b>	<b>\$271,945</b>	<b>38.7%</b>
<b>Gross Profit (Note 5)</b>	<b>\$266,659</b>	<b>58.4%</b>	<b>\$402,803</b>	<b>61.4%</b>	<b>\$430,045</b>	<b>61.3%</b>
<b>Expenses</b>						
Continuing Royalty - (Note 6)	\$30,677	6.7%	\$43,645	6.7%	\$46,698	6.7%
Miscellaneous Expenses (Note 7)	\$50,364	11.0%	\$30,411	4.6%	\$25,293	3.6%
Occupancy Expense (Note 8)	\$30,559	6.7%	\$37,207	5.7%	\$36,853	5.2%
Payroll Expenses (Note 9)	\$77,130	16.9%	\$125,807	19.2%	\$150,671	21.5%
Promotions and Advertising (Note 10)	\$16,126	3.5%	\$18,594	2.8%	\$26,460	3.8%
Sales Tax (Note 11)	\$18,074	4.0%	\$32,589	5.0%	\$34,872	5.0%
Technology Fee - (Note 12)	\$4,383	1.0%	\$6,235	1.0%	\$6,671	1.0%
<b>Total Expense (Note 13)</b>	<b>\$227,313</b>	<b>49.8%</b>	<b>\$294,488</b>	<b>44.9%</b>	<b>\$327,518</b>	<b>46.7%</b>
<b>Net Income (Note 14)</b>	<b>\$39,346</b>	<b>8.6%</b>	<b>\$108,315</b>	<b>16.5%</b>	<b>\$102,527</b>	<b>14.6%</b>
Number of Stores In Sample	17		30		33	

**TABLE 1-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Top Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Number of Stores In Sample	17	30	33
Highest Total Revenue (Note 1)	\$777,307	\$1,131,881	\$1,323,772
Lowest Total Revenue	\$134,480	\$408,105	\$498,395
<b>Average Total Revenue</b>	<b>\$456,327</b>	<b>\$656,095</b>	<b>\$701,990</b>
Median Total Revenue	\$419,263	\$654,665	\$643,187
# of Stores Higher Than Group Avg.	7	15	10
% of Stores Higher Than Group Avg.	41%	50%	30%
Highest Merchant Account Fees (Note 2)	\$47,712	\$32,424	\$29,097
Lowest Merchant Account Fees	\$-	\$-	\$-
<b>Average Merchant Account Fees</b>	<b>\$8,298</b>	<b>\$10,468</b>	<b>\$10,223</b>
Median Merchant Account Fees	\$6,323	\$9,816	\$10,185
# of Stores Higher Than Group Avg.	3	10	16
% of Stores Higher Than Group Avg.	18%	33%	48%
Highest Parts and Materials (Note 3)	\$279,848	\$348,247	\$449,660
Lowest Parts and Materials	\$108,726	\$90,114	\$156,194
<b>Average Parts and Materials</b>	<b>\$181,370</b>	<b>\$242,824</b>	<b>\$261,722</b>
Median Parts and Materials	\$164,964	\$242,479	\$238,929
# of Stores Higher Than Group Avg.	7	15	13
% of Stores Higher Than Group Avg.	41%	50%	39%
Highest Total COGS (Note 4)	\$286,673	\$355,035	\$470,959
Lowest Total COGS	\$115,398	\$95,526	\$163,922
<b>Average Total COGS</b>	<b>\$189,668</b>	<b>\$253,292</b>	<b>\$271,945</b>
Median Total COGS	\$181,781	\$257,691	\$249,534
# of Stores Higher Than Group Avg.	8	16	13
% of Stores Higher Than Group Avg.	47%	53%	39%
Highest Gross Profit (Note 5)	\$533,753	\$776,845	\$928,188
Lowest Gross Profit	\$896	\$217,773	\$293,202
<b>Average Gross Profit</b>	<b>\$266,659</b>	<b>\$402,803</b>	<b>\$430,045</b>
Median Gross Profit	\$249,468	\$376,046	\$398,636
# of Stores Higher Than Group Avg.	7	10	12
% of Stores Higher Than Group Avg.	41%	33%	36%

**TABLE 1-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Top Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Highest Continuing Royalty - (Note 6)	\$54,399	\$76,590	\$86,029
Lowest Continuing Royalty	\$9,272	\$27,717	\$33,593
<b>Average Continuing Royalty</b>	<b>\$30,677</b>	<b>\$43,645</b>	<b>\$46,698</b>
Median Continuing Royalty	\$28,372	\$43,197	\$42,381
# of Stores Higher Than Group Avg.	7	15	10
% of Stores Higher Than Group Avg.	41%	50%	30%
Highest Miscellaneous Expenses (Note 7)	\$410,661	\$241,065	\$60,509
Lowest Miscellaneous Expenses	\$5,166	\$4,795	\$5,518
<b>Average Miscellaneous Expenses</b>	<b>\$50,364</b>	<b>\$30,411</b>	<b>\$25,293</b>
Median Miscellaneous Expenses	\$19,777	\$20,118	\$19,427
# of Stores Higher Than Group Avg.	2	8	13
% of Stores Higher Than Group Avg.	12%	27%	39%
Highest Occupancy Expense (Note 8)	\$63,802	\$72,392	\$71,166
Lowest Occupancy Expense	\$3,477	\$14,249	\$16,618
<b>Average Occupancy Expense</b>	<b>\$30,559</b>	<b>\$37,207</b>	<b>\$36,853</b>
Median Occupancy Expense	\$28,499	\$35,010	\$36,111
# of Stores Higher Than Group Avg.	6	14	15
% of Stores Higher Than Group Avg.	35%	47%	45%
Highest Payroll Expenses (Note 9)	\$145,221	\$219,973	\$290,556
Lowest Payroll Expenses	\$741	\$-	\$9,323
<b>Average Payroll Expenses</b>	<b>\$77,130</b>	<b>\$125,807</b>	<b>\$150,671</b>
Median Payroll Expenses	\$80,124	\$118,474	\$144,647
# of Stores Higher Than Group Avg.	9	14	14
% of Stores Higher Than Group Avg.	53%	47%	42%
Highest Promotions and Advertising (Note 10)	\$27,780	\$40,318	\$60,074
Lowest Promotions and Advertising	\$2,560	\$3,389	\$2,185
<b>Average Promotions and Advertising</b>	<b>\$16,126</b>	<b>\$18,594</b>	<b>\$26,460</b>
Median Advertising and Promotions	\$16,025	\$17,670	\$26,450
# of Stores Higher Than Group Avg.	8	13	16
% of Stores Higher Than Group Avg.	47%	43%	48%
Highest Sales Tax (Note 11)	\$40,954	\$65,880	\$94,797
Lowest Sales Tax	\$-	\$-	\$(167)
<b>Average Sales Tax</b>	<b>\$18,074</b>	<b>\$32,589</b>	<b>\$34,872</b>
Median Sales Tax	\$19,483	\$34,744	\$38,646
# of Stores Higher Than Group Avg.	9	16	19
% of Stores Higher Than Group Avg.	53%	53%	58%



**TABLE 1-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Top Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Highest Technology Fee - (Note 12)	\$7,773	\$10,942	\$12,290
Lowest Technology Fee	\$1,324	\$3,957	\$4,800
<b>Average Technology Fee</b>	<b>\$4,383</b>	<b>\$6,235</b>	<b>\$6,671</b>
Median Technology Fee	\$4,056	\$6,171	\$6,053
# of Stores Higher Than Group Avg.	7	15	10
% of Stores Higher Than Group Avg.	41%	50%	30%
Highest Total Expense (Note 13)	\$533,628	\$497,028	\$548,857
Lowest Total Expense	\$105,244	\$102,198	\$140,325
<b>Average Total Expense</b>	<b>\$227,313</b>	<b>\$294,488</b>	<b>\$327,518</b>
Median Total Expense	\$212,885	\$290,305	\$323,525
# of Stores Higher Than Group Avg.	6	15	16
% of Stores Higher Than Group Avg.	35%	50%	48%
Highest Net Income (Note 14)	\$149,800	\$542,976	\$416,408
Lowest Net Income	\$(221,344)	\$(38,700)	\$(97,414)
<b>Average Net Income</b>	<b>\$39,346</b>	<b>\$108,315</b>	<b>\$102,527</b>
Median Net Income	\$39,403	\$90,493	\$75,445
# of Stores Higher Than Group Avg.	9	9	13
% of Stores Higher Than Group Avg.	53%	30%	39%

**TABLE 2-A**  
**Statement of Average Revenues and Expenses for**  
**Bottom Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1		Year 2		Year 3	
	Average	%	Average	%	Average	%
<b>Total Revenue (Note 1)</b>	<b>\$267,252</b>	<b>100.0%</b>	<b>\$320,602</b>	<b>100.0%</b>	<b>\$357,344</b>	<b>100.0%</b>
<b>Cost of Goods Sold</b>						
Merchant Account Fees (Note 2)	\$2,844	1.1%	\$3,749	1.2%	\$3,779	1.1%
Purchases - Parts and Materials (Note 3)	\$116,488	43.6%	\$125,785	39.2%	\$139,923	39.2%
<b>Total COGS (Note 4)</b>	<b>\$119,332</b>	<b>44.7%</b>	<b>\$129,534</b>	<b>40.4%</b>	<b>\$143,702</b>	<b>40.2%</b>
<b>Gross Profit (Note 5)</b>	<b>\$147,920</b>	<b>55.3%</b>	<b>\$191,068</b>	<b>59.6%</b>	<b>\$213,642</b>	<b>59.8%</b>
<b>Expenses</b>						
Continuing Royalty - (Note 6)	\$18,016	6.7%	\$21,694	6.8%	\$24,196	6.8%
Miscellaneous Expenses (Note 7)	\$20,023	7.5%	\$17,630	5.5%	\$18,581	5.2%
Occupancy Expense (Note 8)	\$34,840	13.0%	\$38,479	12.0%	\$43,111	12.1%
Payroll Expenses (Note 9)	\$71,052	26.6%	\$80,800	25.2%	\$90,386	25.3%
Promotions and Advertising (Note 10)	\$16,914	6.3%	\$19,110	6.0%	\$20,205	5.7%
Sales Tax (Note 11)	\$9,882	3.7%	\$10,693	3.3%	\$11,684	3.3%
Technology Fee - (Note 12)	\$2,573	1.0%	\$3,099	1.0%	\$3,457	1.0%
<b>Total Expense (Note 13)</b>	<b>\$173,300</b>	<b>64.8%</b>	<b>\$191,505</b>	<b>59.7%</b>	<b>\$211,620</b>	<b>59.2%</b>
<b>Net Income (Note 14)</b>	<b>\$(25,380)</b>	<b>-9.5%</b>	<b>\$(437)</b>	<b>-0.1%</b>	<b>\$2,022</b>	<b>0.6%</b>
Number of Stores In Sample	29		32		28	

**TABLE 2-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Bottom Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Number of Stores In Sample	29	32	28
Highest Total Revenue (Note 1)	\$433,872	\$408,404	\$487,812
Lowest Total Revenue	\$134,676	\$121,320	\$179,148
<b>Average Total Revenue</b>	<b>\$267,252</b>	<b>\$320,602</b>	<b>\$357,344</b>
Median Total Revenue	\$263,622	\$349,890	\$348,387
# of Stores Higher Than Group Avg.	14	20	12
% of Stores Higher Than Group Avg.	48%	63%	41%
Highest Merchant Account Fees (Note 2)	\$8,270	\$8,322	\$11,791
Lowest Merchant Account Fees	\$(576)	\$-	\$-
<b>Average Merchant Account Fees</b>	<b>\$2,844</b>	<b>\$3,749</b>	<b>\$3,779</b>
Median Merchant Account Fees	\$3,066	\$4,329	\$4,005
# of Stores Higher Than Group Avg.	15	18	15
% of Stores Higher Than Group Avg.	52%	56%	52%
Highest Parts and Materials (Note 3)	\$159,827	\$197,057	\$275,337
Lowest Parts and Materials	\$48,297	\$59,472	\$62,400
<b>Average Parts and Materials</b>	<b>\$116,488</b>	<b>\$125,785</b>	<b>\$139,923</b>
Median Parts and Materials	\$115,514	\$126,182	\$138,185
# of Stores Higher Than Group Avg.	13	16	14
% of Stores Higher Than Group Avg.	45%	50%	48%
Highest Total COGS (Note 4)	\$168,099	\$197,057	\$275,337
Lowest Total COGS	\$48,297	\$59,472	\$62,400
<b>Average Total COGS</b>	<b>\$119,332</b>	<b>\$129,534</b>	<b>\$143,702</b>
Median Total COGS	\$117,525	\$129,586	\$142,253
# of Stores Higher Than Group Avg.	13	16	13
% of Stores Higher Than Group Avg.	45%	50%	45%
Highest Gross Profit (Note 5)	\$280,620	\$275,047	\$325,680
Lowest Gross Profit	\$28,365	\$61,848	\$91,160
<b>Average Gross Profit</b>	<b>\$147,920</b>	<b>\$191,068</b>	<b>\$213,642</b>
Median Gross Profit	\$150,809	\$206,347	\$209,730
# of Stores Higher Than Group Avg.	15	18	12
% of Stores Higher Than Group Avg.	52%	56%	41%

**TABLE 2-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Bottom Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Highest Continuing Royalty - (Note 6)	\$30,372	\$27,629	\$33,930
Lowest Continuing Royalty	\$9,377	\$8,496	\$12,540
<b>Average Continuing Royalty</b>	<b>\$18,016</b>	<b>\$21,694</b>	<b>\$24,196</b>
Median Continuing Royalty	\$17,837	\$23,010	\$23,891
# of Stores Higher Than Group Avg.	14	20	13
% of Stores Higher Than Group Avg.	48%	63%	45%
Highest Miscellaneous Expenses (Note 7)	\$85,647	\$62,562	\$77,262
Lowest Miscellaneous Expenses	\$3,712	\$420	\$780
<b>Average Miscellaneous Expenses</b>	<b>\$20,023</b>	<b>\$17,630</b>	<b>\$18,581</b>
Median Miscellaneous Expenses	\$17,428	\$13,648	\$13,381
# of Stores Higher Than Group Avg.	11	13	10
% of Stores Higher Than Group Avg.	38%	41%	34%
Highest Occupancy Expense (Note 8)	\$59,783	\$68,534	\$65,048
Lowest Occupancy Expense	\$2,916	\$2,688	\$17,242
<b>Average Occupancy Expense</b>	<b>\$34,840</b>	<b>\$38,479</b>	<b>\$43,111</b>
Median Occupancy Expense	\$37,244	\$40,426	\$41,563
# of Stores Higher Than Group Avg.	16	17	12
% of Stores Higher Than Group Avg.	55%	53%	41%
Highest Payroll Expenses (Note 9)	\$200,490	\$137,146	\$199,932
Lowest Payroll Expenses	\$5,627	\$42,141	\$86
<b>Average Payroll Expenses</b>	<b>\$71,052</b>	<b>\$80,800</b>	<b>\$90,386</b>
Median Payroll Expenses	\$63,589	\$81,575	\$83,572
# of Stores Higher Than Group Avg.	14	16	11
% of Stores Higher Than Group Avg.	48%	50%	38%
Highest Promotions and Advertising (Note 10)	\$33,342	\$53,234	\$49,791
Lowest Promotions and Advertising	\$2,813	\$3,156	\$3,487
<b>Average Promotions and Advertising</b>	<b>\$16,914</b>	<b>\$19,110</b>	<b>\$20,205</b>
Median Advertising and Promotions	\$15,414	\$19,390	\$19,972
# of Stores Higher Than Group Avg.	13	16	14
% of Stores Higher Than Group Avg.	45%	50%	48%
Highest Sales Tax (Note 11)	\$30,234	\$31,680	\$34,584
Lowest Sales Tax	\$-	\$(2,591)	\$(59)
<b>Average Sales Tax</b>	<b>\$9,882</b>	<b>\$10,693</b>	<b>\$11,684</b>
Median Sales Tax	\$11,553	\$12,147	\$12,391
# of Stores Higher Than Group Avg.	16	18	15
% of Stores Higher Than Group Avg.	55%	56%	52%

**TABLE 2-B**  
**Derivation Statement of Average Revenues and Expenses**  
**for Bottom Revenue Quartile UBREAKIFIX Franchisee-Operated Stores**  
**1st, 2nd and 3rd Years of Operation**

	Year 1	Year 2	Year 3
Highest Technology Fee - (Note 12)	\$4,338	\$3,946	\$4,848
Lowest Technology Fee	\$1,340	\$1,212	\$1,796
<b>Average Technology Fee</b>	<b>\$2,573</b>	<b>\$3,099</b>	<b>\$3,457</b>
Median Technology Fee	\$2,549	\$3,287	\$3,412
# of Stores Higher Than Group Avg.	14	20	13
% of Stores Higher Than Group Avg.	48%	63%	45%
Highest Total Expense (Note 13)	\$338,478	\$312,574	\$393,868
Lowest Total Expense	\$80,884	\$67,764	\$101,673
<b>Average Total Expense</b>	<b>\$173,300</b>	<b>\$191,505</b>	<b>\$211,620</b>
Median Total Expense	\$158,737	\$191,254	\$204,780
# of Stores Higher Than Group Avg.	12	16	9
% of Stores Higher Than Group Avg.	41%	50%	31%
Highest Net Income (Note 14)	\$76,688	\$74,372	\$174,247
Lowest Net Income	\$(182,340)	\$(146,878)	\$(160,340)
<b>Average Net Income</b>	<b>\$(25,380)</b>	<b>\$(437)</b>	<b>\$2,022</b>
Median Net Income	\$(13,232)	\$15,545	\$5,607
# of Stores Higher Than Group Avg.	16	20	15
% of Stores Higher Than Group Avg.	55%	63%	52%

**ITEM 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
**Systemwide Outlet Summary**  
**For Years 2015 through 2017**

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<b>Franchised</b>	2015	79	142	+63
	2016	142	256	+114
	2017	256	326	+70
<b>Company- and Affiliate-Owned</b>	2015	20	22	+2
	2016	22	19	-3
	2017	19	28	+9
<b>Total Outlets</b>	2015	99	164	+65
	2016	164	275	+111
	2017	275	354	+79

Table No. 2  
**Transfers of Outlets from Franchisee to New Owners (other than the Franchisor)**  
**For Years 2015 through 2017**

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Alabama	2015	N/A
	2016	2
	2017	N/A
California	2015	4
	2016	N/A
	2017	N/A
Colorado	2015	1
	2016	N/A
	2017	1
Florida	2015	2
	2016	3
	2017	3
Georgia	2015	N/A
	2016	N/A
	2017	1

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Louisiana	2015	N/A
	2016	N/A
	2017	1
Canada	2015	2
	2016	4
	2017	N/A
Total	<b>2015</b>	9
	<b>2016</b>	9
	<b>2017</b>	6

Table No. 3  
**Status of Franchised Outlets  
For Years 2015 through 2017\***

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Arizona	2015	2	5	0	0	0	0	7
	2016	7	1	0	0	0	0	8
	2017	8	3	0	0	0	0	11
Arkansas	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
California	2015	11	5	0	0	0	0	16
	2016	16	9	0	0	1	0	24
	2017	24	7	0	0	0	0	31
Colorado	2015	3	5	0	0	0	0	8
	2016	8	5	0	0	0	0	13
	2017	13	2	0	0	0	0	15
Connecticut	2015	0	0	0	0	0	0	0
	2016	0	3	0	0	0	0	3
	2017	3	1	0	0	0	0	4
District of Columbia	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Florida	2015	15	16	0	0	0	0	31
	2016	31	27	0	0	1	0	57
	2017	57	6	0	0	6	0	57
Georgia	2015	2	3	0	0	0	0	5
	2016	5	4	0	0	0	0	9
	2017	9	3	0	0	0	0	12
Idaho	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Illinois	2015	3	3	0	0	0	0	6
	2016	6	6	0	0	0	0	12
	2017	12	4	0	0	0	0	16
Indiana	2015	1	2	0	0	0	0	3
	2016	3	2	0	0	0	0	5
	2017	5	1	0	0	0	0	6
Iowa	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Kansas	2015	1	0	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Kentucky	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Louisiana	2015	0	0	0	0	0	0	0
	2016	0	3	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Maryland	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Massachusetts	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	2	0	0	0	0	3
Michigan	2015	0	0	0	0	0	0	0
	2016	0	4	0	0	0	0	4
	2017	4	4	0	0	0	0	8
Minnesota	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2



Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Mississippi	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Missouri	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Nevada	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	2	0	0	0	0	3
New Jersey	2015	0	0	0	0	0	0	0
	2016	0	6	0	0	0	0	6
	2017	6	1	0	0	0	0	7
New Mexico	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
New York	2015	5	2	0	0	0	0	7
	2016	7	5	0	0	0	0	12
	2017	12	7	0	0	0	1	18
North Carolina	2015	4	1	0	0	0	0	5
	2016	5	3	0	0	0	0	8
	2017	8	4	0	0	0	0	12
Ohio	2015	4	0	0	0	0	0	4
	2016	4	3	0	0	0	0	7
	2017	7	1	0	0	0	0	8
Oregon	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Pennsylvania	2015	5	0	0	0	0	0	5
	2016	5	1	0	0	0	1	5
	2017	5	1	0	0	0	0	6
Puerto Rico	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
South Carolina	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
South Dakota	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Tennessee	2015	0	2	0	0	0	0	2
	2016	2	2	0	0	0	0	4
	2017	4	4	0	0	0	0	8

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Texas	2015	7	4	0	0	0	0	11
	2016	11	10	0	0	0	0	21
	2017	21	5	0	0	3	0	23
Virginia	2015	1	3	0	0	0	0	4
	2016	4	3	0	0	0	0	7
	2017	7	4	0	0	0	2	9
Washington	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Wisconsin	2015	4	3	0	0	0	0	7
	2016	7	4	0	0	0	0	11
	2017	11	0	0	0	0	0	11
<b>U.S. Total</b>	<b>2015</b>	<b>74</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134</b>
	<b>2016</b>	<b>134</b>	<b>108</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>239</b>
	<b>2017</b>	<b>239</b>	<b>72</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>300</b>
Canada	2015	4	3	0	0	0	0	7
	2016	7	9	0	0	0	0	16
	2017	16	9	0	0	0	0	25
Trinidad	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
<b>Grand Total</b>	<b>2015</b>	<b>79</b>	<b>63</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>142</b>
	<b>2016</b>	<b>142</b>	<b>117</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>256</b>
	<b>2017</b>	<b>256</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>326</b>

\*If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

Table No. 4  
**Status of Company- and Affiliate-Owned Outlets  
For Years 2015 through 2017\*\*2**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Businesses at Start of Year	Businesses Opened	Businesses Reacquired from Franchisee	Businesses Closed	Businesses Sold to Franchisee	Businesses at End of the Year
Arizona	2015	1	0	0	0	1	0
	2016	0	0	0	0	0	0
	2017	0	0	0	0	0	0
California	2015	0	0	0	0	0	0
	2016	0	0	3	0	2	1
	2017	1	0	0	0	1	0
District of Columbia	2015	2	0	0	0	1	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Florida	2015	11	4	1	0	1	15
	2016	15	5	1	0	8	13
	2017	13	0	6	1	0	18
Georgia	2015	1	0	0	0	0	1
	2016	1	0	0	0	1	0
	2017	0	0	0	0	0	0
Illinois	2015	3	0	0	0	0	3
	2016	3	0	0	0	1	2
	2017	2	0	0	0	0	2
Nebraska	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	1	0	0	0	1
New Jersey	2015	0	0	0	0	0	0
	2016	0	0	1	0	1	0
	2017	0	0	0	0	0	0
New York	2015	0	0	0	0	0	0
	2016	0	0	1	0	1	0
	2017	0	0	0	0	0	0

<sup>2</sup>This chart includes all locations owned by companies of which our founders, Justin Wetherill and/or David Reiff had an ownership interest of 25% or more.

Col. 1 State	Col. 2 Year	Col. 3 Businesses at Start of Year	Col. 4 Businesses Opened	Col. 5 Businesses Reacquired from Franchisee	Col. 6 Businesses Closed	Col. 7 Businesses Sold to Franchisee	Col. 8 Businesses at End of the Year
Pennsylvania	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Texas	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	0	3	0	0	3
Wisconsin	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Total	2015	20	4	1	0	3	22
	2016	22	5	6	0	14	19
	2017	19	2	9	1	1	28

\*\*If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

Table No. 5  
Projected Openings During 2018

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchise Outlets	Column 4 Projected New Company or Affiliate- Owned Outlets
Arkansas	1	3	0
Arizona	3	6	0
California	2	12	0
Colorado	1	3	0
Connecticut	0	1	0
Florida	6	15	5
Georgia	4	11	0
Iowa	0	1	0
Idaho	0	3	0
Illinois	2	9	0
Indiana	0	5	0
Kentucky	1	3	0
Louisiana	2	4	0
Massachusetts	0	5	0

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchise Outlets	Column 4 Projected New Company or Affiliate- Owned Outlets
Maryland	1	4	0
Michigan	0	3	0
Minnesota	0	3	0
Mississippi	0	1	0
North Carolina	1	7	0
North Dakota	0	2	0
Nebraska	0	1	0
New Jersey	0	3	0
New Mexico	0	1	0
New York	2	10	0
Ohio	0	4	0
Oregon	0	2	0
Pennsylvania	3	7	0
Puerto Rico	1	2	0
South Carolina	1	4	0
Tennessee	1	6	0
Texas	3	12	5
Utah	1	2	0
Virginia	0	5	0
Washington	0	1	0
Wisconsin	2	2	0
Canada	5	16	0
Trinidad	0	1	0
Total	43	180	10

There were 14 Regional Representatives as of December 31, 2017 (13 in the United States and one in Canada). Attached as part of Exhibit F to this disclosure document is a list of franchisees or Regional Representatives who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the fiscal year ending December 31, 2017 or who have not communicated with us within 10 weeks of December 31, 2017.

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

In some instances during the last three years, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

No trademark specific franchisee association has been sponsored by us, or has requested to be included in this franchise disclosure document.

## **ITEM 21 FINANCIAL STATEMENTS**

Our audited financial statements as of and for the years ended December 31, 2017, December 31, 2016 and December 31, 2015, are attached as Exhibit G.

Also attached as Exhibit G are unaudited financial statements as of June 30, 2018.

THE UNAUDITED FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

## **ITEM 22 CONTRACTS**

Attached as Exhibit A is our current form of Franchise Agreement.

Attached as Exhibit B is our current form of Area Development Agreement.

Exhibit 1 – Addendum to Area Development Agreement for Existing Franchisees

Attached as Exhibit C is our current form of General Release.

Attached as Exhibit D is our current form of Guaranty.

Attached as Exhibit E is our current form of Confidentiality Agreement.

Attached as Exhibit J is our current form of Closing / Franchisee Questionnaire.

Attached as Exhibit K are forms of asset and stock purchase agreements which may be used by our founders and Affiliates to sell their ownership interests or assets of their “UBREAKIFIX” Stores. The price and other terms and conditions of the transaction are to be determined by mutual agreement of that entity and you, as purchaser. Also attached is our current form of Secured Promissory Note (for use in connection with Purchase Agreement(s) when any part of the purchase price is being financed).

Attached as Exhibit L is our current template form of National Account Participation Agreement similar to the ones that you must sign to participate under each National Account (each National Account establishes its own requirements and we will provide to you, for review in advance of committing, the specific National Account Participation Agreement in effect for each National Account, the actual terms of which will vary from the attached template).

Attached as Exhibit M is our affiliate’s current form of Express Credit Agreement.

## **ITEM 23 RECEIPTS**

You will find copies of a detachable receipt in Exhibit P at the end of this disclosure document.

**Exhibit A**  
**Franchise Agreement**

**“UBREAKIFIX”  
FRANCHISE AGREEMENT**

**By and Between**

**UBIF FRANCHISING, CO.**

**And**

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# UBREAKIFIX FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“Agreement”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “Effective Date”) by and between UBIF Franchising, Co., a Florida corporation (“Company”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), with reference to the following facts:

A. Company and/or an Affiliate of Company owns certain proprietary and other property rights and interests in and to the Marks, including the “UBREAKIFIX” name and service mark.

B. Company has developed a comprehensive System for the operation of stores under the Marks and in accordance with Company’s System Standards that principally offer and sell repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment, as well as other related services and ancillary products, including offering Company’s Device Recommerce Program, if and when established by Company, which Company approves from time to time (the “Approved Products and Services”), to Residential and Small Business Customers at and from the Location and on a limited mobile basis within the Territory.

C. Franchisee desires to obtain the license and franchise to operate a single “UBREAKIFIX” Store, under the Marks and in strict accordance with the System and the System Standards established by Company; and Company is willing to grant Franchisee such license and franchise under the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

## ARTICLE 1 DEFINITIONS

1.1 Certain Fundamental Definitions and Applicable Information. In this Agreement, in addition to those terms defined in Appendix 1 and elsewhere in this Agreement, the following capitalized terms shall have the meanings set forth below, unless the context otherwise requires:

“Initial Franchise Fee” means \$ \_\_\_\_\_ (See Section 4.1).

“Initial Training Fee” means: (check as applicable)  \$0 or  \$12,500 (See Section 4.1).

“Initial Term” begins on the Effective Date and continues until the Expiration Date, unless extended or sooner terminated in accordance with the terms of this Agreement.

“Expiration Date” means (check applicable box):  the day immediately preceding the 10<sup>th</sup> anniversary of the Effective Date; or  \_\_\_\_\_, 20\_\_\_\_. (See Section 3.1)

“Franchisee Notice Address” is: \_\_\_\_\_  
Attn: \_\_\_\_\_

“Operating Principal” means \_\_\_\_\_, or such other individual hereafter designated by Franchisee, and accepted by Company (and until subsequently disapproved by Company), to serve as the authorized representative of Franchisee, who Franchisee acknowledges and agrees shall act as Franchisee’s representative, who shall hold 10% or more of the Equity of Franchisee, and who shall have the authority to act on behalf of Franchisee during the Term.

## ARTICLE 2 GRANT

### 2.1 Grant.

2.1.1 Company hereby awards Franchisee, and Franchisee hereby accepts, the right, license and obligation, during the Term, to use and display the Marks, and to use the System, to operate one (1) Store at and from, and only at and from, the Location upon the terms and subject to the provisions of this Agreement and all ancillary documents hereto.

2.2 No Sublicensing Rights. Franchisee shall not sublicense, sublease, subcontract or enter any management agreement providing for, the right to operate the Licensed Store or to use the System granted pursuant to this Agreement.

### 2.3 Territorial Rights.

2.3.1 During the Term, neither Company nor any Affiliate of Company shall open or operate any Store under the “**UBREAKIFIX**” name and Mark, nor license others to do so, at any physical site within the geographic area described on Exhibit A, subject to Sections 2.3.3 and 2.4 (the “**Territory**”).

2.3.2 Franchisee may offer, sell and provide Approved Products and Services, and no others, only at the Location, at customer’s home or business address, or remotely to the customer’s home or business through telephone response or internet connection. Franchisee shall not (i) establish a store, kiosk or other physical location other than the Location where customers will come to Franchisee’s place of business, subject to Section 2.5; (ii) accept any mail-in repair requests or orders except those obtained through Company’s Internet website, or through direct mail advertising or other marketing methods approved by Company, and otherwise in accordance with System Standards; (iii) accept any mail-in electronic devices in exchange for payment and/or resale, except for those obtained from Company through Company’s Internet website, if any, (iv) re-sell any electronic device it obtains through the Device Recommerce Program, if applicable, or otherwise, except in strict accordance with Company’s System Standards; or (v) engage in wholesale operations or act as a wholesale provider of products or services to any third party.

2.3.3 Except to the limited extent expressly provided in Section 2.3.1 of this Agreement, the license granted to Franchisee under this Agreement is nonexclusive and Company expressly reserves all other rights including, the exclusive, unrestricted right, in its discretion, directly and indirectly, itself and through its employees, Affiliates, representatives, franchisees, licensees, assigns, agents and others:

(a) (i) to own or operate, and to license others (which may include its Affiliates) to own or operate Stores at any location outside the Territory and regardless of proximity to the **Licensed Store** developed pursuant hereto, (ii) to own or operate, and to license others (which may include its Affiliates) to own or operate other businesses operating under names other than “**UBREAKIFIX**,” at any location, and of any type whatsoever, within or outside the Territory and regardless of their proximity to the Store developed pursuant hereto; and (iii) to advertise and promote “**UBREAKIFIX**” services at any location and by any means, including the Internet;

(b) To provide repair work on products “mailed-in” by customers and/or provide customer support and assistance remotely by other means, to customers wherever located, including to customers located within the Territory, and to solicit such repair work, support and assistance by means of the Internet or Internet website, direct mail advertising and other distribution methods, provided, however, that Company intends to refer such customers to mail their devices for repair to, or have their remote support and assistance performed by, the franchised Store, or Store owned by Company or its Affiliate, which is most convenient to the customer, as determined by Company in good faith (and provided that to qualify for such referrals Franchisee must be in compliance with this Agreement and all System Standards);

(c) To accept mail-in electronic devices in exchange for payment or resale and/or provide electronic device recommerce related support and assistance to customers wherever located, including to customers located within the Territory, and to solicit such electronic devices by means of the Internet or Internet website, direct mail advertising and other distribution methods;

(d) To promote, market, offer, sell and re-sell merchandise and other products via the Internet, direct mail advertising, or other distribution methods or channels of commerce, including to customers located within the Territory and at any location (regardless of its proximity to the Licensed Store); and

(e) To provide goods and services to or for National Accounts at any location, and to or for National Account customers at any location, within and outside the Territory and regardless of proximity to Franchisee's Licensed Store, subject to Section 2.4.

2.4 National Accounts. Without limiting Section 2.3.3, Company may establish System Standards governing the marketing, solicitation, sale and provision of services to National Accounts. Franchisee must comply with these System Standards, as amended by Company from time to time. Company reserves the exclusive right to solicit, enter into, and administer national and/or regional contracts with National Accounts, provided Company will offer Franchisee the opportunity to service the office, facility, service, or operation of the National Account located in the Territory for so long as Franchisee remains in good standing and in compliance with all of its obligations under this Agreement, including the System Standards. Franchisee may not solicit National Accounts, regardless of where their offices, facilities, services, or operations may be situated without Company's prior written consent. Franchisee will have no right to negotiate a national or regional agreement with National Accounts unless Company expressly requests Franchisee do so in writing. Franchisee may service an office, facility, service or operation of the National Account located in the Territory (and accept assignments to service a National Account outside of the Territory) only if Franchisee agrees to participate in the program Company has established with the applicable National Account, including the execution of a participation agreement, if Company requests, acceptance of the compensation Company offers to Franchisee and the policies Company establishes related to such National Account, and, Franchisee may not attempt to arrange any different terms or collect any additional fees than those which Company has negotiated. If Franchisee does not participate in the program for a National Account, or if Franchisee fails to comply with the terms of this Agreement, the participation agreement or other terms related to any National Account program in which it participates, or otherwise fails to meet all System Standards, Company may, without compensation to Franchisee, offer the arrangement with the National Account to another franchisee or retain the same for Company's or its Affiliate's account, even though located within Franchisee's Territory. Company may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of National Accounts, and Company may charge Franchisee an administrative fee, which shall not exceed 5% of the Gross Sales earned by Franchisee resulting from performance of services to National Accounts. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by Franchisee under this Agreement with respect to National Accounts, including Royalties and Advertising Fees. Payment for services performed under any contract for a National Account will be contingent on Company receiving payment from the National Account; Company does not guaranty payment by the National Account. Company may deduct from Company's payments due to Franchisee any amounts Franchisee owes to Company.

#### 2.5 Temporary Additional Service Area.

(a) In its sole discretion, Company may, upon written request of Franchisee, authorize Franchisee on a temporary and either exclusive or non-exclusive basis, or otherwise, to operate, in connection with the Licensed Store, in areas contiguous to the Territory which may or may not have also been assigned to Company, its Affiliate, or to any other franchisee (each an "Unassigned Area"), upon such terms and subject to such conditions (which may include the execution of a separate written agreement), and during such time period(s), as Company may determine.

(b) Franchisee does not receive any right of first refusal or other rights of any type to an Unassigned Area by virtue of operations in that Unassigned Area. Company may sell any Unassigned Area territory at any time, without advance notice to Franchisee. If Company authorizes Franchisee to operate outside the Territory, such authorization shall at all times be and remain subject to Company's right to rescind, cancel, amend or

modify such authority in any manner it deems appropriate in its sole and absolute discretion. Without limiting the foregoing, Company may give a notice to cease operating in an Unassigned Area without regard to whether the Unassigned Area has been sold to another franchisee or if Company or its Affiliate will commence operations in such area. After Company gives notice to cease operating in the Unassigned Area, Franchisee may (for a maximum of 15 days) provide Approved Products and Services for which Service Requests were received before Company gave Franchisee notice to cease operating in the area. Franchisee will, without compensation, engage in an orderly transition of Franchisee's customers in the applicable Unassigned Area to the new franchisee, Company or its Affiliate, as applicable.

### ARTICLE 3 TERM AND RIGHT TO ENTER INTO SUCCESSOR FRANCHISE AGREEMENT

3.1 Initial Term. The term of this Agreement (“**Term**”) shall commence on the Effective Date and shall expire on the Expiration Date, unless sooner terminated or extended pursuant hereto.

3.2 Right to Enter into Successor Franchise Agreements.

3.2.1 Subject to the conditions contained in Section 3.4 of this Agreement and Franchisee's compliance with Section 3.3 of this Agreement, and provided that Company is then offering Franchises in the same state in which Franchisee's Store is located, at the expiration of the initial Term hereof, Franchisee shall have the right (the “**Successor Franchise Right**”) to enter into a new franchise agreement in the form then generally being offered to prospective “**UBREAKIFIX**” franchisees (the “**First Successor Franchise Agreement**”) for a 10 year period (the “**First Successor Term**”). The First Successor Franchise Agreement shall likewise grant Franchisee the right to enter into one additional successor Franchise Agreement (the “**Second Successor Franchise Agreement**” and collectively with the First Successor Franchise Agreement, the “**Successor Franchise Agreements**”) for a 10 year period (the “**Second Successor Term**,” and together with the First Successor Term, the “**Successor Terms**”). Franchisee acknowledges that the terms during the Successor Terms shall be as then generally applicable to new franchisees granted at the time and may differ from those contained in this Agreement (except that the Continuing Royalty and the Technology and Customer Support Fee in this Agreement shall not be increased in any Successor Franchise Agreement).

3.2.2 The term of each Successor Franchise Agreement shall commence upon the date of expiration of the initial Term hereof or the First Successor Term, as applicable; provided, however, that notwithstanding the terms of Company's then-current form of Franchise Agreement:

(a) the Successor Franchise Agreements shall provide that Franchisee must pay, in lieu of an initial franchise fee, a renewal fee in the amount of 10% of Company's then-current initial franchise fee; and

(b) unless otherwise mutually agreed in writing, the Second Successor Franchise Agreement shall be revised so as not to provide any additional renewal or successor franchise rights.”

3.3 Form and Manner of Exercising Successor Franchise Right. The Successor Franchise Right shall be exercised, if at all, strictly in the following manner:

3.3.1 Between 9 months and 12 months before the expiration of the Term, Franchisee shall notify Company in writing (“**Notice of Election**”) that it intends to exercise its Successor Franchise Right and no sooner than immediately after the expiration of any waiting period(s) by Applicable Law and no more than 30 days after Franchisee receives Company's Franchise Disclosure Document, if applicable, and execution copies of the First Successor Franchise Agreement, Franchisee shall execute the copies of said First Successor Franchise Agreement and return them to Company.

3.3.2 If Franchisee shall have exercised its Successor Franchise Right in accordance with Section 3.3.1 of this Agreement and satisfied all of the conditions contained in Section 3.4 of this Agreement,



Company shall execute the First Successor Franchise Agreement, executed by Franchisee and at or prior to the expiration of the Term, deliver one fully executed copy thereof to Franchisee.

3.3.3 If Franchisee fails to perform any of the acts, or deliver any of the notices required pursuant to the provisions of Sections 3.3 or 3.4 of the Agreement, in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise its Successor Franchise Right and shall automatically cause Franchisee's said Successor Franchise Right to lapse and expire.

3.3.4 The First Successor Franchise Agreement shall include terms substantially similar to the above Sections 3.3.1 through 3.3.3 regarding the form and manner of Franchisee exercising its Successor Franchise Right and entering into the Second Successor Franchise Agreement.

3.4 Conditions Precedent to Entering into the First Successor Franchise Agreement. Franchisee's Successor Franchise Right is conditioned upon Franchisee's fulfillment of each and all of the following conditions precedent:

3.4.1 At the time Franchisee delivers its Notice of Election to Company and at all times thereafter until the commencement of the First Successor Term, Franchisee shall have fully performed, in all material respects, all of its obligations under the Agreement, the Manuals and all other agreements then in effect between Franchisee and Company (or its Affiliates).

3.4.2 At Company's request, Franchisee shall, prior to the date of commencement of the First Successor Term, undertake and complete at its expense, the remodeling, renovation, modernization, or refurbishing of the Premises, Location and the Licensed Store, which may include acquiring and installing new or replacement equipment, to comply with Company's then-current System Standards for new Stores.

3.4.3 Without limiting the generality of Section 3.4.1 of this Agreement, Franchisee shall not have committed and cured 3 or more material defaults of Articles 4, 7, 9, 10, 11 or 12 of the Agreement during any 36 month period during the Term of the Agreement for which Company shall have delivered notices of default, whether or not such defaults were cured.

3.4.4 Franchisee, and Franchisee's employees, as applicable, shall comply with Company's then-current qualification, training and certification requirements at Franchisee's expense.

3.4.5 Concurrently with the execution of the First Successor Franchise Agreement, Franchisee shall, and shall cause each of its Affiliates to, execute and deliver to Company a general release, on a form prescribed by Company of any and all known and unknown claims against Company and its Affiliates and their officers, directors, agents, shareholders and employees. The release may cover future consequences of acts, omissions events and circumstances predating the date of the release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the release is executed.

3.4.6 The First Successor Franchise Agreement shall include terms substantially similar to the above Sections 3.4.1 through 3.4.5 regarding the conditions precedent to Franchisee entering into the Second Successor Franchise Agreement.

3.5 Notice Required by Law. If Applicable Law requires that Company give notice to Franchisee prior to the expiration of the Term, this Agreement shall remain in effect on a week to week basis until Company has given the notice required by such Applicable Law. If Company is not offering new franchises, is in the process of revising, amending or renewing its form of franchise agreement or disclosure document, or is not lawfully able to offer Franchisee its then-current form of franchise agreement, at the time Franchisee delivers its Notice of Election, Company may, in its discretion, (i) offer to renew this Agreement upon the same terms set forth herein for the First Successor Term determined in accordance with Section 3.2 of this Agreement hereof, or (ii) offer to extend the Term hereof on a week to week basis following the expiration of the Term hereof for as long as it deems necessary or appropriate so that it may lawfully offer its then-current form of franchise agreement.

## ARTICLE 4 PAYMENTS

### 4.1 Initial Fees.

4.1.1 Upon execution hereof, Franchisee shall pay to Company the Initial Franchise Fee. The Initial Franchise Fee is non-refundable, in whole or in part, under any circumstances.

4.1.2 Upon execution hereof, Franchisee shall pay to Company the Initial Training Fee. The Initial Training Fee is non-refundable, in whole or in part, under any circumstances.

4.2 Continuing Royalty. Each Accounting Period, in the manner provided in Section 4.5, Franchisee shall pay to Company, a continuing royalty (the “**Continuing Royalty**”) equal to:

4.2.1 7% of Franchisee’s Gross Sales other than Recommerce Revenue (defined immediately below) (“**Non-Recommerce Revenue**”) during the preceding Accounting Period; and

4.2.2 4% of all of Franchisee’s revenue received or receivable by Franchisee as payment, whether in cash or for credit or barter, or other means of exchange (and, if for credit or barter, whether or not payment is received therefor), for any and all electronic devices sold by Franchisee to any party, other than Company or its Affiliates, pursuant to the Device Recommerce Program (“**Recommerce Revenue**”) during the preceding Accounting Period.

4.3 Technology and Customer Support Fee. Each Accounting Period, in the manner provided in Section 4.5, Franchisee shall pay to Company a fee to defray a portion of the costs and expense incurred by Company (the “**Technology and Customer Support Fee**”) equal to 1% of Franchisee’s Gross Sales during the preceding Accounting Period.

4.4 Advertising Fee. Franchisee shall pay to Company, in the manner provided in Section 4.5, an advertising fee of up to 2%, as determined by Company, of Franchisee’s Gross Sales during the preceding Accounting Period (“**Advertising Fee**”), which shall be contributed to the Advertising Fund administered in accordance with Section 8.3 of this Agreement (the “**Advertising Fund**”). As of the Effective Date, the Advertising Fee is \$150.00 per month if the Licensed Store is the first, and \$100.00 per month if it is the second or subsequent “UBREAKIFIX” Store in the same market (as determined by Company). Company may adjust Franchisee’s Advertising Fee from time to time, but never to more than 2% of Franchisee’s Gross Sales. Pursuant to Section 8.4 of this Agreement, Company may also establish a co-op advertising fund for Franchisee’s region. The fee for cooperative advertising will be in addition to the Advertising Fee and will be determined by each Co-op Advertising Region, as described in Section 8.4.2 of this Agreement.

4.5 Manner of Payment. Following the end of each Accounting Period, based on Franchisee’s reported Gross Sales for such period, Company shall calculate Franchisee’s Continuing Royalty, Technology and Customer Support Fee and, if in effect, the Advertising Fee for each Accounting Period and notify Franchisee, by email or regular mail, of the amounts due (as well as other amounts due to Company or its Affiliates including for purchases of goods or services), and the date on which Company intends to draw down payment from Franchisee’s bank account pursuant to Section 4.5.2. If for any reason, Company is unable to effect payment of the entire amount due, Company may charge Franchisee’s credit card account for the unpaid balance (in accordance with Section 4.5.3 below), and if Company is unable for any reason to charge the full unpaid balance against such credit card for any reason, Franchisee shall immediately cause Company to receive the unpaid balance. In addition, if Franchisee has failed timely to submit complete and accurate reports required hereunder, Company shall have the right to estimate in good faith the amounts due based on Franchisee’s historically reported Gross Sales, or any other commercially reasonable method selected by Company. If Franchisee disputes any amounts calculated by Company to be due, Franchisee shall immediately (and before Company’s scheduled draw down date) notify Company of the disputed amounts (with detailed explanation and evidence of the actual amounts Franchisee claims to be due, certified as complete and accurate by a duly authorized representative of Franchisee), with a copy of Franchisee’s notice, accompanied by the full payment of all undisputed amounts, sent to Company in accordance with Section 20.1;

however, Company shall not be obligated to refrain from drawing down the amounts it has determined in good faith to be due and payable, notwithstanding Franchisee's notice of dispute.

4.5.2 Franchisee, at Franchisee's sole cost and expense, shall instruct its bank to enable Company to unilaterally draw down the amount of Franchisee's Continuing Royalty, Technology and Customer Support Fee and, if in effect, the Advertising Fee, and other fees directly to Company from Franchisee's account, by electronic funds transfer or such other automatic payment mechanism which Company may designate ("EFT") and upon the terms and conditions set forth in the Manuals, and promptly upon Company's request, Franchisee shall execute or re-execute and deliver to Company such pre-authorized check forms and other instruments or drafts required by Company's bank, payable against Franchisee's bank account, to enable Company to draw Franchisee's Continuing Royalty, Advertising Fee and other sums payable under the terms of this Agreement. Company's current form of EFT authorization is attached hereto as Exhibit B. Franchisee shall also, in addition to those terms and conditions set forth in the Manuals, maintain a single bank account for such payments and shall maintain such minimum balance in such account as Company may reasonably specify from time to time. Franchisee shall not alter or close such account except upon Company's prior written approval. Any failure by Franchisee to implement such EFT system in strict accordance with Company's instructions shall, without limiting the materiality of any other default of this Agreement, constitute a material default of this Agreement.

4.5.3 Franchisee shall at all times during the Term, maintain a business credit card with an available credit limits of not less than \$10,000 against which Franchisee hereby authorizes Company to charge amounts due from Franchisee, as described in Section 4.5.1, which are not drawn down by Company by EFT. Franchisee shall be responsible for any bank and credit card company charges imposed on Company on account of credit card payments and an amount equal to such charges shall be deemed added to the amounts payable by Franchisee.

4.6 Other Payments. In addition to all other payments provided herein, Franchisee shall pay to Company, its Affiliates and designees, as applicable, promptly when due:

4.6.1 All amounts advanced by Company or which Company has paid, or for which Company has become obligated to pay on behalf of Franchisee for any reason whatsoever.

4.6.2 The amount of all sales taxes, use taxes, value added taxes, personal property taxes and similar taxes, which shall be imposed upon Franchisee and required to be collected or paid by Company (a) on account of Franchisee's Gross Sales, or (b) on account of Continuing Royalties, Advertising Fees or Initial Fees collected by Company from Franchisee (but excluding Company's ordinary income taxes). Company, in its discretion, may collect the taxes in the same manner as Continuing Royalties are collected herein and promptly pay the tax collections to the appropriate Governmental Authority; provided, however, that unless Company so elects, it shall be Franchisee's responsibility to pay all sales, use or other taxes now or hereinafter imposed by any Governmental Authorities on Continuing Royalties, Initial Fees, or Advertising Fees.

4.6.3 All amounts due for any reason, including on account of purchases of goods, supplies or services relating to the Licensed Store.

4.7 Application of Funds. If Franchisee shall be delinquent in the payment of any obligation to Company hereunder, or under any other agreement with Company, Company shall have the absolute right to apply any payments received from Franchisee to any obligation owed, whether under this Agreement or otherwise, including to Franchisee's vendors, Suppliers and landlord, notwithstanding any contrary designation by Franchisee as to application.

4.8 Interest and Charges for Late Payments. If Franchisee shall fail to pay to Company the entire amount of the Continuing Royalty, Advertising Fee and all other sums owed to Company or its Affiliates, promptly when due, Franchisee shall pay, in addition to all other amounts which are due but unpaid, interest on the unpaid amounts, from the due date thereof, at the rate of 18% per annum, or the highest rate allowable under Applicable Law, whichever is less. If any check, draft, electronic transfer or otherwise, is unpaid because of insufficient funds

or otherwise, then Franchisee shall pay Company's expenses arising from such non-payment, including bank fees in the amount of at least \$50.00 and any other related expenses incurred by Company.

## ARTICLE 5 CONSTRUCTION AND COMMENCEMENT OF BUSINESS

5.1 Location. Franchisee's Store shall be located at the Location.

5.1.1 If an address has been inserted in the space provided on Exhibit A on the Effective Date, then the Licensed Store to be developed and operated under this Agreement shall be located at the Location set forth on Exhibit A. Franchisee acknowledges that it has independently investigated and located, and Company (based upon the information provided by Franchisee) has accepted the Location.

5.1.2 If on the Effective Date, the specific location for the Licensed Store has not been identified in Exhibit A, Company shall designate a provisional territory on Exhibit A which will describe the general geographic area in which Franchisee shall look for potential sites for the Licensed Store to be located (the "**Provisional Territory**"). Company will not grant another franchise for a "UBREAKIFIX" Store to be located in the Provisional Territory for a period of 90 days from the Effective Date or until Company has designated the Location pursuant to Section 5.1.3, whichever occurs first.

5.1.3 If no Location has been inserted on Exhibit A on the Effective Date, Franchisee shall promptly following the execution hereof locate one or more proposed sites within the Provisional Territory which meet Company's then-current System Standards. Franchisee shall submit to Company such demographic and other information regarding the proposed site(s) and neighboring areas as Company shall require, in the form prescribed by Company ("**Site Review Request**"). Company may seek such additional information as it deems necessary within 15 days of submission of Franchisee's Site Review Request, and Franchisee shall respond promptly to such request for additional information. If Company shall not deliver written notice to Franchisee that Company accepts the proposed site, within 30 days of receipt of Franchisee's Site Review Request, or within 15 days after receipt of such additional requested information, whichever is later, the site shall be deemed rejected. If Company accepts the proposed site it shall notify Franchisee of its acceptance of the site, complete Exhibit A (including the Location and Territory) and send it to Franchisee who shall sign and return it to Company within 15 days; if Franchisee fails to do so, then the Location and Territory shall be deemed to be the Location and Territory Company sets forth in the Exhibit A it sends to Franchisee, with the Territory being determined in accordance with Section 5.1.5. Franchisee shall proceed to negotiate a Lease or purchase agreement for the site and shall submit to Company a copy of the proposed Lease or purchase agreement, as applicable, to Company. Franchisee shall not enter into any Lease or purchase agreement for the Location unless Company has accepted the proposed site and such site shall be deemed to be the "Location" as defined above.

5.1.4 Franchisee shall begin operating the Licensed Store within 9 months after the Effective Date. Company reserves the right upon prior written notice to Franchisee to impose an additional charge for Franchisee to submit a second Site Review Request to Company for review, and/or for each Site Review Request thereafter, and Franchisee shall reimburse Company for all reasonable costs and expenses of Company incurred in reviewing the Site Review Requests, including payment to consultants and agents retained by Company to assist in conducting such review and including a reasonable allocation of overhead and administrative expenses.

5.1.5 Subject to the terms and conditions of this Agreement, at such time as Franchisee shall have located an accepted location, Company shall designate a specific geographic area surrounding the Location which will be a radius of one (1) mile surrounding Franchisee's Licensed Store if located in an urban area or three (3) miles surrounding Franchisee's Licensed Store if located in a suburban area. Alternatively, it may be some other geographic area, depending on the demographics, normally containing a day time and residential population of approximately 100,000 persons, as determined by Company in good faith based upon population data deemed reasonably reliable by Company, and the parties shall, if necessary, amend and sign Exhibit A to incorporate the Territory as designated by Company. The designated territory may be described by postal zip codes, natural boundaries or street boundaries. Where a street boundary is used (including where the Territory is defined as a zip code, and the boundary of the zip code is defined as a named street), the center of the street shall be the boundary.

Upon written notification to Franchisee of such designated area (which may be substantially different than the geographic area comprising of the provisional territory), it shall be deemed to be the "Territory" under this Agreement, notwithstanding any failure of the parties to amend Exhibit A as aforesaid.

5.1.6 Franchisee may not relocate the Licensed Store without Company's prior written consent. If Company shall consent to any relocation, Franchisee shall de-identify the former location in the manner described in Section 15.1.1 of this Agreement with respect to Franchisee's obligations upon termination and expiration, and shall reimburse and indemnify and hold Company harmless from any direct and indirect losses, costs and expenses, including attorney's fees, arising out of Franchisee's failure to do so.

5.2 Company Site Selection Assistance. Company is not required to visit any potential location. However, Company may voluntarily (without obligation) assist Franchisee in obtaining or evaluating an acceptable location. Neither Company's said assistance, if any, its acceptance of Franchisee's proposed site, nor its acceptance of the proposed Lease or purchase agreement, shall be construed to insure or guarantee the profitable or successful operation of the Licensed Store by Franchisee, and Company hereby expressly disclaims any responsibility therefor. Company's acceptance of a location is solely an indication that the Location meets Company's minimum System Standards at the time of acceptance and such acceptance shall not be construed as any express or implied representation or warranty that the Location will be profitable or successful. Franchisee acknowledges its sole responsibility for finding the Location. Franchisee acknowledges its sole responsibility for finding the site for the Store it develops pursuant to this Agreement.

### 5.3 Lease or Purchase of Location.

5.3.1 If the Location is leased or subleased, (i) the Lease shall name Franchisee as the sole lessee thereunder, and may not be subleased to Franchisee by any Affiliate of Franchisee or any of its Owners without Company's express prior written consent, and may not be assigned or sublet without Company's prior written consent; (ii) Company shall have the right to review and accept or reject the Lease, a true and correct copy of which shall be delivered to Company at least 15 days prior to the execution thereof; (iii) Franchisee shall neither create nor purport to create any obligations on behalf of Company, nor grant or purport to grant to the lessor thereunder any rights against Company, nor agree to any other term, condition, or covenant which is inconsistent with any provision of this Agreement; (iv) the Lease shall be for a term (including options) which is not less than the Term of the Agreement (plus Successor Terms) unless Company shall approve, in writing, a shorter term of the Lease; (v) the Lease shall not contain a non-competition covenant which purports to restrict Company, or any franchisee or licensee of Company (or its Affiliates), from operating a Store or any other retail establishment, unless such covenant is approved by Company in writing prior to the execution of the Lease; (vi) Franchisee shall duly and timely perform all of the terms, conditions, covenants and obligations imposed upon Franchisee under the Lease; and (vii) a fully executed copy of said Lease, in the form and on the terms previously accepted by Company, shall be delivered to Company promptly following the execution thereof and upon Company's request. The Lease shall, unless Company otherwise consents in writing, include the addendum attached hereto as Exhibit D. Company's review and acceptance of the Lease is solely for Company's benefit and is solely an indication that the Lease meets Company's minimum System Standards at the time of acceptance for the Lease (which may be different than the requirements of this Agreement) such review and acceptance shall not be construed as any express or implied representation or warranty that the Lease complies with Applicable Law or represents a lease transaction that is fair or in Franchisee's best interest.

5.3.2 If Company or its designee elects to succeed to Franchisee's rights under the Lease, as aforesaid, Franchisee shall assign to Company or such designee all of its right, title and interest in and to the Lease, whereupon the lessor thereunder shall attorn to Company or such designee as the tenant thereunder. Franchisee shall execute and deliver to Company or such designee such assignment and take such further action as Company or such designee, as applicable, in its sole and absolute discretion, may deem necessary or advisable to effect such assignment, within 10 days after written demand by Company or such designee to do so, and upon Franchisee's failure to do so, Company or such designee shall be, and hereby is, appointed Franchisee's attorney in fact to do so. This power of attorney granted by Franchisee to Company and such designee is a special power of attorney coupled with an interest and is irrevocable and shall survive the death or disability of Franchisee. Any sum expended by Company or such designee to cure Franchisee's breach of the Lease shall be deemed additional sums due Company

hereunder and Franchisee shall pay such amount to Company upon demand. The covenants of Franchisee contained in this Section 5.3 shall survive the termination of this Agreement. Company's acceptance of the Lease shall not constitute Company's assurance that the terms of the Lease are favorable to Franchisee, or that the Location will be successful.

5.3.3 Franchisee hereby authorizes Company to communicate with the lessor under the Lease (and hereby authorizes such lessor to communicate with Company) for any purpose, including de-identification of the Location following the termination or expiration of this Agreement, Franchisee's sales, Franchisee's defaults under this Agreement or the Lease and negotiating a lease for the Location commencing following the termination or expiration of Franchisee's Lease. Franchisee shall at all times fully perform each and all of its obligations under the Lease.

5.3.4 If the Location is to be purchased by Franchisee, the contract for purchase and sale shall be subject to Company's review and acceptance, a true and correct copy of which shall be delivered to Company at least 15 days prior to the execution thereof, and a true and correct copy of such executed contract shall be furnished to Company within 15 days after execution.

#### 5.4 Construction.

5.4.1 Following the Effective Date and before the renovation or construction of the Licensed Store or the Location, Company shall provide Franchisee with copies of Company's specifications for the design and layout of the Licensed Store and required fixtures, equipment, furnishings, décor, trade dress, and signs. Franchisee shall at its sole cost and expense promptly cause the Premises and Licensed Store to be constructed, equipped and improved in accordance with such System Standards, unless Company shall, in writing, agree to modifications thereof. Franchisee shall employ licensed architects, engineers and general contractors of its own selection, and at its sole cost and expense, to prepare such architectural, engineering and construction drawings and site plans, and to obtain all Permits required to construct, remodel, renovate, and/or equip the Licensed Store and Premises. All such plans, and modifications and revisions thereto, shall be submitted to Company for its prior review and acceptance before Franchisee's commencement of construction (within 60 days after Effective Date, unless Company otherwise agrees in writing). If Company shall not deliver written notice to Franchisee that Company accepts such design criteria, the design criteria shall be deemed rejected.

Company has the right, but not the obligation, to perform inspections of the Licensed Store and Premises during construction and after construction to ensure that the Licensed Store is built in accordance with the drawings and specifications accepted by Company, and all fixtures, signs, furnishings and equipment are in compliance with System Standards. Franchisee may not open the Licensed Store for business until Franchisee has received written authorization to open from Company, which authorization may be conditional and subject to Company's satisfactory inspection of the Licensed Store.

5.4.2 Franchisee may from time to time request additional information regarding the design and construction of the Licensed Store, which, if in the possession of Company, shall be provided at no expense to Franchisee. Upon request, Company shall provide additional site visits, project management, design work and equipment purchasing services to Franchisee at Franchisee's sole cost.

5.4.3 Subject only to Force Majeure (provided that Franchisee continuously complies with Section 5.4.5 of this Agreement), Franchisee shall complete construction or renovation, as the case may be, of the Premises, the Licensed Store and all improvements therein, including installation of all fixtures, signs, equipment and furnishings as soon as possible, but in any event within 6 months after commencement of construction, unless Company consents in writing to a longer period of time. The operation of the Licensed Store by Franchisee shall commence not later than 9 months following the Effective Date. Notwithstanding the foregoing, if Company determines, in its sole discretion, that Franchisee in good faith is using its best efforts to commence operations within such time period, then upon Franchisee's written request, and execution of Company's withdrawal authorization form, Company may permit Franchisee to extend, for up to twelve (12) months, the date by which Franchisee must commence operating the Licensed Store. Only then will Franchisee be eligible for the extension program, which consists of monthly withdrawals by Company from Franchisee's bank account (in the manner set

forth in Sections 4.5.1 and 4.5.2 above) per the following schedule: \$1,000 for each of the first 6 months of extension, and \$1,500 per month for months 7-12. Extension option fee amounts shall be drafted from the account specified in such withdrawal authorization form until the Franchise opens. The extension option fee paid for any month shall not be refunded under any circumstances and shall not be credited against any fee payable to Company. Notwithstanding the foregoing, if Company grants Franchisee an extension for the Licensed Store and subsequently determines in its sole reasonable discretion that Franchisee is not using its best efforts to open and operate such Licensed Store within a reasonable period of time following the date of the grant of extension, Company may terminate the extension grant for such Licensed Store. The termination of the extension grant shall be deemed a material default for purposes of this Agreement.

5.4.4 The time periods for the commencement and completion of construction and the installation of fixtures, signs, machinery and equipment as referred to in this Section 5.4 are of the essence of this Agreement. If Franchisee fails to perform its obligations contained in this Section, Company may, without limiting the materiality of any other default of this Agreement, deem Franchisee's failure to so perform its obligations to constitute a material default of this Agreement.

5.4.5 In the event of the occurrence of an event which Franchisee claims to constitute Force Majeure, Franchisee shall provide written notice to Company in writing within 5 days following commencement of the alleged Force Majeure which notice shall include the words "Force Majeure" and explicitly describe the specific nature and extent of the Force Majeure, and how it has impacted Franchisee's performance hereunder. Franchisee shall provide Company with continuous updates (no less frequently than once each week) on Franchisee's progress and diligence in responding to and overcoming the Force Majeure, and shall notify Company immediately upon cessation of such Force Majeure, and provide all other information as may be requested by Company. If Franchisee shall fail to notify Company of any alleged Force Majeure within said 5 days, or shall fail to provide any such updates during the continuance of the alleged Force Majeure, Franchisee shall be deemed to have waived the right to claim such Force Majeure.

5.4.6 Company's acceptance of Franchisee's plans and specifications for the Licensed Store, Company's guidance with the development of the Licensed Store, Company's referral of approved contractors, subcontractors, architects, engineers, and other professionals, and Company's authorization to open the Licensed Store are to assure that Franchisee complies with System Standards, and shall not be construed as any express or implied representation or warranty regarding the work performed by such persons or that the Licensed Store complies with any Applicable Laws, codes or regulations or that the construction is sound or free from defects. Company's criteria for acceptance or rejection do not encompass technical, architectural or engineering considerations. Company will have no liability with respect to construction of the Location, nor shall Company be responsible in any way for delays or losses occurring during the design, construction or other preparation of the Licensed Store, whether caused by the condition of the Premises, the design, engineering, construction, equipping, decorating, or stocking of the Licensed Store, or any other reason. Franchisee expressly acknowledges and agrees that Company does not, directly or indirectly, warrant or ensure that the design, décor, appearance, fixtures, layout, and/or other improvements of the Licensed Store will guarantee Franchisee's success.

## 5.5 Maintaining and Remodeling of Licensed Store.

5.5.1 Franchisee shall maintain the condition and appearance of the Licensed Store in a "like new" level of cosmetic appearance consistent with the image of "UBREAKIFIX" Stores as attractive, clean, and efficiently operated, offering Approved Products and Services. If at any time in Company's reasonable judgment, the state of repair, appearance or cleanliness of Franchisee's Premises (including the Licensed Store and the non-Store portion of Franchisee's Premises, and parking areas) or its fixtures, equipment, tools, furnishings, or signs fail to meet the System Standards therefor, Franchisee shall immediately upon receipt of notice from Company specifying the action to be taken by Franchisee (within the time period specified by Company), correct such deficiency, repair and refurbish the Licensed Store and Premises, as applicable, and make such modifications and additions to its layout, décor and general theme, as may be required, including replacement of worn out or obsolete fixtures, equipment, furniture, signs and tools, and repair and repainting of the interior and exterior of the Licensed Store, the Premises and appurtenant parking areas (if any). Such maintenance shall not be deemed to constitute remodeling, as set forth below.

5.5.2 In addition to Franchisee's obligations under Section 5.5.1, during the Term, but not more frequently than once every 5 years during the Term and as a condition to Franchisee's exercising its Successor Franchise Right, Company may require Franchisee, at Franchisee's sole cost and expense, to refurbish, remodel and improve the Licensed Store to conform Franchisee's building design, trade dress, color schemes, and presentation of Marks to Company's then current specified public image (or image implemented or in development at a Store owned or operated by Company or any of its Affiliates). Such a remodeling may include extensive structural changes to the Licensed Store and replacement or modification of furnishings, fixtures and equipment as well as such other changes as Company may direct, and Franchisee shall undertake such a program promptly upon notice from Company, and shall complete any such remodeling as expeditiously as possible, but in any event within 90 days of commencing same (and no later than the commencement of the Successor Term), unless Company expressly agrees to a longer period of time.

5.5.3 If the Licensed Store is damaged or destroyed by fire or any other casualty, Franchisee, within 90 days thereof, shall initiate such repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) such repairs or reconstruction, in order to restore the premises of the Licensed Store to its original condition prior to such casualty; any such repair and reconstruction shall be completed as soon as reasonably practicable but in any event within 6 months following the event causing the damage or destruction. If, in Company's reasonable judgment, the damage or destruction is of such a nature or to such extent that it is feasible for Franchisee to repair or reconstruct the Premises and the Licensed Store in conformance with Company's then standard System décor specifications for new Stores, Company may require that Franchisee repair or reconstruct the Premises and Licensed Store in conformance with the then standard System décor specifications.

#### 5.6 Vehicle.

5.6.1 If Franchisee wishes to use one or more Vehicles in connection with the Licensed Store, including to deliver and perform Approved Products and Services, Vehicles must be used in the manner prescribed in the Manuals, and satisfy the System Standards (each a "**Vehicle**"). Each Vehicle must meet Company's then-current policies, including, among other things, specifications relating to the required quality, make, model, year, color, signage and body wrap, as specified in the Manuals, and Franchisee shall following the purchase or lease of a Vehicle and prior to the use of any Vehicle in connection with the Licensed Store, make such modifications and additions to the Vehicle as required by Company, including, applying and installing all decals, logos and wraps, and obtaining and maintaining insurance policies meeting System Standards.

5.6.2 Franchisee shall maintain: (a) the condition and appearance of the Vehicle(s) used in the Licensed Store in a "like new" condition; and (b) the Vehicle(s) in excellent condition and repair. Franchisee shall perform periodic maintenance on the Vehicle(s), when and as necessary or required, but no less frequently than as recommended by the manufacturer thereof, and shall not cause or allow the Vehicle(s) to be placed into service at any time that it is not clean, and free of dents, scratches or other damage or mechanical problems which affect its appearance or which could render such Vehicle(s) unsafe or excessively noisy. Without limiting the foregoing, the Vehicle(s) shall comply with all safety, maintenance and appearance regulations of all Governmental Authorities. Notwithstanding the foregoing, if at any time in Company's reasonable judgment, the state of repair, appearance or cleanliness of the Vehicle(s) (if the same is not Franchisee's or its Owner's personal residence) or of Franchisee's fixtures, equipment, furnishings, signs, or Vehicle(s) fail to meet Company's policies, Franchisee shall immediately upon receipt of notice from Company specifying the action to be taken and within the time period specified by Company, correct such deficiency, repair and refurbish Vehicle(s) and equipment, as applicable, and make such modifications and additions as may be required, including replacement of worn out or obsolete fixtures, equipment, furniture, signs, and wraps.



## ARTICLE 6 TRAINING

6.1 Initial Training Program. If Franchisee pays a \$12,500 Initial Training Fee (pursuant to Sections 1.1 and 4.1.2 of this Agreement), Company will provide the following Initial Training Program:

6.1.1 Company shall provide an Initial Training Program in Company's System and methods of operation (the "**Initial Training Program**") at Company's training facilities in Orlando, Florida; or other location specified by Company, to up to 3 persons selected by Franchisee who shall include the Store Manager, and Franchisee, if Franchisee is an individual, or Franchisee's Operating Principal, if Franchisee is an Entity. Franchisee may, at Company's discretion, be required to pay Company's then-current training fee for any personnel, beyond the initial 3 individuals, who attend the Initial Training Program. The Initial Training Program shall consist of approximately 48 hours per week of training over a 3 week period. Franchisee shall pay Travel Expenses, if any, incurred by Franchisee and/or Franchisee's employees in connection with attendance at training programs. Franchisee may not open the Licensed Store until such training shall have been completed to the satisfaction of Company and Franchisee's management team has been certified by Company.

6.1.2 Company shall determine the contents and manner of conducting the Initial Training Program in its discretion, however, the training course will be structured to provide practical training in the implementation and operation of a Store.

6.1.3 The Initial Training Program shall not be provided and no initial training fee will be imposed if (i) Franchisee and/or any Affiliate of Franchisee is operating one or more Stores as of the Effective Date or Franchisee is an Experienced Manager, *provided however*, that Company may, in its sole discretion, require Franchisee and its Operating Principal and Store Manager to complete the Initial Training Program if Franchisee's (or its Affiliate's) existing Stores are not in compliance with System Standards or if Franchisee's Operating Principal has not completed the Initial Training Program to Company's satisfaction, (ii) this Agreement is executed as the Successor Franchise Agreement; or (iii) this Agreement is executed in connection with an Assignment, including if Franchisee purchases the Licensed Store from another franchisee, in which case the seller must provide training to the assignee/transferee Franchisee following the closing of that sale.

6.1.4 Franchisee acknowledges that because of Company's superior skill and knowledge with respect to the training and skill required to manage the Store, its judgment as to whether or not Franchisee or his manager has satisfactorily completed such training shall be determined by Company in its judgment.

6.2 On-Site Opening Assistance. Commencing shortly before and ending shortly after the Licensed Store opens to the public, Company shall provide 3 weeks of on-site training at the Location to Franchisee's Operating Principal and Store Manager(s) ("**On-Site Training**"). Company shall provide the On-Site Training at no additional charge; provided, however, that if Company determines in its reasonable judgment that more than 3 weeks of on-site training is necessary, Franchisee must reimburse Company for all Travel Expenses, and compensation and other expenses incurred by Company as a result of extending the On-Site Training, and at Company's election a per diem training charge at Company's then current rates. The scope and subject matter of On-Site Training shall be in Company's sole discretion and control, however, the training will be structured to provide additional practical training in the implementation and operation of a Store.

### 6.3 Additional Training.

6.3.1 All newly hired and replacement Operating Principal(s) and Store Managers of the Licensed Store shall be subject to Company's reasonable approval and shall successfully complete, to Company's satisfaction, the Initial Training Program conducted by Company. Company may offer the Initial Training Program for newly hired and replacement personnel electronically via a web-based streaming program. In addition, if the Store is not in compliance with System Standards, Company may, in its sole discretion, require Franchisee, Franchisee's Operating Principal and Store Manager to re-attend and successfully complete, to Company's satisfaction, the Initial Training Program. Franchisee, or Franchisee's Operating Principal, or a fully trained Store Manager shall, to Company's satisfaction, train each of Franchisee's regular employees prior to the first opening of

the Licensed Store to the public and at all times thereafter during the Term. At all times during the Term, Franchisee shall employ an adequate staff of employees working at the Licensed Store who shall have been fully and adequately trained, in Company's judgment, and all such employees shall have completed all training certification(s) required by any Governmental Authority. Notwithstanding the first sentence of this Section, the Store Managers of Franchisee shall have the skill level, training and experience commensurate with the demands of the position, and in keeping with Company's high standards for technical competence, quality and courteous service, and cleanliness of operations.

6.3.2 Franchisee shall pay Company's then current, reasonable charges (as set forth in the Manuals) for any such training performed by Company at Franchisee's request, or which is otherwise required hereunder and not covered by Sections 6.1.1 and 6.2 of this Agreement (e.g., specialized training required if Franchisee wishes to participate in certain of Company's National Account programs). Without limiting the foregoing, Company will rent Franchisee, a training device kit intended for Franchisee to use to train its future new hires via Company's Remote New Hire Training program. The kit contains all of the devices used by Company's training team during the course of the new store/new hire training that is conducted for all new franchisees. The kit will be rented to Franchisee for an upfront cost of \$500, plus a \$2,000 security deposit ("Deposit"). Once the training is completed and Franchisee returns the kit in the same condition as delivered, Company will refund the Deposit; if any device is damaged or rendered inoperable during the course of a new hire's training, the cost of replacement will be deducted from the Deposit.

6.3.3 Company may, from time to time, (i) require Franchisee, its Operating Principal and its Store Manager(s), or any of them, to attend additional training courses or programs ("**Additional Training**") during the Term; or (ii) make available to Franchisee, its Operating Principal and the Store Manager(s), or any of them, optional Additional Training during the Term. Additional Training may be held on a national or regional basis at locations selected by Company to instruct Franchisee with regard to new procedures or programs which Company deems, in its judgment, to be of material importance to the operation of the Licensed Store. Such Additional Training may relate, by way of illustration, to product repair techniques, marketing, bookkeeping, accounting and general operating procedures, and the establishment, development and improvement of Information Systems. Company may establish charges applicable to all franchisees similarly situated for such optional training courses. The time and place of such training courses shall be at Company's discretion. In addition to any charge Company may establish, Franchisee shall pay all Travel Expenses. Company shall pay no compensation for any services performed by trainee(s) in connection with the Additional Training.

6.3.4 Company and its designees shall have the right to enter the Licensed Store to conduct training programs for franchisees (and prospective franchisees) of Company, from time to time and at a time and in a manner consistent with Company's reasonably established policies and procedures in effect from time to time.

6.4 Annual Meeting. Company intends to host an annual meeting or convention of franchisees in which case Franchisee shall be obligated to attend. Company will not charge a registration fee to attend but Franchisee will bear all of its and its employee's Travel Expenses, to attend. Franchisee shall, however, be required to pay a fee to Company to pay for a portion of Franchisee's meals and/or local transportation at the annual meeting.

#### 6.5 Other Assistance.

6.5.1 Franchisee shall have the right, at no additional charge, to inquire of Company's headquarters staff, its field representatives and training staff with respect to problems relating to the operation of the Licensed Store, by telephone, electronic mail, facsimile, or other means of correspondence, and Company shall use its best efforts to diligently respond to such inquiries, in order to assist Franchisee in the operation of the Licensed Store. At no time shall reasonable assistance be interpreted to require Company to pay any money to Franchisee or to defer Franchisees' obligation to pay any sums to Company.

6.5.2 At Franchisee's request, Company may, but shall not be obligated to (a) cause its field representatives to visit the Licensed Store to advise, consult with, or train Franchisee in connection with its performance and operation of the Licensed Store and Franchisee's compliance with the Manuals; or (b) permit Franchisee or certain of its employees to provide assistance, consultation, or additional training at a Store selected

by Company. If Company provides such additional assistance, consultation or training to Franchisee (w) such assistance, consultation or training will be subject to Company's capacity, scheduling, and discretion, but Company shall not be obligated to provide that assistance, consultation or training, (x) Franchisee shall pay all Travel Expenses, if any, incurred by Franchisee and/or Franchisee's employees in connection with such additional assistance, consultation, or training, (y) Company shall not pay any compensation to Franchisee or Franchisee's employees for providing services at Company's or another Franchisee's Store in connection with the assistance, consultation, or training, and (z) Franchisee shall pay such training charges as may be then in effect, and shall reimburse Company for all Travel Expenses in connection with such training.

6.5.3 In the event of any sale transfer, or Assignment, the transferee/assignee must be trained by Company as a condition of Company's consent to such transfer. The Licensed Store shall not be transferred, opened, or re-opened by the transferee until Company accepts the transferee in writing as being qualified to operate the Licensed Store, and Company has otherwise consented to the transfer in accordance with this Agreement.

## **ARTICLE 7 MANUALS AND STANDARDS OF OPERATOR QUALITY, CLEANLINESS AND SERVICE**

7.1 Compliance with Applicable Law. Franchisee shall operate the Licensed Store and Location as a clean, orderly, legal and respectable place of business in accordance with Company's System Standards, and shall comply with all Applicable Laws. Franchisee shall not operate the Licensed Store or cause or allow any part of its Location or Premises to be used for any immoral or illegal purpose. Franchisee shall in all dealings with its customers, suppliers, and public officials adhere to high standards of honesty, integrity, fair dealing and ethical conduct, in accordance with all Applicable Laws, and without limiting the foregoing shall refrain from accessing, viewing, using, copying, storing, disclosing or otherwise misusing any customer passwords, or other information and data, whether contained on their electronic devices or otherwise, in any form or manner (except to the limited degree required to perform authorized services in strict accordance with the System Standards and this Agreement), and refrain from engaging in any action (or failing to take any action) which will cause Company to be in violation of any Applicable Law, or which, in the sole opinion of Company, causes or could cause harm to the Marks, the System and/or the "UBREAKIFIX" brand. If Franchisee shall receive any notice, report, fine, test results or the like from the applicable state or local department of health (or other similar Governmental Authority), Franchisee shall promptly send a copy of the same to Company. Franchisee shall correct any such deficiency noted within 10 days or such fewer number of days as required by the applicable Governmental Authority.

### 7.2 Operating Principal and Management Employees.

7.2.1 The Operating Principal shall be principally responsible for communicating and coordinating with Company regarding business, operational and other ongoing matters concerning this Agreement and the Licensed Store. The Operating Principal shall have the full authority to act on behalf of Franchisee in regard to performing, administering or amending this Agreement. The Operating Principal shall be vested with the authority and responsibility for the day-to-day operations of the Licensed Store and all other Stores owned or operated, directly or indirectly, by Franchisee or its Affiliates within a geographic area specified by Company. The Operating Principal shall, during the entire period he or she serves as such, meet the following qualifications: (a) shall devote full time and best efforts solely to operation of all Stores owned or operated, directly or indirectly, by Franchisee or its Affiliates in such geographic area and to no other business activities; (b) meet Company's educational, experience, financial and other reasonable criteria for such position, as set forth in the Manuals or otherwise in writing by Company; (c) be an Owner with 10% or more (directly or indirectly), in the aggregate, of the Equity or voting rights in Franchisee; and (d) be an individual acceptable to Company. The Operating Principal shall be responsible for all actions necessary to ensure that all Stores owned or operated, directly or indirectly, by Franchisee in such geographic area are operated in compliance with this Agreement and the Manuals. If during the Term the Operating Principal is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section (including Company's subsequent disapproval of such person), Franchisee shall promptly notify Company of such occurrence. Thereafter, Franchisee shall promptly, but not later than 30 days after the prior Operating Principal ceases to serve Franchisee, (w) designate a replacement operating principal who meets Company's then-current qualification requirements, (x) provide Company with such information about such new

Operating Principal as Company may request, (y) cause such replacement Operating Principal to undergo, at Franchisee's cost, such training as Company may require, and (z) obtain Company's written acceptance of such person as the Operating Principal. Company may, but is not required to, deal exclusively with the Operating Principal in such regards unless and until Company's actual receipt of written notice from Franchisee of the appointment of a successor Operating Principal who shall have been accepted by Company.

7.2.2 Franchisee shall notify Company in writing at least 10 days prior to employing the Operating Principal setting forth in reasonable detail all information reasonably requested by Company. Company's acceptance of the Operating Principal shall not constitute Company's endorsement of such individual or a guarantee by Company that such individual will perform adequately for Franchisee or its Affiliates, nor shall Company be estopped from subsequently disapproving or otherwise challenging such person's qualifications or performance.

7.2.3 Franchisee shall ensure that the operation of the Licensed Store is at all times under the direct control of the Operating Principal or a Store Manager. At all times that the Licensed Store is open and at all times which pre-opening or post-closing activities are being undertaken at the Licensed Store, the Licensed Store shall be managed by a person who has successfully completed training (and if required, a person that is certified, by Company in its discretion, for the performance of such responsibilities) and has successfully completed any training or certification course as may be specified by Company and/or required by Applicable Law. Each such Store Manager shall be solely dedicated to the operation of the Store to which the person is assigned. Franchisee shall supervise, direct and be responsible for in all respects, the activities and performance of all Operating Principals, Store Managers, and other employees of franchise and shall ensure compliance with the Manuals and otherwise.

### 7.3 Computer/P.O.S./Information Systems.

7.3.1 Franchisee shall purchase, use and maintain the Information Systems specified in the Manuals in accordance with the System Standards. The Information Systems must at all times be connected to one or more high-speed communications media specified by Company and be capable of accessing the Internet. Franchisee must electronically link the Information Systems to Company or its designee. Franchisee shall allow Company and/or its designee to access the Information Systems and stored files, and to add, remove, configure and modify information systems via any means including electronic polling and uploads, with or without notice. Company may from time to time upon 30 days advance written notice require Franchisee, at Franchisee's sole cost and expense, to add, update, upgrade or replace the Information Systems, including hardware and/or software. Although Company cannot estimate the future costs of the Information Systems, required hardware, software, or service or support, and although these costs might not be fully amortizable over the time remaining in the Term, Franchisee agrees to acquire and incur the costs of obtaining and implementing the hardware, software and other components and devices comprising the Information Systems (including additions and modifications) and all support services, service and maintenance agreements and subscriptions prescribed by Company to maintain, protect, and interface with Information Systems. Information Systems may be provided directly by third parties or may be sold, licensed or sublicensed by or through Company at a reasonable one-time or recurring charge, and pursuant to forms of agreement prescribed by Company.

7.3.2 Franchisee shall not use or permit the use of the Information Systems for any unlawful or non-business related activity. Franchisee shall not install or use, and shall prohibit others from installing and using, unauthorized hardware or other components and devices, software on or with the Information Systems. Franchisee shall take all commercially reasonable measures to insure that the Information Systems are used strictly in accordance with System Standards, including security protocols and protective measures including how passwords are assigned and rotated, prescribed limitations regarding which persons Franchisee may permit to access (via LAN, WAN, internet or otherwise), use, perform support and installation functions and conduct transactions with the Information Systems. No virus, Trojan horse, malicious code or other unauthorized code or software is installed on, or transmitted by, the Information Systems. Franchisee shall at all times provide Company with all passwords, access keys and other security devices or systems as necessary to permit Company to access the Information Systems and obtain the data Company is permitted to obtain. Company reserves the right to add, control, modify, govern and block any and all network and internet traffic, ports, protocols, and destinations.

7.3.3 Franchisee shall, upon Company's request transmit e-mail, digital photos and real time video and audio signals of the Store to, and in the form and manner prescribed by Company.

7.3.4 Within a reasonable time upon Company's request, Franchisee shall apply for and maintain systems for use of debit cards, credit cards, loyalty and Gift Cards and other non-cash payment methods. Franchisee shall adhere to all PCI (Payment Card Industry), CISP (Cardholder Information Security Program) and SDP (Site Data Protection) compliance specifications, as amended.

7.3.5 Franchisee shall sell, or otherwise issue, as Company may designate, stored-value, loyalty and gift cards, certificates and other non-cash payment methods (collectively "**Gift Cards**") that Company designates and only in the manner specified in the Manuals. Franchisee shall fully honor all Gift Cards that are in the form approved or required by Company, regardless of whether the Gift Card was issued by Franchisee or another franchisee or operator in the "**UBREAKIFIX**" System, or purchased at any other location, such as a retail or grocery store, via the Internet or via other means of distribution. Franchisee shall sell, issue and redeem (without any offset) Gift Cards in accordance with the procedures and policies Company may specify in the Manuals or otherwise in writing (the "**Gift Card Program**"). Franchisee acknowledges that in connection with this Gift Card Program, Franchisee may be required to (a) enter into a separate agreement with a third party provider of Gift Card processing services under the terms and conditions as may be required by the third party for participation in the Gift Card Program; (b) purchase or upgrade, as necessary, hardware, software or other equipment, required for participation in the Gift Card Program; (c) purchase and maintain sufficient inventory of Gift Cards for sale at Franchisee's Licensed Store; (d) promote the sale of Gift Cards using only marketing methods and materials Company approves; (e) comply in all material respects with all applicable laws, statutes and regulations in performing Franchisee's obligations under this Agreement and otherwise in connection with the Gift Card Program; and (f) execute such other agreements or documents as may be reasonably required by Company in connection with the Gift Card Program. Franchisee further acknowledges that Company may discontinue or modify the Gift Card Program at any time, in its sole discretion, and Franchisee agrees to comply with Company's requests to discontinue or modify the Gift Card Program at any time.

7.4 Manuals. Franchisee shall participate in the System and operate the Licensed Store in strict compliance with the System Standards and incorporated in Company's Manual(s).

7.4.1 The subject matter of the Manuals may include matters such as: forms, information relating to parts and product and service specifications, warranty programs and requirements, purchase orders, general operations, labor management, Gross Sales reports, training and accounting; sanitation; staff certification, design specifications and uniforms; display of signs and notices; authorized and required Information Systems, equipment and fixtures, including specifications therefor; Mark usage; insurance requirements; lease requirements; ownership requirements, décor; standards for management and personnel, hours of operation; yellow page and local advertising formats; standards of maintenance and appearance of the Licensed Store; procedures upon the occurrence of a Crisis Management Event; and required posting of notices to customers as to how to contact Company to submit complaints and feedback; participation in surveys and mystery shopper programs; and such other matters and policies as Company may reasonably elect to include which relate to the System or the franchise relationship under the System. In the event of the occurrence of a Crisis Management Event, Company may also establish emergency procedures pursuant to which Company may require Franchisee to, among other things, temporarily close the Licensed Store to the public, in which event Company shall not be liable to Franchisee for any losses or costs, including consequential damages or lost profits occasioned thereby. In the event of any dispute as to the contents of the Manuals, the terms and contents of the master copy maintained by Company shall be controlling.

7.4.2 Company shall have the right to modify the Manuals at any time and from time to time; provided, that no such modification shall alter Franchisee's fundamental status and rights under this Agreement. Modifications in the Manuals shall become effective upon delivery of written or electronic notice thereof to Franchisee unless a longer period is specified in such written notice or unless a longer period is set forth in this Agreement. The Manuals, as modified from time to time, shall be an integral part of this Agreement and reference made in this Agreement, or in any amendments, exhibits or schedules hereto, to the Manuals shall be deemed to mean the Manuals kept current by amendments from time to time.

7.4.3 Upon the execution of this Agreement, Company shall provide Franchisee access to the Manuals through Company's Intranet. The Manuals and all amendments to the Manuals (and copies thereof) are copyrighted and remain Company's property. Franchisee shall have access to the Manuals for the term of the Agreement, and such access shall immediately cease upon the Agreement's termination or expiration. The Manuals are highly confidential documents which contain certain Trade Secrets of Company. Franchisee shall not make, or cause or allow to be made, any copies, reproductions or excerpts of all or any portion of the Manuals without Company's express prior written consent. Upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall immediately cease accessing the Manuals. Franchisee's loss or unauthorized transfer of the Manuals, or other breach of this Section shall, without limiting the materiality of any other default of this Agreement, constitute a material default of this Agreement.

7.5 Hours. Subject to Applicable Law or subsequent written agreement between Company and Franchisee to the contrary, Company and Franchisee agree that Licensed Store shall be open and operational 7 days per week, every day of the year (except the holidays stated in the Manuals on which Franchisee is authorized to close the Licensed Store), and at least during the hours established by Company in the Manuals. Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum Gross Sales possible from its Location, and shall remain open for longer hours if additional opening hours are reasonably required to maximize operations and sales. Notwithstanding the foregoing, Company may authorize or direct Franchisee and other franchisees to operate during hours and on fewer or more days than are specified in the Manuals and this Agreement.

7.6 Product Line and Service.

7.6.1 Franchisee shall advertise, offer, sell and provide all and only those Approved Products and Services which Company has directed to be offered, advertised, sold and provided from the Licensed Store. All Approved Products and Services shall be sold and distributed under the specific name designated by Company and shall be purchased, inventoried, stored, and provided strictly in accordance with Company's policies. Franchisee shall not cease offering any of the Approved Products and Services without Company's express written approval, nor may Franchisee take any action which is intended to diminish the maximum sales potential of any of the Approved Products and Services. Franchisee recognizes that providing certain services may under Applicable Law require Franchisee to obtain specialized licenses (e.g., an electrician's license, a general contractor's license, a second-hand dealer license or a pawn license). Franchisee agrees to obtain any such licenses prior to providing any such services. Notwithstanding anything in this Agreement, Franchisee shall not, and shall not be required to, offer or sell a particular product or service if by so doing Franchisee would violate Applicable Law.

7.6.2 Approved Products and Services shall be marketed by approved formats to be utilized in the Licensed Store. The approved and authorized format(s) may include, in Company's discretion, requirements concerning organization, graphics, product and service descriptions, illustrations, and any other matters related thereto, whether or not similar to those listed. In Company's discretion, the format(s) may vary depending upon region, market size, and other factors. Company may change the format(s) from time to time or region to region or authorize tests from region to region or authorize non-uniform regions or Stores within regions. Franchisee shall have 10 days to implement all such changes.

7.6.3 Franchisee shall, upon receipt of notice from Company, add, delete, or update any description of Approved Products and Services according to the instructions contained in the notice. Franchisee shall have 10 days after receipt of written notice in which to fully implement any such change. Franchisee shall cease selling any previously approved product or cease providing any previously approved service within 10 days after receipt of notice that the product or service is no longer approved. Company may instruct Franchisee to remove any product or service on an emergency basis and Franchisee must comply with such instruction immediately. Company shall not be liable to Franchisee for any losses sustained by Franchisee in connection with such instruction (or Franchisee's failure to comply with such instruction).

7.6.4 Franchisee acknowledges that it is critical to the success of the Store that Franchisee provide fast, responsive, and top quality repair services to its customers and that, except in exceptional circumstances permitted in the Manuals, on a same-day or 24-hour turnaround basis.

7.6.5 Franchisee further acknowledges and agrees that, upon establishment by Company, Franchisee shall provide the Device Recommerce Program in strict accordance with Company's System Standards, as may be amended from time to time in Company's sole discretion and which may include, without limitation, standards regarding which mobile and other electronic devices may be accepted by Franchisee through the program, policies and procedures for inspecting, evaluating and grading devices, and policies regarding Franchisee's resale of such devices.

7.7 Tools. All tools to be used in the operation of the Licensed Store and other like articles used in connection with the Licensed Store shall conform to Company's specifications, which may include manufacturer, brand and model, shall be imprinted with Company's Marks, if and as specified by Company, and shall be purchased by Franchisee from a Supplier designated or approved in writing by Company, as provided in ARTICLE 9 of this Agreement. No item of merchandise, furnishings, interior and exterior décor items, supplies, fixtures, equipment or tools shall be used in or upon any Store unless expressly approved by Company.

7.8 Notification of Legal Proceedings; and Crisis Management Events.

7.8.1 Franchisee shall notify Company in writing within 24 hours after Franchisee receives actual notice of the commencement of any investigation, action, suit, or other proceeding, or the issuance of any order, writ, injunction, award, or other decree of any court, agency, or other Governmental Authority that pertains to the Licensed Store or that may adversely affect Franchisee's operation of the Licensed Store or ability to meet its obligations hereunder.

7.8.2 Upon the occurrence of a Crisis Management Event, Franchisee shall immediately inform Company, as instructed in the Manuals, by telephone and email (or other electronic messaging medium authorized by Company for this purpose). Franchisee shall cooperate fully with Company with respect to Company's response to the Crisis Management Event.

7.9 Signs. Franchisee shall maintain approved signs and/or awnings at, on, or near the front of the Premises, identifying the Premises as a Store, which shall conform in all respects to Company's specifications and requirements and the layout and design plan approved for the Premises, subject only to restrictions imposed by Applicable Law. On receipt of notice by Company of a requirement to alter any existing sign on its Premises, Franchisee will, at its cost, make the required changes within 30 days, subject to the approval of the lessor if required by Franchisee's Lease. Franchisee will not be required to alter or replace the existing sign more than once every five years.

7.10 Uniforms and Employee Appearance. Franchisee shall cause all employees, while working in the Licensed Store, to: (i) wear uniforms of such color, design, and other specifications as Company may designate from time to time, and (ii) present a neat and clean appearance. If Company removes the type of uniform utilized by Franchisee from the list of approved uniforms, Franchisee shall have 60 days from receipt of written notice of such removal to discontinue use of its existing inventory of uniforms and implement the approved type of uniform. Unless Company otherwise consents in writing, Franchisee's employees working in the Licensed Store shall be dedicated solely to the Licensed Store and shall not work at any other store owned or operated by Franchisee. In no case shall Franchisee permit any employee of Franchisee to wear the required uniform except while working at the Licensed Store; without limiting the generality of the foregoing, the uniform may not be worn off Premises for any other purpose (other than while commuting to and from work at the Licensed Store).

7.11 Vending or Other Machines. Except with Company's written approval, Franchisee shall not cause or permit vending, gaming machines, pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the Location.

7.12 Co-Branding. Franchisee may not engage in any co-branding in or in connection with the Licensed Store except with Company's prior written consent. Company shall not be required to approve any co-branding chain or arrangement except in its discretion, and only if Company has recognized that co-branding chain as an approved co-brand for operation within "UBREAKIFIX" Stores. "Co-branding" includes the operation of an independent business, product line or operating system owned or licensed by another entity (not Company) that is

featured or incorporated within Franchisee's Premises or is adjacent to Franchisee's Premises and operated in a manner which is likely to cause the public to perceive it to be related to the Licensed Store.

### 7.13 Intranet.

7.13.1 Company may, at its option, establish and maintain an Intranet through which franchisees of Company may communicate with each other, and through which Company and Franchisee may communicate with each other and through which Company may disseminate the Manuals, updates thereto and other confidential information. Company shall have discretion and control over all aspects of the Intranet, including the content and functionality thereof. Company will have no obligation to maintain the Intranet indefinitely, and may dismantle it at any time without liability to Franchisee.

7.13.2 Franchisee shall have the mere privilege to use the Intranet, subject to Franchisee's strict compliance with System Standards, protocols and restrictions that Company may establish from time to time. Such standards and specifications, protocols and restrictions may relate to, among other things, (a) the use of abusive, slanderous or otherwise offensive language in electronic communications, (b) communications between or among franchisees that endorse or encourage Default of any franchisee's franchise agreement, or other agreement with Company or its Affiliates, (c) confidential treatment of materials that Company transmits via the Intranet, (d) password protocols and other security precautions, including limitations on the number and types of employees that may be granted access to the Intranet, (e) grounds and procedures for Company suspending or revoking a franchisee's access to the Intranet, and (f) a privacy policy governing Company's access to and use of electronic communications that franchisees post to the Intranet. Franchisee acknowledges that, as administrator of the Intranet, Company can technically access and view any communication that any person posts on the Intranet. Franchisee further acknowledges that the Intranet facility and all communications that are posted to it will become Company's property, free of any claims of privacy or privilege that Franchisee or any other person may assert.

7.13.3 Franchisee shall establish and continually maintain (during all times that the Intranet shall be established and until the termination of this Agreement) an electronic connection (the specifications of which shall be specified in the Manuals) with the Intranet that allows Company to send messages to and receive messages from Franchisee, subject to the System Standards.

7.13.4 If Franchisee shall default under this Agreement or any other agreement with Company or its Affiliate, Company may, in addition to, and without limiting any other rights and remedies available to Company, disable or terminate Franchisee's access to the Intranet without Company having any liability to Franchisee, and in which case Company shall only be required to provide Franchisee a paper copy of the Manuals and any updates thereto, if none have been previously provided to Franchisee, unless not otherwise entitled to the Manuals.

7.13.5 If Company has enabled the Intranet to facilitate Franchisee ordering goods and products from Company and other vendors, then to the maximum extent possible, Franchisee shall order and purchase through the Intranet all good and products available for purchase through the Intranet.

## **ARTICLE 8 ADVERTISING AND CO-OPS**

8.1 General Advertising Requirements. Franchisee shall only use and display approved advertising material provided, from time to time, by Company and shall use and display all material in accordance with Company's policies. Franchisee must obtain the prior written consent of Company to use and/or display any advertising materials, including, without limitation, all print advertising, newspaper and magazine advertisements, direct mailers and mail coupons, not provided by Company. Franchisee shall submit all such materials to Company for approval and Company shall grant or deny such approval within in 15 days of receiving the materials. If Company has not approved such materials within 15 days, the materials shall be deemed disapproved. Any advertising materials or concepts created by Franchisee and approved by Company shall be deemed the sole and exclusive property of Company. Company may, in its discretion, require Franchisee to cease using any advertising



materials which it has previously approved and upon receiving notification from Company, Franchisee shall cease using such materials.

8.2 Local Advertising and Promotion. Each calendar year, Franchisee shall expend no less than 2% of its Gross Sales for local advertising of the Licensed Store (“**Local Advertising Expenditure**”). Although not required to do so, Company strongly recommends that Franchisee expend an amount equal to 3-5% Gross Sales as its Local Advertising Expenditure during each year, on approved advertising programs. Franchisee shall deliver evidence of Local Advertising Expenditures in the form and manner prescribed by Company from time to time. Upon the request of Company, Franchisee shall provide an advertising plan which details the local advertising to be conducted over a 12 month period on behalf of the Licensed Store. Company hereby reserves the right to reject all or part of such plan and Franchisee shall revise the plan in response thereto. Unless Company shall give its express written consent, Franchisee shall not use the Local Advertising Expenditure for yellow page advertising, market-wide research, seminars, entertainment, fees paid to consultants not approved by Company, incentive programs, charitable contributions, press parties, or specialty items (unless part of a market-wide program approved by Company and the cost of the same is not recovered by promotion).

### 8.3 Advertising Fund.

8.3.1 Franchisee’s Advertising Fee shall be applied to the Advertising Fund. An amount equal to all Advertising Fund revenues and allocations will be expended for national, regional, or local advertising, public relations or promotional campaigns or programs designed to promote and enhance the image, identity or patronage of franchised, and Company-owned (including Affiliate-owned) Stores. Such expenditures may include: (a) creative development, production and placement of print advertisements, commercials, musical jingles, decals, radio spots, audio advertising, point of purchase materials, direct mail pieces, literature, outdoor advertising, door hangers, electronic media advertisements, pay-per-click internet advertisements (and related search engine optimization services and assistance) and other advertising and promotional material; (b) creative development, preparation, production and placement of video, audio and written materials and electronic media, (c) purchasing artwork and other components for advertising; (d) media placement and buying, including all associated expenses and fees; (e) administering regional and multi-regional marketing and advertising programs; (f) market research, marketing studies and customer satisfaction surveys, including the use of secret shoppers; (g) development and production of, and, to the extent applicable, acquisition of, premium items, giveaways, promotions, contests, public relations events, and charitable or nonprofit events; (h) creative development of signage, posters, and individual décor items including wall graphics; (i) recognition and awards events and programs; (j) system recognition events, including periodic national and regional conventions and meetings; (k) website, extranet and/or Intranet development, implementation and maintenance; (l) development, implementation and maintenance of a website that permits electronic commerce, reservation system and/or related strategies; (m) retention and payment of advertising and promotional agencies and other outside advisors, including retainer and management fees; (n) public relations and community involvement activities and programs; (o) expenditures for activities conducted for the benefit of co-branding, or other arrangements where Approved Products and Services and/or services are offered in conjunction with other marks or through alternative channels of distribution; (p) development, amendment and revisions to the standards, policies and procedures set forth in the Manuals; and (q) payment to Company or its Affiliates, for internal expenses incurred in connection with the operation of its marketing/advertising department(s), if any, and the administration of the Advertising Fund.

8.3.2 Company may employ individuals, consultants or advertising or other agencies, including consultants or agencies owned by, operated by, or affiliated with Company, to provide services for the Advertising Fund. The Advertising Fund may be used to defray direct expenses of Company employees related to the operation of the Advertising Fund, to pay for attorneys’ fees and other costs related to the defense of claims against the Advertising Fund or against Company relating to the Advertising Fund, and to pay costs with respect to collecting amounts due to the Advertising Fund.

8.3.3 Company shall determine, in its discretion, the cost, media, content, format, style, timing, allocation and all other matters relating to such advertising, public relations and promotional campaigns. Franchisee acknowledges that not all Franchisees are or shall be required to contribute, or contribute the same percentage of Gross Sales, to the Advertising Fund. Nothing herein shall be construed to require Company to allocate or expend

Advertising Fund contributions or allocations so as to benefit any particular franchisee, Franchisee or group of franchisees or franchisees on a pro rata or proportional basis or otherwise. Except as directed in writing by Company, Franchisee must participate in all advertising, marketing, promotions, research and public relations programs instituted by the Advertising Fund. Company may make copies of advertising materials available to Franchisee with or without additional reasonable charge, as determined by Company. Any additional advertising shall be at the sole cost and expense of Franchisee. The Advertising Fund shall, as available, provide to Franchisee marketing, advertising and promotional formats and sample materials at the Advertising Fund's direct cost of producing such items, plus shipping and handling. Company (or its Affiliate) may collect rebates, allowances and credits from Suppliers based on purchases or sales by Franchisee and Company shall have the right to retain such sums for its own purposes, return such sums to be used by one or more franchisees, including for designated purposes, and use such sums for advertising the "UBREAKIFIX" brand, or one or more of the foregoing purposes in Company's discretion. Any such contribution of such rebates or credits to the Advertising Fund shall not reduce Franchisee's obligation to pay the Advertising Fee. Company may include information regarding acquiring a franchise on or as a part of materials and items produced by or for the Advertising Fund.

8.3.4 Without limiting the foregoing, Company may do any of the following:

(a) employ individuals, consultants or advertising or other agencies, including consultants or agencies owned by, or operated by Company or its Affiliates, to provide services for the Advertising Fund;

(b) compensate Company and/or its Affiliates for internal expenses, including salaries, overhead and administrative expenses incurred in connection with the operation of its marketing/advertising department(s), and the administration of the Advertising Fund, and to otherwise compensate Company and/or its Affiliates for expenses related to the operation of the Advertising Fund;

(c) pay for or charge the Advertising Fund for attorneys' fees and other costs related in any way to claims against Company, any of its Affiliates, and/or the Advertising Fund regarding or in connection with the Advertising Fund. However, Company will reimburse the Advertising Fund for any attorneys' fees and/or costs paid by the Advertising Fund in connection with any action in which Company is finally found to have acted unlawfully or to be guilty of wrongdoing with respect to the Advertising Fund;

(d) defer, waive and/or compromise claims with respect to the Advertising Fund;

(e) take legal or other action against any franchisee(s) in default of their obligations to the Advertising Fund and settle or compromise claims (and to pay related attorneys' fees and costs); and

(f) merge or combine the Advertising Fund with any marketing fund otherwise established for Stores.

8.3.5 Company may either (i) transfer the Advertising Fees to a separate Entity to whom Company has assigned or delegated the responsibility to operate and maintain the Advertising Fund, or (ii) administratively segregate on its books and records all Advertising Fees received from Franchisee and all other franchisees of Company. Nothing herein shall be deemed to create a trust fund, and Company may commingle advertising fees with its general operating funds and expend such sums in the manner herein provided. For each Store that Company or any of its Affiliates operates, Company or such Affiliate will similarly allocate to the Advertising Fund the amount that would be required to be contributed to the Advertising Fund if it were a Licensed Store.

8.3.6 If less than the total of all contributions and allocations to the Advertising Fund are expended during any fiscal year, such excess may be accumulated for use during subsequent years. Company may spend in any fiscal year an amount greater or less than the aggregate contributions to the Advertising Fund in that year and may cause the Advertising Fund to borrow funds to cover deficits or invest surplus funds. If Company (or an Affiliate) advances money to the Advertising Fund, it will be entitled to be reimbursed for such advances. Any interest earned on monies held in the Advertising Fund may be retained by Company for its own use in its

discretion. Within 60 days following each fiscal year, Company shall prepare a statement of contributions and expenditures for the Advertising Fund and, upon Franchisee's written request, Company shall provide such information to Franchisee.

8.4 Co-op Advertising. Company may, but is not obligated to, from time to time establish regions for co-operative advertising ("**Co-op Advertising Regions**"), to coordinate advertising, marketing efforts and programs and maximizing the efficient use of local and/or regional advertising media.

8.4.1 If and when Company creates a Co-op Advertising Region for the region in which the Licensed Store is located, Franchisee (and, if Company or an Affiliate of Company owns a Store in such Co-op Advertising Region, then Company or such Affiliate of Company ), shall become a subscriber and member thereof and shall execute and participate in accordance with the subscription agreement and the Certificate of Incorporation and Bylaws of such Co-op Advertising Region on the forms prescribed by Company. The size and content of such regions, when and if established by Company, shall be binding upon Franchisee, and all other similarly situated franchisees of the System and Company or such Affiliate of Company, if it operates Stores in the region. At all meetings of such Co-op Advertising Region each participating Franchisee, as well as Company (or such Affiliate), if applicable, shall be entitled to one vote for each Store located within such Co-op Advertising Region or such other vote as may reasonably be determined by Company.

8.4.2 Franchisee and other members of the Co-op Advertising Region, whose agreements require their participation, will contribute to the Co-op Advertising Region such amount as may be determined by Company; *provided, however*, the rate of contribution may be increased in excess of such amount from time to time upon the affirmative vote or consent of not less than a majority of the voting power of the Co-op Advertising Region, but the Co-op Advertising Region may not reduce any minimum contribution rate established by Company (subject to the limitations set forth in this Section).

8.4.3 Subject to Section 8.4.1 of this Agreement, each Co-op Advertising Region will decide as to the usage of funds available to it for media time, production of media materials, whether for radio, television, newspapers or Store-level materials such as flyers, posters, or for any other type of advertising or marketing use, and then such Co-op Advertising Region shall in writing request approval from Company to use said funds in said manner. Company shall not withhold approval unreasonably, but no placement of advertising or commitment of advertising funds on behalf of a Co-op Advertising Region will be made without Company's prior written approval. Company reserves the right to establish general standards concerning the operation of the Co-op Advertising Region, advertising agencies retained by Co-op Advertising Region, and advertising programs conducted by Co-op Advertising Region. Any disputes (other than pricing) arising among or between Franchisee, other franchisees, and/or the Co-op Advertising Region may be resolved by Company, whose decision shall be final and binding on all parties. No Co-op Advertising Region may appoint or pay from the funds collected by the Co-op Advertising Region fees or costs of any advertising agency or buying group without the prior written permission of Company.

8.5 Telephone Numbers and Directory Advertising. In addition to the Advertising Fees and Franchisee's required expenditures under Sections 8.2 and 8.3, Franchisee shall, at its sole expense, subscribe for and maintain throughout the Term, one or more listed telephone numbers which shall be listed under such headings in such telephone directory or directories, including physical and on-line directories and the white pages and the yellow pages, as Company may reasonably designate or approve which service Franchisee's trade area, as reasonably determined by Company. Company reserves the right to establish general standards concerning directory and other types of advertising.

8.6 Promotional Campaigns. From time to time during the term hereof, Company shall have the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Franchisee and each Co-op Advertising Region, if any, agrees to participate in such promotional campaigns upon such terms and conditions as Company may reasonably establish. Franchisee acknowledges and agrees that such participation may require Franchisee to purchase point of sale advertising material, posters, flyers, product displays and other promotional material (unless provided at no charge through the Advertising Fund).

## 8.7 Internet.

8.7.1 Franchisee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including any Internet home page, e-mail address, website, domain name, bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Company's express prior written consent, and then only in such manner and in accordance with System Standards as Company may establish from time to time.

8.7.2 Company has established one or more Internet websites. Company shall have discretion over the design, content and functionality of such websites. Company may include one or more interior pages that identify Stores operated under the Marks, including the Licensed Store, by among other things, geographic region, address, telephone number(s), and offered products and services. Such website(s) may also include one or more interior pages dedicated to the sale of franchises by Company and/or relations with Company's or its Affiliate's investors. Company may permit Franchisee to periodically select from Company's designated alternative design elements for an interior page (or portion thereof) dedicated to the Licensed Store. Such designated alternative design elements may change from time to time. Company will implement any such designated design elements or changes promptly, subject to Company's business needs and scheduling availability. Company may disable or terminate such website(s), in whole or in part, without Company having any liability to Franchisee.

8.7.3 Franchisee acknowledges and agrees that Company (or its Affiliate) is the owner of, and will retain all right, title and interest in and to (i) the domain name "www.UBREAKIFIX.com"; (ii) the URL: "www.UBREAKIFIX.com"; all existing and future domain names, URLs, future addresses and subaddresses using the Marks in any manner; (iii) all computer programs and computer code (e.g., HTML, XML DHTML, Java) used for or on Company's website(s), excluding any software owned by third parties; (iv) all text, images, sounds, files, video, designs, animations, layout, color schemes, trade dress, concepts, methods, techniques, processes and data used in connection with, displayed on, or collected from or through Company's website(s); and (v) all intellectual property rights in or to any of the foregoing.

8.7.4 Franchisee acknowledges that Company has the exclusive and unrestricted right to manufacture, produce, license, distribute and market products and repair services (including Approved Products and Services) and accessories by means of the Internet.

8.7.5 Franchisee acknowledges that to competitively attract customers, Company may enter into agreements with Internet Referral Sources to refer customers to Company and its franchisees, including Franchisee, and Company may establish System Standards governing the referral of customers derived via Internet Referral Sources. Franchisee must comply with these System Standards, as amended by Company from time to time, and Company may condition Franchisee's right to receive and make referrals on Franchisee's compliance with these System Standards. Company may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of leads from Internet Referral Sources, and Company may charge Franchisee an administrative fee, which shall not exceed 5% of the Gross Sales earned by Franchisee resulting from performance of services to customers from Internet Referral Sources. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by Franchisee under this Agreement including with respect to National Accounts, Continuing Royalties and Advertising Fees. Company may deduct from Company's payments due to Franchisee any amounts Franchisee owes to Company. Franchisee shall not enter into any arrangement or agreement with an Internet Referral Source without Company's prior written consent.

8.7.6 Franchisee acknowledges that to competitively attract customers, Company may enter arrangements whereby various walk-in retail or other similar businesses ("**Referring Businesses**") enter into agreements with its customers whom the Referring Businesses agree to introduce to Company as potential servicing leads from such customers ("**Referred Customers**") in exchange for Company's agreement to reward the Referring Businesses with a commission on sales to the Referred Customers in an amount which we establish with the Referring Business, not to exceed 10% of the Total Ticket Price (defined below) ("**Referral Commission**"). Company shall pass down its obligation to pay Referral Commissions to the Referring Businesses to Franchisee. Accordingly, Franchisee shall pay Company the applicable Referral Commission on every sale made by Franchisee

to a Referred Customer, which Company shall then pay to the Referring Businesses. The “**Total Ticket Price**” is equal to the Gross Sales derived by the Franchisee from the Referred Customer, exclusive of sales tax and prior to applying any discounts, credits, rebates, adjustments, and shipping, handling, insurance and related transportation costs. Company may refer these Referred Customers to its franchisees, including Franchisee, and Company may establish System Standards governing the referral of Referred Customers derived from those Referring Businesses. Franchisee must comply with these System Standards, as amended by Company from time to time, and Company may condition Franchisee’s right to receive and make referrals on Franchisee’s compliance with these System Standards. Company may provide a centralized billing system, dispatch service and/or other systems related to the administration or servicing of leads from these Referring Businesses.

## **ARTICLE 9 DISTRIBUTION AND PURCHASE OF EQUIPMENT, SUPPLIES, AND OTHER PRODUCTS**

9.1 Designated Products and Services. Company may, from time to time throughout the Term, require that Franchisee purchase, use, offer, promote, provide and/or maintain certain tools, supplies, replacement parts, products and/or services from Company or Company’s Affiliates (if Company or its Affiliates sell the same) or from suppliers designated by Company (the “**Designated Products and Services**”). The Designated Products and Services may include: (i) products that bear the “**UBREAKIFIX**” mark or marks; (ii) ink, toner, consumables, tools, supplies, replacement parts, accessories, fixtures, furnishings, equipment, uniforms, supplies, stationary, packaging, forms, computer hardware, software, modems and peripheral equipment and other items, whose quality or other specifications Company deems to be of significant importance to the Store or which are produced or manufactured in accordance with Company’s specifications and/or formulas, and products and services which Company selects as designated products and services, and (iii) services, including remote computer maintenance and data backup, computer repair, monitoring, training, and other items of service such as provided by organizations that provide referrals to or pre-screen service professionals that Company may authorize Franchisee from time to time to use to provide additional and/or specialized support and assistance to customers. Company shall not be obligated to reveal Trade Secrets, specifications and/or formulas of such Designated Products and Services to Franchisee, non-designated suppliers, or any other third parties. Franchisee shall purchase Designated Products and Services only from Company or its Affiliates (if they sell the same), or Company’s designees.

9.2 Ancillary Products and Services. Company may designate certain products and services, such as merchandise, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, packaging, forms, Information Systems, and other products, supplies, services and equipment, some of which may be restricted to designated brands and models, other than Designated Products and Services, which Franchisee may or must use and/or offer and sell at the Licensed Store (“**Ancillary Products and Services**”). Franchisee may, but shall not be obligated to, purchase such Ancillary Products and Services from Company or its Affiliates, if Company or such Affiliates, supply the same. Franchisee may use, offer or sell only such Ancillary Products and Services that Company has expressly authorized, and that are purchased or obtained from Company or a producer, manufacturer, distributor, supplier or service provider (“**Supplier**”) designated or approved by Company pursuant to Section 9.2.2 of this Agreement.

9.2.1 Franchisee may purchase authorized Ancillary Products and Services from (i) Company or its Affiliates (if they sell the same); (ii) Suppliers designated by Company; or (iii) Suppliers selected by Franchisee and approved in writing by Company prior to Franchisee making such purchase(s). Each such Supplier designated by Company must comply with Company’s usual and customary requirements regarding insurance, indemnification, and non-disclosure, and shall have demonstrated to the reasonable satisfaction of Company: (a) its ability to supply an Ancillary Product or Service meeting the specifications of Company, which may include specifications as to brand name, model, contents, manner of preparation or installation, quality, and compliance with governmental standards and regulations; (b) its reliability with respect to delivery and the consistent quality of its products or services; and (c) its ability to meet such other requirements as determined by Company to be in the best interest of the system.

9.2.2 If Franchisee should desire to procure authorized Ancillary Products and Services from a Supplier other than Company or one previously approved or designated by Company (and not subsequently

disapproved), Franchisee shall deliver written notice to Company of its desire to seek approval of such Supplier, which notice shall (a) identify the name and address of such Supplier, (b) contain such information as may be requested by Company or required to be provided pursuant to the Manuals (which may include reasonable financial, operational and economic information regarding its business and its product), and (c) identify the authorized Ancillary Products and Services desired to be purchased from such Supplier. Company shall, upon request of Franchisee, furnish to Franchisee the general, but not manufacturing, specifications for such Ancillary Products and Services if such are not contained in the Manuals. Company may thereupon request that the proposed Supplier furnish Company at no cost to Company, product samples, specifications and such other information as Company may require. Company or its representatives, including qualified third parties, shall also be permitted to inspect the facilities of the proposed Supplier and establish economic terms, delivery, service and other requirements consistent with other distribution relationships for other Stores.

9.2.3 Company will use its good faith efforts to notify Franchisee of its decision within 60 days after Company's receipt of Franchisee's request for approval and other requested information and items in full compliance with this Section 9.2.2; should Company not deliver to Franchisee, within 60 days after it has received such notice and all information and other items requested by Company in order to evaluate the proposed Supplier, a written statement of approval with respect to such Supplier, such Supplier shall be deemed disapproved as a Supplier of the authorized Ancillary Products and Services described in such notice. Nothing in this article shall require Company to approve any Supplier, and without limiting Company's right to approve or disapprove a Supplier in its discretion, Franchisee acknowledges that it is generally disadvantageous to the System from a cost and service basis to have more than one Supplier in any given market area and that among the other factors Company may consider in deciding whether to approve a proposed Supplier, it may consider the effect that such approval may have on the ability of Company and its Franchisees to obtain the lowest distribution costs and on the quality and uniformity of products offered system-wide. Without limiting the foregoing, Company may disapprove a proposed Supplier, if in Company's opinion, the approval of the proposed Supplier would disrupt or adversely impact Company's national or regional distributional arrangements. Company may also determine that certain Ancillary Products and Services shall be limited to a designated brand or brands set by Company. Company may revoke its approval upon the Supplier's failure to continue to meet any of Company's criteria. Franchisee agrees that at such times that Company establishes a regional purchasing program for any of the parts and other supplies and materials used in the preparation and performance of Approved Products and Services or other Ancillary Products and Services used in the operation of the Licensed Store, which may benefit Franchisee by reduced price, lower labor costs, production of improved products, increased reliability in supply, improved distribution, raw material cost control (establishment of consistent pricing for reasonable periods to avoid market fluctuations), improved operations by Franchisee or other tangible benefits to Franchisee, Franchisee will participate in such purchasing program in accordance with the terms of such program.

9.2.4 As a further condition of its approval, Company may require a Supplier to agree in writing: (i) to provide from time to time upon Company's request free samples of any Ancillary Product or Service it intends to supply to Franchisee, (ii) to faithfully comply with Company's specifications for applicable Ancillary Products and Services sold by it, (iii) to sell any Ancillary Product or Service bearing Company's Marks only to Franchisee, and with Company's written approval, to other "UBREAKIFIX" Store franchisees of Company and only pursuant to a trademark license agreement in form prescribed by Company, (iv) to provide to Company duplicate purchase invoices for Company's records and inspection purposes and (v) to otherwise comply with Company's reasonable requests.

9.2.5 Franchisee or the proposed Supplier shall pay to Company in advance (or upon Company's request, reimburse Company for) all of Company's reasonably anticipated costs in reviewing the application of the Supplier to service Franchisee and all current and future reasonable costs and expenses, including Travel Expenses, related to inspecting, re-inspecting and auditing the Suppliers' facilities, equipment, and products, and all product testing costs paid by Company to third parties.

9.2.6 Franchisee shall at all times remain current and fully comply and perform each of its obligations to its landlord, vendors and Suppliers.

### 9.3 Purchases from Company or its Affiliates.

9.3.1 All services, goods, products, parts and supplies purchased from Company or its Affiliates (“**Company-provided Items**”) shall be purchased in accordance with the purchase order format issued from time to time by Company (or the applicable Affiliate), the current form of which shall be set forth in the Manuals, and in accordance with the policies set forth in the Manuals, if any. Company (or such Affiliate) may change the prices, delivery terms and other terms relating to its sale of Company-provided Items to Franchisee on prior written notice. Such prices shall be Company’s (or the Affiliate’s) then-current prices, which may change from time to time. Franchisee further acknowledges that prices Company (or the applicable Affiliate) charges to Franchisee may include a mark-up and profit to Company (or its Affiliate’s) and may be higher than Company’s (or its Affiliate’s) internal prices allocated or charged to Company or Affiliate owned Stores. Presently, Company (or its Affiliate) expects to receive a mark-up. Company (or the applicable Affiliate) in its discretion, may discontinue the sale of any goods or services at any time if in Company’s (or the applicable Affiliate) judgment its continued sale becomes unfeasible, unprofitable, or otherwise undesirable. Company (or the applicable Affiliate) shall not be liable to Franchisee for unavailability of, or delay in shipment or receipt of, merchandise because of temporary product shortages, order backlogs, production difficulties, delays, unavailability of transportation, fire, strikes, work stoppages, or other causes beyond the reasonable control of Company (or the applicable Affiliate). If any Company-provided Items sold by Company (or the applicable Affiliate) are not in sufficient supply to fully fulfill all orders therefor, Company (or the applicable Affiliate) may allocate the available supply among itself, its Affiliates and others, including Franchisee and other franchisees, in any way Company (or the applicable Affiliate) deems appropriate, which may result in Franchisee not receiving any allocation of certain Company-provided Items as a result of a shortage. All product orders by Franchisee shall be subject to acceptance by Company (or the applicable Affiliate) at Company’s (or the applicable Affiliate’s) designated offices, and Company (or the applicable Affiliate) reserves the right to accept or reject, in whole or in part, any order placed by Franchisee. Franchisee shall submit to Company (or the applicable Affiliate), upon written request, financial statements which contain sufficient information to enable Company to determine the credit limits, if any, to be extended to Franchisee. Company (or the applicable Affiliate), in its sole discretion, may establish the credit terms, if any, upon which it will accept Franchisee’s orders, and may require Franchisee to pay for orders on a cash-in-advance or cash-on-delivery basis.

9.3.2 Company may collect rebates and credits in the form of cash or services or otherwise from Suppliers based on purchases or sales by Franchisee and Company shall have the right to retain such sums for its own purposes, return such sums to be used by one or more franchisees, including for designated purposes, and use such sums for advertising the “UBREAKIFIX” brand, or one or more of the foregoing purposes in Company’s discretion, notwithstanding any designation by the Supplier or otherwise.

9.3.3 On the expiration or termination of this Agreement, or in the event of any default by Franchisee of this Agreement, Company (or the applicable Affiliate) shall not be obliged to fill or ship any orders then pending or, in the case of termination or non-renewal, made any time thereafter by Franchisee, and Company may notify its approved Suppliers of any impending termination or expiration of this Agreement and may, among other things, instruct such Suppliers to deliver only such quantity of Designated Products and Services as is reasonably necessary to supply Franchisee’s needs prior to the expiration or termination date of this Agreement.

9.3.4 From time to time upon Company’s (or the applicable Affiliate’s) request, Franchisee shall promptly estimate the level of purchases that Franchisee expects to make from Company (or the applicable Affiliate) over the two-week period, or other period requested by Company, following the date of the request.

9.4 Test Marketing. Company may, from time to time, authorize Franchisee to test market products and/or services in connection with the operation of the Licensed Store. Franchisee shall cooperate with Company in connection with the conduct of such test marketing and shall comply with Company’s rules and regulations established from time to time in connection herewith.

9.5 National Warranty Programs. Company has established a national warranty program and may revise the program from time to time as Company deems appropriate. Franchisee, acting on its own behalf, shall deliver to its customers national warranties on terms and conditions Company determines from time to time and on such forms as Company may furnish to Franchisee. Franchisee shall perform promptly all of the terms and

conditions of all such warranties. Franchisee shall have sole responsibility for all such warranties (even though the terms and conditions have been established by Company) and for performance of any other warranties provided by Franchisee. Franchisee agrees to comply with all policies and procedures on warranty programs established by Company and keeping records with respect to Franchisee reimbursement claims. Franchisee acknowledges and agrees that all warranty and other services hereunder are performed by Franchisee as an independent contractor and not as an agent of Company. Franchisee has no authority to make and shall not make any warranty or representation to others on behalf of Company.

9.6 Customer Reporting and Comment Cards.

9.6.1 At Company's request, Franchisee shall use reasonable efforts to secure the names, physical and email addresses and other information reasonably required by Company, of Franchisee's customers at the Licensed Store and shall allow such information to be used by Company. Franchisee may not divulge such customer names, addresses or other information, with or without remuneration, to any third party. Franchisee shall respond promptly to each customer inquiry or complaint and resolve all reasonable complaints to the customer's satisfaction. Company may establish privacy policies, and upon notification of the same, Franchisee shall cause such privacy policies to be implemented in its Licensed Store.

9.6.2 At Company's request, Franchisee shall purchase, use and display in the Licensed Store during all operating hours customer comment and other cards in the manner specified in the Manuals, or use other physical and electronic methods to gather customer information and comments regarding their experience at the Licensed Store, or "UBREAKIFIX" stores in general.

**ARTICLE 10**  
**REPORTS, BOOKS AND RECORDS, INSPECTIONS**

10.1 General Reporting. Franchisee shall, as and when specified by Company, submit to Company statistical control forms and such other financial, operational and statistical information (by paper, facsimile, email, or other method of transmission) as Company may require to: (i) assist Franchisee in the operation of the Licensed Store in accordance with the System; (ii) allow Company to monitor Franchisee's Gross Sales, purchases, costs and expenses; (iii) enable Company to develop chain wide statistics which may improve bulk purchasing; (iv) assist Company in the development of new products and services or the removal of existing unsuccessful Approved Products and Services; (v) enable Company to refine existing Approved Products and Services; (vi) generally improve chain-wide understanding of the System (collectively, the "**Information**"). Without limiting the generality of the foregoing:

10.1.1 Unless otherwise agreed by Company in writing, Franchisee shall also submit condensed reports (by paper, facsimile, email, or other method of transmission) of Gross Sales to Company on a weekly basis in accordance with the guidelines established by Company. Franchisee will electronically link the Licensed Store to Company and will allow Company to poll at times selected by Company, the Licensed Store Information Systems to retrieve Information including sales, sales mix, usage, and operations data.

10.1.2 On or before the 7th day following each Accounting Period during the Term hereof, Franchisee shall submit a Gross Sales report signed by Franchisee, on a form prescribed by Company, reporting all Gross Sales for the preceding Accounting Period, together with such additional financial information as Company may from time to time request.

10.1.3 On or before the 45th day following each calendar quarter during the Term hereof, Franchisee shall submit to Company financial statements for the preceding calendar quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by Company and in accordance with generally accepted accounting principles, which shall be certified by Franchisee to be accurate and complete.

10.1.4 Within 90 days following the end of each calendar year, Franchisee shall submit to Company an unaudited annual financial statement prepared in accordance with generally accepted accounting principles, and in such form and manner prescribed by Company, which shall be certified by Franchisee to be



accurate and complete. Franchisee shall also provide Company with copies of signed original VAT, sales and use tax forms contemporaneously with their filing with the appropriate state or local authority. Company reserves the right to require such further information concerning the Licensed Store as Company may from time to time reasonably request.

10.2 Inspections. Company's authorized representatives shall have the right, from time to time, to enter upon the entire premises of the Licensed Store during business hours, to examine same, conferring with Franchisee's employees, inspecting and checking operations, products, services, and determining whether the business is being conducted in accordance with this Agreement, the System and the Manuals. Company shall use reasonable efforts to avoid materially disrupting the operation of the Licensed Store. If any such inspection indicates any deficiency or unsatisfactory condition with respect to any matter required under this Agreement or the Manuals, including quality, cleanliness, service, health and authorized product line, Company will notify Franchisee in writing of Franchisee's non-compliance with the Manuals, the System, or this Agreement and Franchisee shall promptly correct or repair such deficiency or unsatisfactory condition. In accordance with Section 7.4, Company may require Franchisee to take and thereafter Franchisee shall take, immediate corrective action, which action may include temporarily closing the Licensed Store. If Franchisee does not achieve satisfactory results on any inspection, Franchisee must reimburse Company for all costs of such inspection and any follow up inspections until the identified problems have been corrected.

10.3 Audits. Franchisee shall prepare, and keep for not less than 7 years following the end of each of its fiscal years, or such longer period required under Applicable Law, adequate books and records showing daily receipts in, at, and from the Licensed Store, applicable VAT, sales and use tax returns (if any), for the Licensed Store, all pertinent original serially numbered sales slips and cash register records for the Licensed Store, and such other sales records as may be reasonably required by Company from time to time to verify Gross Sales and purchases reported by Franchisee to Company, in a form suitable for an audit of its records by an authorized auditor or agent of Company. Such information shall be broken down by categories of goods, products, services, offered and sold, where possible. Company, its agents or representatives may, at any reasonable time during normal working hours, audit or review Franchisee's books and records in accordance with generally accepted standards established by certified public accountants. Company may also conduct the audit at a site other than the Licensed Store, and Franchisee shall provide all information to Company, its agents or representatives, promptly upon demand (but not later than 5 days following the date of the request). If any audit or other investigation reveals an under-reporting or under-recording error, then upon demand Franchisee shall pay the amount determined to be owed, plus interest at the highest compound rate permitted by Applicable Law, but not to exceed the rate of 18% percent per annum. In addition, if any such audit or other investigation reveals an under-reporting or under-recording error of 2% or more, then in addition to any other sums due and in addition to any other rights and remedies it may have, including the right to terminate this Agreement as provided in ARTICLE 14, the expenses of the audit/inspection shall be borne and paid by Franchisee upon billing by Company, which shall include Company's travel, lodging, wage expense and reasonable accounting and legal expense. Without limiting the foregoing, if such audit or other investigation reveals an under-reporting or under-recording error of 5% percent or more, Company, in addition to any other rights and remedies it may have, including the right to terminate this Agreement as provided in ARTICLE 14, may require Franchisee to maintain and deliver to Company from time to time, financial statements audited by an independent certified public accountant.

10.4 Books and Records. Franchisee shall maintain an accounting and record keeping system, in accordance with sound business practices, which shall provide for basic accounting information necessary to prepare financial statements, a general ledger, and reports required by this Agreement and the Manuals. Franchisee shall maintain accurate, adequate and verifiable books and supporting documentation relating to such accounting information.

10.5 Customer Lists. Franchisee agrees to develop and maintain an electronic database that contains the name and contact information of, and a description of the type and cost of the services performed for, each Residential and Small Business Customer that has engaged Franchisee to provide Approved Products and Services (the "**Customer List**"). In partial consideration for the license to use the Marks and the System, and for the training Franchisee receives hereunder, Franchisee assigns and transfers to Company all rights or interests that Franchisee has or may have in the Customer List, as constituted from time to time, with the result that the Customer List shall

be and remain Company's sole property. Company grants Franchisee the right and license to use the Customer List during the Term for the purposes this Agreement states or contemplates, but for no other purpose. Franchisee shall maintain and use the Customer List in strict compliance with any privacy policy that Company adopts.

## **ARTICLE 11 TRADEMARKS**

11.1 Use of Marks. Subject to Section 11.7 of this Agreement, the Licensed Store shall be named "UBREAKIFIX" with only such additional prefix or suffix as may be required by Company from time to time. Franchisee shall use and display such of Company's trade dress, Marks, and such signs, advertising and slogans only as Company may from time to time prescribe or approve. Upon expiration or sooner termination of this Agreement, Company may, if Franchisee does not do so, execute in Franchisee's name and on Franchisee's behalf, any and all documents necessary in Company's judgment to end and cause the discontinuance of Franchisee's use of the trade dress and Marks and Company is hereby irrevocably appointed and designated as Franchisee's attorney-in-fact so to do. Franchisee shall not imprint or authorize any person to imprint any of the Marks on any product without the express written approval of Company. Franchisee shall not use the Marks in connection with any offering of securities or any request for credit without the prior express written approval of Company. Company may withhold or condition any approval related to the Marks, including those described in this Section, in its discretion. During the Term, Franchisee shall identify the Licensed Store as an independently owned and operated franchise of Company, in the form and manner specified by Company, including on all invoices, order forms, receipts, checks, business cards, on posted notices located at the Licensed Store and in other media and advertisements as Company may direct from time to time.

11.2 Non-Use of Trade Name. If Franchisee is an Entity, it shall not use Company's Marks, or Company's trade name, or any words or symbols which are confusingly phonetically or visually similar to the Marks, as all or part of Franchisee's name.

11.3 Use of Other Trademarks. Franchisee shall not display the trademark, service mark, trade name, insignia or logotype of any other person or Entity in connection with the operation of the Licensed Store without the express prior written consent of Company, which may be withheld in its discretion.

11.4 Non-ownership of Marks. Nothing herein shall give Franchisee, and Franchisee shall not assert, any right, title or interest in Company's trade dress, or to any of the Marks or the goodwill annexed thereto, except a mere privilege and license during the term hereof, to display and use the same according to the terms and conditions herein contained.

11.5 Defense of Marks. If Franchisee receives notice, or is informed, of any claim, suit or demand against Franchisee on account of any alleged infringement, unfair competition, or similar matter on account of its use of the Marks in accordance with the terms of this Agreement, Franchisee shall promptly notify Company of any such claim, suit or demand. Thereupon, Company shall take such action as it may deem necessary and appropriate to protect and defend Franchisee against any such claim by any third party. Franchisee shall not settle or compromise any such claim by a third party without the prior written consent of Company. Company shall have the sole right to defend, compromise or settle any such claim, in its discretion, at Company's sole cost and expense, using attorneys of its own choosing, and Franchisee shall cooperate fully with Company in connection with the defense of any such claim. Franchisee may participate at its own expense in such defense or settlement, but Company's decisions with regard thereto shall be final.

11.6 Prosecution of Infringers. If Franchisee shall receive notice or is informed or learns that any third party, which it believes to be unauthorized to use Company's trade dress or Marks, is using Company's trade dress or Marks or any variant thereof, Franchisee shall promptly notify Company of the facts relating to such alleged infringing use. Thereupon, Company shall, in its discretion, determine whether or not it wishes to take any action against such third person on account of such alleged infringement of the trade dress and/or Marks. Franchisee shall have no right to make any demand against any such alleged infringer or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement.

11.7 Modification of Marks. From time to time, in the Manuals or in directives or bulletins supplemental thereto, Company may add to, delete or modify any or all of the Marks and trade dress. Franchisee shall, at its cost and expense, use, or cease using, as may be applicable, the Marks and/or trade dress, including any such modified or additional trade names, trademarks, service marks, logotypes and commercial symbols, in strict accordance with the procedures, policies, rules and regulations contained in the Manuals or in written directives issued by Company to Franchisee, as though they were specifically set forth in this Agreement. Except as Company may otherwise direct, Franchisee shall implement any such change within 60 days after notice thereof by Company, at Franchisee's expense.

11.8 Acts in Derogation of the Marks. Franchisee agrees that Company's trade dress and the Marks are the exclusive property of Company and/or its Affiliates and Franchisee now asserts no claim and will hereafter assert no claim to any goodwill, reputation or ownership thereof by virtue of Franchisee's licensed and/or franchised use thereof, or otherwise. Franchisee further agrees that it is familiar with the standards and high quality of the use by Company and others authorized by Company of the trade dress and Marks in the operation of Stores, and agrees that Franchisee will maintain this standard in its use of the Marks and trade dress. All use of the Marks and trade dress by Franchisee inures to the benefit of Company. Franchisee shall not contest or assist anyone in contesting at any time during or after the Term, in any manner, the validity of any Mark or its registration, and shall maintain the integrity of the Marks and prevent their dilution. Franchisee shall not do or permit any act or thing to be done in derogation of any of the rights of Company or its Affiliates in connection with the same, either during the Term of this Agreement or thereafter, and will use the Marks and Company's trade dress only for the uses and in the manner licensed and/or franchised hereunder and as herein provided. Without limiting the foregoing, Franchisee shall not (i) interfere in any manner with, or attempt to prohibit, the use of Company's trade dress and/or the Marks by any other franchisee or licensee of Company; or (ii) divert or attempt to divert any business or any customers of the Licensed Store to any other person or Entity, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks.

11.9 Assumed Name Registration. If Franchisee is required to do so by Applicable Law, Franchisee shall promptly upon the execution of this Agreement file with applicable Governmental Authorities, a notice of its intent to conduct its business under the name "UBREAKIFIX" with only such additional prefix or suffix as may be required by Company from time to time. Promptly upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall promptly execute and file such documents as may be necessary to revoke or terminate such assumed name registration in connection with the Licensed Store, and if Franchisee shall fail to promptly execute and file such documents as may be necessary to effectively revoke and terminate such assumed name registration, Franchisee hereby irrevocably appoints Company as its attorney-in-fact to do so for and on behalf of Franchisee.

## **ARTICLE 12 COVENANTS REGARDING OTHER BUSINESS INTERESTS**

12.1 Non-Competition. Franchisee acknowledges that the System is distinctive and has been developed by Company and/or its Affiliates at great effort, time, and expense, and that Franchisee has regular and continuing access to valuable and confidential information, training, and Trade Secrets regarding the System. Franchisee recognizes its obligations to keep confidential such information as set forth herein. Franchisee therefore agrees that, except to the extent such restriction is prohibited by Applicable Law:

12.1.1 During the Term, no Restricted Person or Store Manager shall in any capacity, either directly or indirectly, through one or more affiliated Entities, (i) engage in any Competitive Activities at any location, unless Company shall consent thereto in writing, or (ii) divert or attempt to divert any business or any customers of the Licensed Store to any other person or Entity, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks.

12.1.2 Upon (i) the expiration or termination of this Agreement, (ii) the occurrence of any Assignment, or (iii) the cessation of any Restricted Person's relationship with Franchisee; each person who was a Restricted Person before such event shall not for a period of 2 years thereafter, engage in any Competitive Activities: (a) within the Territory, or (b) within an area within 20 miles from any then-existing Store, without

Company's prior written consent. In applying for such consent, Franchisee will have the burden of establishing that any such activity by it will not involve the use of benefits provided under this Agreement or constitute unfair competition with Company or other franchisees or area developers of Company.

## 12.2 Trade Secrets.

12.2.1 Company possesses and continues to develop, and during the course of the relationship established hereunder, Restricted Persons may have access to, proprietary and confidential information, including the Trade Secrets, proprietary software (and related documentation), specifications, procedures, concepts and methods and techniques of developing and operating a Store and producing Approved Products and Services. Company may disclose certain of its Trade Secrets to Restricted Persons in the Manuals, bulletins, supplements, confidential correspondence, or other confidential communications, and through Company's training program and other guidance and management assistance, and in performing Company's other obligations and exercising Company's rights under this Agreement. "Trade Secrets" shall not include information which: (a) has entered the public domain or was known to Franchisee prior to Company's disclosure of such information to Franchisee, other than by the breach of an obligation of confidentiality owed (by anyone) to Company or its Affiliates; (b) becomes known to the Restricted Persons from a source other than Company or its Affiliates and other than by the breach of an obligation of confidentiality owed (by anyone) to Company or its Affiliates; or (c) was independently developed by Franchisee without the use or benefit of any of Company's Trade Secrets. The burden of proving the applicability of the foregoing will reside with Franchisee.

12.2.2 Each Restricted Person shall acquire no interest in the Trade Secrets other than the right to use them in developing and operating the Licensed Store during the Term of this Agreement. A Restricted Person's duplication or use of the Trade Secrets in any other endeavor or business shall constitute an unfair method of competition. Each Restricted Person shall: (i) not use the Trade Secrets in any business or other endeavor other than in connection with the Licensed Store; (ii) maintain absolute confidentiality of the Trade Secrets during and after the Term of this Agreement; and (iii) make no unauthorized copy of any portion of the Trade Secrets, including the Manuals, bulletins, supplements, confidential correspondence, or other confidential communications, whether written or oral. Franchisee shall operate the Licensed Store and implement all reasonable procedures prescribed from time to time by Company to prevent unauthorized use and disclosure of the Trade Secrets, including, implementing restrictions and limitations as Company may prescribe on disclosure to employees and obtaining written non-disclosure and non-competition covenants from employees and others who may have access to the Trade Secrets. Promptly upon Company's request, Franchisee shall deliver executed copies of such agreements to Company. If Franchisee has any reason to believe that any employee has violated the provisions of the confidentiality and noncompetition agreement, Franchisee shall promptly notify Company and shall cooperate with Company to protect Company against infringement or other unlawful use including, but not limited to, the prosecution of any lawsuits if, in the judgment of Company, such action is necessary or advisable. Without limiting the foregoing, Company may also impose reasonable restrictions and conditions, from time to time, on the disclosure of financial or statistical information in connection with the sale or potential sale of the Licensed Store, including the execution of confidentiality agreements.

12.2.3 In view of the importance of the Marks and the Trade Secrets and the incalculable and irreparable harm that would result to the parties in the event of a default of the covenants and agreements set forth herein in connection with these matters, the parties agree that each party shall have the right in a proper case to obtain specific performance, temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction to enforce the covenants and agreements in this Agreement, in addition to any other relief to which such party may be entitled at law or in equity. Each party submits to the exclusive jurisdiction of the courts of the State of Florida and the U.S. federal courts sitting in Orlando, Florida for purposes thereof. The parties agree that venue for any such proceeding shall be the state and federal courts located in Orlando, Florida. Franchisee agrees that Company may have temporary or preliminary injunctive relief without bond, but upon due notice, and Franchisee's sole remedy in the event of the entry of such injunctive relief will be the dissolution of the injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any the injunction being expressly waived).

12.3 Confidentiality and Press Releases. Franchisee shall not disclose the substance of this Agreement to any third party except as necessary to inform lessors from which it is seeking Leases or lessors which are parties to Leases in order to obtain renewals of, or avoid terminations of, such Leases or as necessary to obtain any Permits or other approvals, or to the extent required by the lawful order of any court of competent jurisdiction or federal, state, or local agency having jurisdiction over Franchisee, provided that Franchisee shall give Company prior notice of such disclosure. Unless disclosure is required by Applicable Law, no public communication, press release or announcement regarding this Agreement, the transactions contemplated hereby or the operation of the Licensed Store or any Crisis Management Event shall be made by Franchisee without the written approval of Company in advance of such press release announcement, or public communication.

12.4 Interference With Employment Relations. Without Company's prior written consent, during the Term and for a period of 24 months following the termination, expiration or nonrenewal of this Agreement, or there shall occur an Assignment, neither Franchisee, its Owner(s) or their respective Affiliates, officers, directors, or managers, or any of them, shall in any capacity whatsoever, either directly or indirectly, hire, solicit or encourage to leave the employment of Company, any of its Affiliates, or any licensee or franchisee of Company, any of its Affiliates, any employee of Company or any of its Affiliates (or any person who such persons knew or should have known was an employee of any licensee or franchisee of Company) or hire any such employee who has left the employment of Company or any of its Affiliates (or Company's licensee or franchisee) within one year of the termination of such employee's employment with Company or any of its Affiliates (or Company's licensee or franchisee).

12.5 Effect of Applicable Law. In the event any portion of the covenants in this Article violates laws affecting Franchisee, or is held invalid or unenforceable in a final judgment to which Company and Franchisee are parties, then the maximum legally allowable restriction permitted by law shall control and bind Franchisee. Company may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any such reduced covenant upon receipt of written notice. The provisions of this Article shall be in addition to and not in lieu of any other confidentiality obligation of Franchisee, or any other person, whether pursuant to another agreement or pursuant to Applicable Law.

12.6 Business Practices. Franchisee represents, warrants and covenants to Company that:

12.6.1 As of the date of this Agreement, Franchisee and each of its Owners (if Franchisee is an Entity) shall be and, during the Term shall remain, in full compliance with all applicable laws in each jurisdiction in which Franchisee or any of its Owners (if Franchisee is an Entity), as applicable, conducts business that prohibits unfair, fraudulent or corrupt business practices in the performance of its obligations under this Agreement and related activities, including the following prohibitions:

(a) No government official, official of an international organization, political party or official thereof, or candidate is an Owner or has any investment interest in the revenues or profit of Franchisee;

(b) None of the property or interests of Franchisee or any of its Owners is subject to being "blocked" under any Anti-Terrorism Laws. Neither Franchisee, nor any of its respective funding sources (including any legal or beneficial owner of any Equity in Franchisee) or any of its Affiliates is or has ever been a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Laws or identified by name or address on any Terrorist List. Each of Franchisee and its Owners are in compliance with Applicable Law, including all such Anti-Terrorism Laws;

(c) Neither Franchisee nor any of its Owners conducts any activity, or has failed to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the International Money Laundering Abatement and Anti-Terrorist Financing Act, as amended, and any amendments or successors thereto; and

(d) Franchisee is neither directly nor indirectly owned or controlled by the government of any country that is subject to a United States embargo, nor does Franchisee or its Owners act directly or indirectly on behalf of the government of any country that is subject to a United States embargo.

12.6.2 Franchisee has taken all necessary and proper action required by Applicable Law and has the right to execute this Agreement and perform under all of its terms. Franchisee shall implement and comply with anti-money laundering policies and procedures that incorporate “know-your-customer” verification programs and such other provisions as may be required by Applicable Law.

12.6.3 Franchisee shall implement procedures to confirm, and shall confirm, that (a) none of Franchisee, any person or entity that is at any time a legal or beneficial owner of any interest in Franchisee or that provides funding to Franchisee is identified by name or address on any Terrorist List or is an Affiliate of any person so identified; and (b) none of the property or interests of Franchisee is subject to being “blocked” under any Anti-Terrorism Laws.

12.6.4 Franchisee shall promptly notify Company upon becoming aware of any violation of this Section or of information to the effect that any person or entity whose status is subject to confirmation pursuant to Section 12.6.3 above is identified on any Terrorist List, any list maintained by OFAC or to being “blocked” under any Anti-Terrorism Laws, in which event Franchisee shall cooperate with Company in an appropriate resolution of such matter.

12.6.5 In accordance with Applicable Law, none of Franchisee nor any of its Affiliates, principals, partners, officers, directors, managers, employees, agents or any other persons working on their behalf, shall offer, pay, give, promise to pay or give, or authorize the payment or gift of money or anything of value to any officer or employee of, or any person or entity acting in an official capacity on behalf of, a Governmental Authority, or any political party or official thereof or while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any official, for the purpose of (a) influencing any action or decision of such official in his or its official capacity; (b) inducing such official to do or omit to do any act in violation of his or its lawful duty; or (c) inducing such official to use his or its influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority in order to obtain certain business for or with, or direct business to, any person.

12.7 Survival. The provisions of this Article shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Company for any infringement of, violation of, or interference with, this Agreement, or Company’s Marks, System, Trade Secrets, or any other proprietary aspects of Company’s business.

### **ARTICLE 13 NATURE OF INTEREST, ASSIGNMENT**

13.1 Assignment by Company. This Agreement is fully transferable by Company, in whole or in part, without the consent of Franchisee and shall inure to the benefit of any transferee or their legal successor to Company’s interests herein; provided, however, that such transferee and successor shall expressly agree to assume Company’s obligations under this Agreement. Without limiting the foregoing, Company may (i) assign any or all of its rights and obligations under this Agreement to an Affiliate; (ii) sell its assets, its marks, or its System outright to a third party; (iii) engage in a public offering of its securities; (iv) engage in a private placement of some or all of its securities; (v) merge, acquire other corporations, or be acquired by another corporation; or (vi) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring. Company shall be permitted to perform such actions without liability or obligation to Franchisee who expressly and specifically waives any claims, demands or damages arising from or related to any or all of the above actions (or variations thereof). Company shall have no liability for the performance of any obligations contained in this Agreement after the effective date of such transfer or assignment. In connection with any of the foregoing, at Company’s request, Franchisee shall deliver to Company a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (b) that Franchisee is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; and (c) as to such other matters as Company may reasonably request; and Franchisee agrees that any such statements may be relied upon by Company and any prospective purchaser, assignee or lender of Company.

### 13.2 Assignment by Franchisee.

13.2.1 The rights and duties created by this Agreement are personal to Franchisee. This Agreement has been entered into by Company in reliance upon and in consideration of the singular individual or collective character, reputation, skill attitude, business ability, and financial capacity of Franchisee, or if applicable, its Owners who will actively and substantially participate in the development ownership and operation of the Licensed Store. Accordingly, except as otherwise may be permitted herein, neither Franchisee nor any Owner (other than Company, if applicable) shall, without Company's prior written consent, cause or permit any Assignment. Any such purported Assignment occurring by operation of law or otherwise without Company's prior written consent shall constitute a default of this Agreement by Franchisee, and shall be null and void. Except in the instance of Franchisee advertising to sell the Licensed Store and assign this Agreement in accordance with the terms hereof, Franchisee shall not, without Company's prior written consent, offer for sale or transfer at public or private auction or advertise publicly for sale or transfer, the furnishings, interior and exterior décor items, supplies, repair parts, fixtures, equipment, Franchisee's Lease or the real or personal property used in connection with the Licensed Store. Franchisee may not make any Assignment to a public Entity, or to any Entity whose direct or indirect parent's securities are publicly traded and no shares of Franchisee or any Owner of Franchisee may be offered for sale through the public offering of securities. To the extent that any prohibition on the pledge, hypothecation, encumbrance or granting of a security interest in this Agreement or the assets of the Licensed Store may be ineffective under Applicable Law, Franchisee shall provide not less than 10 days prior written notice (which notice shall contain the name and address of the secured party and the terms of such pledge, hypothecation, encumbrance or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement or the assets of the Licensed Store.

13.2.2 If Franchisee is an Entity, Franchisee shall promptly provide Company with written notice (stating such information as Company may from time to time require) of each and every transfer, assignment and encumbrance by any Owner of any direct or indirect Equity or voting rights in Franchisee, notwithstanding that the same may not constitute an "Assignment."

13.2.3 Company will not unreasonably withhold its consent to any Assignment which is subject to the restrictions of this Article, provided however, Company may impose any reasonable condition to the granting of its consent, and requiring Franchisee to satisfy any or all of the following conditions shall be deemed reasonable:

(a) Franchisee's written request for Company's consent to Assignment must be accompanied by a detailed description of the price and all material terms and conditions of the proposed Assignment and the identity of the proposed assignee and such other information as Company may reasonably request;

(b) Company's receipt of an estoppel agreement indicating any and all causes of action, if any, that Franchisee may have against Company or if none exist, so stating, and a list of all Owners having an interest in this Agreement or in Franchisee, the percentage interest of Owner, and a list of all officers and directors, in such form as Company may require;

(c) Franchisee's written request for consent to any Assignment must be accompanied by an offer to Company of a right of first refusal to purchase the interest which is proposed to be transferred, on the same terms and conditions offered by the third party; provided that Company may substitute cash for any non-cash consideration proposed to be given by such third party (in an amount determined by Company reasonably and in good faith as the approximate equivalent value of said non-cash consideration); and provided further that Franchisee shall make representations and warranties to Company customary for transactions of the type proposed (the "ROFR"). If Company elects to exercise the ROFR, Company or its nominee, as applicable, shall send written notice of such election to Franchisee within 60 days of receipt of Franchisee's request (the "ROFR Period"). If Company accepts such offer, the training and transfer/administrative fees due by Franchisee in accordance with this Agreement shall be waived by Company, and the closing of the transaction shall occur within 60 days following the date of Company's acceptance. Any material change in the terms of an offer prior to closing (or the failure to close the transaction within 60 days following the written notice provided by Franchisee) shall cause it to be deemed a new offer, subject to the same right of first refusal by Company, or its third-party designee, as in the case of the initial offer. Company's failure to exercise such ROFR shall not constitute consent to the

transfer or a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer. Without waiving any other rights provided for herein or otherwise, Company hereby waives its ROFR if the proposed transferee/assignee is an immediate family member of Franchisee;

(d) The Franchisee shall not be in default under the terms of this Agreement (or any other related agreement), the Manuals or any other obligations owed Company, and all of its then-due monetary obligations to Company shall have been paid in full;

(e) The Franchisee, and its Owners, if Franchisee is an Entity, shall execute a general release under seal, in a form prescribed by Company, of any and all claims against Company, its Affiliates, Owner(s), directors, officers, agents and employees;

(f) The transferee/assignee shall have demonstrated to Company's satisfaction that it meets all of Company's then-current requirements for new Store operators or for holders of an interest in a franchise or license, including possession of good moral character and reputation, satisfactory credit ratings, acceptable business qualifications, the ability to obtain or acquire the license(s) and permit(s) necessary for the sale of all Approved Products and Services, and the ability to fully comply with the terms of this Agreement;

(g) (i) The transferee/assignee either shall have assumed this Agreement by a written assumption agreement approved by Company, or have agreed to do so at closing, and at closing execute an assumption agreement approved by Company; provided however, that such assumption shall not relieve Franchisee (as transferor/assignor) of any such obligations; or (ii) at Company's option, the transferee/assignee (or Franchisee if the Assignment involves only a change in the Owners or a transfer of control) shall have executed a replacement franchise agreement on the then-current standard form of franchise agreement used by Company in the State in which the Licensed Store is being operated, provided, however, that the term of replacement franchise agreement shall be the remaining term of this Agreement, and, at Company's request, the transferor/assignor shall have executed a continuing guaranty in favor of Company of the performance and payment by the transferee/assignee of all obligations and debts to Company and its Affiliates under the replacement franchise agreement;

(h) If this Agreement has been executed pursuant to an Area Development Agreement with Company (whether or not such agreement remains in effect), that this Agreement and all other franchise agreements executed pursuant to such Area Development Agreement shall be concurrently transferred/assigned to the same assignee;

(i) The assignee shall agree to refurbish the Licensed Store as needed (in Company's discretion) to match the building design, trade dress, color scheme and presentation then used by Company within the 12 month period preceding the assignment for its (or its Affiliates') Store (such refurbishment may include remodeling, redecoration and modifications to existing improvements);

(j) There shall not be any suit, action, or proceeding pending, or to the knowledge of Franchisee any suit, action, or proceeding threatened, against Franchisee with respect to the Licensed Store;

(k) Upon submission of Franchisee's request for Company's consent to any proposed transfer or assignment, Franchisee shall pay to Company a non-refundable administrative/transfer fee equal to 10% of Company's then-current initial franchise fee plus Company's out of pocket costs associated with the transfer, including costs of attorneys' fees associated with the transfer;

(l) Franchisee must provide, following the closing of the sale/transfer, to the transferee/assignee, and its operating principal, store manager and other employees responsible for the operation of the Licensed Store, training and assistance equivalent to Company's Initial Training Program for a reasonable period of time specified by Company, which may be up to 30 days in duration; and

(m) The Owners of transferee/assignee owning 10% or more (directly or indirectly), in the aggregate, of the Equity or voting rights of the transferee/assignee, will execute a written guaranty in a form prescribed by Company, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all



other guarantors, the full payment and performance of all obligations to Company and to Company's Affiliates (in determining whether said 10% threshold is satisfied, holdings of spouses (and family members who live in the same household) and Affiliates shall be aggregated).

13.2.4 Company's consent to an Assignment shall not constitute a waiver of any claims it may have against the transferring party arising out of this Agreement or otherwise, including (a) any payment or other duty owed by Franchisee to Company under this Agreement before such Assignment; or (b) Franchisee's duty of indemnification and defense as set forth in Section 17.2 of this Agreement, whether before or after such Assignment, or (c) the obligation to obtain Company's consent to any subsequent transfer.

13.3 Entity Franchisee. If a Franchisee is an Entity, the following provisions will apply:

13.3.1 Franchisee represents and warrants that the information set forth in Exhibit C, which is annexed hereto and by this reference made a part hereof, is accurate and complete in all material respects. Franchisee shall notify Company in writing within 10 days of any change in the information set forth in Exhibit C, and shall submit to Company a revised Exhibit C, certified by Franchisee as true, correct and complete and upon acceptance thereof by Company shall be annexed to this Agreement as Exhibit C. Franchisee promptly shall provide such additional information as Company may from time to time request concerning all persons who may have any direct or indirect financial interest in Franchisee.

13.3.2 All of Franchisee's organizational documents (including articles of partnership, partnership agreements, articles of incorporation, articles of organization, bylaws, shareholders agreements, trust instruments, or their equivalent) will provide that the issuance and transfer of any interest in Franchisee is restricted by the terms of this Agreement, and that sole purpose for which Franchisee is formed (and the sole activity in which Franchisee is or will be engaged) is the development and operation of a Store or Stores, pursuant to one or more franchise agreements from Company. Franchisee shall submit to Company, upon the execution of this Agreement and thereafter from time to time upon Company's request, a resolution of Franchisee (or its governing body) confirming that Franchisee is in compliance with this provision.

13.3.3 All present and future Owners of a 10% or more (directly or indirectly), in the aggregate, of the Equity or voting rights in Franchisee, will execute a written guaranty in a form prescribed by Company, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all other guarantors, the full payment and performance of Franchisee's obligations to Company and to Company's Affiliates. For purposes of determining whether said 10% threshold is satisfied, holdings of spouses (and family members who live in the same household) and Affiliates shall be aggregated. Upon each transfer or assignment of an interest in Franchisee, or other change in ownership interests in Franchisee, and at any other time upon Company's request, said holders shall re-execute a written guaranty in a form prescribed by Company.

13.3.4 Securities, partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Company, which consent shall not be unreasonably withheld. All materials required for any such private offering by federal or state law shall be submitted to Company for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Company for such review prior to their use. No such offering by Franchisee shall imply that Company is participating in an underwriting, issuance or offering of securities of Franchisee or Company, and Company's review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Company and its Affiliates. Company may, at its option, require Franchisee's offering materials to contain a written statement prescribed by Company concerning the limitations described in the preceding sentence. Franchisee, its Owners and the other participants in the offering must fully defend and indemnify Company, and its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any additional documentation required by Company to further evidence this indemnity. For each proposed offering, Franchisee shall pay, in addition to any transfer fee required

under Section 13.2.3(k) of this Agreement, to Company a non-refundable fee of \$5,000, or such greater amount as is necessary to reimburse Company for its reasonable costs and expenses associated with reviewing the proposed offering, including legal and accounting fees. Franchisee shall give Company written notice at least 30 days prior to the date of commencement of any offering or other transaction covered by this Section.

#### 13.4 Assignment to a Controlled Entity.

13.4.1 If Franchisee is one or more individuals, and in the event that Franchisee proposes to transfer all of its interest in this Agreement and the assets of the Store operated hereunder to an Entity formed by Franchisee solely for the convenience of ownership, Franchisee may (without paying the transfer fee specified in Section 13.2.3(k) of this Agreement), with Company's written consent, transfer such interest and assets, provided, and on condition that:

(a) Upon Company's request, Franchisee delivering to Company a true, correct and complete copy of the transferee Entity's articles of incorporation or articles of organization, bylaws, operating agreement, partnership agreement, and other organizational documents, and Company has accepted the same;

(b) the transferee Entity's articles of incorporation or articles of organization, bylaws, and operating agreement, as applicable, shall provide that its activities are confined exclusively to operating the Store operated hereunder;

(c) Franchisee directly owns not less than 100% of the Equity and voting rights of the transferee Entity;

(d) such Entity is in good standing in its jurisdiction of organization and each other jurisdiction where the conduct of its business or the operation of its properties requires it to be so qualified;

(e) the person designated by Franchisee as the Operating Principal has exclusive day-to-day operational control of the Licensed Store;

(f) such Entity conducts no other business than the operation of the Store;

(g) such Entity assumes all of the obligations under this Agreement pursuant to written agreement, the form and substance of which shall be acceptable to Company;

(h) Each individual comprising Franchisee, and all present and future owners of 10% or more (directly or indirectly), in the aggregate, of the Equity or voting rights of Franchisee shall execute a written guaranty, in a form prescribed by Company, personally, irrevocably and unconditional guaranteeing, jointly and severally, with all other guarantors, the full payment and performance of all of the obligations to Company and its Affiliates under this Agreement;

(i) That none of the Owners of the Equity of the transferee Entity is, directly or indirectly, engaged in a Competitive Activity;

(j) At Company's request, Franchisee shall, and shall cause each of its Affiliates who have executed a franchise agreement and each direct or indirect parent or subsidiary of such Affiliate, to execute and deliver to Company a general release, on a form prescribed by Company of any and all known and unknown claims against Company and its Affiliates and their officers, directors, agents, shareholders and employees; and

(k) Franchisee shall reimburse Company for all direct and indirect costs and expense it may incur in connection with the transfer, including attorney's fees.

13.4.2 In the event that Franchisee exercises its rights under Section 13.4.1 of this Agreement then Franchisee and such assignee Entity shall affirmatively covenant to continue to satisfy each of the conditions set forth in Section 13.4.1 of this Agreement throughout the term of this Agreement.

## ARTICLE 14 DEFAULT AND TERMINATION

14.1 General. Company shall have the right to terminate this Agreement only for “cause.” “Cause” is hereby defined as a default of this Agreement. Company shall exercise its right to terminate this Agreement upon notice to Franchisee upon the following circumstances and manners.

14.2 Automatic Termination Without Notice. Subject to Applicable Laws of the jurisdiction in which the Store operated hereunder is located to the contrary, Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall at Company’s election automatically terminate without notice to Franchisee if: (i) Franchisee shall be adjudicated bankrupt or judicially determined to be insolvent (subject to any contrary provisions of any applicable state or federal laws), shall admit to its inability to meet its financial obligations as they become due, or shall make a disposition for the benefit of its creditors; (ii) Franchisee shall allow a judgment against it in the amount of more than \$25,000 to remain unsatisfied for a period of more than 30 days (unless a supersedeas or other appeal bond has been filed); (iii) the Licensed Store, the Premises or Franchisee’s assets are seized, taken over or foreclosed by a government official in the exercise of its duties, or seized, taken over, or foreclosed by a creditor or lienholder provided that a final judgment against Franchisee remains unsatisfied for (30) days (unless a supersedeas or other appeal bond has been filed); (iv) a levy of execution of attachment has been made upon the license granted by this Agreement or upon any property used in the Licensed Store, and it is not discharged within 5 days of such levy or attachment; (v) Franchisee permits any recordation of a notice of mechanics lien against the Licensed Store or any equipment at the Licensed Store which is not released within 60 days, or if any person commences any action to foreclose on the Licensed Store or said equipment; (vi) Franchisee allows or permits any judgment to be entered against Company or any of its Affiliates, arising out of or relating to the operation of the Licensed Store; (vii) a condemnation or transfer in lieu of condemnation has occurred; (viii) Franchisee or any of its Owners, officers, directors, or key employees is convicted of or pleads guilty or *nolo contendere* to a felony or any other crime or offense that is reasonably likely, in the sole opinion of Company, to adversely affect Company’s reputation, System, Marks or the goodwill associated therewith, or Company’s interest therein; provided, however that if the crime or offense is committed by an Owner other than an Operating Principal, then Company may only terminate on account thereof if such Owner fails within 30 days after the conviction or guilty plea, whichever first occurs, to sell its interest in Franchisee to Franchisee’s other Owners; or (ix) Franchisee’s failure to comply with ARTICLE 12 or ARTICLE 21 of this Agreement.

14.3 Option to Terminate Without Opportunity to Cure. Franchisee shall be deemed to be in default and Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Company upon the occurrence of any of the following events:

14.3.1 Abandonment. If Franchisee shall abandon the Licensed Store. For purposes of this Agreement, “abandon” shall refer to (i) Franchisee’s failure, at any time during the term of this Agreement, to keep the Premises or Licensed Store open and operating for business for a period of 5 consecutive days, except as otherwise may be provided in the Manuals, (ii) Franchisee’s failure to keep the Premises or Licensed Store open and operating for any period after which it is not unreasonable under the facts and circumstances for Company to conclude that Franchisee does not intend to continue to operate the Licensed Store, unless such failure to operate is due to Force Majeure (subject to Franchisee’s continuing compliance with this Agreement), (iii) failure to actively and continuously maintain and answer the telephone listed by Franchisee for the Licensed Store solely with the “UBREAKIFIX” name (as the same may be modified in accordance with this Agreement); (iv) the withdrawal of permission from the applicable lessor that results in Franchisee’s inability to continue operation of the Licensed Store ; or (v) closing of the Licensed Store required by Applicable Law if such closing was not the result of a violation of this Agreement by Company.

14.3.2 Assignment, Death or Incapacity. If Franchisee shall purport to make any Assignment without the prior written consent of Company; provided, however, that if the Licensed Store continues to be operated in conformity with this Agreement (i) upon prompt written request and upon the death or legal incapacity of a Franchisee who is an individual, Company shall allow a reasonable period, up to 9 months, after such death or legal incapacity for the heirs, personal representatives, or conservators (the “**Heirs**”) of Franchisee either to enter into a new Franchise Agreement upon Company’s then current form (except that no initial franchise fee or transfer fee shall be charged), if Company is subjectively satisfied that the Heirs meet Company’s standards and qualifications, or if not so satisfied to allow the Heirs to sell the Licensed Store to a person approved by Company, or (ii) upon prompt written request and upon the death or legal incapacity of an Owner owning 20% or more of the Equity or voting power of a corporate or limited liability company Franchisee, or a general or limited partner owning 20% or more of any of the Partnership Rights of a Franchisee which is a Partnership, Company shall allow a period of up to 9 months after such death or legal incapacity for the Heirs to seek and obtain Company’s consent to the transfer or Assignment of such stock, membership interests or Partnership Rights to the Heirs or to another person acceptable by Company. If, within the allowed period, the Heirs fail either to enter into a new franchise agreement or to sell the Licensed Store to a person approved by Company pursuant to this Agreement, or fail either to receive Company’s consent to the Assignment of such Equity to the Heirs or to another person acceptable by Company, as provided in this Agreement, this Agreement shall thereupon automatically terminate;

14.3.3 Repeated Defaults. If Franchisee shall default in any obligation as to which Franchisee has previously received 2 or more written notices of default from Company setting forth the default complained of within the preceding 12 months, or 3 or more written notices of default from Company setting forth the default complained of within the preceding 24 months, such repeated course of conduct shall itself be grounds for termination of this Agreement without further notice or opportunity to cure;

14.3.4 Violation of Law. If Franchisee fails, for a period of 10 days after having received notification of noncompliance from Company or any governmental or quasi-governmental agency or authority, to comply with any federal, state or local law or regulation applicable to the operation of the Licensed Store;

14.3.5 Sale of Unauthorized Products. If Franchisee sells unauthorized products to the public after notice of default and thereafter sells such products, whether or not Franchisee has cured the default after one or more notices;

14.3.6 Under Reporting. If an audit or investigation conducted by Company hereof discloses that Franchisee has knowingly maintained false books or records, or submitted false reports to Company, or knowingly understated its Gross Sales or withheld the reporting of same as herein provided, and, without limiting the foregoing, if, on 3 or more occasions in any single 36 month period, any audits or other investigations reveals an under-reporting or under-recording error of 2% or more, or on any single occasion any audit or other investigation reveals an under-reporting or under-recording of 5% or more;

14.3.7 Intellectual Property Misuse. If Franchisee materially misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or Company’s rights therein, or takes any action which reflects materially and unfavorably upon the operation and reputation of the Licensed Store, the System, or the “**UBREAKIFIX**” brand generally. Franchisee’s unauthorized use, disclosure, or duplication of the “Trade Secrets,” excluding independent acts of employees or others if Franchisee shall have exercised its best efforts to prevent such disclosures or use;

14.3.8 Misrepresentation. If Franchisee makes any material misrepresentations relating to the acquisition of this Agreement;

14.3.9 Health or Safety Violations. Franchisee’s conduct of the Licensed Store is so contrary to this Agreement, the System and the Manuals as to constitute an imminent danger to the public health; and

14.3.10 Failure to Complete Training. If Franchisee, the initial Operating Principal or the initial Store Manager fails to complete all phases of the Initial Training Program to Company’s satisfaction prior to the opening of the Licensed Store.

14.4 Termination With Notice and Opportunity To Cure. Except for any default by Franchisee under Sections 14.2 or 14.3 of this Agreement, and as otherwise expressly provided elsewhere in this Agreement, Franchisee shall have 10 days (5 days in the case of any default in the timely payment of sums due to Company or its Affiliates) after Company's written notice of default within which to remedy any default under this Agreement, and to provide evidence of such remedy to Company. If any such default is not cured within that time period, or such longer time period as Applicable Law may require or as Company may specify in the notice of default, this Agreement and all rights granted by it shall thereupon automatically terminate without further notice or opportunity to cure.

14.5 Reimbursement of Company Costs. In the event of a default by Franchisee, all of Company's costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of Company's administrative employees shall be paid to Company by Franchisee within 5 days after cure or upon demand by Company if such default is not cured.

14.6 Cross-Default. Except for a default or termination of any Area Development Agreement consisting solely of Franchisee's failure to meet the development schedule thereunder, any default by Franchisee under the terms and conditions of this Agreement, any Lease, or any other agreement between Company (or its Affiliate), and Franchisee (or any Affiliate of Franchisee), or any default by Franchisee (or any Affiliate of Franchisee) of its obligations to any Co-Op Advertising Region of which it is a member, shall be deemed to be a default of each and every said agreement. Furthermore, in the event of termination, for any cause, of this Agreement or any other agreement between the parties hereto, Company may, at its option, terminate any or all said agreements.

14.7 Notice Required By Law. Notwithstanding anything to the contrary contained in this Article, in the event any valid, Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the parties hereto shall limit Company's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by such laws and regulations. Company shall not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

14.8 Termination by Franchisee. Franchisee may terminate this Agreement due to a material default by Company of its obligations hereunder, which default is not cured by Company within 60 days after Company's receipt of prompt written notice by Franchisee to Company detailing the alleged default with specificity; provided, that if the default is such that it cannot be reasonably cured within such 60 day period, Company shall not be deemed in default for so long as it commences to cure such default within 60 days and diligently continues to prosecute such cure to completion. This is a material term of this Agreement and an arbitrator shall not, and shall not have the power or authority to, waive, modify or change this requirement in any arbitration proceeding or otherwise. If Franchisee terminates this Agreement pursuant to this Section, Franchisee shall comply with all of the terms and conditions of ARTICLE 15 of this Agreement.

## **ARTICLE 15 RIGHTS AND OBLIGATIONS UPON TERMINATION**

15.1 General. Upon the expiration or termination of Franchisee's rights granted under this Agreement:

15.1.1 Franchisee shall immediately cease to use all Trade Secrets, the Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Franchisee shall immediately cease using and if applicable, return the Manuals, all training materials, CD ROMs, DVDs, records, customer lists, files, advertising and promotional materials and all other written materials incorporating Trade Secrets and all copies of the whole or any part thereof to Company. Franchisee shall at its own cost make cosmetic changes to the Licensed Store so that it no longer contains or resembles Company's proprietary designs, including: Franchisee shall remove all materials that would identify the Premises and Location as a Store operated under the Marks and System, and remove distinctive cosmetic features and finishes, soffits, interior wall coverings and colors, exterior finishes and colors and signage from the Premises and Location as Company may

reasonably direct and shall, at Company's request, grant Company access to the Premises to make cosmetic changes to the Licensed Store so that it no longer resembles a Store.

15.1.2 If Company so elects, at its sole option, upon any termination or expiration of this Agreement, Franchisee will sell to Company such equipment and furnishings as Company may designate that are associated with the Licensed Store at its net book value, using a 5-year straight line amortization period, but in no event less than 10% of Franchisee's actual, reasonable cost of such items. Company shall have no other payment obligations to Franchisee, and Franchisee specifically waives any and all claims to be paid for other equipment, furnishings, fixtures, products, supplies or the goodwill associated with the terminated Licensed Store (which goodwill Franchisee acknowledges is owned exclusively by Company). Company may offset against any obligations it may have pursuant to this Section any amounts owed by Franchisee to Company.

15.1.3 Company may retain all fees paid pursuant to this Agreement, and Franchisee shall immediately pay any and all amounts owing to Company, its Affiliates, and/or Suppliers.

15.1.4 Any and all obligations of Company to Franchisee under this Agreement shall immediately cease and terminate.

15.1.5 Any and all rights of Franchisee under this Agreement shall immediately cease and terminate, and Franchisee shall immediately cease and thereafter refrain from representing itself as then or formerly a Franchisee or other Affiliate of Company.

15.1.6 Franchisee shall transfer and assign to Company or its designee all telephone numbers, white and yellow page listings, on-line telephone listings and all other associated listings for the Licensed Store, and Franchisee shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone number and any classified or other telephone directory listings associated with the Licensed Store, and authorize and instruct their transfer to Company. Franchisee shall deliver all goods and materials containing the Marks to Company and Company shall have the sole and exclusive use of any items containing the Marks. Franchisee is not entitled to any compensation from Company if Company exercises this option.

15.1.7 If Company shall have authorized Franchisee to use the Marks, or any of them in connection with the Internet, any website, or e-mail address, Franchisee shall cancel or assign to Company or its designee, as Company determines, all of Franchisee's right, title and interest in any Internet websites or web pages, e-mail addresses, domain name listings and registrations which contain the Marks, or any of them, in whole or in part, and Franchisee shall notify the applicable domain name registrar and all listing agencies, upon the termination or expiration hereof, of the termination of Franchisee's right to use any domain name, web page and other Internet device associated with Company or the Licensed Store, and authorize and instruct their cancellation or transfer to Company, as directed by Company. Franchisee is not entitled to any compensation from Company if Company exercises its said rights or options. For the avoidance of doubt, nothing in this Section shall be deemed to permit Franchisee to use the Marks, or any of them in connection with the Internet, except with the prior consent of Company as provided in this Agreement.

15.2 Survival of Obligations. Termination or expiration shall be without prejudice to any other rights or remedies that Company or Franchisee, as the case may be, shall have in law or in equity, including the right to recover the benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which by their nature or expressly constitute post-termination (or post-expiration) covenants and agreements including the obligation of Company and Franchisee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

15.3 No Ownership of Marks. Franchisee acknowledges and agrees that rights in and to Company's Marks and the use thereof shall be and remain the property of Company.

15.4 Government Filings. In the event Franchisee has registered any of Company's Marks or the name "UBREAKIFIX" as part of Franchisee's assumed, fictitious or corporate name, Franchisee shall promptly amend such registration to delete Company's Marks and any confusingly similar marks or names therefrom.

## **ARTICLE 16 INSURANCE**

16.1 Insurance. Franchisee shall obtain and maintain (at all times during the Term) insurance coverage in the types and amounts of coverage and deductibles specified in the Manuals which shall in each instance designate Company and its designated Affiliates as additional named insureds, with an insurance company approved by Company, which approval shall not be unreasonably withheld. At a minimum, Franchisee shall maintain comprehensive public liability insurance against claims for bodily and personal injury, death and property damage in the amount of \$1,000,000.

16.2 Use of Proceeds. In the event of damage to the Licensed Store covered by insurance, the proceeds of any such insurance shall be used to restore the Licensed Store to its original condition as soon as possible, unless such restoration is prohibited by the Location Lease or Company has otherwise consented in writing. Upon the obtaining of such insurance, Franchisee shall promptly provide to Company proof of such insurance coverage.

16.3 Proof of Insurance. Franchisee shall, prior to opening the Licensed Store, (and from time to time, within 10 days after a request therefor from Company, and annually thereafter provide evidence of the renewal or extension of each insurance policy) file with Company, certificates of such insurance and shall promptly pay all premiums on the policies as they become due. In addition, the policies shall contain a provision requiring 30 days prior written notice to Company of any proposed cancellation, modification, or termination of insurance. If Franchisee fails to obtain and maintain the required insurance, Company may, at its option, in addition to any other rights it may have, procure such insurance for Franchisee without notice and Franchisee shall pay, upon demand, the premiums and Company's costs in taking such action.

## **ARTICLE 17 RELATIONSHIP OF PARTIES, DISCLOSURE**

17.1 Relationship of Franchisee to Company. It is expressly agreed that the parties intend by this Agreement to establish between Company and Franchisee the relationship of Company and franchisee. It is further agreed that Franchisee has no authority to create or assume in Company's name or on behalf of Company, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Company for any purpose whatsoever. Neither Company nor Franchisee is the employer, employee, agent, partner or co-venturer of or with the other, each being independent. Franchisee agrees that it shall not under any circumstances hold itself out as the agent, representative, employee, partner or co-venturer of Company. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of Company or subject to Company control. Each of the parties shall file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof. Neither shall have the power to bind or obligate the other except specifically as set forth in this Agreement. Company and Franchisee agree that the relationship created by this Agreement is one of independent contractor and not a fiduciary relationship.

### 17.2 Indemnity.

17.2.1 Franchisee shall protect, defend and indemnify Company, and all of its past, present and future Owners, Affiliates, officers, directors, employees, attorneys and designees, and each of them, and hold them harmless from and against any and all costs and expenses, including attorneys' fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person or Entity or to any property arising out of or in connection with Franchisee's development, construction (including any latent or patent defects), maintenance or operation of the Premises and the Licensed Store. The terms of this Section 17.2.1 shall survive the termination, expiration or cancellation of this Agreement.

17.2.2 Company shall give Franchisee written notice of any claim for which Company demands indemnity (provided that such obligation shall not constitute a condition to Franchisee's indemnification obligation unless and then only to the extent Franchisee has been materially harmed by any delay in giving notice). Company shall retain the full right and power to direct, manage, control and settle the litigation of any claim. Company shall submit all indemnifiable claims to its insurers in a timely manner. Any payments made to an indemnified party shall be net of benefits received by any indemnified party on account of insurance in respect of such claims.

## **ARTICLE 18 PURCHASE OPTION**

### **18.1 Option to Purchase Licensed Store.**

18.1.1 Company or its designated Affiliate shall have the right and option (the "**Purchase Option**") exercisable at any time following the Trigger Date upon written notice to Franchisee (the "**Option Notice**") to purchase for the Purchase Price all of the Assets, free and clear of all liens, encumbrances and liabilities. If Company receives a written request for its consent to an Assignment, then Company must exercise the Purchase Option, if at all, within 20 days following receipt of Franchisee's request for consent to the Assignment. The Purchase Option shall be automatically reinstated following: (a) the Assignment; (b) Company's refusal to consent to the proposed Assignment; (c) 60 days after the ROFR Period if Company does not exercise the ROFR and the Assignment has not been concluded; or (d) if there has been any material change in the terms of the proposed offer which results in the reinstatement of the ROFR.

18.1.2 At Company's request, the terms and conditions of the Purchase Option may be recorded in the real property records under Applicable Law, and Franchisee shall execute all documents as may be necessary and appropriate to do so. Company's rights under this ARTICLE 18 shall be in addition to, and not in lieu of, Company's ROFR and such rights may be exercised separately, concurrently or in the alternative.

### **18.2 Purchase Price; Sales and Transfer Taxes.**

18.2.1 Subject to the conditions in this Section, Franchisee may select one of two methodologies to determine the purchase price for the Assets (the "**Purchase Price**"): (i) the Fair Market Value of the Assets; or (ii) 2 times Store Level EBITDA during the 12 full calendar months immediately preceding Franchisee's receipt of the Option Notice. Franchisee will make its selection within 14 days after receipt of the Option Notice, by notifying Company in writing of its choice of methodology. If Franchisee fails to make a timely selection of methodology, then the methodology used to determine the Purchase Price will be determined by Company.

(a) Store Level EBITDA shall be determined by using Franchisee's financial statements, provided Franchisee has kept and maintained financial statements in compliance with the provisions of this Agreement and the Manuals. The chief financial officer or chief executive officer of Franchisee (or Franchisee, if an individual) shall certify that such financial statements are true, correct, and complete, subject to any adjustment in the event of any audit or other investigation of such financial statements and/or the books and records by Company. If an audit or other investigation reveals any inaccuracy, then, in addition to all other rights and remedies, Company shall have the right to revise the Purchase Price, and if the inaccuracy overstates Store Level EBITDA during the applicable 12-month period by 2% or more, then Franchisee shall reimburse Company for the expenses of the audit/investigation.

(b) "**Fair Market Value**" shall be determined as follows:

(i) Franchisee and Company shall attempt to select a mutually acceptable appraiser within 30 days following the date of the Option Notice, in which case Fair Market Value shall be determined by such appraiser.

(ii) If Franchisee and Company fail to so agree on an appraiser, then within 45 days following the date of the Option Notice, Company shall select one appraiser, and Franchisee shall select one appraiser. If either Franchisee or Company fails to timely appoint an



appraiser, then the appraiser appointed by the other party shall be the sole appraiser for the purposes of determining Fair Market Value. Each party shall promptly advise the other party in writing of the identity of its appointed appraiser. Fair Market Value shall be: (a) if one appraiser is appointed, the value established by that appraiser; or (b) if 2 appraisers are appointed, the arithmetic average of the values determined by the appraisers; provided, that if the higher value is more than 125% of the lower value, then the 2 appraisers will jointly select a third appraiser, and the Fair Market Value shall then be the arithmetic average of (1) the value determined by the 3rd appraiser and (2) the value determined by the one of the first 2 appraisers that is nearest in value to the value determined by the 3rd appraiser. If the first 2 appraisers are unable to agree upon a 3rd appraiser within 20 days of their completion of appraisals, then either Franchisee or Company may demand the appointment of an appraiser by the then-director of the regional office of the American Arbitration Association located nearest to Company's headquarters, in which event the appraiser appointed thereby shall be the third appraiser.

(iii) Each of the appraisers shall conduct an appraisal within 30 days after being appointed, and shall submit their appraisals in writing to Franchisee and to Company within such period.

(iv) Fair Market Value shall be determined solely by reference to the Licensed Store, and the appraiser shall be instructed in writing by each party not to, and the appraiser shall not, consider or attribute any value to (a) any goodwill or other value attributable to the System or the Marks other than the right to utilize the System and Marks in the operation of the Licensed Store in accordance with, and for no more than the remaining Term of, this Agreement or (b) any rights or efficiencies Franchisee may enjoy because Franchisee (or any affiliated or related party) operates or has the right to operate more than one Store. An appraiser may use a bona fide third-party offer to purchase the Assets in its determination of Fair Market Value if and only if such third-party offer was delivered by Franchisee to Company prior to the exercise of the Purchase Option.

(v) Any appraiser, to be qualified to conduct an appraisal hereunder, shall be an independent appraiser (i.e., not affiliated with Company or Franchisee), an M.A.I. appraiser or its equivalent or an investment bank, and shall have experience in valuing franchised or Licensed Stores. If any appraiser initially appointed under this Agreement shall, for any reason, be unable to serve, a successor appraiser shall be promptly appointed in accordance with the procedures pursuant to which the predecessor appraiser was appointed.

(vi) The costs of all appointed appraisers shall be borne by Company if the parties have been able to mutually agree to the selection of a single appraiser. If, however, the parties cannot agree, and two or three appraisers are appointed then the costs of all appointed appraisers shall be borne by Franchisee.

(c) Company may exclude and elect not to purchase cash (or its equivalent), any notes or accounts payable to Franchisee by any person or party except by an arms-length transaction with a person not related to or affiliated with Franchisee, and any Assets that are not necessary or appropriate (in function or quality) to the Licensed Store's operation or do not meet Company's standards, and, if applicable, the Fair Market Value shall reflect such exclusions.

(d) Company and each appointed appraiser shall be given full access during normal business hours to all information required and relevant to determine Store Level EBITDA and/or Fair Market Value.

(e) If the Assets include a fee simple interest in real property, then all revenue derived from such real property shall be excluded from Store Level EBITDA and the value of such real property shall be the Fair Market Value of the real property.

18.2.2 The Purchase Price shall be adjusted by setting off and reducing the Purchase Price by any amount then owing by Franchisee to Company or its Affiliates or to any appraiser, and any amounts that Company pays in its sole discretion to cure Franchisee's defaults with third parties.

18.2.3 All sales and transfer taxes are the responsibility of Franchisee and shall be paid when due.

### 18.3 Terms of Purchase and Sale.

18.3.1 Franchisee shall make written representations and warranties to Company or its designated purchaser of the Assets customary for transactions of the type, including (1) its power, authority and legal capacity to sell, transfer and assign the Assets, (2) valid right, title and interest in the Assets, (3) the absence of all liens, encumbrances and liabilities on the Assets, and (4) the absence of any violation, in any material respect, or default under, or acceleration of any material agreement or instrument pursuant to which the Assets are encumbered or bound as the result of such sale. Franchisee and its Owners shall sign covenants obligating them to comply with the obligations under this Agreement that survive the termination or expiration of this Agreement (including Sections 12.1, 12.2, and 12.4) and general releases, on a form prescribed by Company of any and all known and unknown claims against Company and its Affiliates and their Owners, officers, directors, agents, and employees.

18.3.2 Pending the closing of any Purchase Option transaction: (i) Franchisee shall operate the Licensed Store in accordance with this Agreement; and (ii) Company will have the right to (a) appoint a manager to maintain and/or supervise the Licensed Store, and (b) communicate with Franchisee's employees regarding employment opportunities following the closing (though Company shall not be obligated to hire such employees). Franchisee will indemnify and hold Company harmless against all obligations incurred in connection with the Licensed Store prior to the closing of Purchase Option transaction.

18.3.3 The closing of any transaction shall take place as soon as is reasonably possible, and both parties agree to act diligently and to cooperate with one another to complete closing as soon as possible, subject to the satisfaction of customary conditions to closing in favor of Company, which may be waived by Company. Closing shall occur within 180 days from Company's exercise of its Purchase Option. If closing occurs before the end of the term of this Agreement, the parties shall be deemed to have mutually agreed to terminate this Agreement.

18.4 Revocation of Option Notice. Company shall have the right to revoke its Option Notice at any time. Thereafter, the Purchase Option shall be immediately reinstated.

## **ARTICLE 19 MEDIATION REFERENCE AND ARBITRATION**

19.1 Mediation. Except to the extent precluded by Applicable law, the parties hereby pledge and agree that prior to filing any lawsuit (other than suits described in Section 12.2.3 or to seek provisional remedies, including injunctions), they shall first attempt to resolve any dispute between the parties pursuant to mediation conducted in accordance with the Commercial Mediation Rules of the AAA unless the parties agree on alternative rules and a mediator within 15 days after either party first gives notice of mediation. Such mediation shall be conducted in Orlando, Florida and shall be conducted and completed within 45 days following the date either party first gives notice of mediation. If the parties fail to complete the mediation within such 45 day period, either party may initiate arbitration. The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, expert or counsel for any party with respect to any suit and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Florida and other Applicable Laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation.

19.2 Injunctive Relief. Notwithstanding anything to the contrary contained in Section 20.7 of this Agreement, Company and Franchisee will each have the right in a proper case to obtain specific performance,

temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, and other provisional relief including but not limited to enforcement of liens, security agreements, or attachment, as Company deems to be necessary or appropriate to compel Franchisee to comply with Franchisee's obligations to Company and/or to protect the Marks of Company; or any claim or dispute involving or contesting the validity of any of the Marks. However, the parties will contemporaneously submit their dispute for arbitration on the merits. Franchisee agrees that Company may have temporary or preliminary injunctive relief without bond, but upon due notice, and Franchisee's sole remedy in the event of the entry of such injunctive relief will be the dissolution of the injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any the injunction being expressly waived).

19.3 Arbitration. Except as precluded by Applicable Law, any controversy or claim between Company and Franchisee arising out of or relating to this Agreement or any alleged breach hereof, and any issues pertaining to the arbitrability of such controversy or claim and any claim that this Agreement or any part hereof is invalid, illegal, or otherwise voidable or void, shall be submitted to binding arbitration. Said arbitration shall be conducted before and will be heard by three arbitrators in accordance with the then-current commercial arbitration rules of the American Arbitration Association ("AAA"). Judgment upon any award rendered may be entered in any Court having jurisdiction thereof. Except to the extent prohibited by Applicable Law, the proceedings shall be held in Orlando, Florida. The arbitrator shall have no power or authority to grant punitive or exemplary damages as part of its award. In no event may the material provisions of this Agreement including, but not limited to the method of operation, authorized product line sold or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be ignored, waived, modified or changed by the arbitrator at any arbitration hearing. The substantive law applied in such arbitration shall be as provided in Section 20.7 of this Agreement. The arbitration and the parties' agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained herein shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.), notwithstanding any provision of this Agreement specifying the state law under which this Agreement shall be governed and construed.

19.3.1 Awards. The arbitrator will have the right to award or include in his award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, in accordance with Section 20.13 of this Agreement, provided that the arbitrator will not have the authority to award exemplary or punitive damages. The award and decision of the arbitrator will be conclusive and binding upon all parties and judgment upon the award may be entered in any court of competent jurisdiction. Each party waives any right to contest the validity or enforceability of such award. The parties shall be bound by the provisions of any limitation on the period of time by which claims must be brought. The parties agree that, in connection with any such arbitration proceeding, each will submit or file any claim which would constitute a compulsory counter-claim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceedings as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred.

19.3.2 Permissible Parties. Franchisee and Company agree that arbitration will be conducted on an individual, not a class wide, basis and that any arbitration proceeding between Franchisee and Company will not be consolidated with any other arbitration proceeding involving Company and any other person or entity.

19.3.3 Survival. The provisions of this Section 19.2 will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

## **ARTICLE 20 MISCELLANEOUS PROVISIONS**

20.1 Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time delivered by hand, one business day after transmission by facsimile or other electronic system expressly approved in the Manuals as appropriate for delivery of notices hereunder (with confirmation copy sent by regular U.S. mail), or 3 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage

prepaid, or one business day after placement with United Parcel Service or Federal Express for overnight delivery, and addressed as follows:

If to Company:                   UBIF Franchising, Co.  
200 South Orange Avenue, Suite 200  
Orlando, FL 32801

With copy (which shall not constitute notice) to:

Kenneth R. Costello, Esq.  
Bryan Cave Leighton Paisner LLP  
120 Broadway, Suite 300  
Santa Monica, California 90401  
Facsimile No.: (310) 576-2200

If to Franchisee:               The Franchise Notice Address set forth in Section 1.1

Any party may change his or its address by giving 10 days prior written notice of such change to all other parties.

20.2     Company's Right To Cure Defaults. In addition to all other remedies herein granted if Franchisee shall default in the performance of any of its obligations or breach any term or condition of this Agreement or any related agreement, Company may, at its election, immediately or at any time thereafter, without waiving any claim for default or breach hereunder and without notice to Franchisee, cure such default or breach for the account and on behalf of Franchisee, and the cost to Company thereof shall be due and payable on demand and shall be deemed to be additional compensation due to Company hereunder and shall be added to the amount of compensation next accruing hereunder, at the election of Company.

20.3     Waiver and Delay. No waiver by Company of any default or series of defaults in performance by Franchisee, and no failure, refusal or neglect of Company to exercise any right, power or option given to it hereunder or under any other franchise or license agreement between Company and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Licensed Store ) or to insist upon strict compliance with or performance of Franchisee's obligations under this Agreement, any other franchise or license agreement between Company and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Licensed Store ) or the Manuals, shall constitute a waiver of the provisions of this Agreement or the Manuals with respect to any subsequent default thereof or a waiver by Company of its right at any time thereafter to require exact and strict compliance with the provisions thereof. Company will consider written requests by Franchisee for Company's consent to a waiver of any obligation imposed by this Agreement. Franchisee agrees, however, that Company is not required to act uniformly with respect to waivers, requests and consents as each request will be considered on a case by case basis, and nothing shall be construed to require Company to grant any such request. Any waiver granted by Company shall be without prejudice to any other rights Company may have, will be subject to continuing review by Company, and may be revoked, in Company's discretion, at any time and for any reason, effective upon 10 days prior written notice to Franchisee. Company makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee by providing any waiver, approval, acceptance, consent, assistance, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

20.4     Survival of Covenants. The covenants contained in this Agreement which, by their nature or terms, require performance by the parties after the expiration or termination of this Agreement, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

20.5     Successors and Assigns; Benefit. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Company and Franchisee and its or their respective heirs, executors, administrators, successors and assigns, subject to the restrictions on Assignment contained herein. This Agreement is for the benefit

of the parties only, and is not intended to and shall not confer any rights or benefits upon any person who is not a party hereto.

20.6 Joint and Several Liability. If Franchisee consists of more than one person or Entity, or a combination thereof, the obligations and liabilities of each such person or entity to Company are joint and several, and such person(s) and/or Entities shall be deemed to be a general partnership.

20.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to any conflict of laws principles, except that (a) the provisions in Sections 12.1 through and including 12.5 of this Agreement, shall be governed by the laws of the state in which the Location of the Licensed Store is located, and (b) and state law relating to (1) the offer and sale of franchises (2) franchise relationships, or (3) business opportunities, will not apply unless the applicable jurisdictional requirements are met independently without reference to this paragraph.

20.8 Entire Agreement. This Agreement and the Manuals contain all of the terms and conditions agreed upon by the parties hereto with reference to the subject matter hereof. No other agreements oral or otherwise shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations are merged herein and superseded hereby. Franchisee represents that there are no contemporaneous agreements or understandings relating to the subject matter hereof between the parties that are not contained herein. No officer or employee or agent of Company has any authority to make any representation or promise not contained in this Agreement or in any Franchise Disclosure Document for prospective franchisees required by Applicable Law, and Franchisee agrees that it has executed this Agreement without reliance upon any such representation or promise. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in the franchise disclosure document.

20.9 Titles For Convenience. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

20.10 Gender And Construction. The terms of all Exhibits hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, acceptance, approval or authorization of Company which Franchisee may be required to obtain hereunder may be given or withheld by Company in its sole discretion, and on any occasion where Company is required or permitted hereunder to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets System Standards, Company may do so in its sole subjective judgment and discretion. No provision herein expressly identifying any particular breach of this Agreement as material shall be construed to imply that any other breach which is not so identified is not material. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto. Company and Franchisee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

20.11 Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement or the Manuals and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement or the Manuals thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any part, article, section, sentence or clause of this Agreement or the Manuals shall be held to be indefinite, invalid or

otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

20.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

20.13 Fees and Expenses. If any party to this Agreement shall bring any arbitration, action or proceeding for any relief against the other, declaratory or otherwise, arising out of this Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorney fees and costs incurred in bringing or defending such arbitration, action or proceeding and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such arbitration, action or proceeding and shall be paid whether or not such action or proceeding is prosecuted to final judgment. Any judgment or order entered in such action or proceeding shall contain a specific provision providing for the recovery of attorney fees and costs, separate from the judgment, incurred in enforcing such judgment. The prevailing party shall be determined by the trier of fact based upon an assessment of which party's major arguments or positions taken in the proceedings could fairly be said to have prevailed over the other party's major arguments or positions on major disputed issues. For the purposes of this Section, attorney fees shall include fees incurred in the following: (1) post-judgment motions; (2) contempt proceedings; (3) garnishment, levy, and debtor and third party examinations; (4) discovery; and (5) bankruptcy litigation. This Section is intended to be expressly severable from the other provisions of this Agreement, is intended to survive any judgment and is not to be deemed merged into the judgment.

20.14 Waiver of Jury Trial; Venue. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES: (1) HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT, AND (2) THEY AGREE THAT ORLANDO, FLORIDA SHALL BE THE VENUE FOR ANY LITIGATION ARISING UNDER THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THEY HAVE REVIEWED THIS SECTION AND HAVE HAD THE OPPORTUNITY TO SEEK INDEPENDENT LEGAL ADVICE AS TO ITS MEANING AND EFFECT.

\_\_\_\_\_  
FRANCHISEE  
INITIALS

\_\_\_\_\_  
COMPANY  
INITIALS

## ARTICLE 21 FINANCIAL COVENANT

21.1 Debt to Capital Employed. Unless Company otherwise agrees in writing, at no time during the Term shall Franchisee's ratio of debt to capital employed be greater than 50%; and Franchisee shall promptly notify Company if at any time such ratio is greater than 50%.

## ARTICLE 22 SUBMISSION OF AGREEMENT

22.1 General. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Company and Franchisee. This Agreement shall not be binding on Company unless and until it shall have been accepted and signed on its behalf by an authorized officer of Company.

## ARTICLE 23 ACKNOWLEDGMENT

23.1 General. Franchisee, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby. Except as set forth in the Franchise Disclosure Document, if any such representation was made, Company expressly

disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the date of execution by

**“Company”**

**UBIF FRANCHISING, CO.**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**“Franchisee”**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_,  
 an individual;  
 a \_\_\_\_\_ general partnership;  
 a \_\_\_\_\_ limited partnership;  
 a \_\_\_\_\_ limited liability company;  
 a \_\_\_\_\_ corporation

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_, and individually



## APPENDIX 1

“AAA” shall have the meaning set forth in Section 19.2 of this Agreement.

“**Accounting Period**” means a calendar month, unless and until a different period is specified by Company.

“**Additional Training**” shall have the meaning set forth in Section 6.3.3 of this Agreement.

“**Advertising Fee**” shall have the meaning set forth in Section 4.4 of this Agreement.

“**Advertising Fund**” shall have the meaning set forth in Section 4.4 of this Agreement.

“**Affiliate**” when used herein in connection with Company or Franchisee, includes each person or Entity which directly, or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with Company or Franchisee, as applicable. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Franchisee includes any Entity 10% or more of whose Equity or voting control, is held by person(s) or Entities who, jointly or severally, hold 10% or more of the Equity or voting control of Franchisee. For purposes of this definition, control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise. Notwithstanding the foregoing definition, if Company or its Affiliate has any ownership interest in Franchisee, the term “Affiliate” shall not include or refer to Company or that Affiliate, and no obligation or restriction upon an “Affiliate” of Franchisee, shall bind Company, or said Affiliate or their respective direct and indirect parents or subsidiaries, or their respective officers, directors, or managers.

“**Agreement**” means this Franchise Agreement.

“**Ancillary Products and Services**” shall have the meaning set forth in Section 9.2 of this Agreement.

“**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States of America (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future national, provincial, federal, state and local laws, ordinances, regulations, policies, lists, Orders and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war.

“**Applicable Law**” means and includes applicable common law and all applicable statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority, governing the development, construction and operation of the Licensed Store, as in effect on the Effective Date hereof, and as may be amended, supplemented or enacted from time to time, including all labor, immigration, food and drug laws and regulations, and all privacy and data protection laws, rules and regulations, including the Gramm-Leach-Bliley Act, (15 U.S.C. 1601, et seq.), Drivers Privacy Protection Act, (18 U.S.C. 2721, et seq.), Payment Card Industry Data Security Standards, and all similar or related current and future federal, state and local laws, regulations and rules related to the use, disclosure and storage of data in any form, whether written or electronic.

“**Approved Products and Services**” means the services and ancillary related products specified by Company from time to time in the Manuals, or otherwise in writing, for offer and sale by the Store, marketed, offered, sold, and rendered at the Location and on a limited mobile basis within the Territory for and at the homes or business offices of, Residential and Small Business Customers, in strict accordance with Company’s System Standards, and which may include (a) repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment; installation and set-up of computers and electronic equipment; (b) remote or on-site installation, set-up and maintenance of computer hardware, software, and other electronic equipment, (c) customer training; (d) the marketing, offer and sale of various items of approved hardware, software, accessories, ink, toner and other consumables, server infrastructure upgrades, for computers, peripheral equipment, smart phones, tablets, gaming consoles and other electronic equipment, (e) remote data backup and monitoring; (f) offering Company’s Device Recommerce Program when established by Company; and (g) other sales, support and service that Company authorizes through remote, telephone, in-home or on-site sales and services.

**“Area Development Agreement”** means an agreement between Franchisee and Company under which Franchisee or its Affiliate has agreed to open multiple Stores and pursuant to which Franchisee has executed this Agreement.

**“Assets”** means all of the following personal property and assets owned by Franchisee or in which Franchisee otherwise has any rights, and located at, or used in connection with the Licensed Store : (a) all accounts, licenses, permits, and contract rights, including this Agreement, leasehold interests, all telephone and fax numbers, telephone and other directory listings, general intangibles, receivables, claims of Franchisee, all guaranties and security therefor and all of Company’s right, title and interest in the goods purchased and represented by any of the foregoing; (b) all chattel paper including electronic chattel paper and tangible chattel paper; (c) all documents and instruments; (d) all letters of credit and letter-of-credit rights and all supporting obligations; (e) all deposit accounts; (f) all investment property and financial assets; (g) all inventory and products thereof and documents therefor; (h) all furniture, fixtures, equipment, leasehold improvements, tools and machinery, wherever located and all documents and general intangibles covering or relating thereto; (i) all books and records pertaining to the foregoing, including computer programs, data, certificates, records, circulation lists, subscriber lists, advertiser lists, supplier lists, Customer Lists, customer and supplier contracts, sales orders, and purchasing records; (j) all software including computer programs and supporting information; (k) all commercial tort claims; (l) all other personal property of Franchisee of any kind used in connection with the Licensed Store ; and (m) all proceeds of the foregoing, including proceeds of insurance policies.

**“Assignment”** shall mean and refer to any assignment, transfer, gift or other conveyance, voluntarily or involuntarily, in whole or in part, by operation of Applicable Law or otherwise, of any interest in this Agreement or any of Franchisee’s rights or privileges hereunder, or all or any substantial portion of the assets of the Licensed Store, including the Lease; provided, further, however, that if Franchisee is an Entity, each of the following shall be deemed to be an Assignment of this Agreement: (i) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, hypothecation or other encumbrance of more than 49% in the aggregate, whether in one or more transactions, of the Equity or voting power of Franchisee, by operation of law or otherwise or any other event(s) or transaction(s) which, directly or indirectly, effectively changes control of Franchisee; (ii) the issuance of any securities by Franchisee which itself or in combination with any other transaction(s) results in the Owners, as constituted on the Effective Date, owning less than 51% of the outstanding Equity or voting power of Franchisee; (iii) if Franchisee is a Partnership, the resignation, removal, withdrawal, death or legal incapacity of a general partner or of any limited partner owning more than 49% of the Partnership Rights of the Partnership, or the admission of any additional general partner, or the transfer by any general partner of any of its Partnership Rights in the Partnership, or any change in the ownership or control of any general partner; (iv) the death or legal incapacity of any Owner owning more than 49% of the Equity or voting power of Franchisee; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of Franchisee, however effected.

**“Competitive Activities”** means to, own, operate, lend to, advise, be employed by, or have any financial interest in any business, other than a “UBREAKIFIX” Store operated pursuant to a validly subsisting franchise agreement with Company, that: (i) specializes in repair services relating to computers, smart phones, tablets, gaming consoles or other electronic equipment; or (ii) offers mobile or other electronic device trade-in services, recommerce programs or similar “cash for device” programs. Notwithstanding the foregoing, **“Competitive Activities”** shall not include the direct or indirect ownership solely as an investment, of securities of any Entity which are traded on any national securities exchange if the owner thereof (i) is not a controlling person of, or a member of a group which controls, such Entity and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such Entity.

**“Continuing Royalty”** shall have the meaning set forth in Section 4.2 of this Agreement.

**“Co-op Advertising Regions”** shall have the meaning set forth in Section 8.4 of this Agreement.

**“Crisis Management Event”** means any event that occurs at or about the Licensed Store that has or may cause harm or injury to customers or employees, such as contagious diseases, natural disasters, terrorist acts,

shootings, or any other circumstance which may damage the System, Marks, or image or reputation of Stores or Company or its Affiliates.

“**Customer List**” shall have the meaning set forth in Section 10.5 of this Agreement.

“**Day**” means a calendar day unless expressly indicated to be a “business day,” and “business day” refers to any day other than Saturday, Sunday or a U.S. federal holiday, on which non-essential federal government offices are closed.

“**Default**” or “**default**” means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

“**Designated Products and Services**” shall have the meaning set forth in Section 9.1 of this Agreement.

“**Device Recommerce Program**” means Company’s program, as established and modified from time to time, for accepting used mobile and other electronic devices in exchange for payment and for purposes of resale.

“**EFT**” shall have the meaning set forth in Section 4.5.1 of this Agreement.

“**Entity**” means any limited liability company, partnership, trust, association, corporation or other entity which is not an individual.

“**Equity**” means capital stock, membership interests, Partnership Rights, or other equity ownership interests of an Entity.

“**Experienced Manager**” means an individual or an Entity that is wholly-owned and controlled by and individual that has at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by Company or Company’s Affiliate.

“**First Successor Franchise Agreement**” shall have the meaning set forth in Section 3.2 of this Agreement.

“**First Successor Term**” shall have the meaning set forth in Section 3.2 of this Agreement.

“**Force Majeure**” means acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe); strikes, lockouts or other industrial disturbances; war, terrorist acts, riot, or other civil disturbance; epidemics; or other similar forces which Franchisee could not by the exercise of reasonable diligence have avoided; provided however, that neither an act or failure to act by a Governmental Authority, nor the performance, non-performance or exercise of rights under any agreement with Franchisee by any lender, landlord, contractor, or other person shall be an event of Force Majeure hereunder, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure. For the avoidance of doubt, Franchisee’s financial inability to perform or Franchisee’s insolvency shall not be an event of Force Majeure hereunder.

“**Gift Card Program**” shall have the meaning set forth in Section 7.3.4 of this Agreement.

“**Gift Cards**” shall have the meaning set forth in Section 7.3.4 of this Agreement.

“**Governmental Authority**” means and includes all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

“**Gross Sales**” means the total of all revenues received or receivable by Franchisee as payment, whether in cash or for credit or barter, or other means of exchange (and, if for credit or barter, whether or not payment is received therefor), on account of any and all goods, merchandise, services or products sold in or from the Licensed

Store, or which are promoted or sold under any of the Marks, during each Accounting Period of the Term, whether or not Company offers such services or products in its other locations, including; (a) revenues from sales of any nature or kind whatsoever, derived by Franchisee or by any other person or Entity (including Franchisee's Affiliate(s)) from the Licensed Store; (b) sales of Approved Products and Services in contravention of this Agreement; and (c) the imputed amount of Gross Sales used in calculating Franchisee's losses under any business interruption insurance, before the insurer's deduction for expenses not incurred during the loss period, but after the satisfaction of any applicable deductible. Notwithstanding the foregoing, "Gross Sales" shall exclude the following: (i) sums representing sales taxes collected directly from customers by Franchisee in the operation of the Licensed Store, and any sales, value added or other tax, excise or duty charged to customers which is levied or assessed against Franchisee by any Federal, state, municipal or local authority, based on sales of specific goods, products, merchandise or services sold or provided at or from the Licensed Store, provided that such taxes are actually transmitted to the appropriate Governmental Authority; (ii) revenues received on account of sales of pre-paid gift cards and certificates; provided, however, that revenues received on redemption of such pre-paid gift cards and certificates shall be included as part of "Gross Sales;" and (iii) revenues received on account of sales of devices to Company or Company's Affiliates pursuant to the Device Recommerce Program. For purposes of clarity, with respect to goods, merchandise, services or products sold pursuant to coupons or other discounts (which must be approved in advance by Company), Gross Sales shall not include the amount discounted from the purchase price of such goods, merchandise, services or products.

"**Heirs**" shall have the meaning set forth in Section 14.3.2 of this Agreement.

"**Information**" shall have the meaning set forth in Section 10.1 of this Agreement.

"**Information Systems**" means all electronic based hardware, software, middleware, web-based solutions, wireless, electronic interfaces, cabling, and other electronic devices, including, computer systems, point of sale ("P.O.S.") and cash collection systems, data systems, network systems, printer systems, internet systems, telecommunication systems, systems, security systems, digital media systems, video and still digital cameras, power systems, and required service and support systems and programs.

"**Internet**" means collectively the myriad of computer and telecommunications facilities, including equipment and software, which comprise the interconnected worldwide network of networks that employ the TCP/IP [Transmission Control Protocol/Internet Protocol], or any predecessor or successor protocols to such protocol, to communicate information of all kinds by fiber optics, wire, radio, or other methods of transmission.

"**Internet Referral Sources**" means operators of Internet websites (or similar referral sources) that offer to refer customers to Company and its franchises for a fee.

"**Lease**" shall mean any agreement, however denominated, that allows Franchisee to occupy a Location owned by a third party, including any lease, sublease, concession agreement, license, and similar arrangement between Franchisee and a third party.

"**Licensed Store**" means, as context requires, the Store to be developed, or already developed, at the Location by Franchisee pursuant to this Agreement.

"**Local Advertising Expenditure**" shall have the meaning set forth in Section 8.2 of this Agreement.

"**Location**" shall be the address set forth on Exhibit A.

"**Manuals**" means Company's library of operations and training manuals, including start-up manual and franchise unit operation manual, and any other written directive related to the System, as the same may be amended and revised from time to time, including all bulletins, supplements and ancillary and additional manuals and written directives established by Company as in effect and amended from time to time.

“**Marks**” shall mean the “**UBREAKIFIX**” name and service mark, and such other trademarks, service marks, logo types and commercial symbols as Company may from time to time authorize or direct Franchisee to use in connection with the operation of the Licensed Store.

“**National Accounts**” means any (i) potential or existing businesses (or such businesses’ customers) that have multiple offices, facilities, retail premises, or operations located (or which Company expects to be located) within and outside of the Territory; or (ii) department store, electronics or computer retailer, “membership based retailer,” such as Costco or Sam’s Club, or other business(es) whose clientele include potential customers for Approved Products and Services.

“**Non-Recommerce Revenue**” shall have the meaning set forth in Section 4.1.2 of this Agreement.

“**Notice of Election**” shall have the meaning set forth in Section 3.3.1 of this Agreement.

“**On-Site Training**” shall have the meaning set forth in Section 6.2 of this Agreement.

“**Option Notice**” shall have the meaning set forth in Section 18.1.1 of this Agreement.

“**Owner**” means any direct or indirect shareholder, member, general or limited partner, trustee, or other equity owner of an Entity, except, that if Company or any Affiliate of Company has any ownership interest in Franchisee, the term “Owner” shall not include or refer to Company or that Affiliate or their respective direct and indirect parents and subsidiaries, and no obligation or restriction upon the “Franchisee”, or its Owners shall bind Company, or said Affiliate or their respective direct and indirect parents and subsidiaries or their respective officers, directors, or managers.

“**Partnership**” means any general partnership, limited partnership, or limited liability partnership.

“**Partnership Rights**” means voting power, property, profits or losses, or partnership interests of a Partnership.

“**Permits**” means and includes all applicable franchises, licenses, permits, registrations, certificates and other operating authority required by Applicable Law.

“**Premises**” means the premises owned, leased or subleased by Franchisee at which the Licensed Store is located including any ancillary common area, parking lot, campus, buildings and other structures associated with the Premises.

“**Provisional Territory**” shall have the meaning set forth in Section 5.1.2.

“**Purchase Option**” shall have the meaning set forth in Section 18.1.1 of this Agreement.

“**Purchase Price**” shall have the meaning set forth in Section 18.2.1 of this Agreement.

“**Recommerce Revenue**” shall have the meaning set forth in Section 4.1.1 of this Agreement.

“**Referring Businesses**” shall have the meaning set forth in Section 8.7.6 of this Agreement.

“**Referred Customers**” shall have the meaning set forth in Section 8.7.6 of this Agreement.

“**Restricted Persons**” means Franchisee, and each of its Owners and Affiliates, and the respective officers, directors, managers, and Affiliates of each of them, the Operating Principal, the Store Manager(s), and the spouse and family members who live in the same household of each of the foregoing who are individuals.

**“Residential and Small Business Customer”** means a residential customer or a business customer with 300 or fewer employees.

**“ROFR”** shall have the meaning set forth in Section 13.2.3(c) of this Agreement.

**“ROFR Period”** shall have the meaning set forth in Section 13.2.3(c) of this Agreement.

**“Second Successor Franchise Agreement”** shall have the meaning set forth in Section 3.2 of this Agreement.

**“Second Successor Term”** shall have the meaning set forth in Section 3.2 of this Agreement.

**“Site Review Request”** shall have the meaning set forth in Section 5.1.1 of this Agreement.

**“Store”** or **“UBREAKIFIX’ Store”** means a “UBREAKIFIX” store being developed or operated, as the case may be, under the Marks and in accordance with the System and System Standards, and specializing in the sale of Approved Products and Services.

**“Store Level EBITDA”** means earnings of the Licensed Store : (i) after reduction for: (a) amounts charged for full “Continuing Royalty” and “Advertising Fee” during such period, (b) amounts spent directly on Store marketing and advertising, and (c) amounts spent on all Licensed Store labor and management expenses, including reasonable salary, benefits and bonus of the Store Manager of the Licensed Store but not Company’s Operating Principal, and not general overhead relating to Franchisee or its Affiliates or any multi-unit management personnel; and (ii) without reduction for (a) interest, (b) taxes, (c) depreciation or (d) amortization.

**“Store Manager”** means an individual, acceptable to, and certified by Company, and responsible for overseeing the operation of the Licensed Store.

**“Successor Franchise Agreements”** shall have the meaning set forth in Section 3.2 of this Agreement.

**“Successor Franchise Right”** shall have the meaning set forth in Section 3.2 of this Agreement.

**“Successor Terms”** shall have the meaning set forth in Section 3.2 of this Agreement.

**“Supplier”** shall have the meaning set forth in Section 9.2 of this Agreement.

**“System”** means Company’s operating methods and business practices related to its Store, and the relationship between Company and its franchisees, including defined product and services offerings, and preparation methods; distinctive interior and exterior Store designs, including architectural designs, layout plans; other items of trade dress; specifications for repair services for repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment, equipment, fixtures, and uniforms; signs; Trade Secrets and other confidential information; restrictions on ownership; inventory and replacement part techniques; standards and procedures for the Device Recommerce Program; standard operating and administrative procedures; management and technical training programs; and marketing and public relations programs; all as Company may modify the same from time to time.

**“System Standards”** means the specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines Company requires for the operation of a “UBREAKIFIX” Store, as modified by Company from time to time in writing.

**“Term”** shall have the meaning set forth in Section 3.1 of this Agreement including any extensions thereof.

**“Territory”** shall have the meaning set forth in Section 2.3.1 of this Agreement.

**“Terrorist Lists”** means all lists of known or suspected terrorists or terrorist organizations published by any U.S. Government Authority, including the U.S. Treasury Department’s Office of Foreign Asset Control (“OFAC”), that administers and enforces economic and trade sanctions, including against targeted non-U.S. countries, terrorism sponsoring organizations and international narcotics traffickers.

**“Total Ticket Price”** shall have the meaning set forth in Section 8.7.6 of this Agreement.

**“Trade Secrets”** means proprietary and confidential information, including, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies, and methods and techniques of operating the Licensed Store and producing and performing Approved Products and Services, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Franchisee can show was already lawfully in Franchisee’s possession before receipt from Company.

**“Travel Expenses”** means costs and expenses incurred by or assessed in connection with travel, including airfare, hotel/lodging, local transportation, meals, and, with regard to Company’s employees’, agents’ and/or representatives’ expenses, a per diem charge determined by Company in advance, with respect to other incidental expenses incurred, including, without limitation, laundry and/or telephone expenses.

**“Trigger Date”** means the earliest to occur of: (a) 24 months following the opening date of the Licensed Store; (b) 24 months following the opening date of the first Store opened under an Area Development Agreement, if applicable; or (c) if applicable, the day on which such Area Development Agreement is terminated, if terminated due to Franchisee’s failure to meet its Development Obligation thereunder.

**“Unassigned Area”** shall have the meaning set forth in Section 2.5(a) of this Agreement.

**“Vehicle”** shall have the meaning set forth in Section 5.6.1 of this Agreement.

**EXHIBIT A**

**Location**

The street address of the Location is as follows:

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**Provisional Territory**

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**Territory**

The Territory shall be as follows (CHECK ONE):

- A radius of 1 mile surrounding the Location of the Licensed Store.
- A radius of 3 miles surrounding the Location of the Licensed Store.
- The area outline on the attached map and described as follows:

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\* If the Territory or Provisional Territory is defined by streets, highways, freeways, or other roadways, or rivers, streams, or tributaries, then the boundary of the Territory shall extend to the center of each such street, highway, freeway, or other roadway, or river, stream or tributary.

Company:

UBIF Franchising, Co.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Franchisee:

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT B**  
Electronic Funds Transfer

Authorization To Honor Charges Drawn By and Payable To

**UBIF FRANCHISING, CO**

Bank Name                      Account No.              ABA#                      FEIN

\_\_\_\_\_

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as it if 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, depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from 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 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 Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: \_\_\_\_\_

Name of Depositor: \_\_\_\_\_

Designated Bank Account: \_\_\_\_\_

(Please attach one voided check for the above account)

Store Location: \_\_\_\_\_

Store #: \_\_\_\_\_

For information call: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

\_\_\_\_\_  
Name of Franchisee/Depositor (please print)

By: \_\_\_\_\_

Signature and Title of Authorized Representative

Date: \_\_\_\_\_

**EXHIBIT C**  
**Entity Information**

If Franchisee is an Entity, Franchisee represents and warrants that the following information is accurate and complete in all material respects:

- (1) Franchisee is a (check as applicable):  
[ ] corporation  
[ ] limited liability company  
[ ] general partnership  
[ ] limited partnership  
[ ] Other (specify): \_\_\_\_\_

(2) Franchisee shall provide to Company concurrently with the execution hereof true and accurate copies of its charter documents including Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing ("Entity Documents").

(3) Franchisee promptly shall provide such additional information as Company may from time to time request concerning all persons who may have any direct or indirect financial interest in Franchisee.

- (4) The name and address of each of Franchisee's Owners, members, or general and limited partner:

<u>Name</u> <u>Interest</u>	<u>Address</u>	<u>Number of Shares / %</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(5) There is set forth below the names, and addresses and titles of Franchisee's principal officers or partners who will be devoting their full time to the Store:

<u>Name &amp; Title</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____
_____	_____

(6) The address where Franchisee's Financial Records, and Entity records (e.g., Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, etc.) are maintained is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT D**  
**Addendum to Lease**

THIS ADDENDUM TO LEASE (“**Addendum**”) is made this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between \_\_\_\_\_ (“**Landlord**”) and \_\_\_\_\_ (“**Franchisee**”) and **UBIF FRANCHISING, CO., a Florida corporation (“Company”)** with reference to the following facts:

A. Company and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_\_\_ (the “**Franchise Agreement**”).

B. Landlord and Franchisee desire to enter into a lease (the “**Lease**”) pursuant to which Franchisee will occupy the premises located at \_\_\_\_\_ (the “**Premises**”) for a “**UBREAKIFIX**” Store (the “**Store**”) licensed under the Franchise Agreement.

C. Franchisee is required to execute and to cause Landlord to execute this Addendum.

NOW, THEREFORE, the parties agree as follows:

1. Notwithstanding anything to the contrary contained in the Lease:
  - (a) Landlord shall not change the traffic flow around the Premises;
  - (b) Landlord shall not permit the erection of signs or structures which obstruct the view of the Premises or its signage;
  - (c) Landlord shall maintain the common areas on a consistent basis;
  - (d) Franchisee shall be the only facility, specializing in repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment in the center (or nearby centers owned by the same Landlord);
  - (e) The Premises shall be constructed and improved pursuant to the Franchise Agreement;
  - (f) Company or its designee shall have an option, but not the obligation, without cost or expense to Company or such designee, to assume the Lease, or execute a substitute lease on the same terms for the then remaining term of the Lease plus all remaining option/renewal terms, in the event of termination or expiration of the Franchise Agreement for any reason;
  - (g) Company or its designee shall have the right (but not the obligation) to succeed to Franchisee’s rights under the Lease if Franchisee fails to exercise any option to renew, and or extend the term of the Lease,
  - (h) Upon Franchisee’s default under the Lease, or upon any alleged default thereof by Franchisee, the Landlord shall notify Company in writing at least 15 days prior to the date of termination or non-renewal of the Lease and, in the case of a default, Company or its designee shall have the right, but not the obligation, without liability to Franchisee, to cure the default and to succeed to Franchisee’s rights under said Lease or request that the Landlord terminate the Lease and enter into a substitute Lease with Company or said designee on the same terms by giving written notice of such election to Franchisee and such Landlord;
  - (i) Franchisee shall have the unrestricted right, without Landlord consent, payment to Landlord or modification of any term of the Lease, during the entire term of the Lease (including any renewal terms) to assign or sublet the Premises to Company, its designee, or any franchisee or licensee approved by Company and who meets Landlord’s reasonable financial suitability requirements;

(j) Except as permitted in (i) above, the Lease may not be assigned, subleased, modified or amended without Company's prior written consent and that Company shall be provided with copies of all such assignments, subleases, modifications and amendments;

(k) Landlord must disclose to Company, upon Company's request, all sales and other information furnished to the Landlord by Franchisee; and

(l) Upon expiration or termination of the Lease for any reason, Franchisee shall, upon Company's demand, remove all of the Marks from the Location and Premises and modify the décor of the Location so that it no longer resembles, in whole or in part, a Store, and otherwise comply with ARTICLE 15 of the Franchise Agreement. If Franchisee shall fail do so, Company will be given written notice and the right to enter the Location and Premises to make such alterations, in which event Franchisee shall reimburse Company for all direct and indirect costs and expense it may incur in connection therewith, including attorneys' fees.

2. Nothing in the Lease or this Addendum shall neither create or purport to create any obligations on behalf of Company to Landlord or Franchisee and nothing in the Lease or this Addendum shall grant or purport to grant to Landlord any right to pursue any claim against Company arising out of Tenant's breach or default under the Lease.

3. In the event of any conflict or inconsistency between the Lease and this Addendum, this Addendum shall control.

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

**"Landlord"**

**"Tenant"**

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

**"Company"**

**UBIF Franchising, Co.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**Exhibit B**

**Area Development Agreement**

**UBIF FRANCHISING, CO.  
AREA DEVELOPMENT AGREEMENT**

**BY AND BETWEEN**

**UBIF FRANCHISING, CO.**

**AND**

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**UBIF FRANCHISING, CO.**  
**AREA DEVELOPMENT AGREEMENT**

THIS AREA DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, (the “Effective Date”) by and between UBIF FRANCHISING, CO., a Florida corporation (the “Company”) and \_\_\_\_\_, a(n) \_\_\_\_\_ (“Franchisee”) with reference to the following facts:

A. Company has the right to license the “UBREAKIFIX” name and service mark, and such other trademarks, trade names, service marks, logotypes, insignias, trade dress and designs used in connection with the development, operation and maintenance of “UBREAKIFIX” Stores operated in accordance with Company’s prescribed methods and business practices.

B. Company desires to expand and develop the Stores in the Development Area, and Franchisee wishes to develop Stores in the Development Area, upon the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

**ARTICLE 1**  
**GRANT OF DEVELOPMENT RIGHTS**

1.1 Certain Fundamental Definitions and Applicable Information. In this Agreement, in addition to those terms defined in Appendix 1 and elsewhere in this Agreement, the following terms, shall have the meanings set forth below, unless the context otherwise requires:

“Franchisee Notice Address” is: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Fax No. \_\_\_\_\_

“Initial Development Fee” means \$ \_\_\_\_\_. (See Section 5.1)

1.2 Grant of Development Rights

1.2.1 Upon the terms and subject to the conditions of this Agreement, Company hereby grants to Franchisee, and Franchisee hereby accepts, the right and obligation, during the Term (defined below), to develop Stores in the geographic area defined in Exhibit A, which is attached hereto and by this reference made a part hereof (the “Development Area”).

1.2.2 No right or license is granted to Franchisee hereunder to use any trademarks, trade names, service marks, logotypes, insignias, trade dress or designs owned by Company, such right and license being granted solely pursuant to Franchise Agreements executed pursuant hereto. Without limiting the generality of the foregoing, nothing in this Agreement shall permit Franchisee to own or operate a Store, except pursuant to duly executed and subsisting Franchise Agreement. Franchisee shall not use such trademarks, trade names, service marks, logotypes, insignias, trade dress or designs in any manner or for any purpose, including in connection with any offering of securities or any request for credit, without the prior express written approval of Company.

1.3 Exclusivity

1.3.1 During the Term of this Agreement, Company and its Affiliates shall not operate or grant a license or franchise to any other person to operate a “UBREAKIFIX” Store physically located within the Development Area.

1.3.2 Except to the limited extent expressly provided in Section 1.2.1 of this Agreement, the license granted to the Franchisee under this Agreement is nonexclusive and Company expressly reserves all other

rights (“Reserved Rights”) including, the exclusive, unrestricted right, in its discretion, directly and indirectly, itself and through its employees, Affiliates, representatives, franchisees, licensees, assigns, agents and others:

(a) (i) To own or operate, and to license others (which may include its Affiliates) to own or operate Stores at any location outside the Development Area and regardless of proximity to the “UBREAKIFIX” Store developed pursuant hereto, (ii) to own or operate, and to license others (which may include its Affiliates) to own or operate other stores operating under names other than “UBREAKIFIX”, at any location, and of any type whatsoever, within or outside the Development Area and regardless of their proximity to the “UBREAKIFIX” Store developed pursuant hereto; and (iii) to advertise and promote “UBREAKIFIX” services at any location and by any means, including the Internet;

(b) To provide repair work on products “mailed-in” by customers and/or provide customer support and assistance remotely by other means, to customers wherever located, including to customers located within the Development Area, and to solicit such repair work, support and assistance by means of the Internet or Internet web site, direct mail advertising and other distribution methods, provided, however, that Company intends to refer such customers to mail their devices for repair to, or have their remote support and assistance performed by, the franchised Store, or “UBREAKIFIX” Store owned by Company or its Affiliate, which is most convenient to the customer, as determined by Company in good faith (and provided that to qualify for such referrals Franchisee must be in compliance with this Agreement and all System Standards);

(c) To accept mail-in electronic devices in exchange for payment or resale and/or provide electronic device recommerce related support and assistance to customers wherever located, including to customers located within the Territory, and to solicit such electronic devices by means of the Internet or Internet web site, direct mail advertising and other distribution methods;

(d) To promote, market, offer, sell and re-sell merchandise and other products via the Internet, direct mail advertising, or other distribution methods or channels of commerce, including to customers located within the Development Area and at any location (regardless of its proximity to the Store opened pursuant hereto); and

(e) To provide goods and services to National Account customers within and outside the Territory.

## **ARTICLE 2 FRANCHISEE’S DEVELOPMENT OBLIGATION**

### **2.1 Development Obligation**

2.1.1 Within each Development Period specified in Exhibit B, Franchisee shall construct, equip, open and thereafter continue to operate within the Development Area, not less than the cumulative number of Stores required by the Development Obligation for that Development Period.

2.1.2 Notwithstanding Section 2.1.1, if Company determines, in its sole discretion, that Franchisee in good faith is using its best efforts to comply with the Development Obligation, then upon Franchisee’s written request, and execution of Company’s withdrawal authorization form, Company may permit Franchisee to extend, for a period of time determined by Company not to exceed twelve (12) months, the date by which one franchised Store is required to be opened under the Development Obligation. Franchisee shall execute the Franchise Agreement and pay the entire amount of the Initial Franchise Fee due under the Franchise Agreement. Only then will Franchisee be eligible for the extension program, which consists of monthly withdrawals by Company from Franchisee’s bank account per the following schedule: \$1,000 for each of the first 6 months of extension, and \$1,500 per month for months 7-12. Franchisee must execute Company’s standard withdrawal authorization form. Extension option fee amounts shall be drafted from the account specified in such withdrawal authorization form until the Store opens. Any such extension granted by Company shall apply to one (1) franchise Store only and shall not apply to any other franchise Store required by the Development Obligation. The extension option fee paid for any month shall not be refunded under any circumstances and shall not be credited against any franchise fee payable to Company. Notwithstanding the foregoing, if Company grants Franchisee an extension for a franchise Store and

subsequently determines in its sole reasonable discretion that Franchisee is not using its best efforts to open and operate such Store within a reasonable period of time following the date of the grant of extension, Company may terminate the extension grant for such franchise.

2.1.3 Stores developed hereunder which are open and operating and which have been assigned to Affiliates of Franchisee in accordance with Section 7.2.2 with Company's consent, shall count in determining whether Franchisee has satisfied the Development Obligation for so long as the applicable Affiliate continues to operate the Store and to satisfy the conditions set forth in Section 7.2.2.

2.2 Timing of Execution of Leases and Franchise Agreements. Notwithstanding anything to the contrary contained herein, on or before the date which is 180 days before the end of each Development Period, Franchisee shall have executed (in accordance with this Agreement) a lease (or purchase agreement) and Franchise Agreement and paid the required Initial Franchise Fee, for each Store which is required to be constructed, equipped, opened and thereafter operated by the end of such Development Period.

### 2.3 Force Majeure

2.3.1 Subject to Franchisee's continuing compliance with Section 2.3.2, should Franchisee be unable to meet the Development Obligation for any Development Period solely as the result of Force Majeure or any legal disability of Company to deliver a Franchise Disclosure Document pursuant to Section 6.2 of this Agreement, which results in the inability of Franchisee to construct or operate the Stores in all or substantially all of the Development Area pursuant to the terms of this Agreement, the particular Development Period during which the event of Force Majeure (or Company's legal disability to deliver a Franchise Disclosure Document) occurs shall be extended by an amount of time equal to the time period during which the Force Majeure (or Company's legal disability to deliver a Franchise Disclosure Document) shall have existed during that Development Period. Development Periods during which no such Force Majeure (or legal disability) existed shall not be extended. Other than as a result of Force Majeure or Company's legal disability to deliver a Franchise Disclosure Document, any delay in Company's issuance of acceptance of any site under Article 6, including, as a result of Franchisee's failure to satisfy the conditions set forth in Section 6.3 of this Agreement, shall not extend any Development Period.

2.3.2 In the event of the occurrence of an event which Franchisee claims to constitute Force Majeure, Franchisee shall provide written notice to Company in writing within 5 days following commencement of the alleged Force Majeure which notice shall include the words "Force Majeure" and explicitly describe the specific nature and extent of the Force Majeure, and how it has impacted Franchisee's performance hereunder. Franchisee shall provide Company with continuous updates (no less frequently than once each week) on Franchisee's progress and diligence in responding to and overcoming the Force Majeure, and shall notify Company immediately upon cessation of such Force Majeure, and provide all other information as may be requested by Company. If Franchisee shall fail to notify Company of any alleged Force Majeure within said 5 days, or shall fail to provide any such updates during the continuance of the alleged Force Majeure, Franchisee shall be deemed to have waived the right to claim such Force Majeure.

2.4 Franchisee May Not Exceed The Development Obligation. Unless Company shall otherwise consent in writing, Franchisee may not construct, equip, open and operate more than the total number of Stores comprising the Development Obligation.

## **ARTICLE 3 DEVELOPMENT AREA**

3.1 Company's Right to Develop. Notwithstanding Section 2.1, above, if during the Term of this Agreement, Franchisee is unable or unwilling, or fails for any reason (except due to Force Majeure as provided in Section 2.3), to satisfy the Development Obligation (subject to any extension pursuant to Section 2.1.2), this Agreement shall automatically terminate upon notice by Company to Franchisee. Upon such termination, Company may, but has no obligation to, open and operate, or license others to (or grant others development rights to) open and operate, Stores at any site(s) within the Development Area, excluding sites in any Territory granted to Franchisee pursuant to the individual Franchise Agreement for each then existing Store located in the Development Area.

3.2 Territory for Each Individual Store. Each Franchise Agreement executed pursuant hereto shall provide a Territory within which Company and its Affiliates may not open or operate, or franchise or license the operation of, any Store (subject to certain conditions, reserved rights and other limitations provided for in the Franchise Agreements). The geographic area comprising the Territory shall be prescribed by Company in the **Site Acceptance Letter** it issues for the Store (the “**Territory**”). In prescribing the Territory, Company may select a geographic area within a one (1) mile straight line radius from the front door of the applicable store if the store is in an urban area or a three (3) mile straight line radius from the front door of the store if the store is in a suburban area or a different geographical area containing a combined day-time store and residential population of approximately 100,000 people, but may assign a larger or smaller area after taking into consideration other factors, such as density and other demographic characteristics of the population surrounding the applicable store location, size and capacity, the proximity to other “UBREAKIFIX” stores, the proximity to destination sites, whether that store is in an area that may be subject to significant day-part population changes, and other factors. Company will use demographic data from sources that it deems reasonably reliable. Franchisee’s rights in the Territory are subject to Company’s Reserved Rights.

#### **ARTICLE 4 TERM OF AREA DEVELOPMENT AGREEMENT**

4.1 Term. The term of this Agreement shall commence on the Effective Date and, unless otherwise negotiated, terminated or extended as provided herein, shall continue until the earlier of (i) the 3rd anniversary of the Effective Date, or (ii) the date of execution of the Franchise Agreement granting Franchisee the right to open the last Store necessary for Franchisee to fully satisfy the Development Obligation (the “**Term**”).

4.2 Limited Additional Development Right. If Franchisee shall determine that it desires to engage in further development of the Development Area in excess of the Development Obligation, Franchisee shall at the earlier of (i) 180 days prior to the scheduled expiration of the Term or (ii) the date on which acceptance of the proposed site for the last Store required to meet the Development Obligation is issued, notify Company in writing (“**Additional Development Notice**”) of Franchisee’s desire to develop additional Stores in the Development Area and a plan for such development over a new mutually agreed upon term, setting forth the number of proposed Stores and the deadlines for the development of each of them within such proposed term. This right of additional development by Franchisee shall be exercised only in accordance with Section 4.3 and is subject to the conditions set forth in Section 4.4. This Agreement is not otherwise renewable.

#### 4.3 Exercise of Right of Additional Development

4.3.1 If Company determines the additional development obligation proposed by the Additional Development Notice is unacceptable in any respect(s), Company and Franchisee shall (subject to Section 4.4) negotiate during the following 60 days in an effort to reach a mutually agreeable additional development obligation. Each party may negotiate to protect its own interests as it deems appropriate in its discretion.

4.3.2 If the additional development obligation proposed by the Additional Development Notice is acceptable to Company, or if Company and Franchisee reach agreement on an alternative additional development obligation (the “**Additional Development Obligation**”) within said 60 day period, then Company shall deliver to Franchisee a copy of Company’s Then-current Franchise Disclosure Document, if required by Applicable Law, and two copies of the Then-current area development agreement, which may vary substantially from this Agreement, setting forth the agreed upon Additional Development Obligation. Within 30 days after Company’s delivery of the said area development agreement, but no sooner than immediately after the expiration of any applicable waiting period(s) prescribed by Applicable Law, Franchisee shall execute two copies of the area development agreement and return them to Company together with the applicable development fee, if any, for the Stores required by the Additional Development Obligation. If Franchisee has so executed and returned the copies and has satisfied the conditions set forth in Section 4.4, Company will execute the copies and return one fully executed copy to Franchisee.

4.4 Conditions to Exercise of Right of Additional Development. Franchisee’s right to additional development described in Section 4.2 shall be subject to Franchisee’s fulfillment of the following conditions precedent:

4.4.1 Franchisee (and each of its Affiliates which have developed or operate Stores in the Development Area) shall have fully performed all of its obligations under this Agreement and all other agreements between Company and Franchisee (or the applicable Affiliate).

4.4.2 Franchisee shall have demonstrated to Company Franchisee's financial capacity to perform the Additional Development Obligations set forth in the area development agreement. In determining if Franchisee is financially capable, Company will apply the same criteria to Franchisee as it applies to prospective area developer franchisees at that time.

4.4.3 At the expiration of each Development Period and at the expiration of the Term, Franchisee shall have opened and shall thereafter have continued to operate, in the Development Area, not less than the aggregate number of Stores then required by the Development Obligation.

4.4.4 Company and Franchisee shall have executed a new area development agreement pursuant to Section 4.3.

4.4.5 Franchisee and all Affiliates of Franchisee who then have a currently effective franchise agreement or area development with Company shall have executed and delivered to Company a general release, or a form prescribed by Company, of any and all known and unknown claims against Company or its Affiliates, and their respective officers, directors, agents, shareholders and employees.

4.5 Effect of Expiration. Unless an Additional Development Obligation shall have been agreed upon, and a new area development agreement shall have been executed by the parties pursuant to Sections 4.2 and 4.3, following the expiration of the Term, or the sooner termination of this Agreement, (a) Franchisee shall have no further right to construct, equip, own, open or operate additional Stores which are not, at the time of such termination or expiration, the subject of a then existing Franchise Agreement between Franchisee (or an Affiliate of Franchisee) and Company which is then in full force and effect, and (b) Company or its Affiliates may thereafter itself construct, equip, open, own or operate, and license others to (or grant development rights to) construct, equip, open, own or operate Stores at any location(s) (within or outside of the Development Area), without any restriction, subject only to any territorial rights granted for any then existing Store pursuant to a validly subsisting Franchise Agreement executed for such Store

## ARTICLE 5 PAYMENTS BY FRANCHISEE

5.1 Initial Development Fee. Concurrently with the execution of this Agreement, Franchisee shall pay to Company in cash or by certified check, (a) the non-refundable Initial Development Fee, representing \$12,500 (or one-half of the Initial Franchise Fee) for each of the Stores (excluding the first Store) required to be opened during the Term pursuant to the Development Obligation, plus (b) the sum of \$40,000 representing the Initial Franchise Fee and \$12,500 representing the Initial Training Fee, payable pursuant to the first Franchise Agreement required to be executed pursuant hereto. Notwithstanding the foregoing, if Franchisee is an Experienced Manager, the Initial Franchise Fee for Franchisee's first Franchise Agreement shall be equal to \$25,000 and Franchisee shall not be required to pay the Initial Training Fee upon execution of such first Franchise Agreement.

5.2 Initial Franchise Fee. Notwithstanding the terms of the Franchise Agreement executed for each Store developed pursuant hereto, Franchisee shall pay to Company, in cash or by certified check, a non-refundable initial franchise fee ("**Initial Franchise Fee**") equal to \$40,000 for the first Store to be opened pursuant hereto, or \$25,000 for the 2<sup>nd</sup> and each subsequent Store to be opened pursuant hereto. Notwithstanding the foregoing, if Franchisee is an Experienced Manager the Initial Franchise Fee payable to Company for each Store opened pursuant hereto, including the first Store, shall equal \$25,000. In either case, the Initial Franchise Fee shall be payable upon execution by Franchisee of each Franchise Agreement entered into pursuant to this Agreement, provided, however, that Company shall credit such Initial Development Fee against the Initial Franchise Fees payable under the second and each subsequent Franchise Agreement (at the rate of \$12,500 per Franchise Agreement).

5.3 Royalty Fee. The Franchise Agreement executed for each Store developed pursuant hereto, shall provide that the Continuing Royalty (as defined therein) shall be equal to: (i) 7% of Non-Recommerce Revenue (as defined therein); and (ii) 4% of Recommerce Revenue (as defined therein).

5.4 Technology and Customer Support Fee. The Franchise Agreement executed for each Store developed pursuant hereto, shall provide that the Technology and Customer Support Fee (as defined therein) shall be equal to 1% of Gross Sales (as defined therein).

## **ARTICLE 6 EXECUTION OF INDIVIDUAL FRANCHISE AGREEMENTS**

### **6.1 Site Review**

6.1.1 When Franchisee has located a proposed site for construction of a Store, Franchisee shall submit to Company such demographic and other information regarding the proposed site and neighboring areas as Company shall require, in the form prescribed by Company (“**Site Review Request**”). Company may seek such additional information as it deems necessary within 15 days of submission of Franchisee’s Site Review Request, and Franchisee shall respond promptly to such request for additional information. If Company shall not deliver written notice to Franchisee that Company accepts the proposed site, within 30 days of receipt of Franchisee’s Site Review Request, or within 15 days after receipt of such additional requested information, whichever is later, the site shall be deemed rejected. If the Company accepts the proposed site it shall notify Franchisee of its acceptance of the site and designate the Territory for that Store.

6.1.2 Although Company may voluntarily (without obligation) assist Franchisee in locating an acceptable site for a Store, neither Company’s said assistance, if any, nor its acceptance of any proposed site, whether initially proposed Franchisee or by Company, shall be construed to insure or guarantee the profitable or successful operation of the Store at that site by Franchisee, and Company hereby expressly disclaims any responsibility therefor. Franchisee acknowledges its sole responsibility for finding each site for the Stores it develops pursuant to this Agreement.

### **6.2 Delivery of Franchise Disclosure Document, Execution of Lease and Franchise Agreement**

6.2.1 Promptly following Franchisee’s receipt of acceptance, Franchisee shall proceed to negotiate a lease or purchase agreement for the Store site and shall submit to Company a copy of the proposed lease or purchase agreement, as applicable. Following Company’s receipt of the proposed lease or purchase agreement, as applicable, which meets Company’s requirements, Company shall notify Franchisee of its acceptance of the proposed lease or purchase agreement, as applicable.

6.2.2 Company’s review and acceptance of the lease is solely for Company’s benefit and is solely an indication that the lease meets Company’s minimum Standards and specification at the time of acceptance of the lease (which may be different than the requirements of this Agreement). Company’s review and acceptance of the lease shall not be construed to be an endorsement of such lease, confirmation that such lease complies with Applicable Law, or confirmation that the terms of such lease are favorable to Franchisee, and Company hereby expressly disclaims any responsibility therefore.

6.2.3 Subject to Section 6.3, after Company’s acceptance of each proposed site, Company shall deliver to Franchisee a copy of Company’s Then-current Franchise Disclosure Document as may be required by Applicable Law (the “**Franchise Disclosure Document**”) and two copies of the Then-current Franchise Agreement. Immediately upon receipt of the Franchise Disclosure Document, Franchisee shall return to Company a signed copy of the Acknowledgment of Receipt of the Franchise Disclosure Document. Franchisee acknowledges that the new Franchise Agreement may vary substantially from the current Franchise Agreement. If Company is not legally able to deliver a Franchise Disclosure Document to Franchisee by reason of any lapse or expiration of its franchise registration, or because Company is in the process of amending any such registration, or for any reason beyond Company’s reasonable control, Company may delay acceptance of the site for Franchisee’s proposed Store, or delivery of a Franchise Agreement, until such time as Company is legally able to deliver a Franchise Disclosure Document.

6.2.4 Within 30 days after Franchisee's receipt of the Franchise Disclosure Document and the Then-current Franchise Agreement, but no sooner than immediately after any applicable waiting periods prescribed by Applicable Law have passed, Franchisee shall execute two copies of the Franchise Agreement described in the Franchise Disclosure Document and return them to Company together with the applicable Initial Franchise Fee. If Franchisee has so executed and returned the copies and Initial Franchise Fee and has satisfied the conditions set forth in Section 6.3, Company shall execute the copies and return one fully executed copy of such Franchise Agreement to Franchisee.

6.2.5 Franchisee shall not execute any lease or purchase agreement for any Store, until Company has accepted the proposed site and Company has delivered to Franchisee a fully executed Franchise Agreement counter-signed by Company pursuant to Sections 6.2.4. After Company's acceptance of the site and lease (or purchase agreement, if applicable), and its delivery to Franchisee of the fully executed Franchise Agreement, Franchisee shall then procure the site pursuant to the purchase agreement or lease which has been reviewed and accepted by Company, and shall forward to Company, within ten (10) days after its execution, one copy of the executed lease or, if purchased, the deed evidencing Franchisee's right to occupy the site. Franchisee shall then commence construction and operation of the Store pursuant to the terms of the applicable Franchise Agreement.

6.3 Condition Precedent to Company's Obligations. It shall be a condition precedent to Company's obligations pursuant to Sections 6.1 and 6.2, and to Franchisee's right to develop each and every Store, that Franchisee shall have satisfied all of the following conditions precedent prior to Company's acceptance of the proposed Store and the site and lease or purchase agreement therefor, and the Company's execution of the Franchise Agreement therefor:

6.3.1 Franchisee (and each of its Affiliates which have developed or operate Stores in the Development Area) shall have fully performed all of its obligations under this Agreement and all Franchise Agreements and other written agreements between Company and Franchisee (or any such Affiliate of Franchisee), and must not at any time following Franchisee's submission of its Site Review Request, and until Company grants its acceptance of the proposed site, be in default of any of its contractual or other legal obligations to Company or any of its Affiliates, or any approved vendor or supplier, or to any federal, state, county or municipal agency.

6.3.2 Franchisee shall have demonstrated to Company, in Company's discretion, Franchisee's financial and other capacity to perform the obligations set forth in the proposed new Franchise Agreement, including Franchisee's compliance with Section 12.4 of this Agreement and Franchisee's submission of a comprehensive management plan acceptable to, and accepted by Company, which shall include among other reasonable requirements as may be established by Company, an organization chart and supervisory requirements for the proposed Store. In determining if Franchisee is financially or otherwise capable, Company shall apply the same criteria to Franchisee as it applies to prospective area developer franchisees at that time.

6.3.3 Franchisee shall continue to operate, in the Development Area, not less than the cumulative number of Stores required by the Development Obligation set forth in Exhibit B to be in operation as of the end of the immediately preceding Development Period.

6.3.4 Franchisee, and each of its Affiliates who then has a currently effective Franchise Agreement or area development agreement with Company, must sign a general release of any claims they may have against Company and its Affiliates, on a form prescribed by Company.

## **ARTICLE 7 ASSIGNMENT AND SUBFRANCHISING**

7.1 Assignment by Company. This Agreement is fully transferable by Company, in whole or in part, without the consent of Franchisee and shall inure to the benefit of any transferee or their legal successor to Company's interests herein; provided, however, that such transferee and successor shall expressly agree to assume Company's obligations under this Agreement. Without limiting the foregoing, Company may (i) assign any or all of its rights and obligations under this Agreement to an Affiliate; (ii) sell its assets, its marks, or its System outright to a third party; (iii) engage in a public offering of its securities; (iv) engage in a private placement of some or all of its

securities; (v) merge, acquire other corporations, or be acquired by another corporation; or (vi) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring. Company shall be permitted to perform such actions without liability or obligation to Franchisee who expressly and specifically waives any claims, demands or damages arising from or related to any or all of the above actions (or variations thereof). In connection with any of the foregoing, at Company's request, Franchisee shall deliver to Company a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (b) that Franchisee is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; and (c) as to such other matters as Company may reasonably request; and Franchisee agrees that any such statements may be relied upon by Company and any prospective purchaser, assignee or lender of Company.

## 7.2 No Subfranchising by Franchisee

7.2.1 Franchisee shall not offer, sell, or negotiate the sale of "UBREAKIFIX" franchises to any third party, either in Franchisee's own name or in the name and/or on behalf of Company, or otherwise subfranchise, subcontract, sublicense, share, divide or partition this Agreement, and nothing in this Agreement will be construed as granting Franchisee the right to do so. Franchisee shall not execute any Franchise Agreement with Company, or construct or equip any Store with a view to offering or assigning such Franchise Agreement or Store to any third party.

7.2.2 Notwithstanding Section 7.2.1, Franchisee may, with Company's prior written consent, execute and contemporaneously assign a Franchise Agreement executed pursuant hereto to a separate Entity controlled by Franchisee (each a "**Subsidiary**"); provided and on condition that:

(a) Upon Company's request, Franchisee has delivered to Company a true, correct and complete copy of the Subsidiary's articles of incorporation or articles of organization, bylaws, operating agreement, partnership agreement, and other organizational documents, and Company has accepted the same;

(b) The Subsidiary's articles of incorporation or articles of organization, bylaws, operating agreement, and partnership agreement, as applicable, shall provide that its activities are confined exclusively to operating Stores;

(c) Franchisee, directly owns and controls not less than 100% of the Equity and voting rights of the Subsidiary, or the Equity of Subsidiary are owned by the same Owners of Franchisee with the same ownership percentages;

(d) the Subsidiary is in good standing in its jurisdiction of organization and each other jurisdiction where the conduct of its store or the operation of its properties requires it to be so qualified;

(e) the person designated by Franchisee as the Operating Principal has exclusive day-to-day operational control over the Subsidiary;

(f) the Subsidiary conducts no business other than the operation of the Store;

(g) the Subsidiary assumes all of the obligations under the Franchise Agreement as franchisee pursuant to written agreement, the form and substance of which shall be acceptable to Company;

(h) each person or Entity comprising Franchisee, and all present and future Owners of 10% or more (directly or indirectly), in the aggregate, of the Equity or voting rights of any franchisee under any and all Franchise Agreements executed pursuant to this Agreement shall execute a written guaranty in a form prescribed by Company, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all other guarantors, the full payment and performance of all of the obligations to Company and to Company's Affiliates under this Agreement and each Franchise Agreement executed pursuant hereto (for purposes of determining whether said 10% threshold is satisfied, holdings of spouses, family members who live in the same household, and Affiliates shall be aggregated);



(i) none of the Owners of the Equity of the franchisee under the applicable Franchise Agreement is engaged in Competitive Activities;

(j) at Company's request, Franchisee shall, and shall cause each of its Affiliates to execute and deliver to Company a general release, on a form prescribed by Company of any and all known and unknown claims against Company and its Affiliates and their officers, directors, agents, shareholders and employees; and

(k) Franchisee shall reimburse Company for all direct and indirect costs and expense it may incur in connection with the transfer and assignment, including attorney's fees.

7.2.3 In the event that Franchisee exercises its rights under Section 7.2.2 then, Franchisee and such Subsidiary shall, in addition to any other covenants contained in the applicable Franchise Agreement, affirmatively covenant to continue to satisfy each of the conditions set forth in Section 7.2.2 throughout the term of such Franchise Agreement.

### 7.3 Assignment by Franchisee

7.3.1 This Agreement is personal to Franchisee and has been entered into by Company in reliance upon and in consideration of the singular personal skill, qualifications and trust and confidence reposed in Franchisee. Accordingly, neither Franchisee nor any Owner shall cause or permit any Assignment unless Franchisee shall have obtained Company's prior written consent, which consent may be withheld for any reason whatsoever in Company's judgment. Franchisee shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Franchisee shall provide not less than 10 days prior written notice (which notice shall contain the name and address of the secured party and the terms of such pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

7.3.2 Securities, partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Company, which consent shall not be unreasonably withheld. All materials required for any such private offering by federal or state law shall be submitted to Company for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Company for such review prior to their use. No such offering by Franchisee shall imply that Company is participating in an underwriting, issuance or offering of securities of Franchisee or Company, and Company's review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Company and its Affiliates. Company may, at its option, require Franchisee's offering materials to contain a written statement prescribed by Company concerning the limitations described in the preceding sentence. Franchisee, its Owners and the other participants in the offering must fully defend and indemnify Company, and its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any additional documentation required by Company to further evidence this indemnity. For each proposed offering, Franchisee shall pay to Company a non-refundable fee of \$5,000, which shall be in addition to any transfer fee under any Franchise Agreement or such greater amount as is necessary to reimburse Company for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees. Franchisee shall give Company written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section.

## **ARTICLE 8 NON-COMPETITION**

8.1 In Term. During the Term, no Restricted Person shall in any capacity, either directly or indirectly, through one or more Affiliates or otherwise, engage in any Competitive Activities at any location, whether within or outside the Development Area, unless Company shall consent thereto in writing.

8.2 Post-Term. To the extent permitted by Applicable Law, upon (i) the expiration or termination of this Agreement, (ii) the occurrence of any Assignment, or (iii) the cession of any Restricted Person's relationship with Franchisee, each person who was a Restricted Person before such event shall not for a period of 24 months thereafter, engage in any Competitive Activities within the Development Area, without the Company's prior written consent. In applying for such consent, Franchisee will have the burden of establishing that any such activity by it will not involve the use of benefits provided under this Agreement or constitute unfair competition with Company or other franchisees of the Company.

### 8.3 Modification

8.3.1 The parties have attempted in Sections 8.1 and 8.2 above to limit the Franchisee's right to compete only to the extent necessary to protect the Company from unfair competition. The parties hereby expressly agree that if the scope or enforceability of Section 8.1 or 8.2 is disputed at any time by Franchisee, a court or arbitrator, as the case may be, may modify either or both of such provisions to the extent that it deems necessary to make such provision(s) enforceable under Applicable Law. In addition, Company reserves the right to reduce the scope of either, or both, of said provisions without Franchisee's consent, at any time or times, effective immediately upon notice to Franchisee.

8.3.2 In view of the importance of the "UBREAKIFIX" trademarks and the incalculable and irreparable harm that would result to the parties in the event of a Default under this Article 8, the parties agree that each party may seek specific performance and/or injunctive relief to enforce the covenants and agreements in this Agreement, in addition to any other relief to which such party may be entitled at law or in equity. Each party submits to the exclusive jurisdiction of the courts of the State of Florida and the U.S. federal courts sitting in Orlando, Florida for purposes thereof. The parties agree that venue for any such proceeding shall be the state and federal courts located in Orlando, Florida.

## **ARTICLE 9 TERMINATION**

### 9.1 Termination Pursuant to a Default of this Agreement

9.1.1 Subject to Applicable Law to the contrary, this Agreement may be terminated by Company in the event of any Default by Franchisee of this Agreement, unless such Default is cured by Franchisee within 5 days following written notice of the Default (in the case of a failure to pay money), or 10 days following written notice of the Default (in the case of any other Default); provided that in the case of a Default by Franchisee (or its Affiliate) under any Franchise Agreement or other written agreement, the notice and cure provisions of the Franchise Agreement or other agreement shall control, and provided, further, however, that any Default described in Sections 9.1.2(a), (b) or (e) below shall be deemed incurable.

9.1.2 The term “default”, as used herein, includes the following:

(a) Any Assignment or attempted Assignment in violation of the terms of Section 7.2 or 7.3 of this Agreement, or without the written consents required pursuant to this Agreement; provided, however, (i) upon prompt written request to Company following the death or legal incapacity of a Franchisee who is an individual, Company shall allow a reasonable period, up to 9 months, after such death or legal incapacity for his or her heirs, personal representatives, or conservators (the “**Heirs**”) to seek and obtain Company’s consent to the Assignment his or her rights and interests in this Agreement to the Heirs or to another person acceptable to Company, in its sole discretion; or (ii) upon prompt written request to Company following the death or legal incapacity of an Owner of a Franchisee which is an Entity, directly or indirectly, owning more than 20% or more of the Equity or voting power of Franchisee, Company shall allow a reasonable period, up to 9 months, after such death or legal incapacity for his or her Heir(s) to seek and obtain Company’s consent to the Assignment of such Equity and voting power to the Heir(s) or to another person or persons acceptable to Company. If, within allowed period, said Heir(s) fail to receive Company’s consent as aforesaid or to effect such consented to Assignment, then this Agreement shall immediately terminate at Company’s election.

(b) Subject to Section 2.3 of this Agreement, failure of Franchisee to satisfy the Development Obligation within the Development Periods set forth herein.

(c) Failure of Franchisee (or any Affiliate of Franchisee) to pay any Initial Franchise Fee or Royalty Fee in a timely manner as required by this Agreement or any Franchise Agreement signed by Franchisee.

(d) Franchisee’s opening of any Store in the Development Area except in strict accordance with the procedures set forth in Sections 6.1 through 6.3 of this Agreement.

(e) Failure of Franchisee to fully comply with the requirements of Section 8.1 of this Agreement.

(f) Any Default of any other agreement between Franchisee (or any Affiliate of Franchisee) and Company (or any Affiliate of Company), including any Franchise Agreement executed pursuant hereto.

(g) Failure of Franchisee to fully comply with the requirements of Section 12.4 of this Agreement.

## **ARTICLE 10 GENERAL CONDITIONS AND PROVISIONS**

10.1 Relationship of Franchisee to Company. It is expressly agreed that the parties intend by this Agreement to establish between Company and Franchisee the relationship of franchisor and area developer franchisee. It is further agreed that Franchisee has no authority to create or assume in Company’s name or on behalf of Company, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Company for any purpose whatsoever. Neither Company nor Franchisee is the employer, employee, agent, partner or co-venturer of or with the other, each being independent. Franchisee agrees that it will not hold itself out as the agent, employee, partner or co-venturer of Company. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of Company or subject to Company control. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof.

10.2 Indemnity by Franchisee. Franchisee hereby agrees to protect, defend and indemnify Company, and all of its past, present and future Owners, Affiliates, officers, directors, employees, attorneys and designees and hold them harmless from and against any and all costs and expenses, including attorneys’ fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person, firm or corporation or to any property arising out of or in connection with Franchisee’s

construction, development or operation of Stores pursuant hereto, except to the extent caused by intentional acts of the Company in breach of this Agreement. The terms of this Section 10.2 shall survive the termination, expiration or cancellation of this Agreement.

10.3 No Consequential Damages For Legal Incapacity. Company shall not be liable to Franchisee for any consequential damages, including lost profits, interest expense, increased construction or occupancy costs, or other costs and expenses incurred by Franchisee by reason of any delay in the delivery of Company's Franchise Disclosure Document caused by legal incapacity during the Term, or other conduct not due to the gross negligence or intentional misfeasance of Company.

10.4 Waiver and Delay. No waiver by Company of any Default or Defaults, or series of Defaults in performance by Franchisee, and no failure, refusal or neglect of Company to exercise any right, power or option given to it hereunder or under any Franchise Agreement or other agreement between Company and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Stores), or to insist upon strict compliance with or performance of Franchisee's (or its Affiliates) obligations under this Agreement or any Franchise Agreement or other agreement between Company and Franchisee (or its Affiliates), whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Stores), shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Company of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

10.5 Survival of Covenants. The covenants contained in this Agreement which, by their nature or terms, require performance by the parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

10.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Company and shall be binding upon and inure to the benefit of Franchisee and his or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained herein.

10.7 Joint and Several Liability. If Franchisee consists of more than one person or Entity, or a combination thereof, the obligations and liabilities of each of such person or Entity to Company are joint and several, and such person(s) or Entities shall be deemed to be general partnership

10.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to any conflict of laws), except that (a) the provisions of Sections 8.1 and 8.2 (and to the extent applicable, Section 8.3) shall be governed in accordance with the laws of the State where the Default of said section occurs, and (b) any state law relating to (1) the offer and sale of franchises, (2) franchise relationships, or (3) business opportunities, will not apply unless the applicable jurisdictional requirements are met independently with reference to this paragraph.

10.9 Entire Agreement. This Agreement and the Exhibits incorporated herein contain all of the terms and conditions agreed upon by the parties hereto concerning the subject matter hereof. No other agreements concerning the subject matter hereof, written or oral, shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations, are merged herein and superseded hereby. Franchisee represents that there are no contemporaneous agreements or understandings between the parties relating to the subject matter of this Agreement that are not contained herein. No officer or employee or agent of Company has any authority to make any representation or promise not included in this Agreement or any Franchise Disclosure Document for prospective franchisees required by Applicable Law, and Franchisee agrees that it has executed this Agreement without reliance upon any such representation or promise. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in the franchise disclosure document.

10.10 Titles for Convenience. Article and paragraph titles used this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

10.11 Gender and Construction. The terms of all Exhibits hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words “include,” “includes” or “including” are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, approval, acceptance or authorization of Company which Franchisee may be required to obtain hereunder may be given or withheld by Company in its sole discretion, and on any occasion where Company is required or permitted hereunder to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Company’s Standards or satisfaction, Company may do so in its sole subjective judgment and discretion. No provision herein expressly identifying any particular breach of this Agreement as material shall be construed to imply that any other breach which is not so identified is not material. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto. Company and Franchisee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

10.12 Severability, Modification. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

10.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

10.14 Fees and Expenses. If any party to this Agreement shall bring any arbitration, action or proceeding for any relief against the other, declaratory or otherwise, arising out of this Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorney fees and costs incurred in bringing or defending such arbitration, action or proceeding and/or enforcing any judgment granted therein, all of which shall be deemed to have accrued upon the commencement of such arbitration, action or proceeding and shall be paid whether or not such action or proceedings is prosecuted to final judgment. Any judgment or order entered in such action or proceeding shall contain a specific provision providing for the recovery of attorney fees and costs, separate from the judgment, incurred in enforcing such judgment. The prevailing party shall be determined by the trier of fact based upon an assessment of which party’s major arguments or positions on major disputed issues. For the purposes of this Section, attorney fees shall include fees incurred in the following: (1) post-judgment motions; (2) contempt proceedings; (3) garnishment, levy, debtor and third party examinations; (4) discovery; and (5) bankruptcy litigation. This Section is intended to be expressly severable from the other provisions of this Agreement, is intended to survive any judgment and is not to be deemed merged into the judgment.

10.15 Waiver of Jury Trial; Venue

10.15.1 TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES: (1) HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT; AND (2) THEY AGREE THAT, ORLANDO, FLORIDA SHALL BE THE VENUE FOR ANY LITIGATION ARISING UNDER THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THEY HAVE REVIEWED THIS SECTION AND HAVE HAD THE OPPORTUNITY TO SEEK INDEPENDENT LEGAL ADVISE AS TO ITS MEANING AND EFFECT.

\_\_\_\_\_  
FRANCHISEE  
INITIALS

\_\_\_\_\_  
COMPANY  
INITIALS

10.16 Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time delivered by hand; one business day after electronically confirmed transmission by facsimile or other electronic system; one business day after delivery by Express Mail or other recognized, reputable overnight courier; or 3 business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid, or one business day after placement with United Parcel Service or Federal Express for overnight delivery, and addressed as follows:

If to Company:                   **UBIF FRANCHISING, CO.**  
  **200 South Orange Avenue, Suite 200**  
  **Orlando, FL 32801**

With copy (which shall not constitute notice) to:

Kenneth R. Costello, Esq.  
Bryan Cave Leighton Paisner LLP  
120 Broadway, Suite 300  
Santa Monica, CA 90401-2386  
Facsimile No.: (310) 576-2200

If to Franchisee:                See Section 1.1

or to such other address as such party may designate by 10 days' advance written notice to the other party.

10.17 Mediation. Except to the extent precluded by Applicable law, the parties hereby pledge and agree that prior to filing any lawsuit (other than suits or to seek provisional remedies, including injunctions), they shall first attempt to resolve any dispute between the parties pursuant to mediation conducted in accordance with the Commercial Mediation Rules of the AAA unless the parties agree on alternative rules and a mediator within 15 days after either party first gives notice of mediation. Such mediation shall be conducted in Orlando, Florida and shall be conducted and completed within 45 days following the date either party first gives notice of mediation. If the parties fail to complete the mediation within such 45 day period, either party may initiate litigation. The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, expert or counsel for any party with respect to any suit and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under Florida Law. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the parties shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation.

10.18 Injunctive Relief. Notwithstanding anything to the contrary contained in Section 10.8 of this Agreement, Company and Franchisee will each have the right in a proper case to obtain specific performance, temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, and other provisional relief including but not limited to enforcement of liens, security agreements, or attachment, as Company deems to be necessary or appropriate to compel Franchisee to comply with Franchisee's obligations to the Company and/or to protect the marks of the Company; or any claim or dispute involving or contesting the validity of any of the marks. However, the parties will contemporaneously submit their dispute for arbitration on the merits. Franchisee agrees that Company may have temporary or preliminary injunctive relief without bond, but upon due notice, and Franchisee's sole remedy in the event of the entry of such injunctive relief will be the dissolution of the injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any the injunction being expressly waived).

10.19 Arbitration. Except as precluded by Applicable Law, any controversy or claim between Company and Franchisee arising out of or relating to this Agreement or any alleged breach hereof, and any issues pertaining to the arbitrability of such controversy or claim and any claim that this Agreement or any part hereof is invalid, illegal, or otherwise voidable or void, shall be submitted to binding arbitration. Said arbitration shall be conducted before

and will be heard by three arbitrators in accordance with the then-current commercial arbitration rules of the American Arbitration Association (“AAA”). Judgment upon any award rendered may be entered in any Court having jurisdiction thereof. Except to the extent prohibited by Applicable Law, the proceedings shall be held in Orlando, Florida. The arbitrator shall have no power or authority to grant punitive or exemplary damages as part of its award. In no event may the material provisions of this Agreement including, but not limited to the method of operation, authorized product line sold or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be ignored, waived, modified or changed by the arbitrator at any arbitration hearing. The substantive law applied in such arbitration shall be as provided in Section 10.8 of this Agreement. The arbitration and the parties’ agreement therefor shall be deemed to be self-executing, and if either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party despite said failure to appear. All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained herein shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.), notwithstanding any provision of this Agreement specifying the state law under which this Agreement shall be governed and construed.

10.20 Awards. The arbitrator will have the right to award or include in his award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys’ fees and costs, in accordance with Section 10.14 of this Agreement, provided that the arbitrator will not have the authority to award exemplary or punitive damages. The award and decision of the arbitrator will be conclusive and binding upon all parties and judgment upon the award may be entered in any court of competent jurisdiction. Each party waives any right to contest the validity or enforceability of such award. The parties shall be bound by the provisions of any limitation on the period of time by which claims must be brought. The parties agree that, in connection with any such arbitration proceeding, each will submit or file any claim which would constitute a compulsory counter-claim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceedings as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding will be barred.

10.21 Permissible Parties. Franchisee and Company agree that arbitration will be conducted on an individual, not a class wide, basis and that any arbitration proceeding between Franchisee and Company will not be consolidated with any other arbitration proceeding involving Company and any other person or entity.

10.22 Survival. The terms of Section 10 shall survive termination, expiration or cancellation of this Agreement.

## **ARTICLE 11 SUBMISSION OF AGREEMENT**

11.1 General. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Company and Franchisee.

## **ARTICLE 12 ADDITIONAL COVENANTS**

12.1 Entity Franchisee Information. If Franchisee is an Entity, Franchisee represents and warrants that the information set forth in Exhibit C which is annexed hereto and by this reference made a part hereof, is accurate and complete in all material respects. Franchisee shall notify Company in writing within 10 days of any change in the information set forth in Exhibit C, and shall submit to Company a revised Exhibit C, which shall be certified by Franchisee as true, correct and complete and upon acceptance thereof by Company shall be annexed to this Agreement as Exhibit C. Franchisee promptly shall provide such additional information as Company may from time to time request concerning all persons who may have any direct or indirect financial interest in Franchisee, including providing copies of all amendments to Franchisee’s “**Entity Documents**” as defined in Exhibit C. Franchisee shall conduct no business other than the business contemplated hereunder and under any currently effective Franchise Agreement between Company and Franchisee. The Entity Documents of Franchisee shall recite that the issuance and transfer of any interest therein is subject to the restrictions set forth in the Agreement and any Franchise Agreement executed pursuant thereto.

## 12.2 Operating Principal: Director of Operations

12.2.1 The Operating Principal shall be principally responsible for communicating and coordinating with Company regarding business, operational and other ongoing matters concerning this Agreement and the Stores developed pursuant hereto. The Operating Principal shall have the full authority to act on behalf of Franchisee in regard to performing, administering or amending this Agreement and all Franchise Agreements executed pursuant hereto. Company may, but is not required to, deal exclusively with the Operating Principal in such regards unless and until Company's actual receipt of written notice from Franchisee of the appointment of a successor Operating Principal, who shall have been accepted by Company.

12.2.2 Commencing on the date which Franchisee, directly or indirectly through one or more Affiliate(s), opens its 2<sup>nd</sup> **Store** within the Development Area, and at all times throughout the Term and the term of each Franchise Agreement executed pursuant hereto after such date, Franchisee shall employ and retain, or shall cause the Entity to which each Franchise Agreement is assigned in accordance with Section 7.2 hereof to employ and retain, an individual (the "**Director of Operations**") who shall be vested with the authority and responsibility for the day-to-day operations of all Stores owned or operated, directly or indirectly, by Franchisee within the Development Area. The Director of Operations shall, during the entire period he/she serves as such, meet the following qualifications: (a) shall devote full time and best efforts solely to operation of the all Stores owned or operated, directly or indirectly, by Franchisee in the Development Area and to no other business activities; (b) meet Company's educational, experience, financial and such other reasonable criteria for such individual, as set forth in the Manuals as defined herein or otherwise in writing by Company; and (c) be an individual acceptable to Company. The Director of Operations, may (but need not) be an Owner, and with the prior written consent of Company, may be the same individual as the Operating Principal. The Director of Operations shall be responsible for all actions necessary to ensure that all Stores owned or operated, directly or indirectly, by Franchisee in the Development Area are operated in compliance with this Agreement, all Franchise Agreements therefor and the Manuals. If, during the Term hereof or any Franchise Agreement executed pursuant hereto, the Director of Operations is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section (including Company's subsequent disapproval of such person), Franchisee shall promptly notify Company and designate a replacement within 30 days after the Director of Operations ceases to serve, such replacement being subject to Company's approval.

12.2.3 Franchisee shall notify Company in writing at least 10 days prior to employing the Director of Operations setting forth in reasonable detail all information reasonably requested by Company. Company's acceptance of the Operating Principal and Director of Operations, shall not constitute Company's endorsement of such individual or a guarantee by Company that such individual will perform adequately for Franchisee or its Affiliates, nor shall Company be estopped from subsequently disapproving or otherwise challenging such person's qualifications or performance.

## 12.3 Business Practices. Franchisee represents, warrants and covenants to Company that:

12.3.1 As of the date of this Agreement, Franchisee and each of its Owners (if Franchisee is an Entity) shall be and, during the Term shall remain, in full compliance with all applicable laws in each jurisdiction in which Franchisee or any of its Owners (if Franchisee is an Entity), as applicable, conducts business that prohibits unfair, fraudulent or corrupt business practices in the performance of its obligations under this Agreement and related activities, including the following prohibitions:

(a) No government official, official of an international organization, political party or official thereof, or candidate is an owner or has any investment interest in the revenues or profit of Franchisee;

(b) None of the property or interests of Franchisee or any of its Owners is subject to being "blocked" under any Anti-Terrorism Laws. Neither Franchisee, nor any of its respective funding sources (including any legal or beneficial owner of any equity in Franchisee) or any of its Affiliates is or has ever been a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Laws or identified by name or address on any Terrorist List. Each of Franchisee and its Owners are in compliance with Applicable Law, including all such Anti-Terrorism Laws;



(c) Neither Franchisee nor any of its Owners conducts any activity, or has failed to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the International Money Laundering Abatement and Anti-Terrorist Financing Act, as amended, and any amendments or successors thereto.

(d) Franchisee is neither directly nor indirectly owned or controlled by the government of any country that is subject to a United States embargo. Nor does Franchisee or its Owners act directly or indirectly on behalf of the government of any country that is subject to a United States embargo.

12.3.2 Franchisee has taken all necessary and proper action required by Applicable Law and has the right to execute this Agreement and perform under all of its terms. Franchisee shall implement and comply with anti-money laundering policies and procedures that incorporate “know-your-customer” verification programs and such other provisions as may be required by applicable law.

12.3.3 Franchisee shall implement procedures to confirm, and shall confirm, that (a) none of Franchisee, any person or entity that is at any time a legal or beneficial owner of any interest in Franchisee or that provides funding to Franchisee is identified by name or address on any Terrorist List or is an Affiliate of any person so identified; and (b) none of the property or interests of Franchisee is subject to being “blocked” under any Anti-Terrorism Laws.

12.3.4 Franchisee shall promptly notify Company upon becoming aware of any violation of this Section or of information to the effect that any person or entity whose status is subject to confirmation pursuant to Section 12.3.1(c) above is identified on any Terrorist List, any list maintained by OFAC or to being “blocked” under any Anti-Terrorism Laws, in which event Franchisee shall cooperate with Company in an appropriate resolution of such matter.

12.3.5 In accordance with Applicable Law, none of Franchisee nor any of its Affiliates, principals, partners, officers, directors, managers, employees, agents or any other persons working on their behalf, shall offer, pay, give, promise to pay or give, or authorize the payment or gift of money or anything of value to any officer or employee of, or any person or entity acting in an official capacity on behalf of, the Governmental Authority, or any political party or official thereof or while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any official, for the purpose of (a) influencing any action or decision of such official in his or its official capacity; (b) inducing such official to do or omit to do any act in violation of his or its lawful duty; or (c) inducing such official to use his or its influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority in order to obtain certain business for or with, or direct business to, any person.

12.3.6 The provisions of this Section shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Company for any infringement of, violation of, or interference with, this Agreement, or Company’s marks, System, trade secrets, or any other proprietary aspects of Company’s business.

12.4 Financial Covenant. Unless Company otherwise agrees in writing, at no time during the Term shall Franchisee’s ratio of debt to capital employed be greater than 50%; and Franchisee shall promptly notify Company if at any time such ratio is greater than 50%.

## **ARTICLE 13 ACKNOWLEDGMENT**

### **13.1 General**

13.1.1 Franchisee acknowledges that it has carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that it has obtained the advice of counsel in connection with entering into this Agreement, that it understands the nature of this Agreement, and that it intends to comply herewith and be bound hereby.

13.1.2 Company expressly disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement.

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

ACCEPTED on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

**UBIF FRANCHISING, CO., a Florida corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“Franchisee”**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Exhibit A**  
**DEVELOPMENT AREA**

The Development Area\* is defined as the territory within the boundaries described below:

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\* If the Development Area is defined by streets, highways, freeways or other roadways, or rivers, streams, or tributaries, then the boundary of the Development Area shall extend to the center line of each such street, highway, freeway or other roadway, or river, stream, or tributary. If the Development Area is defined above by referring to one or more cities, counties, geographical areas or political subdivisions, any increase or decrease after the Effective Date in the boundaries or size thereof shall have no effect on the Development Area, which shall continue to be defined in this Exhibit A as the size and boundaries existed on the Effective Date.

**EXHIBIT B**  
**DEVELOPMENT OBLIGATION**

	<b>DEVELOPMENT PERIOD ENDING</b>	<b>CUMULATIVE NO. OF STORES TO BE IN OPERATION</b>
1	_____	_____
2	_____	_____
3	_____	_____
4	_____	_____
5	_____	_____

**EXHIBIT C**  
**Entity Information**

Franchisee represents and warrants that the following information is accurate and complete in all material respects:

(i) Franchisee is a (check as applicable):

- corporation
- limited liability company
- general partnership
- limited partnership
- Other (specify): \_\_\_\_\_

(ii) Franchisee shall provide to Company concurrently with the execution hereof true and accurate copies of its charter documents including Articles of Incorporation, Bylaws, Operating Agreement, Regulations Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing ("**Entity Documents**").

(iii) Franchisee promptly shall provide such additional information as Company may from time to time request concerning all persons who may have any direct or indirect financial interest in Franchisee.

(iv) The name and address of each of Franchisee's owners, members, or general and limited partner:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(v) There is set forth below the names, and addresses and titles of Franchisee's principal officers or partners who will be devoting their full time to the Store:

NAME	ADDRESS
_____	_____
_____	_____
_____	_____

(vi) The address where Franchisee's Financial Records, and Entity Documents are maintained is: \_\_\_\_\_

\_\_\_\_\_

(vii) The "Operating Principal" is: \_\_\_\_\_

## APPENDIX 1

“**Additional Development Notice**” shall have the meaning set forth in Section 4.2 of this Agreement.

“**Additional Development Obligation**” shall have the meaning set forth in Section 4.3.2 of this Agreement.

“**Affiliate**” when used herein in connection with Company or Franchisee, includes each person or Entity which directly, or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with Company or Franchisee, as applicable. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Franchisee includes any Entity 10% or more of whose Equity or voting control, is held by person(s) or Entities who, jointly or severally, hold 10% or more of the Equity or voting control of Franchisee. For purposes of this definition, control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise. Notwithstanding the foregoing definition, if Company or its Affiliate has any ownership interest in Franchisee, the term “Affiliate” shall not include or refer to the Company or that Affiliate (the “**Company Affiliate**”), and no obligation or restriction upon an “Affiliate” of Franchisee, shall bind Company, or said Company Affiliate or their respective direct/indirect parents or subsidiaries, or their respective officers, directors, or managers.

“**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States of America (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future national, provincial, federal, state and local laws, ordinances, regulations, policies, lists, Orders and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war.

“**Applicable Law**” means and includes applicable common law and all applicable statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority, governing the operation of a Store, including all labor, immigration, disability laws and regulations, as in effect on the Effective Date hereof, and as may be amended, supplemented or enacted from time to time.

“**Assignment**” shall mean and refer to any assignment, transfer, gift or other conveyance, voluntarily or involuntarily, in whole or in part, by operation of Applicable Law or otherwise, of any interest in this Agreement or any of Franchisee’s rights or privileges hereunder or all of any substantial portion of the assets of the Store, including the lease; provided, further, however, that if Franchisee is an Entity, each of the following shall be deemed to be an Assignment of this Agreement: (i) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, hypothecation or other encumbrance of more than 49% in the aggregate, whether in one or more transactions, of the Equity or voting power of Franchisee, by operation of law or otherwise or any other event(s) or transaction(s) which, directly or indirectly, effectively changes control of Franchisee; (ii) the issuance of any securities by Franchisee which itself or in combination with any other transaction(s) results in the Owners, as constituted on the Effective Date, owning less than 51% of the outstanding Equity or voting power of Franchisee; (iii) if Franchisee is a Partnership, the resignation, removal, withdrawal, death or legal incapacity of a general partner or of any limited partner owning more than 49% of the Partnership Rights of the Partnership, or the admission of any additional general partner, or the transfer by any general partner of any of its Partnership Rights in the Partnership, or any change in the ownership or control of any general partner; (iv) the death or legal incapacity of any Owner owning more than 49% of the Equity or voting power of Franchisee; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Franchisee, however effected.

“**Approved Products and Services**” means the services and ancillary related products specified by Company from time to time in the Manuals, or otherwise in writing, for offer and sale by the Store, marketed, offered, sold, and rendered at the Store and on a limited mobile basis within the Territory for and at the homes or business offices of, Residential and Small Business Customers, in strict accordance with Company’s System Standards, and which may include (a) repair services relating to computers, smart phones, hand held iOS devices, gaming consoles and other electronic equipment; installation and set-up of computers and electronic equipment; (b) remote or on-site installation, set-up and maintenance of computer hardware, software, and other electronic equipment, (c) customer training; (d) the marketing, offer and sale of various items of approved hardware, software,

accessories, ink, toner and other consumables, server infrastructure upgrades, for computers, peripheral equipment, smart phones, hand held iOS devices, gaming consoles and other electronic equipment, (e) remote data backup and monitoring; (f) offering the Device Recommerce Program; and (g) other sales, support and service that Company authorizes through remote, telephone, in-home or on-site sales and services.

“**Competitive Activities**” means to, own, operate, lend to, advise, be employed by, or have any financial interest in any business, other than a “UBREAKIFIX” Store operated pursuant to a validly subsisting franchise agreement with Company, that: (i) specializes in repair services relating to computers, smart phones, tablets, gaming consoles or other electronic equipment; or (ii) offers mobile or other electronic device trade-in services, recommerce programs or similar “cash for device” programs. Notwithstanding the foregoing, “**Competitive Activities**” shall not include the direct or indirect ownership solely as an investment, of securities of any Entity which are traded on any national securities exchange if the owner thereof (i) is not a controlling person of, or a member of a group which controls, such Entity and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such Entity.

“**Default**” or “**default**” means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

“**Development Area**” shall have the meaning set forth in Section 1.2.1 and Exhibit A of this Agreement.

“**Development Obligation**” shall mean the Franchisee’s right and obligation to construct, equip, open and thereafter continue to operate at sites within the Development Area the cumulative number of Stores set forth in Exhibit B hereto within each Development Period and, if applicable, within the geographic areas specified therein.

“**Development Period**” means each of the time periods indicated on Exhibit B during which Franchisee shall have the right and obligation to construct, equip, open and thereafter continue to operate Stores in accordance with the Development Obligation.

“**Device Recommerce Program**” means Company’s program, as modified from time to time, for accepting used mobile and other electronic devices in exchange for payment and for purposes of resale.

“**Director of Operations**” shall have the meaning set forth in Section 12.2.2 of this Agreement.

“**Dispute**” shall have the meaning set forth in Section 10.15.1 of this Agreement.

“**Entity**” means any limited liability company, Partnership, trust, association, corporation or other entity which is not an individual.

“**Equity**” means capital stock, membership interests, Partnership Rights or other equity ownership interests of an Entity.

“**Experienced Manager**” means an individual or an Entity that is wholly-owned and controlled by an individual that has at least 2 years of prior experience as a manager or assistant manager at a “UBREAKIFIX” Store owned by Company or Company’s Affiliate.

“**Franchise Agreement**” means the form of agreement prescribed by Company and used to grant to Franchisee the right to own and operate a single Store in the Development Area, including all exhibits, riders, guarantees or other related instruments, all as amended from time to time.

“**Franchise Disclosure Document**” shall have the meaning set forth in Section 6.2.3.

“**Force Majeure**” means acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe); strikes, lockouts or other industrial disturbances; war, terrorist acts, riot, or other civil disturbance; epidemics; or other similar forces which Franchisee could not by the exercise of reasonable diligence have avoided; provided however, that neither an act or failure to act by a Governmental Authority, nor the performance, non-performance or exercise of rights under any agreement with Franchisee by any lender, landlord, or

other person shall be an event of Force Majeure hereunder, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure. For the avoidance of doubt, Franchisee's financial inability to perform or Franchisee's insolvency shall not be an event of Force Majeure hereunder.

**"Governmental Authority"** means and include all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

**"Initial Franchise Fee"** shall have the meaning set forth in Section 5.2 of this Agreement.

**"Manuals"** means Company's operations and training manuals, and any other written directive related to the System, as the same may be amended and revised from time to time, including all bulletins, supplements and ancillary and additional manuals and written directives established by Company as in effect and amended from time to time.

**"National Accounts"** means any (i) potential or existing businesses (or such businesses' customers) that has multiple offices, facilities, retail premises, or operations located (or which Company expects to be located) within and outside of the Development Area; or (ii) department store, electronics or computer retailer, "membership based retailer," such as Costco or Sams Club, or other business(es) whose clientele include potential customers for Approved Products and Services.

**"Operating Principal"** means \_\_\_\_\_, or such other individual hereafter designated by Franchisee, and accepted by Company (and until subsequently disapproved by Company), to serve as the authorized representative of Franchisee, who Franchisee acknowledges and agrees shall act as Franchisee's representative, who shall hold 10% or more of the Equity of Franchisee, and who shall have the authority to act on behalf of Franchisee during the Term.

**"Owner"** means any direct or indirect shareholder, member, general or limited partner, trustee, or other equity owner of an Entity, except, that if Company or any Affiliate of Company has any ownership interest in Franchisee, the term "Owner" shall not include or refer to the Company or that Affiliate or their respective direct and indirect parents and subsidiaries, and no obligation or restriction upon the "Franchisee", or its Owners shall bind Company, said Affiliate or their respective direct and indirect parents and subsidiaries or their respective officers, directors, or managers.

**"Partnership"** means any general partnership, limited partnership or limited liability partnership.

**"Partnership Rights"** means voting power, property, profits or losses, or partnership interests of a Partnership.

**"Reserved Rights"** shall have the meaning set forth in Section 1.3.2 of this Agreement.

**"Residential and Small Business Customer"** means a residential customer or a business customer with 300 or fewer employees.

**"Restricted Persons"** means the Franchisee, and each of its Owners and Affiliates, and the respective officers, directors, managers, and Affiliates of each of them, and the spouse and family members who live in the same household of each of the foregoing who are individuals.

**"Site Review Request"** shall have the meaning set forth in Section 6.1 of this Agreement.

**"Standards"** mean Company's then-current specifications, standards, policies, procedures and rules prescribed for the development, ownership and operation of Stores.

**"Store"** or **"UBREAKIFIX Store"** shall mean a "UBREAKIFIX" store engaged in the marketing, offering and sale of Approved Products and Services pursuant to and in accordance with a validly subsisting Franchise Agreement.



“**System Standards**” means the specifications, standards, operating procedures, policies, rules, regulations, procedures, protocols, restrictions, recommendations and guidelines Company requires for the operation of a “**UBREAKIFIX**” Store, as modified by Company from time to time in writing.

“**Term**” shall have the meaning set forth in Section 4.1 of this Agreement.

“**Territory**” means the geographic area designated by Company in the manner described in Section 3.2 and described in each Franchise Agreement entered into pursuant to this Agreement, within which Company agrees to not open or operate or license or franchise others to open or operate a Store (subject to the conditions, reserved rights and other limitations described in the Franchise Agreement).

“**Terrorist Lists**” means all lists of known or suspected terrorists or terrorist organizations published by any U.S. Government Authority, including U.S. Treasury Department’s Office of Foreign Asset Control (“**OFAC**”), that administers and enforces economic and trade sanctions, including against targeted non-U.S. countries, terrorism sponsoring organizations and international narcotics traffickers.

“**Then-current**” as used in this Agreement and applied to the Franchise Disclosure Document, an area development agreement and a Franchise Agreement shall mean the form then currently provided by Company to similarly situated prospective franchisees, or if not then being so provided, then such form selected by the Company in its discretion which previously has been delivered to and executed by a licensee or franchisee of Company.

“**Wages**” means all salaries and hourly wages, and all related direct and indirect payroll expenses of employees, including employment-related taxes, overtime compensation, vacation benefits, pension and profit sharing plan contributions, medical insurance premiums, medical benefits, and the like, and all direct and indirect fees, costs and expenses payable to independent contractors, agents, representatives and outside consultants.

**Exhibit 1 – Addendum to Area Development Agreement for Existing Franchisees**

**ADDENDUM TO AREA DEVELOPMENT AGREEMENT  
[FOR EXISTING FRANCHISEES]**

This ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this “**Addendum**”) is made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between **UBIF Franchising, Co.**, a Florida corporation (“**Company**”), and \_\_\_\_\_, a(n) \_\_\_\_\_ (“**Franchisee**”), with reference to the following facts. Company and Franchisee may each be referred to herein as a “**Party**” and collectively as the “**Parties.**”

**Recitals**

A. Franchisee is an existing UBREAKIFIX franchisee operating a UBREAKIFIX Store located at \_\_\_\_\_, (the “**Existing Store**”) pursuant to that certain UBREAKIFIX Franchise Agreement, dated \_\_\_\_\_.

B. Concurrently with the execution of this Addendum, the Parties have entered into that certain UBREAKIFIX Area Development Agreement (the “**Development Agreement**”) regarding Franchisee’s development of additional franchised UBREAKIFIX Store in a designated geographic area encompassing the Existing Store. Capitalized terms used herein, unless expressly otherwise provided, shall have the meanings set forth in the Development Agreement.

B. The Parties desire to amend the Development Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound by this Addendum, the Parties agree as follows:

**Agreement**

1. **Existing Store.** Company acknowledges and agrees that the Existing Store shall count in determining whether Franchisee has satisfied the Development Obligation for so long as Franchisee continues to operate the Store pursuant to a validly existing Franchise Agreement by and between Company and Franchisee.

2. **Initial Development Fee.** Section 5.1 of the Development Agreement is hereby deleted and replaced with the following:

“5.1 **Initial Development Fee.** Concurrently with the execution of this Agreement, Franchisee shall pay to Company in cash or by certified check, the Initial Development Fee, representing \$12,500 (or one-half of the Initial Franchise Fee) for each of the Stores (excluding the Existing Store) required to be opened during the Term pursuant to the Development Obligation.”

3. **Initial Franchise Fees.** Section 5.2 of the Development Agreement is hereby deleted and replaced with the following:

“5.2 **Initial Franchise Fee.** Notwithstanding the terms of any Franchise Agreement executed for a Store developed pursuant to this Agreement, Franchisee shall pay to Company, in cash or by certified check, an Initial Franchise Fee equal to \$25,000 for each Store to be opened pursuant hereto (not including the Existing Store, for which Franchisee has already paid the Initial Franchise Fee), which Initial Franchise Fee shall be payable upon execution by Franchisee of each such Franchise Agreement, provided, however, that Company shall credit the Initial Development Fee paid by Franchisee pursuant to Section 5.1 above, against the Initial Franchise Fee payable under each such Franchise Agreement at the rate of \$12,500 per Franchise Agreement.”

4. **Trigger Date.** For purposes of clarification, and notwithstanding anything to the contrary in the Development Agreement or any subsequently executed Franchise Agreement, the term "Trigger Date" shall mean "the earliest to occur of: (a) \_\_\_\_\_, 20\_\_ (i.e., 24 months following the opening date of the Existing Store); or (b) the day on which this Agreement is terminated, if terminated due to Franchisee's failure to satisfy its Development Obligation hereunder. Further, the Existing Store will be deemed to have been opened "pursuant to" the Development Agreement.

5. **Effect of Addendum.** Except as expressly amended by this Addendum, the Development Agreement shall remain in full force and effect. In the event of any conflict between the terms of this Addendum and the Development Agreement, this Addendum shall control. No other agreements concerning the subject matter of this Addendum, oral or otherwise, unless expressly referred to and referenced herein, shall be deemed to exist or to bind any of the parties hereto. All prior or contemporaneous agreements, understandings and representations relating to the subject matter hereof are merged and are expressly superseded by this Addendum and the agreements expressly referenced herein. This Addendum cannot be amended, modified or changed except by written instrument signed by all of the parties hereto.

IN WITNESS WHEREOF, the parties hereof have executed this Addendum as of the date first written above.

**"Company"**

**UBIF FRANCHISING, CO.**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**"Franchisee"**

\_\_\_\_\_  
a(n) \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**Exhibit C**  
**General Release**

## GENERAL RELEASE

THIS GENERAL RELEASE (“**Release Agreement**”) is effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (“**Effective Date**”) by and among UBIF FRANCHISING, CO., a Florida corporation (“**Franchisor**”), \_\_\_\_\_ (“**Franchisee**”), \_\_\_\_\_ (“**Affiliate[s]**”) and \_\_\_\_\_ (“**Owner**” and together with Franchisee and Affiliate[s], jointly and severally, “**Releasor**”).

### RECITALS

[Alt. 1] A. Franchisor and Franchisee are parties to [that][those] certain Franchise Agreement[s], dated \_\_\_\_\_ (the “**Transaction Document[s]**”);

[Alt. 2] A. Franchisor and Franchisee are parties to [that][those] certain Area Development Agreement[s], dated \_\_\_\_\_ (the “**Transaction Documents[s]**”);

[Alt. 3] A. Franchisor and Franchisee are parties to that certain Area Development Agreement[s], dated \_\_\_\_\_, and those certain Franchise Agreement[s], dated \_\_\_\_\_ (collectively, the “**Transaction Documents[s]**”);

B. Franchisee desires to [assign the Transaction Document[s]] [enter into a Franchise agreement with Franchisor]; and

C. This Release Agreement has been requested at a juncture in the relationship of the parties where the Franchisor is considering either a change or an expansion of the relationship between the parties and/or their affiliates. The Franchisor is unwilling to make the anticipated change or expansion in the relationship of the parties unless it is certain that it is proceeding with a “clean slate” and that there are no outstanding grievances or Claims against it. Releasor, therefore, gives this Release Agreement as consideration for receiving the agreement of the Franchisor to an anticipated change or expansion of the relationship between the parties. Releasor acknowledges that this Release Agreement is intended to wipe the slate clean.

### AGREEMENT

NOW, THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Releasor and Franchisor hereby agree as follows:

1. Definitions. As used in this Release Agreement, the following capitalized terms have the meanings ascribed to them.

1.1 “**Claims**” means all actual and alleged claims, demands, Losses, charges, covenants, responsibilities, warranties, obligations, oral and written agreements, debts, violations, suits, counterclaims, cross claims, third party claims, accounts, liabilities, costs, expenses (including attorneys’ fees and court costs), rights to terminate and rescind, rights of action and causes of action of any kind or nature, which in any way relate to or arise from or in connection with the Transaction Documents.

1.2 “**Franchisor Released Parties**” means Franchisor and each of its Constituents.

1.3 “**Constituents**” means past, present and future affiliates, parents, subsidiaries, divisions, partners, owners, shareholders, members, trustees, receivers, executors, representatives, administrators, and the respective officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of them.

1.4 “**Excluded Matters**” means [(i)] Franchisor’s continuing contractual obligations which arise or continue under and pursuant to the Transaction Document[s] on and after the date of this Release Agreement; and (ii) if this Release Agreement is entered into in connection with the grant of a franchise or license, this Release

**Agreement is not intended to release or waive the provisions of any applicable franchise registration or disclosure law in connection with the grant of that franchise or license.]**

1.5 “Losses” means all damages, liabilities, accounts, suits, awards, judgments, payments, diminutions in value and other losses, costs and expenses, however suffered or characterized, including interest, costs and expenses of investigating and prosecuting any Claim, reference proceeding, lawsuit, arbitration or any appeal; all associated actual attorneys’ fees, whether or not the Claim, reference proceeding, lawsuit or arbitration is ultimately defeated and, all amounts paid to compromise or settle of any Claim, reference proceeding, lawsuit or arbitration.

2. General Release. Releasor for itself and its Constituents, hereby releases and forever discharges the Franchisor Released Parties from any and all Claims, whether known or unknown, based upon anything that has occurred or existed, or failed to occur or exist, from the beginning of time to the Effective Date, except for the Excluded Matters and the obligations under this Release Agreement.

3. Waiver of California Civil Code Section 1542.

3.1 Releasor, for itself and its Constituents, acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

3.2 With respect to those Claims being released pursuant to Section 2, Releasor, for itself and its Constituents, acknowledges that it is releasing unknown claims and waives all rights it has or may have under California Civil Code Section 1542 or any similar state or local statute or ordinance under applicable law or other common law principle of similar effect. For purposes of this Section 3, Releasor shall be considered to be a creditor of the Franchisor Released Parties, and each of them.

3.3 Releasor acknowledges that this general release extends to claims which Releasor does not know or suspect to exist in favor of Releasor at the time of executing this Release Agreement, which if known by Releasor may have materially affected its decision to enter into this Release Agreement. It is understood by Releasor that the facts in respect of which this Release Agreement is given may hereafter turn out to be other than or different from the facts in that connection known or believed to be true. Releasor therefore, expressly assumes the risk of the facts turning out to be so different and agrees that this Release Agreement shall be in all respects effective and not subject to termination or rescission by any such difference in facts.

4. Representations and Warranties. Releasor represents and warrants to Franchisor that, in entering into this Release Agreement, it (i) is doing so freely and voluntarily upon the advice of counsel and business advisor of its own choosing (or declined to do so, free from coercion, duress or fraud); (ii) has read and fully understands the terms and scope of this Release Agreement; (iii) realizes that it is final and conclusive, and intends to be final and conclusive, as to the matters set forth in this Release Agreement; and (iv) has not assigned, transferred, or conveyed to any third party all or any part of or partial or contingent interest in any of the Claims which are called for to be released by this Release Agreement, that it is aware of no third party who contends or claims otherwise, and that it shall not purport to assign, transfer, or convey any such claim in the future.

5. Covenants Not to Sue. Releasor irrevocably covenants to refrain and cause each of its Constituents to refrain from asserting any Claim, or commencing, initiating or causing to be commenced, any proceeding of any kind against any Franchisor Released Party, based upon any matter purported to be released pursuant to this Release Agreement.

6. Indemnity. Without in any way limiting any of the rights and remedies otherwise available to any Franchisor Released Party, Releasor shall defend, indemnify and hold harmless each Franchisor Released Party from and against all Claims whether or not involving third party Claims, arising directly or indirectly from or in connection with (i) the assertion by or on behalf of Releasor or its Constituents of any Claim or other matter purported to be released pursuant to this Release Agreement, (ii) the assertion by any third party of any Claim against any Franchisor Released Party which Claim arises from, or in connection with, any Claim or other matter purported to be released pursuant to this Release Agreement; and (iii) any breach of representations, warranties or covenants by Releasor.

7. Miscellaneous.

7.1 This Release Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties hereto.

7.2 This Release Agreement, together with the agreements referenced in this Release Agreement, constitute the entire understanding between and among the parties with respect to the subject matter of this Release Agreement. This Release Agreement supersedes any prior negotiations and agreements, oral or written, with respect to its subject matter. No representations, warranties, agreements or covenants have been made with respect to this Release Agreement, and in executing this Release Agreement, none of the parties is relying upon any representation, warranty, agreement or covenant not set forth in this Release Agreement.

7.3 This Release Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

7.4 This Release Agreement shall be binding upon and inure to the benefit of the parties to this Release Agreement and their respective successors and permitted assigns.

7.5 All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Release Agreement may require. Neither this Release Agreement nor any uncertainty or ambiguity in this Release Agreement shall be construed or resolved against the drafter, whether under any rule of construction or otherwise. On the contrary, this Release Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties. If any provision of this Release Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

7.6 Any provision of this Release Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

7.7 Each of the parties acknowledges that it had the right and opportunity to seek independent legal counsel of its own choosing in connection with the execution of this Release Agreement, and each of the parties represents that it has either done so or that it has voluntarily declined to do so, free from coercion, duress or fraud.

7.8 This Release Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**[SIGNATURE PAGE FOLLOWS]**



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

**“Franchisor”:**

**UBIF FRANCHISING, CO.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“Releasor”:**

“Franchisee”

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“Affiliate”**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**“Owner”:**

\_\_\_\_\_, an individual

**[Others:]**

\_\_\_\_\_, an individual

**Exhibit D**

**Guaranty**

## CONTINUING GUARANTY

FOR VALUE RECEIVED, and in consideration of UBIF FRANCHISING, CO., a Florida corporation (“Franchisor”), [granting a franchise][or][\_\_\_\_\_] to \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), the undersigned, \_\_\_\_\_ and \_\_\_\_\_ ([jointly and severally,] “Guarantor”), agree as follows:

### 1. Guaranty of Obligations.

1.1 Guarantor unconditionally, absolutely and irrevocably guarantees the full and prompt payment and performance when due, of all obligations of Franchisee to Franchisor and its affiliates, however created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or in the future existing or due or to become due, including, without limitation, under or in connection with that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ (the “FA”) and each of the documents, instruments and agreements executed and delivered in connection with the FA or this continuing guaranty, as each may be modified, amended, supplemented or replaced from time to time (all such obligations are referred to collectively as the “Obligations”), and all documents evidencing or securing any of the Obligations. This continuing guaranty (this “Continuing Guaranty”) is a guaranty of payment and performance when due and not of collection.

1.2 In the event of any default by Franchisee in making payment of, or default by Franchisee in performance of, any of the Obligations, Guarantor agrees on demand by Franchisor to pay and perform all of the Obligations as are then or thereafter become due and owing or are to be performed under the terms of the Obligations. Guarantor further agrees to pay all expenses (including reasonable attorneys’ fees and expenses) paid or incurred by Franchisor in endeavoring to collect the Obligations, or any part thereof, and in enforcing this Continuing Guaranty.

2. Continuing Nature Of Guaranty And Obligations. This Continuing Guaranty shall be continuing and shall not be discharged, impaired or affected by: (1) the insolvency of Franchisee or the payment in full of all of the Obligations at any time or from time to time; (2) the power or authority or lack thereof of Franchisee to incur the Obligations; (3) the validity or invalidity of any of the Obligations; (4) the existence or non-existence of Franchisee as a legal entity; (5) any statute of limitations affecting the liability of Guarantor or the ability of Franchisor to enforce this Continuing Guaranty, the Obligations or any provision of the Obligations; or (6) any right of offset, counterclaim or defense of Guarantor, including, without limitation, those which have been waived by Guarantor pursuant to Paragraph 4 of this Continuing Guaranty.

3. Permitted Actions Of Franchisor. Franchisor may from time to time, in its sole discretion and without notice to Guarantor, take any or all of the following actions: (1) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to Guarantor, with respect to any of the Obligations; (2) extend or renew for one or more periods (whether or not longer than the original period), alter, amend or exchange any of the Obligations; (3) waive, ignore or forbear from taking action or otherwise exercising any of its default rights or remedies with respect to any default by Franchisee under the Obligations; (4) release, waive or compromise any obligation of Guarantor under this Continuing Guaranty or any obligation of any nature of any other obligor primarily or secondarily obligated with respect to any of the Obligations; (5) demand payment or performance of any of the Obligations from Guarantor at any time or from time to time, whether or not Franchisor shall have exercised any of its rights or remedies with respect to any property securing any of the Obligations or any obligation under this Continuing Guaranty; or (6) proceed against any other obligor primarily or secondarily liable for payment or performance of any of the Obligations.

### 4. Specific Waivers.

4.1 Without limiting the generality of any other provision of this Continuing Guaranty, Guarantor expressly waives: (i) notice of the acceptance by Franchisor of this Continuing Guaranty; (ii) notice of the existence, creation, payment, nonpayment, performance or nonperformance of all or any of the Obligations; (iii) presentment, demand, notice of dishonor, protest, notice of protest and all other notices whatsoever with respect to the payment or performance of the Obligations or the amount thereof or any payment or performance by Guarantor under this Continuing Guaranty; (iv) all diligence in collection or protection of or realization upon the Obligations or any thereof, any obligation under this Continuing Guaranty or any security for or guaranty of any of the foregoing; (v)

any right to direct or affect the manner or timing of Franchisor's enforcement of its rights or remedies; (vi) any and all defenses which would otherwise arise upon the occurrence of any event or contingency described in Paragraph 1 hereof or upon the taking of any action by Franchisor permitted under this Continuing Guaranty; (vii) any defense, right of set-off, claim or counterclaim whatsoever and any and all other rights, benefits, protections and other defenses available to Guarantor now or at any time hereafter, including, without limitation, under any suretyship statute of the State of Florida; and (viii) all other principles or provisions of law, if any, that conflict with the terms of this Continuing Guaranty, including, without limitation, the effect of any circumstances that may or might constitute a legal or equitable discharge of a guarantor or surety.

4.2 Guarantor waives all rights and defenses arising out of an election of remedies by Franchisor.

4.3 Guarantor further waives all rights to revoke this Continuing Guaranty at any time, and all rights to revoke any agreement executed by Guarantor at any time to secure the payment and performance of Guarantor's obligations under this Continuing Guaranty.

5. Subordination; Subrogation. Guarantor subordinates any and all indebtedness of Franchisee to Guarantor to the full and prompt payment and performance of all of the Obligations. Franchisor shall be entitled to receive payment of all Obligations prior to Guarantor's receipt of payment of any amount of any indebtedness of Franchisee to Guarantor. Guarantor will not exercise any rights which it may acquire by way of subrogation under this Continuing Guaranty, by any payment hereunder or otherwise, until all of the Obligations have been paid in full, in cash, and Franchisor shall have no further obligations to Franchisee under the Obligations or otherwise.

6. Non-Competition, Trade Secrets, Interference with Employment Relations; etc.. Sections 12.1 (Non-Competition), 12.2 (Trade Secrets), 12.4 (Interference With Employment Relations), and 12.5 (Effect of Applicable Law) of the FA, are incorporated into this Continuing Guaranty by reference, and Guarantor agrees to comply with and perform each of such covenants as though fully set forth in this Continuing Guaranty as a direct and primary obligation of Guarantor.

7. Assignment Of Franchisor's Rights. Franchisor may, from time to time, without notice to Guarantor, assign or transfer any or all of the Obligations or any interest therein and, notwithstanding any assignment(s) or transfer(s), the Obligations shall be and remain Obligations for the purpose of this Continuing Guaranty. Each and every immediate and successive assignee or transferee of any of the Obligations or of any interest therein shall, to the extent of such party's interest in the Obligations, be entitled to the benefits of this Continuing Guaranty to the same extent as if such assignee or transferee were Franchisor.

8. Indulgences Not Waivers. No delay in the exercise of any right or remedy shall operate as a waiver of the such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude other or further exercise of such right or remedy or the exercise of any other right or remedy; nor shall any modification or waiver of any of the provisions of this Continuing Guaranty be binding upon Franchisor, except as expressly set forth in a writing signed by Franchisor. No action of Franchisor permitted under this Continuing Guaranty shall in any way affect or impair the rights of Franchisor or the obligations of Guarantor under this Continuing Guaranty.

9. Financial Condition Of Franchisee. Guarantor represents and warrants that it is fully aware of the financial condition of Franchisee, and Guarantor delivers this Continuing Guaranty based solely upon its own independent investigation of Franchisee's financial condition. Guarantor waives any duty on the part of Franchisor to disclose to Guarantor any facts it may now or hereafter know about Franchisee, regardless of whether Franchisor has reason to believe that any such facts materially increase the risk beyond that which Guarantor intends to assume or has reason to believe that such facts are unknown to Guarantor. Guarantor knowingly accepts the full range of risk encompassed within a contract of "Continuing Guaranty" which includes, without limitation, the possibility that Franchisee will contract for additional obligations and indebtedness for which Guarantor may be liable hereunder.

10. Representation and Warranty. Guarantor represents and warrants to Franchisor that this Continuing Guaranty has been duly executed and delivered by Guarantor and constitutes a legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

11. Binding Upon Successors; Death Of Guarantor; Joint And Several.

11.1 This Continuing Guaranty shall inure to the benefit of Franchisor and its successors and assigns.

11.2 All references herein to Franchisee shall be deemed to include its successors and permitted assigns, and all references herein to Guarantor shall be deemed to include Guarantor and Guarantor's successors and permitted assigns and, upon the death of a Guarantor, the duly appointed representative, executor or administrator of the Guarantor's estate. This Continuing Guaranty shall not terminate or be revoked upon the death of a Guarantor, notwithstanding any knowledge by Franchisor of a Guarantor's death.

11.3 If there shall be more than one Guarantor (or more than one person or entity comprises Guarantor) under this Continuing Guaranty, all of the Guarantor's obligations and the other obligations, representations, warranties, covenants and other agreements of any Guarantor under this Continuing Guaranty shall be joint and several obligations and liabilities of each Guarantor.

11.4 In addition and notwithstanding anything to the contrary contained in this Continuing Guaranty or in any other document, instrument or agreement between or among any of Franchisor, Franchisee, Guarantor or any third party, the obligations of Guarantor with respect to the Obligations shall be joint and several with each and every other person or entity that now or hereafter executes a guaranty of any of the Obligations separate from this Continuing Guaranty.

12. Governing Law. This Continuing Guaranty shall be governed by and construed in accordance with the laws of the State of Florida. Wherever possible each provision of this Continuing Guaranty shall be interpreted as to be effective and valid under applicable law, but if any provision of this Continuing Guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Continuing Guaranty.

13. ADVICE OF COUNSEL. GUARANTOR ACKNOWLEDGES THAT GUARANTOR HAS EITHER OBTAINED THE ADVICE OF COUNSEL OR HAS HAD THE OPPORTUNITY TO OBTAIN SUCH ADVICE IN CONNECTION WITH THE TERMS AND PROVISIONS OF THIS CONTINUING GUARANTY.

14. Entire Agreement. This Continuing Guaranty contains the complete understanding of the parties hereto with respect to the subject matter herein. Guarantor acknowledges that Guarantor is not relying upon any statements or representations of Franchisor not contained in this Continuing Guaranty and that such statements or representations, if any, are of no force or effect and are fully superseded by this Continuing Guaranty. This Continuing Guaranty may only be modified by a writing executed by Guarantor and Franchisor.

IN WITNESS WHEREOF, Guarantor has executed this Continuing Guaranty this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

“Guarantor”

\_\_\_\_\_  
\_\_\_\_\_

**Exhibit E**  
**Confidentiality Agreement**

**UBIF FRANCHISING, CO.**  
**CONFIDENTIALITY AND NON-COMPETITION AGREEMENT**  
**(for persons holding positions with franchisees)**

In consideration of his or her position as \_\_\_\_\_ of \_\_\_\_\_ (“**Franchisee**”), and One Dollar, the receipt of which is acknowledged, the undersigned (“**Receiver**”) hereby acknowledges and agrees that:

1. General. UBIF FRANCHISING, CO. (“**Franchisor**”), has developed a distinctive system relating to the operation of stores that principally offer and sell repair services relating to computers, smart phones, tablets, gaming consoles and other electronic equipment, as well as other related service and ancillary products, which are established and operated by others under Franchise Agreements with Franchisor.

2. Confidential Information.

(a) General Definition. Receiver will receive valuable proprietary and confidential information, disclosure of which would be detrimental to Franchisor and Franchisee, which may include, without limitation, recipes, preparation techniques, financial data, product plans, price lists, prices, names, business or marketing plans, manufacturing processes, technical data, computer programs, machinery and equipment, systems, products, projects, research and development data, customer identities and technical and business materials (collectively, the “**Confidential Information**”). Confidential Information may include information in written, oral or machine readable form, and shall be deemed confidential hereunder regardless of the presence or absence of any stamp or other designation of confidentiality accompanying such information. This list of Confidential Information is illustrative only, and does not include all matters considered confidential by Franchisor and Franchisee.

(b) Exclusions. Confidential Information does not include information that:

(i) is in, or becomes in, the public domain without violation of any agreement by the Receiver or any other person, or

(ii) was known to Receiver prior to disclosure thereof to Receiver as evidenced by written records; provided Receiver gives Franchisor written notice and evidence of such prior knowledge within thirty (30) days after receiving otherwise Confidential Information, or

(iii) is disclosed to the Receiver by a third party under no obligation of confidentiality to Franchisor or Franchisee and without violation of any agreement by Receiver or any other person, including the third party.

3. Term. This Agreement shall remain in full force and effect and shall survive the termination of Receiver’s employment (or other position or capacity) with Franchisee.

4. Disclosure; Copies. Receiver shall not: (a) disclose such Confidential Information to any person, company or entity, other than as required by Receiver’s duties in his or her position with Franchisee; or (b) copy, photograph or make other facsimiles or drawings of the Confidential Information.

5. Use. Receiver will not sell, utilize, implement, appropriate or otherwise use the Confidential Information for any purpose whatsoever, or permit the use of the Confidential Information by others for any purpose whatsoever, without the express written permission of Franchisor.

6. Forced Disclosure. Notwithstanding any other provisions in this Agreement, Receiver may disclose Confidential Information to the extent required by any applicable law, regulation, or court or governmental order; provided that Receiver gives Franchisor and Franchisee reasonable advance written notice of any request or demand for such disclosure and the opportunity to contest such law, regulation or order.

7. Return of Information. Receiver acknowledges and agrees that all Confidential Information furnished hereunder shall be and remain the property of Franchisor. Upon demand, any and all Confidential Information and copies thereof must be returned to Franchisor, or to Franchisee at Franchisor's direction.

8. Non-Competition. While in his or her position with Franchisee, and for a period of 24 months after Receiver ceases to be in that position, Receiver will not:

(a) do anything which may injure Franchisee or Franchisor, such as: (a) divert or attempt to divert actual or prospective customers to a competitor business selling competitive services; (b) employ or seek to employ anyone employed by Franchisee, Franchisor or other franchisees of Franchisor; or (c) cause or encourage any employee of Franchisee, Franchisor or other franchisees of Franchisor to leave his or her employment, other than in the normal course of my duties with Franchisee, or

(b) own, operate, lend to, advise, be employed by, or have any financial interest in any business that specializes in repair services relating to computers, smart phones, tablets, gaming consoles or other electronic equipment, other than a store operated pursuant to a validly subsisting franchise agreement with Franchisor. Notwithstanding the foregoing, This restriction does not include the direct or indirect ownership solely as an investment, of securities of any entity which are traded on any national securities exchange if the owner thereof (i) is not a controlling person of, or a member of a group which controls, such entity and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such entity.

9. Enforcement. Receiver acknowledges and agrees that disclosure or misappropriation of Confidential Information in violation of this Agreement may cause Franchisor and/or Franchisee irreparable harm, the effect of which may be difficult to ascertain, and agrees therefore that Franchisor and/or Franchisee shall be entitled to injunction and/or specific performance in addition to all other remedies otherwise available at law or equity. If it becomes necessary to enforce the terms of this Agreement, Receiver shall be obligated to pay any and all costs reasonably incurred by Franchisor and/or Franchisee in pursuing such enforcement, including attorneys' fees and court costs.

10. Waiver. The failure of Franchisor or Franchisee in any one or more instances to insist upon strict performance of any of the terms or provisions of this Agreement, or to exercise any option herein conferred, shall not be construed as a waiver or relinquishment, to any extent, of the right to assert or rely upon any such terms, provisions or options on any future occasion.

11. Severability. Any provision of this Agreement which is rendered unenforceable by a court of competent jurisdiction shall be ineffective only to the extent of such prohibition or



invalidity and shall not invalidate or otherwise render ineffective any or all of the remaining provisions of this Agreement.

12. Choice of Law. This Agreement shall be construed under the laws of the State in which Franchisee's store is located. The only way this Agreement can be changed is in a writing signed by both Franchisee and Receiver.

13. Successors. This Agreement shall be binding upon and inure to the benefit of Franchisor, Franchisee, Receiver, and their respective successors and assigns.

14. Entire Agreement. This Agreement constitutes the entire agreement by Receiver in regard to the confidentiality of matters disclosed pursuant to this Agreement, and supersedes any prior oral or written representations in regard to said matters.

**“RECEIVER”**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ACKNOWLEDGED BY FRANCHISEE:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Exhibit F**  
**System Information**

**SYSTEM INFORMATION AS OF DECEMBER 31, 2017**

**FRANCHISED LOCATIONS**

<b>FRANCHISED LOCATIONS - USA</b>				
<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Alabama	Birmingham	(205) 408-1333	5492 U.S.280 US-280, Birmingham, AL 35242 USA	UBIF Birmingham, LLC, Loree Smith/Brandan Barfield
Alabama	South Birmingham	(205) 402-9592	3728 Lorna Road, Birmingham, AL 35216 USA	UBIF Birmingham, LLC, Loree Smith/Brandan Barfield
Arizona	Central Scottsdale	(480) 656-9111	8776 E Shea Boulevard, Suite 105, Scottsdale, AZ 85260 USA	UBIFRKELLYCO, LLC, Ryan Siegel/Kelly Warters
Arizona	Chandler	(480) 857-1499	3401 W Frye Road, Suite 8, Chandler, AZ 85226 USA	UBIF Pruitt, Co., Gregory Pruitt, Jr./Sherielyn Lasley
Arizona	Desert Ridge	(480) 307-9555	21001 North Tatum Boulevard, Suite LL-3, Phoenix, AZ 85050 USA	UBIF Desert Ridge, LLC, Lisa Burns

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Arizona	Gilbert	(480) 821-1987	3871 S Gilbert Rd., Gilbert, AZ 85297 USA	UBIF Pruitt, Co., Gregory Pruitt, Jr./Sheriolyn Lasley
Arizona	Goodyear	(623) 536-4880	1550 N Dysart Rd., Goodyear, AZ 85395 USA	C&S Cairns Company, Scott Cairns/Chintana Cairns
Arizona	Happy Valley	(623) 444-4469	2501 West Happy Valley Rd., #32-1100, Phoenix, AZ 85027 USA	Benett Enterprises, LLC*, Lisa Burns
Arizona	North Valley	(602) 843-7002	16838 N 7th St. #1, Phoenix, AZ 85022 USA	FIXIT, LLC*, James Phillip Chabot/Amy Elaine Sworan
Arizona	Peoria	(623) 334-4349	7369 W Bell Road, Suite 5, Peoria, AZ 85382 USA	UBIF69CO, LLC, Ryan Ottaviano/Matt Wartens
Arizona	Phoenix	(602) 274-1212	1645 East Camelback Road, Suite 104, Phoenix, AZ 85016 USA	UBIF 18, Co., Abraham El Negery

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Arizona	Scottsdale	(480) 588-6769	16459 N Scottsdale Rd. Suite C-103, Scottsdale, AZ 85254 USA	UBIFRKELLYCO, LLC, Ryan Siegel/Kelly Warters
Arizona	Tempe	(480) 967-2168	699 South Mill Avenue, Suite 112, Tempe, AZ 85281 USA	UBIF Pruitt, Co., Gregory Pruitt, Jr./Sherielyn Lasley
Arkansas	Little Rock	(501) 225-4349	11525 Cantrell Road, Suite 915, Little Rock, AR 72212 USA	HFF Arkansas Holdings, Inc.*, Joyce Harb/Ron Harb
Arkansas	North Little Rock	(501) 771-4349	4909 J.F.K. Blvd., North Little Rock, AR 72116 USA	HFF Arkansas Holdings, Inc.*, Joyce Harb/Ron Harb
California	Burbank	(818) 861-7884	222 E Olive Avenue, Burbank, CA 91502 USA	UBIF Burbank, Co., Landon Mirisciotti/Ian Sebastia
California	Camden	(408) 796-7760	2025 Camden Avenue, San Jose, CA 95124 USA	M&E Investments, Co.*, Minhthe Nguyen/ Emmanuel Marti

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
California	Citrus Heights	(916) 966-7400	5500 Sunrise Boulevard #300, Citrus Heights, CA 95610 USA	Flagstone Financial Group, Inc., Louis J Gragnano
California	Costa Mesa	(949) 287-6161	124 E 17th St, Costa Mesa, CA 92627 USA	Fix It Technologies, LLC*, John Valenti/ Robert O'Brien/ William O'Brien
California	Cupertino	(408) 255-5522	20803 Stevens Creek Blvd, Shop 1A, Cupertino, CA 95014 USA	M&E Investments, Co.*, Minhthe Nguyen/ Emmanuel Marti
California	Downtown LA	(213) 395-0069	800 S Flower Street, Suite B, Los Angeles, CA 90015 USA	UBIF BMJT, LLC*, Brady Miller/James Toya
California	Encino	(818) 616-4842	17139 Ventura Boulevard, Encino, CA 91316 USA	Latitude CES 2, Inc., Matt Fowle/Nancy Fowle
California	Fremont	(510) 573-1777	43510 Christy Street, Fremont, CA 94538 USA	M&E Investments, Co.*, Minhthe Nguyen/ Emmanuel Marti

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
California	Glendale	(818) 244-0040	331 N Brand Blvd., Glendale, CA 91203 USA	WUBIF, Co., Julio Jerez/Justin Cruz
California	Hawthorne	(310) 616-3170	5261 W Rosecrans Ave., Hawthorne, CA 90250 USA	UBIF 93, LLC, Aviel Gilboa/Jamieson Trayer
California	Huntington Beach	(714) 375-1375	16422 Beach Boulevard, Westminster, CA 92683 USA	Array Systems, Inc.*, Sidney Kato
California	Lake Forest	(949) 203-1700	23600 El Toro Road, Suite P1-D, Lake Forest, CA 92630 USA	Fix It Technologies, LLC*, John Valenti/Robert O'Brien/William O'Brien
California	Los Angeles	(323) 782-0644	8308 W 3rd St, Los Angeles, CA 90048 USA	Ubif 8, Co., Johnnie S. Boyd III
California	Marina Del Rey	(310) 306-0183	4288 Lincoln Boulevard, Marina Del Rey, CA 90292 USA	UBIF 11, Co., Carlos R. Marmo/Trevor Wetherill/Neil Behnke

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
California	Northridge	(818) 717-1854	8850 Tampa Avenue, Suite 105, Northridge, CA 91324 USA	Latitude Consumer Electronics Services, Inc.*, Matt Fowle/Nancy Fowle
California	Orange	(714) 835-5716	655 South Main Street, Suite 210, Orange, CA 92868 USA	UBIF 11D, Co., Dwyan L Marsh
California	Oxnard	(805) 988-5808	2381 Oxnard Blvd. Suite B, Oxnard, CA 93036 USA	Eight Tech, Inc.*, Christopher Otis Bradley
California	Pasadena	(626) 683-8239	10 East Holly Street, Pasadena, CA 91103 USA	UBIF 11B, Co., Jonathan Goldstein
California	San Diego	(619) 501-1431	3619 Midway Dr., San Diego, CA 92110 USA	San Diego UBIF CA, LLC*, Karen Rinker/Tyson Rinker
California	San Marcos	(442) 999-5553	740 Nordahl Road, Suite 122, San Marcos, CA 92069 USA	UBIFHARTSCO, LLC*, Stephanie Ayers/Zachary Hartley/Fernando Sojda

\* Indicates franchisee is an Area Developer



FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
California	Santa Ana	(714) 662-2022	3611 S Bristol Street, Suite A, Santa Ana, CA 92704 USA	Array Systems, Inc.*, Sidney Kato
California	Santa Clara	(408) 246-1743	2014 El Camino Real #7, Santa Clara, CA 95050 USA	M&E Investments, Co.*, Minhthe Nguyen/Emmanuel Marti
California	Santa Clarita	(661) 476-5934	23360 Valencia Blvd, Suite A, Valencia, CA 91355 USA	UBREAK 87, Co., Neil Behnke
California	Seal Beach	(562) 362-6262	347 Main St., Suite D, Seal Beach, CA 90740 USA	American Dream Enterprises, LLC.*, Jeanne Fuentes, Esq./Edwin Meza
California	Simi Valley	(805) 210-5555	2874 Cochran Street, Simi Valley, CA 93065 USA	Latitude CES 2, Inc., Matt Fowle/Nancy Fowle
California	Studio City	(818) 980-7400	12420 Ventura Boulevard, Studio City, CA 91604 USA	UBIF 11A, Co., Landon Mirisciotti

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
California	The Plant	(408) 899-4060	2189 Monterey Road #70, San Jose, CA 95215 USA	M&E Investments, Co.*, Minhthe Nguyen/Emmanuel Marti
California	Thousand Oaks	(805) 379-5004	654 E Thousand Oaks Blvd. , Thousand Oaks, CA 91360 USA	Eight Tech, Inc.*, Christopher Otis Bradley
California	Torrance	(310) 212-0050	2455 Sepulveda Blvd, Unit E, Torrance, CA 90501 USA	UBIF BMJT, LLC,*Brady Miller/James Toya
California	Van Nuys	(818) 616-9436	14503 Sherman Way, Van Nuys, CA 91405 USA	Bekalink, Inc.*, Yaroslav Svitlynets/Olga Svitlynets
California	Ventura	(805) 642-1808	6048 Telegraph Road, Ventura, CA 93003 USA	UBIF 11C, Co., Christopher Ryan Michaud
Colorado	Arvada	(720) 398-9770	7955 Wadsworth Boulevard, Arvada, CO 80003 USA	UBIF LV, Co., Robert Viator

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Colorado	Aurora	(303) 690-6327	16710 E Quincy Avenue, Suite B, Aurora, CO 80015 USA	UBIF Rentel, Co., Elizabeth Rentel
Colorado	Boulder	(303) 443-1235	1136 Spruce Street, Boulder, CO 80302 USA	G4 Investments, LLC.*, James Griffith/Jacqueline Griffith
Colorado	Centennial	(303) 799-3814	8375 South Willow Street, Suite 210, Lone Tree, CO 80124 USA	UBIF Viator, Co., Robert Viator
Colorado	Colorado Springs	(719) 528-7054	8109 Voyager Pkwy, Colorado Springs, CO 80920 USA	UBIF Colorado Springs, Co., Timothy W Cook-Berry
Colorado	Denver	(720) 941-0444	2424 East 3rd Avenue, Denver, CO 80206 USA	UBIF Viator, Co., Robert Viator
Colorado	Fort Collins	(970) 226-8652	3531 South College Avenue, Fort Collins, CO 80525 USA	Murphy Collective, LLC.*, John M. Murphy/Kathleen L. Murphy

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Colorado	Highlands Ranch	(303) 471-5718	9315 Dorchester Street, Highlands Ranch, CO 80129 USA	Teska Group, LLC.*, John Teska
Colorado	Lafayette CO	(720) 536-8781	535 W. South Boulder Road, Unit 210, Lafayette, CO 80026 USA	Group One-Eleven, Inc.*, Laura Sisneros/Carmela Hughley/John Sisneros, III
Colorado	Lakewood	(303) 988-2772	1057 S Wadsworth Blvd, Suite 10, Lakewood, CO 80226 USA	UBIF DV, Co., Michael Edward Dawson/Robert Viator
Colorado	Littleton	(720) 502-3912	8246 West Bowles Avenue, Unit Q, Littleton, CO 80123 USA	UBIF MV, Co., Robert Viator
Colorado	Parker	(303) 805-5598	11211 Dransfeldt Rd. #161, Parker, CO 80134 USA	Best UBIF Co., LLC, Brandon Best/Sco Niebuhr/Cherie Best
Colorado	South Denver	(720) 476-4768	1685 S Colorado Blvd., Unit Q1, Denver, CO 80222 USA	UBIF KV, Co., Robert Viator

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Colorado	Southglenn	(303) 484-1842	5910 S University Blvd, Suite A-5, Greenwood Village, CO 80121 USA	Teska Group UBIF II, Inc., John Teska
Colorado	Stapleton	(303) 393-4191	7305 E 35th Avenue Suite 130, Denver, CO 80238 USA	UBIF SW Co., Andrew Wallis/Miles Scott
Connecticut	Brookfield, CT	(203) 546-8213	143 Federal Road, Suite 020, Brookfield, CT 06804 USA	I-84 Holdings, LLC.*, David Ruhs
Connecticut	Darien	(203) 523-0312	115 Old Kings Hwy N , Darien, CT 06820 USA	UBIF Darien LLC, Daniel Lew
Connecticut	Norwalk	(203) 523-0990	501 Westport Avenue , Norwalk, CT 06851 USA	UBIF Norwalk LLC, Daniel Lew
Connecticut	Westport	(203) 292-8893	1761 Post Road East, Westport, CT 06880 USA	UBIF Westport LLC, Daniel Lew

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
District of Columbia	Eastern Market	(202) 621-2491	409 8th Street Southeast #200, Washington, DC 20003 USA	UBIF 36 CO, Adam James Nations/Matthew J. Allen
District of Columbia	Shaw	(202) 621-6956	1604 7th St. Second Floor, Washington, DC 20001 USA	UBIF Legend Co., LLC, Nicholas Youngstrom
Florida	Altamonte	(321) 972-2984	696 East Altamonte Drive #1050, Altamonte Springs, FL 32701 USA	UBIFINCALLC, Charles Ancona, Jr
Florida	Apopka	(407) 703-8536	2289 E Semoran Blvd., Apopka, FL 32703 USA	UBIFINCALLC, Charles Ancona, Jr
Florida	Bird Road	(305) 549-8719	8298 Bird Road, #103, Miami, FL 33155 USA	H&T1 UBREAKIFIX, LLC, Hector Montalban/Tatiana Ruiz
Florida	Boca Raton	(561) 391-8123	481 North Federal Highway, Boca Raton, FL 33432 USA	UBIF 4 CO, Rolando Bencomo

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Boca Raton West	(561) 923-9684	9146 Glades Road, Boca Raton, FL 33434 USA	UBIF 81, Co., Rolando Bencomo
Florida	Boynton Beach	(561) 200-0701	398 Congress Ave., Boynton Beach, FL 33426 USA	ACJM, LLC, Carlos Acevedo/Mauricio Cepeda/John Petersen/Alexander Guere
Florida	Bradenton	(941) 794-3747	4424 Cortez Road W, Bradenton, FL 34210 USA	Papa Frump, LLC, Kenneth Scott/Joel Scott
Florida	Brandon	(813) 324-8342	2492 W. Brandon Blvd., Brandon, FL 33511 USA	S.F. Tech Services, Inc., Bryant Sells/Michael Sells/Renelda Sells
Florida	Brickell	(786) 717-5797	1055 SE 1st Avenue, Miami, FL 33131 USA	UBREAKIFIX-MIAMI, LLC*, Jeffrey Garcia/Jonathan Garcia
Florida	Cape Coral	(239) 500-8243	2221 Santa Barbara Blvd #103, Cape Coral, FL 33991 USA	UBIF CC, Co., Justin Murphy/Andrew Jennings

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Clearwater	(727) 270-7676	2251 Gulf to Bay Blvd., Clearwater, FL 33765 USA	UBIF SD 1, LLC.*, Adam Joseph Anglisano
Florida	Coconut Point	(239) 495-8243	23106 Fashion Dr Unit 103, Estero, FL 33928 USA	UBIF Estero, Co., Matthew Ringland/Justin Murphy
Florida	Coral Gables	(786) 409-5701	2101 Ponce De Leon Blvd., Coral Gables, FL 33134 USA	UBREAKIFIX-MIAMI, LLC.*, Jeffrey Garcia/Jonathan Garcia
Florida	Cutler Bay	(786) 232-3790	18962 S Dixie Hwy, Miami, FL 33157 USA	Sabbtran, LLC, Gregory Sabbag/Jose Bertran
Florida	Davie	(954) 533-7741	6021 Stirling Road, Davie, FL 33314 USA	UBIF Davie, Inc., Jessee Smith
Florida	Deerfield Beach	(954) 708-2995	3628 West Hillsboro Boulevard, Suite 5, Deerfield Beach, FL 33442 USA	Galapagos 26, LLC.*, Jaime Garzon/Jose Melul

\* Indicates franchisee is an Area Developer



FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Delray Beach	(561) 562-5075	851 SE 6th Ave, Delray Beach, FL 33483 USA	Galapagos 26, LLC.*, Jaime Garzon/Jose Melul
Florida	Downtown Fort Myers	(239) 332-4349	1518 Hendry Street, Unit 102 , Fort Myers, FL 33901 USA	UBIF DTFM, Co., Justin Murphy/Jeremy Azinger
Florida	Dr Phillips	(407) 757-0740	7600 Dr. Phillip's Blvd. #96, Orlando, FL 32819 USA	UBIF 100, Co., Carlos R. Marmo/Trevor Wetherill
Florida	Fort Lauderdale	(954) 916-7525	1011 North Federal Highway, Fort Lauderdale, FL 33304 USA	UBIF 39, Co., Gina Wetherill
Florida	Gainesville	(352) 505-6834	2950 Southwest Archer Road, Gainesville, FL 32608 USA	wilPlay Holdings, LLC.*, Jerrod Williams/Troy Lay
Florida	Jacksonville	(904) 642-2980	9823 Tapestry Park Circle #3, Jacksonville, FL 32246 USA	UBIF 3 Stooges, LLC, Adam Siegel/Robert Siegel

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Jensen Beach	(772) 261-8234	2533 NW Federal Highway, Jensen Beach, FL 34994 USA	UBIF 142, LLC, Daniel Sotomayor
Florida	Kendall	(305) 270-0990	8719 Southwest 124th Avenue, Miami, FL 33183 USA	SAEtech, LLC, Santiago Aragon III/Alex Fernandez
Florida	Kissimmee	(407) 483-8841	3294 Greenwald Way North, Kissimmee, FL 34741 USA	UBIF 36, Co., Diego Lozano/Rhapsodii Lozano
Florida	Lake Mary	(407) 302-5558	3887 West Lake Mary Blvd #1001, Lake Mary, FL 32746 USA	uBreakiFix BVP, LLC, Jackie Y. Bradley/William D. Vasquez
Florida	Lake Worth	(561) 425-5576	706 Lake Avenue, Lake Worth, FL 33460 USA	Island Gold, LLC, Mark Epstein
Florida	Lakeland	(863) 225-5940	1539 Town Center Dr., Lakeland, FL 33803 USA	UBIF 86, Co., Yousuf Khan/Kory Gellinger/Bradley McGill

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Melbourne	(321) 802-5787	225 Palm Bay Road Northeast, Suite 191, Melbourne, FL 32904 USA	Gelin & Adams, LLC, Christopher Gelin/Norman Adams
Florida	Merritt Island	(321) 305-4033	262 East Merritt Island Causeway, Suite 4, Merritt Island, FL 32952 USA	Mum & Son, LLC, Janice McGrath/Blaine Carmichael
Florida	Naples	(239) 649-8243	36 9th Street South, Naples, FL 34102 USA	UBIF 33, Co., Alex Casanova/Justin Murphy
Florida	North Gainesville	(352) 224-5606	8181 NW 38th Lane, Gainesville, FL 32606 USA	wilPlay Holdings, LLC.*, Jerrod Williams/Troy Lay
Florida	North Lakeland	(863) 937-4770	4147 US-98, Lakeland, FL 33809 USA	UBIF KNS, Co., Kory Gellinger/Yousuf Khan
Florida	North Miami	(305) 627-3043	13720 Biscayne Blvd , North Miami, FL 33181 USA	UBIF175, Co.*, Robert Ardizzone

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	North Naples	(239) 734-3817	1201 Piper Blvd. Unit 23, Naples, FL 34110 USA	UBIFINCALLC, Charles Ancona, Jr/Alex Casanova
Florida	Orange Park	(904) 257-6303	16 Blanding Blvd. , Orange Park, FL 32073 USA	UBIF JADAM, LLC.*, Adam Siegel
Florida	Ormond Beach	(386) 944-9744	1185 W Granada Blvd. #8, Ormond Beach, FL 32174 USA	ClearGoals, LLC.*, Joseph Markiewicz
Florida	Palm Beach Gardens	(561) 557-1127	9910 ALT A1A #710, Palm Beach Gardens, FL 33410 USA	SR Tech Group, LLC.*, Sapna Karamchandani/Suraj Karamchandani
Florida	Palm Coast	(386) 264-6398	298 Palm Coast Parkway NE, Suite 703, Palm Coast, FL 32137 USA	ClearDGoals, LLC.*, Joseph Markiewicz
Florida	Plantation	(954) 533-5842	1463 South University Drive, Plantation, FL 33324 USA	UBIF 40, Co., Gina Wetherill

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Poinciana	(407) 483-7809	4634 Pleasant Hill Road, Kissimmee, FL 34759 USA	UBIF 36, Co., Diego Lozano/Rhapsodii Lozano
Florida	Pompano Beach	(954) 657-8265	1650 N Federal Hwy, Suite 107, Pompano Beach, FL 33062 USA	Bootcamp Investments, Inc., Marlon Bailey
Florida	Port Charlotte	(941) 766-8243	1100 El Jobean Rd. #120, Port Charlotte, FL 33948 USA	UBIF PC, Co., Jason Weimar/Justin Murphy
Florida	Port Orange	(386) 872-7886	5521 S Williamson Blvd., Port Orange, FL 32128 USA	UBIF1621 LLC, James Ortwein/Travis McDonald/Matt Warters
Florida	Royal Palm	(561) 422-2200	300 S State Road 7, Royal Palm, FL 33414 USA	uBreakiFix 32, LLC, Vincent Sotomayor/Daniel Sotomayor
Florida	Sarasota	(941) 953-1534	4170 S Tamiami Tr., Sarasota, FL 34231 USA	Frump, LLC.*, Joel Scott/Michael Scott

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	South Fort Myers	(239) 489-4349	7001 Cypress Terrace, Suite 3, Fort Myers, FL 33907 USA	UBIF FM3, Co., Justin Murphy/Matthew Ringland
Florida	Stuart	(772) 291-2154	245 SW Monterey Road, Stuart, FL 34994 USA	UBIF 190, LLC, Daniel Sotomayor/Vincent Sotomayor/Vernon Gene Thornton
Florida	Sunrise	(954) 846-9595	123 Northwest 136th Avenue, Sunrise, FL 33325 USA	Citie Productions, Inc., Jose Pareja, Jr.
Florida	Tallahassee	(850) 692-3400	1660 W Tennessee Street, Tallahassee, FL 32304 USA	Despro United, LLC, Jarrett Desmond/Douglas Desmond
Florida	The Villages	(352) 775-3777	3463 Wedgewood Lane, The Villages, FL 32162 USA	Maranatha Concepts, LLC, Jose R Suarez
Florida	University	(321) 203-4154	7414 University Blvd. , Winter Park, FL 32792 USA	UBIFINCALLC, Charles Ancona, Jr/Alex Casanova

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Florida	Valrico	(813) 653-2152	3430 Lithia Pinecrest Road, Valrico, FL 33596 USA	B Sells Enterprises, Inc., Bryant Sells
Florida	West Brooksville	(352) 606-3381	7032 Coastal Way Blvd., Brooksville, FL 34613 USA	The Collado Family Enterprises Corp.*, John Collado/Noelia Lora-Collado
Florida	West Jacksonville	(904) 634-7739	4495 Roosevelt Boulevard #308, Jacksonville, FL 32210 USA	UBIF 3 Stooges, LLC, Adam Siegel/ Robert Siegel
Florida	West Pines	(954) 613-3944	14826 Pines Blvd. , Pembroke Pines, FL 33027 USA	MOVCCM, LLC, Carlos Acevedo/Mauricio Cepeda/Carlos Rafael Zerega Knuth
Florida	Weston	(954) 909-4367	4507 Weston Road, Weston, FL 33331 USA	MOVCCM, LLC, Carlos Acevedo/Mauricio Cepeda/Carlos Rafael Zerega Knuth
Georgia	Alpharetta	(770) 552-0206	1605 Mansell Road, Alpharetta, GA 30009 USA	UBIF 21, Co., Ernie Alex Ortiz

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Georgia	Athens	(706) 850-7444	1850 Epps Bridge Parkway, Suite 104, Athens, GA 30606 USA	Second Cousin Ventures, LLC, Candice Smith/Justin Smith/Andy Thoms/Brittany Thoms
Georgia	Atlanta	(404) 812-0655	2770 Lenox Road Northeast, Atlanta, GA 30324 USA	First Cousin Ventures, LLC.*, Candice Smith/Justin Smith/Andy Thoms/Brittany Thoms
Georgia	Brookhaven	(404) 330-8513	655 Brookhaven Avenue, Suite 1310, Atlanta, GA 30319 USA	UBIFGA, Co., Jonathan M. Moon
Georgia	Duluth	(770) 580-3491	3455 Peachtree Industrial Blvd., Suite 210, Duluth, GA 30096 USA	UBIF Duluth, Co., Tyler Jonathan Harper/Tyler Yancoskie
Georgia	East Cobb	(678) 214-3641	3605 Sandy Plains Road, Suite 125, Marietta, GA 30066 USA	SEIG, Inc.*, Jeff Lennox/Robert Matthew Wadsworth
Georgia	Emory Point	(404) 549-8159	1568 Avenue Place D1-110, Atlanta, GA 30329 USA	UBIF 21, Co., Ernie Alex Ortiz

\* Indicates franchisee is an Area Developer



FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Georgia	Fayetteville	(770) 703-5791	104 Pavilion Parkway, Fayetteville, GA 30214 USA	PMH Tech Services, LLC.*, Gerald White/Zainab Danouk White
Georgia	Hiram	(770) 672-7719	5739 Wendy Bagwell, Unit 105, Hiram, GA 30141 USA	KVK, Inc.*, Ketan Desai/Valee Desai
Georgia	Kennesaw	(678) 214-3642	1550 Crater Lake Drive NW, Suite 100, Kennesaw, GA 30152 USA	SEIG, Inc.*, Jeff Lennox/Robert Matthew Wadsworth
Georgia	Tucker	(678) 691-3568	4316 Lawrenceville Highway, Suite 130, Tucker, GA 30084 USA	Marick GA II, LLC.*, Richard McElwain /Mary McElwain
Georgia	West Cobb	(678) 214-3640	3600 Dallas Hwy Suite 300, Marietta, GA 30064 USA	SEIG, Inc.*, Jeff Lennox/Robert Matthew Wadsworth
Idaho	Meridian	(208) 917-7100	3355 E Fairview Ave, Meridian, ID 83642 USA	New O, LLC.*, Scott Baker

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Illinois	Algonquin	(224) 333-0020	1720 S Randall Road, Unit 11, Algonquin, IL 60102 USA	Khayam Repairs, Inc., Virasat Ali Sajanalal/Afshan Sajanalal
Illinois	Evanston	(847) 563-8086	1607 Chicago Avenue, Evanston, IL 60201 USA	UBIF 19, Co., Ryan McEvoy/Ronald Lee Jansen
Illinois	Geneva	(630) 402-0171	1096 Commons Drive, Geneva, IL 60134 USA	For The Right Reasons, LLC, Jeff Schwartz
Illinois	LaGrange	(708) 603-2196	72 South LaGrange Road, La Grange, IL 60525 USA	YAPR LaGrange, Inc.*, Jeff Schwartz/Brian Good
Illinois	Lakeview	(773) 880-2181	3176 N Clark Street, Chicago, IL 60657 USA	Maple Avenue Partners, LLC.*, Lynn Fraaza
Illinois	Machesney	(779) 774-9103	1219 West Lane Rd , Machesney Park, IL 61115 USA	Little Dog Solutions, LLC.*, James Hinline/Lori VanCoulter

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Illinois	Montgomery	(630) 264-0808	2075 Orchard Rd., Montgomery, IL 60538 USA	UBIF 29, Co., Javier Contreras/Daniel Schultz/Sedrick Bruno-Lerouge
Illinois	Niles	(847) 470-0460	8530 W Golf Rd., Niles, IL 60714 USA	UBIF 30 LLC, Daniel Schultz/Kyle Burg/Derek Thomas/Sedrick Bruno-Lerouge
Illinois	Oak Lawn	(708) 907-5438	5138 West 95th Street, Oak Lawn, IL 60453 USA	UBIF 28 CO, Sedrick Bruno-Lerouge/Daniel Schultz
Illinois	Orland Park	(708) 444-4480	15845 Harlem Avenue, Orland Park, IL 60462 USA	UBIF 32, LLC, Daniel Schultz
Illinois	Plainfield	(815) 782-8284	13511 S Route 59, Suite 107, Plainfield, IL 60544 USA	Valle Ventures, Inc., Ivan Valle/Samantha Valle
Illinois	Rockford	(815) 708-7130	735 S. Perryville Rd, Rockford, IL 61108 USA	Little Dog Solutions, LLC.*, James Hinline/Lori VanCoulter

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Illinois	Schaumburg West	(224) 520-8895	2511 West Schaumburg Road, Schaumburg, IL 60194 USA	Windy City UBIF, LLC.*, Alyson Lynch/Jill Purtell
Illinois	South Loop	(312) 226-9007	1240 S Canal Street, Chicago, IL 60607 USA	The Baldman, Inc.*, Thomas Brame
Illinois	Vernon Hills	(847) 918-0209	700 N Milwaukee Avenue, Suite 143, Vernon Hills, IL 60061 USA	Maple Avenue Partners* – Vernon Hills, LLC, Lynn Fraaza
Illinois	Wheaton	(630) 765-7721	18 Danada Square W., Wheaton, IL 60189 USA	Yet Another Phone Repair, Inc., Jeff Schwartz/Brian Good
Indiana	Carmel	(317) 564-0696	1350 S Rangeline Rd., Carmel, IN 46032 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Indiana	Greenwood	(317) 215-4008	789 U.S. HWY. 31, Greenwood, IN 46142 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Indiana	Keystone	(317) 588-6105	3869 E 82nd St., Indianapolis, IN 46240 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Indiana	Noblesville	(317) 678-8259	17235 Mercantile Boulevard, Noblesville, IN 46060 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Indiana	Richmond	(765) 488-2191	3738 E National Rd, Richmond, IN 47374 USA	Tweezer, LLC.*, Kathryn Elise Ours Wiley
Indiana	West Carmel	(317) 471-8223	10460 N Michigan Rd, Suite 120, West Carmel, IN 46032 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Iowa	Sioux City	(712) 454-5950	4299 Sergeant Road, Sioux City, IA 51106 USA	MSAdd Holdings, LLC, Marvin R. Addink
Kansas	Derby	(316) 285-0055	1700 N Rock Rd, Suite 200, Derby, KS 67037 USA	We Fix It 2, LLC, Bill Ramsey/Bryson Butts

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Kansas	East Wichita	(316) 285-0055	2350 N Greenwich Rd, Suite 800, Wichita, KS 67226 USA	We Fix It, LLC.*, David Hensley/Bryson Butts/Bill Ramsey
Kansas	Wichita	(316) 285-0055	2441 North Maize Road, Suite 203, Wichita, KS 67205 USA	We Fix It, LLC.*, David Hensley/Bryson Butts/Bill Ramsey
Kentucky	Jeffersontown	(502) 742-9843	1979 S Hurstbourne Pkwy, Louisville, KY 40220 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Kentucky	St Matthews	(502) 384-6830	4151B Shelbyville Road, Louisville, KY 40207 USA	Origin IV Enterprises, LLC.*, Thomas Lessaris/Thomas Scaggs/Kaleb Walker
Louisiana	Lafayette	(337) 706-7871	5520 Johnston Street, Lafayette, LA 70503 USA	PNP Enterprise, LLC.*, Jennifer MeSha Prejean
Louisiana	Metairie	(504) 875-4206	3200 Severns Avenue, Metairie, LA 70002 USA	uBreakiFix of Louisiana, LLC.*, Michael C. Melito

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Louisiana	New Orleans	(504) 826-9192	2115 Magazine Street, New Orleans, LA 70130 USA	uBreakiFix of Louisiana, LLC.*, Michael C. Melito
Maryland	Bethesda	(240) 762-6555	8019 Wisconsin Ave., Bethesda, MD 20814 USA	Rantech Systems, LLC.*, Randall McKnight
Massachusetts	Dedham	(781) 686-9629	320 Washington St., Dedham, MA 02026 USA	Scrymp Enterprises, Inc.*, Patrick G. Hurley
Massachusetts	Hudson	(978) 212-5327	7 Highland Commons East, Suite 400, Hudson, MA 01749 USA	Tweezer, LLC.*, Kathryn Elise Ours Wiley
Massachusetts	Needham	(339) 777-5445	225 Highland Avenue, Needham, MA 02494 USA	Scrymp Enterprises, Inc.*, Patrick G. Hurley
Michigan	Bloomfield Hills	(248) 940-2971	3941 Telegraph Road, Bloomfield Hills, MI 48301 USA	HFF Michigan Holdings, Inc.*, Joyce Harb/Ron Harb/Drew Lessaris

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Michigan	Kentwood	(616) 551-2376	3567 28th Street SE, Grand Rapids, MI 49512 USA	Divergence, Inc.*, Gary Thomas Wroblewski/Susanne Marie Wroblewski
Michigan	Royal Oak	(248) 607-3427	30274 Woodward Avenue, Royal Oak, MI 48073 USA	HFF Michigan Holdings, Inc.*, Joyce Harb/Ron Harb/Drew Lessaris
Michigan	Saint Joseph	(269) 281-0378	2015 Niles Rd, Saint Joseph, MI 49085 USA	Tweezer, LLC.*, Kathryn Elise Ours Wiley
Michigan	Southfield	(248) 281-4958	24508 Twelve Mile Road, Southfield, MI 48034 USA	HFF Michigan Holdings, Inc.*, Joyce Harb/Ron Harb/Drew Lessaris
Michigan	Sterling Heights	(586) 272-2105	36657 Van Dyke Rd , Sterling Heights, MI 48312 USA	HFF Michigan Holdings, Inc.*, Joyce Harb/Ron Harb/Drew Lessaris
Michigan	Troy	(248) 712-6622	3137 Crooks Road, Troy, MI 48084 USA	HFF Michigan Holdings, Inc.*, Joyce Harb/Ron Harb/Drew Lessaris

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State	Store Name	Store Phone	Store Address	Owner/Contact Person
Michigan	Wyoming MI	(616) 550-4915	5751 Byron Center Ave SW, Suite U, Wyoming, MI 49519 USA	Divergence, Inc.*, Gary Thomas Wroblewski/Susanne Marie Wroblewski
Minnesota	Maple Grove	(763) 754-9916	7890 Main St #7888, Maple Grove, MN 55369 USA	Rintelvens, LLC.*, Joseph Rintelman/Ryan Kaiser
Minnesota	Richfield	(612) 353-6524	7600 Lyndale Avenue South, Suite 700, Richfield, MN 55423 USA	Blue 8, LLC.*, Charles Bluett/Amy Bluett
Mississippi	Gulfport	(228) 382-4399	12373 US 49 #6, Gulfport, MS 39503 USA	The Broken Apple Repair Shoppe*, Steven L. Curtindale
Missouri	Chesterfield	(636) 778-2934	142 Chesterfield Valley Drive, Chesterfield, MO 63005 USA	JK Solutions of Chesterfield, LLC, Jason Troester
Missouri	Manchester	(636) 686-5296	14175 Manchester Rd., Manchester, MO 63011 USA	JK Solutions, LLC.*, Jason Troester

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Nevada	Las Vegas	(702) 485-2889	695 N Stephanie Street, Henderson, NV 89014 USA	Requiescence Enterprises, LLC.*, Grant Shetterly
Nevada	Reno	(775) 384-2398	6795 S. Virginia Street, Suite 4, Reno, NV 89511 USA	FJA Enterprises, LLC, Francesco Angiulo
Nevada	Summerlin	(702) 899-8099	7175 W Lake Mead Blvd, Suite 170, Las Vegas, NV 89128 USA	UBIF Nevada, LLC, Daniel Alnajjar/David Alnajjar
New Jersey	Carlstadt	(201) 507-0980	711 NJ-17, Carlstadt, NJ 07072 USA	UBIF Rutherford, LLC, James Chi/Min Chi
New Jersey	Millburn	(973) 315-1751	304 Millburn Ave, Millburn, NJ 07041 USA	UBIF D&R Group, LLC.*, Robert Mayo/Debora Mayo
New Jersey	Moorestown	(856) 382-7029	10 Willow Road, Maple Shade, NJ 08052 USA	UBIF 500, Co., Thomas Fadul/Sean Goodwin

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
New Jersey	North Plainfield	(908) 293-2108	116 Route 22, North Plainfield, NJ 07060 USA	TCS Mobile, LLC.*, Thomas Gallo/Carol Gallo
New Jersey	Paramus	(201) 500-5830	193 Route 17 South, Paramus, NJ 07652 USA	UBIF NJ, LLC.*, James Chi/Min Chi
New Jersey	Piscataway	(732) 777-5196	1600 Stelton Rd, Ste.204, Piscataway, NJ 08854 USA	TCS Mobile, LLC.*, Thomas Gallo/Carol Gallo
New Jersey	Westwood	(201) 497-6588	225 Westwood Ave, Westwood, NJ 07675 USA	UBIF Holdings, Inc., Eric Graig
New Mexico	Albuquerque Northeast	(505) 361-2917	6400 Holly Avenue, Suite J, Albuquerque, NM 87107 USA	Gattlyn, Inc.*, Chandler Gatten/Carol Brewer
New Mexico	Albuquerque West	(505) 891-1984	3410 State Highway 528 NW, Suite 108, Albuquerque, NM 87114 USA	Industry Black, Inc., Chandler Gatten/Michael Gatten/Karen Hancock

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
New York	Bethpage	(516) 804-8824	3989 Hempstead Turnpike , Bethpage, NY 11714 USA	UBIF116 Corp., Ryan McEvoy
New York	Chelsea	(212) 989-4878	251 West 23rd Street, New York, NY 10011 USA	The Wireless Circle, Inc.*, Bilal Arif/Hardeep Arora
New York	Commack	(631) 499-5300	6401 Jericho Turnpike, Commack, NY 11725 USA	RMcEvoy Corp., Ryan McEvoy
New York	Deer Park	(631) 522-1316	1936A Deer Park Avenue, Deer Park, NY 11729 USA	Rosante, Inc., Frank Ferrante/Dominick Rosato
New York	Downtown Brooklyn	(929) 324-0277	392 Court St., Brooklyn, NY 11231 USA	vDC Easy Consulting, Inc., Hernán Ortega
New York	Greece	(585) 413-1341	2496 W Ridge Rd, Rochester, NY 14626 USA	UBIF New York, LLC.*, Christopher Wendt/Peter Thorp

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
New York	Greenwich Village	(212) 254-0690	46 E 8th Street, New York, NY 10003 USA	TJB Repair Store, LLC.*, Terry Jacobs/Morty Yashar/Brian Glicksman
New York	Hamburg	(716) 240-9530	4408 Milestrip Road, Suite 7, Hamburg, NY 14219 USA	Route 90, LLC.*, Lonney Krentz/Nathan Bautz
New York	Mt Kisco	(914) 729-0970	14 A South Moger Avenue, Mt Kisco, NY 10549 USA	Berkman Corp.*, Seth Berkman
New York	New Hyde Park	(516) 233-2974	1001 Jericho Turnpike, New Hyde Park, NY 11040 USA	UBIF New Hyde Park Co., Inc., Bryant Vasquez
New York	New Rochelle	(914) 500-6410	1299 North Avenue, New Rochelle, NY 10804 USA	Berkman Corp.*, Seth Berkman
New York	Port Jefferson	(631) 509-0710	4930 Nesconset Highway, Port Jefferson Station, NY 11776 USA	HGA117, Inc., Ryan McEvoy/Mike Binnie

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
New York	Rockville Centre	(516) 766-5400	44 North Village Avenue, Rockville Centre, NY 11570 USA	UBIF RVC, Co., Ryan McEvoy
New York	Scarsdale	(914) 768-9010	745 Central Park Avenue, Scarsdale, NY 10583 USA	Berkman Corp.*, Seth Berkman
New York	Syosset	(516) 921-5100	106 Jackson Avenue, Syosset, NY 11791 USA	AAEscobar UBIF, Corp., Adam Escobar
New York	Victor	(585) 433-8100	400 Commerce Drive Suite 800, Victor, NY 14564 USA	UBIF New York, LLC.*, Christopher Wendt/Peter Thorp
New York	White Plains	(914) 821-5600	64 Mamaroneck Avenue, White Plains, NY 10601 USA	UBIF Three, LLC, Seth Berkman
New York	Williamsville	(716) 428-3835	7980 Transit Rd, Williamsville, NY 14221 USA	Route 90, LLC.*, Lonney Krentz/Nathan Bautz

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
North Carolina	Burlington	(336) 280-4480	2771 South Church Street, Burlington, NC 27215 USA	Bourbon Dog, Inc.*, Charles D. Braxton/Stephanie W. Braxton
North Carolina	Cary	(919) 948-4841	952 High House Rd, Cary, NC 27513 USA	UBIF 35, Co., Danny Rincon-Cruz/ Matthew J. Allen/Adam James Nations
North Carolina	Charlotte	(704) 341-5227	7510 Pineville-Matthews Road, Suite 11B, Charlotte, NC 28226 USA	UBIF 9, Co.*, Matthew J. Allen/ Adam James Nations
North Carolina	Charlotte Midtown	(704) 315-5667	601 S. Kings Drive, Charlotte, NC 28204 USA	UBIF MAD, Co. , Matthew J. Allen/Adam James Nations/ Danny Rincon-Cruz
North Carolina	Crossroads	(919) 650-3954	323 Crossroads Boulevard, Cary, NC 27518 USA	J&S Consulting and Business Services, Inc.*, Jeffrey W. Honeycutt
North Carolina	Durham Southpoint	(984) 212-4349	8128 Renaissance Pkwy #112, Durham, NC 27713 USA	Tarheel MobileTech, LLC.*, Carl Westerhold

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
North Carolina	East Charlotte	(704) 844-0706	1605 Galleria Blvd # 120, Charlotte, NC 28270 USA	Midas Touch Ventures, Inc., Stephen Christopher Olliver
North Carolina	Huntersville	(980) 689-5490	16615 W Catawba Avenue, Suite E, Huntersville, NC 28078 USA	Strong Life, LLC.*, Casey Higgins
North Carolina	North Charlotte	(704) 817-3811	9304 Northlake West Drive, Suite C, Charlotte, NC 28216 USA	UBIF MAD, Co. , Matthew J. Allen/Adam James Nations/Danny Rincon-Cruz
North Carolina	Raleigh	(919) 948-4441	1028 Oberlin Road #246, Raleigh, NC 27608 USA	UBIF 35, Co., Danny Rincon-Cruz/Matthew J. Allen/Adam James Nations
North Carolina	Raleigh Brier Creek	(984) 439-2637	7851 Alexander Promenade Pl #115, Raliegh, NC 27617 USA	Tarheel MobileTech, LLC.*, Carl Westerhold
North Carolina	Wake Forest	(919) 263-3500	1009 Stadium Drive, Suite 108, Wake Forest, NC 27587 USA	K.S.R.L., LLC.*, Ivy K Lassiter/Andre Lassiter

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Ohio	Cincinnati	(513) 697-9900	4766 Fields Ertel Road, Cincinnati, OH 45249 USA	KBGlobal, LLC, Koray Baysal
Ohio	Cleveland Heights	(216) 417-5400	1906 Warrensville Center Road, Unit F-2, South Euclid, OH 44121 USA	Trinity Enterprises 2017 LLC*, John Ebenezer Gnanasekhar/Julie Ann Ritner
Ohio	Columbus	(614) 914-6204	790 Bethel Road, Columbus, OH 43214 USA	Marple Investments, LLC, Jason Marple/Jacob Marple
Ohio	Eastgate	(513) 752-0300	4450 Eastgate S Drive #230, Cincinnati, OH 45245 USA	Baysal, LLC*, Koray Baysal
Ohio	Gahanna	(614) 532-5635	121 Mill Street, Suite 116, Gahanna, OH 43214 USA	Marple Investments, LLC, Jason Marple
Ohio	Hilliard	(614) 219-1389	5319 Westpointe Plaza Drive, Columbus, OH 43228 USA	UBIF Ohio, Co., Jason Marple

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Ohio	Kenwood	(513) 793-9111	7338 Kenwood Road, Cincinnati, OH 46142 USA	KBGlobal, LLC, Koray Baysal
Ohio	West Chester Township	(513) 755-2222	7842 Cox Rd., West Chester, OH 45069 USA	Baysal, LLC*, Koray Baysal
Oregon	Sherwood	(503) 610-1341	21260 SW Langer Farms Pkwy. #140, Sherwood, OR 97140 USA	Holden Consumer Electronics, LLC.*, Deric Holden
Oregon	Washington Square	(971) 217-9400	9120 SW Hall Boulevard, Suite B, Portland, OR 97223 USA	Portland UBIF Two, LLC.*, Seth Berkman/Deric Holden
Pennsylvania	King Of Prussia	(484) 580-6115	157 E Swedesford Road, Wayne, PA 19087 USA	UBIF 500, Co., Thomas Fadul/Sean Goodwin
Pennsylvania	Monroeville	(412) 816-1100	3452 William Penn Highway, Pittsburgh, PA 15235 USA	UBIF 500, Co., Thomas Fadul/Sean Goodwin

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Pennsylvania	North Hills	(412) 837-2214	4885 McKnight Road, Suite 20, Pittsburgh, PA 15228 USA	UBIF 500, Co., Thomas Fadul/Sean Goodwin
Pennsylvania	Robinson	(412) 788-4820	900 Settlers Ridge Center Drive, Pittsburgh, PA 15205 USA	UBIF South Hills, Co., Samuel Hanley/Michael Hanley
Pennsylvania	South Hills	(412) 344-1001	514 Washington Road, Mt Lebanon, PA 15228 USA	UBIF South Hills, Co., Samuel Hanley/Michael Hanley
Pennsylvania	York	(717) 747-3192	303 Arsenal Road, Suite C, York, PA 17402 USA	ODAAT Consulting, LLC, Michael B. McNeil
Puerto Rico	San Juan	(787) 333-6044	205 Calle Federico Acosta, San Juan, PR 00918 USA	ESCA GROUP LLC*, Edgardo Garcia
South Carolina	Haywood	(864) 568-5511	475 Haywood Rd , Greenville, SC 29607 USA	AnDara, LLC, Stephen Christopher Olliver/Layne Lowry

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
South Carolina	Mount Pleasant	(843) 936-2095	644 Long Point Road, Suite E, Mount Pleasant, SC 29464 USA	Earp & Siegfried, LLC.*, William Siegfried/Jake Earp
South Dakota	Sioux Falls	(605) 271-2935	3505 W 41st Street, Suite B, Sioux Falls, SD 57106 USA	UBREAKIFIX of Sioux Falls, LLC.*, Marvin R. Addink
Tennessee	Belle Meade	(615) 266-4349	4322 Harding Pike, Suite 102, Nashville, TN 37205 USA	iFixxIT, LLC.*, Susan Wright
Tennessee	Brentwood	(615) 436-3499	101 Creekside Crossing, Suite 1750, Brentwood, TN 37027 USA	P&C Investment Group, LLC.*, Jonathan Scott Phillips/David Howard Calvert
Tennessee	Germantown	(901) 482-9911	7464 Winchester Road, #104, Memphis, TN 38125 USA	Lawson III, LLC.*, Marc L. Lawson Jr.
Tennessee	Hendersonville	(615) 988-0349	112 C Saundersville Road C-322, Hendersonville, TN 37075 USA	iFixxIT, LLC.*, Susan Wright

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Tennessee	Murfreesboro	(615) 436-3498	2222 Medical Center Pkwy, Murfreesboro, TN 37129 USA	P&C Investment Group, LLC.*, Jonathan Scott Phillips/David Howard Calvert
Tennessee	Nashville	(615) 905-6349	400 21st Avenue S., Suite 202, Nashville, TN 37203 USA	iFixxIT, LLC.*, Susan Wright
Tennessee	Powell	(865) 859-0518	2411 Callahan Drive, Knoxville, TN 37912 USA	UBIF Powell, LLC. , Kevin O'Beirne
Tennessee	Turkey Creek	(865) 288-4091	11133 Parkside Drive, Knoxville, TN 37934 USA	Rareagle, LLC.*, Kevin O'Beirne/Teresa O'Beirne/Chris O'Beirne/Chance Barnett
Texas	Alamo Heights	(210) 826-1388	4714 Broadway Street, San Antonio, TX 78209 USA	UBIF 91, Co., Brandon McNew
Texas	Amarillo	(806) 367-5323	3240 S. Soncy Road, Suite 400, Amarillo, TX 79124 USA	T & W McC, LLC.*, Timothy Weldon McCright/Whitney Jo McCright

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Texas	Bandera	(210) 396-7113	11860 E Bandera Road, Suite 860, San Antonio, TX 78023 USA	Hotchkiss Ventures, LLC.*, Jason Patrick Hotchkiss
Texas	Blanco	(210) 340-0046	6993 Blanco Road, San Antonio, TX 78216 USA	UBIF 91, Co., Brandon McNew
Texas	City Base Landing	(210) 254-9339	3322 SE Military Dr. #102, San Antonio, TX 78223 USA	UBIF City Base, Co., Brandon McNew/Andrew Haynes
Texas	Converse	(210) 455-8299	8340 W Farm to Market Road 78, Suite 1A, Converse, TX 78109 USA	The Steven Barry Family, LLC, Steven Barry
Texas	Hobby Area	(832) 667-8691	11550 Gulf Freeway, Suite C, Houston, TX 77034 USA	MEGA2ZETTA, LLC.*, Rogelio Marroquin
Texas	Huebner Oaks	(210) 626-8762	11075 Interstate 10 Frontage Rd, San Antonio, TX 78230 USA	e-Renew Solutions, Corp.*, Eric J Flores/Joseph M Perez

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Texas	Lake Worth TX	(817) 237-8200	6060 Azle Avenue, Suite 600, Lake Worth, TX 76135 USA	Hot Solder, LLC, Virginia Adams/James Adams
Texas	Leon Springs	(210) 562-3734	24200 W IH 10 West, Suite 116, San Antonio, TX 78257 USA	UBIF Leon Springs, Co., Brandon McNew/Christopher Franklin
Texas	North Austin	(737) 212-1884	2525 W. Anderson Ln, Austin, TX 78757 USA	McLearen UBIF, LLC.*, Gary McLearen/Jeannie McLearen
Texas	Pasadena TX	(281) 998-0405	5873 Fairmont Parkway, Pasadena, TX 77505 USA	Hess & Stone, Co., Brian Hess/Benjamin Stone
Texas	Pearland	(713) 436-0848	11200 West Broadway Street, Pearland, TX 77584 USA	UBIF 25, Co., Brian Hess/Steven Raimondo
Texas	Rice Village	(281) 888-6838	5318 Kirby Drive, West University Place, Houston, TX 77005 USA	Hess Venture 3, Co.*, Brian Hess

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Texas	Selma (The Forum)	(210) 566-3090	8251 Agora Parkway, Suite 103, Selma, TX 78154 USA	UBIF 38, Co., Eric J Flores/Joseph M Perez
Texas	South Austin	(512) 649-1111	9300 S I- 35 Service Road, Austin, TX 78748 USA	UBIF South Austin, Co.*, Brandon McNew/Aaron Gallegos
Texas	Spring	(832) 663-5679	1660 Louetta Road, Spring, TX 77388 USA	McThorp Corp, LLC.*, Casey Thorp/Travis McDonald
Texas	Stone Oak	(210) 402-0705	18822 Stone Oak Parkway, Suite 102, San Antonio, TX 78258 USA	Saenz UBIF, LTD., Ray Saenz
Texas	Sugarland	(281) 201-2176	1930 Highway 6, Suite A, Sugarland, TX 77479 USA	Hess Venture 4, Co., Brian Hess
Texas	The Heights	(832) 538-1360	446 West 19th Street, Houston, TX 77008 USA	Hess Venture 2, Co., Brian Hess

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FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Texas	Webster	(281) 724-9711	400 Bay Area Blvd., Suite H, Webster, TX 77598 USA	Hess Venture 1, Co., Brian Hess/Lucas Brasher
Texas	West Chase	(346) 774-2995	13421 Westheimer Road, Suite C, Houston, TX 77082 USA	WiFi Tech Enterprise, Inc., Enrique Narvaez
Texas	West Parmer	(512) 215-9590	2406 Parmer Lane, Austin, TX 78727 USA	McLearen UBIF, LLC.*, Gary McLearen/Jeannie McLearen
Virginia	Alexandria	(571) 970-5490	4656C King Street, Alexandria, VA 22302 USA	KingFisher Holdings, LLC.*, Kyle Fisher/Kevin Fisher
Virginia	Davis Ford Crossing	(571) 208-1009	9912 Liberia Avenue, Manassas, VA 20110 USA	Miller Cell Phone Repair, LLC.*, Eric D. Miller/Rebecca Kay
Virginia	Fair Lakes	(703) 828-6442	4471 Market Commons Drive, Fairfax, VA 22033 USA	VillaSix, Inc.*, Brenda Johnston Villacres

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Virginia	Falls Church	(703) 237-7539	1071 W Broad St., Falls Church, VA 22046 USA	KingFisher Holdings, LLC.*, Kyle Fisher/Kevin Fisher
Virginia	Fredericksburg	(540) 371-3349	1909 Plank Road, Fredericksburg, VA 22401 USA	Miller Cell Phone Repair, LLC.*, Eric D. Miller/Rebecca Kay
Virginia	Gainesville VA	(571) 248-0462	7443 Linton Hall Road, Gainesville, VA 20155 USA	VillaSix, Inc.*, Brenda Johnston Villacres
Virginia	Potomac Mills	(703) 910-4932	14066 Shoppers Best Way, Woodbridge, VA 22192 USA	Miller Cell Phone Repair, LLC.*, Eric D. Miller/Rebecca Kay
Virginia	Quantico	(703) 291-7168	3982 Fettler Park Drive, Dumfries, VA 22025 USA	Miller Cell Phone Repair, LLC.*, Eric D. Miller/Rebecca Kay
Virginia	Springfield	(703) 313-6100	6701 Loisdale Road, Suite C, Springfield, VA 22150 USA	CCT Technology Repair Springfield VA, LLC.*, Sandra Cusick/Michael F. Cusick/Michael J. Cusick/McDennis Thomas

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Washington	Bellevue	(425) 209-4433	13238 NE 20th Street, Suite 350, Bellevue, WA 98005 USA	Sharp Design & Development, Inc.*, Jeffrey D. Sharp
Washington	Seattle	(206) 457-4657	4730 University Way NE #101, Seattle, WA 98105 USA	UBIF Seattle, Co., Richard Perez/Kiely Katz/Lucas Andrews
Wisconsin	Appleton	(920) 733-2000	2442 W College Ave., Appleton, WI 54914 USA	Tim VenHaus/Kim C VenHaus, Timothy A VenHaus/Kim C VenHaus
Wisconsin	Brookfield	(262) 439-8579	15375 West Bluemound Road #105, Brookfield, WI 53005 USA	UBIF MKE 1, LLC.*, Robert A Krecak
Wisconsin	East Madison	(608) 665-3884	2810 East Washington Avenue, Madison, WI 53704 USA	Sparkenation, LLC.*, Timothy A VenHaus/Kim C VenHaus
Wisconsin	Green Bay	(920) 489-2427	1976 Lime Kiln Rd., Green Bay, WI 54311 USA	Sparkenation, LLC.*, Timothy A VenHaus/Kim C VenHaus

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Wisconsin	Greenfield	(414) 617-1482	7440 W Holmes Ave., Greenfield, WI 53220 USA	UBIF 80, LLC, Daniel Sotomayor/Sedrick Bruno-Lerouge/Alex Mitchell-Wright
Wisconsin	Janesville	(608) 743-9550	2811 Milton Ave, Suite 160, Janesville, WI 53545 USA	Little Dog Solutions, LLC.*, James Hinline/Lori VanCoulter
Wisconsin	Madison	(608) 630-8746	6118 Mineral Point Road, Madison, WI 53705 USA	Sparkenation, LLC.*, Timothy A VenHaus/Kim C VenHaus
Wisconsin	Oshkosh	(920) 479-1716	1010 S Koeller Street, Oshkosh, WI 54902 USA	Sparkenation, LLC.*, Timothy A VenHaus/Kim C VenHaus
Wisconsin	Wauwatosa	(414) 316-9907	2751 N. Mayfair Rd., Suite E , Wauwatosa, WI 53222 USA	UBIF Tosa, LLC, Robert A Krecak
Wisconsin	West Milwaukee	(414) 323-4879	3654 S 27th St. , Milwaukee, WI 53221 USA	UBIF WMKE, LLC, Robert A Krecak

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - USA				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Wisconsin	Whitefish Bay	(414) 459-3196	109 E. Silver Spring Dr., Suite A, Whitefish Bay, WI 53217 USA	UBIF WFB, LLC, Robert A Krecak

\* Indicates franchisee is an Area Developer

**FRANCHISED LOCATIONS - INTERNATIONAL**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Alberta	Lincoln Park	(403) 460-4349	4604 37th Street SW #18, Calgary, AB T3E 3C9 Canada	UBIFCalgary 1 Inc., Michael D. Mailman
British Columbia	Kelowna	(250) 762-0036	1470 Harvey Avenue Suite 10, Kelowna, BC V1Y 9K8 Canada	Elevate Investments, Inc., Cameron Scott Mehling
British Columbia	Nanaimo	(250) 585-0111	4890 Rutherford Road, #14, Nanaimo, BC V9T 5M1 Canada	BCLA Holdings, LTD., Douglas William Gee/Cheryl Ann Gee
British Columbia	North Vancouver	(604) 674-4349	1048 Marine Drive, North Vancouver, BC V7P1S5 Canada	Clydesdale Capital, Inc.* Eric Urzada
British Columbia	South Granville	(604) 674-4349	2427 Granville Street, Vancouver, BC V6H 3G5 Canada	Clydesdale Capital Inc.* dba uBreakiFix Vancouver, Inc., Eric Urzada

\* Indicates franchisee is an Area Developer

**FRANCHISED LOCATIONS - INTERNATIONAL**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Nova Scotia	Bedford	(902) 832-7650	620 Nine Mile Drive, Unit 103, Bedford, NS B4A 4H4 Canada	UBIFBedford Inc., Michael D. Mailman
Nova Scotia	Dartmouth	(902) 832-7669	30 Logiealmond Close, Dartmouth, NS B3B 0C8 Canada	UBIFDartmouth Inc., Michael D. Mailman
Ontario	Avenue Road	(416) 483-3773	1957 Avenue Rd, Toronto, ON M5M 4A1 Canada	UBIFNorth Inc.*, Michael D. Mailman
Ontario	Barrhaven	(613) 319-9989	3570 Strandherd Drive, Nepean, ON K2J 5L4 Canada	Leeding Capital, Inc.*, Dillon Leeder/Pierre Chatelain
Ontario	Danforth	(416) 469-1349	704 Danforth Avenue, Toronto, ON M4J 1L1 Canada	Neish Island Enterprises, Inc., Robert Neish

\* Indicates franchisee is an Area Developer

**FRANCHISED LOCATIONS - INTERNATIONAL**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Ontario	Etobicoke Creek	(905) 232-0365	2200 Dundas Street E, Unit #4, Mississauga, ON L4X 2V3 Canada	UBIF GTA, Inc., Ian Leonard
Ontario	Merivale	(613) 422-8243	1600 Merivale Road, Unit 12, Ottawa, ON K2G 5J8 Canada	9170103 Canada, Inc.*, Salah Hamouda
Ontario	Sheridan Park	(289) 327-3442	1910 Fowler Drive #103, Mississauga, ON L5K 1T7 Canada	1932235 Ontario, Inc.*, Lee Robson*
Ontario	Thornhill	(905) 417-1977	9340 Bathurst Street, Unit 3, Vaughan, ON L6A 4N9 Canada	UBIFThornhill Inc., Michael D. Mailman
Ontario	Whitby	(905) 425-7616	30 Taunton Road E, Whitby, ON L1R 0A1 Canada	Ontario Corp 1952866*, Gurpartap Singh Salooja

\* Indicates franchisee is an Area Developer



FRANCHISED LOCATIONS - INTERNATIONAL				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Quebec	Bonaventure	(514) 507-1030	1000 De La Gauchetiere Ouest RC28, Montréal, QC H3B 4W5 Canada	9312-2026 Quebec, Inc., Suning Jiang
Quebec	Dollard	(514) 542-3636	3490 Boulevard des Sources, Dollard-des-Ormeaux, QC H9B 1Z9 Canada	9287-7828 Quebec, Inc., Jordan Socran
Quebec	Guy-Concordia	(514) 903-8241	1405 Boulevard de Maisonneuve Ouest, Montréal, QC H3G 1M6 Canada	9332-2253 Quebec, Inc.*, Stephanie Gravel/Clarence Chui/Daniel Heller
Quebec	Laval	(450) 934-9884	1654 Boulevard Saint-Martin Ouest, Laval, QC H7S 1M9 Canada	9332-2253 Quebec, Inc.*, Stephanie Gravel/Clarence Chui/Daniel Heller
Quebec	Longueuil	(450) 466-3300	3822-A Boulevard Taschereau, Longueuil, QC J4V 2H9 Canada	9332-2253 Quebec, Inc.*, Stephanie Gravel/Clarence Chui/Daniel Heller

\* Indicates franchisee is an Area Developer

**FRANCHISED LOCATIONS - INTERNATIONAL**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Quebec	Plateau	(438) 382-7605	62 Mont Roayl Est., Montréal, QC H2T 1N6 Canada	9332-2253 Quebec, Inc.*, Stephanie Gravel/Clarence Chui/Daniel Heller
Quebec	Snowdon	(514) 903-8243	5172 Chemin Queen Mary, Montréal, QC H3W 1X5 Canada	9332-2253 Quebec, Inc.*, Stephanie Gravel/Clarence Chui/Daniel Heller
Saskatchewan	Regina East	(306) 522-4349	3435 Quance Street, # 300, Regina, SK S4V 2T7 Canada	Clydesdale Capital, Inc.*, Eric Urzada
Saskatchewan	Regina North	(306) 586-4349	4400 Rochdale Blvd, Unit A4, Regina, SK S4X 4P7 Canada	Clydesdale Capital, Inc.*, Eric Urzada
Saskatchewan	Stonebridge	(844) 888-4349	3020 Preston Avenue South, Saskatoon, SK SK S7T Canada	Clydesdale Capital, Inc.*, Eric Urzada

\* Indicates franchisee is an Area Developer

FRANCHISED LOCATIONS - INTERNATIONAL				
State	Store Name	Store Phone	Store Address	Owner/Contact Person
Trinidad and Tobago	Trinidad	(868) 663-0571	Grand Bazaar Shop K-8, Valsayn, Trinidad and Tobago	Memory Bank Computers, LTD*, Akiel Ghany/Lindahl Ghany/Annissa Baksh-Ghany

\* Indicates franchisee is an Area Developer

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
District of Columbia	DC	(202) 249-7570	3510 Connecticut Ave NW, Washington, DC 20008 USA	UBIF 20 CO, Adam Nations/Matt Allen
Florida	Carrollwood	(813) 968-8900	12819 N Dale Mabry Hwy, Tampa, FL 33618 USA	UBIF FL CO, Todd Pressley
Florida	Coral Springs	(954) 346-4888	2918 North University Drive, Coral Springs, FL 33065 USA	UBIF 24, LLC, Alex Rivero
Florida	Downtown Colonial	(407) 601-7172	3122 E Colonial Dr, Orlando, FL 32803 USA	UBIF 16 CO, Eddie Trujillo
Florida	Dunedin	(727) 223-8125	1761 Main St Ste 200, Dunedin, FL 34698 USA	UBIF FL CO, Todd Pressley
Florida	East Orlando	(407) 243-9994	11779 East Colonial Drive, Orlando, FL 32817 USA	UBIF 16 CO, Eddie Trujillo
Florida	Fort Myers	(239) 332-8243	3398 Forum Boulevard # 108, Fort Myers, FL 33905 USA	UBIF 17, Co., Justin Murphy
Florida	Hallandale	(954) 589-2455	730 W Hallandale Beach Blvd Suite 111, Hallandale Beach, FL 33009 USA	UBIF SUN CO, Ike Wetherill

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Florida	Kirkman	(407) 730-9926	4734 South Kirkman Road, Orlando, FL 32811 USA	UBIF 16 CO, Eddie Trujillo
Florida	Miami Lakes	(786) 558-9354	6853 Main Street, Miami Lakes, FL 33014 USA	UBIF 5 CO, Justin Wetherill
Florida	New Port Richey	(727) 777-4050	5417 US 19 Suite 102, New Port Richey, FL 34652 USA	UBIF FL CO, Todd Pressley
Florida	Ocoee	(321) 270-0600	10159 W Colonial Dr Suite B, Ocoee, FL 34761 USA	UBIF 16 CO, Eddie Trujillo
Florida	Orlando	(407) 545-4141	5833 S Goldenrod Rd Suite H, Orlando, FL 32822 USA	UBIF 16 CO, Eddie Trujillo
Florida	Palm Harbor	(727) 223-9258	32522 US Hwy 19 N, Palm Harbor, FL 34684 USA	UBIF FL CO, Todd Pressley
Florida	Pembroke Pines	(954) 435-1540	1800 Northwest 122nd Terrace, Pembroke Pines, FL 33026 USA	UBIF 2 CO, Justin Wetherill
Florida	SODO	(407) 985-1982	45 W Crystal Lake St Suite 199, Orlando, FL 32806 USA	UBIF SODO, Co., Eddie Trujillo

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Florida	South Miami	(305) 665-6936	7204 Southwest 59th Avenue, South Miami, FL 33143 USA	UBIF 5 CO, Justin Wetherill
Florida	Winter Park	(407) 960-7978	1150 South Orlando Avenue, Winter Park, FL 32789 USA	UBIF 16 CO, Eddie Trujillo
Florida	Winter Springs	(321) 765-3600	5946 Red Bug Lake Road, Winter Springs, FL 32708 USA	UBIF 16 CO, Eddie Trujillo
Illinois	Chicago	(312) 462-4939	1611 North Clybourn Avenue Floor 2, Chicago, IL 60614 USA	UBIF 10, Co., Sedrick Bruno-Lerouge
Illinois	Naperville	(331) 472-4292	118 S Webster St, Naperville, IL 60540 USA	UBIF 15 CO, Sedrick Bruno-Lerouge
Kansas	NFM Kansas City	(913) 335-1048	1601 Village West Parkway, Kansas City, KS 66111 USA	UBIF RETAIL CO, Todd Pressley
Nebraska	NFM Omaha	(402) 932-0187	700 South 72nd St, Omaha, NE 68114 USA	UBIF RETAIL CO, Todd Pressley
Pennsylvania	Pittsburgh	(412) 709-6618	4718 Liberty Avenue, Pittsburgh, PA 15224 USA	UBIF 23 CO, Thomas Fadul

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
District of Columbia	DC	(202) 249-7570	3510 Connecticut Ave NW, Washington, DC 20008 USA	UBIF 20 CO, Adam Nations/Matt Allen
Florida	Carrollwood	(813) 968-8900	12819 N Dale Mabry Hwy, Tampa, FL 33618 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Florida	Coral Springs	(954) 346-4888	2918 North University Drive, Coral Springs, FL 33065 USA	UBIF 24, LLC, Alex Rivero
Florida	Downtown Colonial	(407) 601-7172	3122 E Colonial Dr, Orlando, FL 32803 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Dunedin	(727) 223-8125	1761 Main St Ste 200, Dunedin, FL 34698 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Florida	East Orlando	(407) 243-9994	11779 East Colonial Drive, Orlando, FL 32817 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Fort Myers	(239) 332-8243	3398 Forum Boulevard # 108, Fort Myers, FL 33905 USA	UBIF 17 CO, Justin Wetherill/Justin Murphy
Florida	Fort Myers	(239) 332-8243	3398 Forum Boulevard # 108, Fort Myers, FL 33905 USA	UBIF 17 CO, Justin Wetherill/Justin Murphy

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Florida	Hallandale	(954) 589-2455	730 W Hallandale Beach Blvd Suite 111, Hallandale Beach, FL 33009 USA	UBIF SUN CO, Justin Wetherill/Ike Wetherill
Florida	Kirkman	(407) 730-9926	4734 South Kirkman Road, Orlando, FL 32811 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Miami Lakes	(786) 558-9354	6853 Main Street, Miami Lakes, FL 33014 USA	UBIF 5 CO, Gina Wetherill/Justin Wetherill
Florida	New Port Richey	(727) 777-4050	5417 US 19 Suite 102, New Port Richey, FL 34652 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Florida	Ocoee	(321) 270-0600	10159 W Colonial Dr Suite B, Ocoee, FL 34761 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Orlando	(407) 545-4141	5833 S Goldenrod Rd Suite H, Orlando, FL 32822 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Palm Harbor	(727) 223-9258	32522 US Hwy 19 N, Palm Harbor, FL 34684 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Florida	Pembroke Pines	(954) 435-1540	1800 Northwest 122nd Terrace, Pembroke Pines, FL 33026 USA	UBIF 2 CO, Justin Wetherill



**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Florida	SODO	(407) 985-1982	45 W Crystal Lake St Suite 199, Orlando, FL 32806 USA	UBIF SODO CO, Eddie Trujillo
Florida	South Miami	(305) 665-6936	7204 Southwest 59th Avenue, South Miami, FL 33143 USA	UBIF 5 CO, Gina Wetherill/Justin Wetherill
Florida	Winter Park	(407) 960-7978	1150 South Orlando Avenue, Winter Park, FL 32789 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Florida	Winter Springs	(321) 765-3600	5946 Red Bug Lake Road, Winter Springs, FL 32708 USA	UBIF 16 CO, Justin Wetherill/Eddie Trujillo
Illinois	Chicago	(312) 462-4939	1611 North Clybourn Avenue Floor 2, Chicago, IL 60614 USA	UBIF 10 CO, Justin Wetherill/Sedrick Bruno-Lerouge
Illinois	Naperville	(331) 472-4292	118 S Webster St, Naperville, IL 60540 USA	UBIF 15 CO, Sedrick Bruno-Lerouge
Kansas	NFM Kansas City	(913) 335-1048	1601 Village West Parkway, Kansas City, KS 66111 USA	UBIF RETAIL CO , Justin Wetherill/Todd Pressley
Nebraska	NFM Omaha	(402) 932-0187	700 South 72nd St, Omaha, NE 68114 USA	UBIF RETAIL CO , Justin Wetherill/Todd Pressley

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Pennsylvania	Pittsburgh	(412) 709-6618	4718 Liberty Avenue, Pittsburgh, PA 15224 USA	UBIF 23 CO, Eddie Trujillo/Thomas Fadul
Texas	McKinney	(214) 548-5915	1920 Eldorado Parkway Suite 600, McKinney, TX 75069 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Texas	Plano	(972) 422-5444	1201 E Spring Creek Parkway Suite C-130, Plano, TX 75074 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Texas	West Plano	(972) 519-9990	6205 Coit Rd Suite 336, Plano, TX 75024 USA	UBIF FL CORP, Eddie Trujillo/Todd Pressley
Wisconsin	Milwaukee	(414) 276-8243	1857 East Kenilworth Place, Milwaukee, WI 53202 USA	UBIF 26 CO, Daniel Sotomayor
Texas	McKinney	(214) 548-5915	1920 Eldorado Parkway Suite 600, McKinney, TX 75069 USA	UBIF FL CO, Todd Pressley
Texas	Plano	(972) 422-5444	1201 E Spring Creek Parkway Suite C-130, Plano, TX 75074 USA	UBIF FL CO, Todd Pressley
Texas	West Plano	(972) 519-9990	6205 Coit Rd Suite 336, Plano, TX 75024 USA	UBIF FL CO, Todd Pressley

**COMPANY AND AFFILIATE-OWNED LOCATIONS**

<b>State</b>	<b>Store Name</b>	<b>Store Phone</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>
Wisconsin	Milwaukee	(414) 276-8243	1857 East Kenilworth Place, Milwaukee, WI 53202 USA	UBIF 26 CO, Daniel Sotomayor

**Franchisees with “UBREAKIFIX” Stores Not Yet Operational as of December 31, 2017**

<b>Franchisee</b>	<b>Contact</b>	<b>Address</b>	<b>Telephone No.</b>
10304379 Canada Inc.	Johnny Kattan	103 Wilfred Murison Avenue, Markham, ON L6C0S9 Canada	(416) 219-1451
1932235 Ontario, Inc.	Lee Robson	2455 Felhaber Crescent, Oakville, ON L6H7N8 Canada	(289) 327-3442
9332-2253 Quebec, Inc.	Stephanie Gravel	100 Andre Prevost, Suite 1102, Verdun, QC H3E0C3 Canada	(514) 903-8241
9363-3006 Quebec Inc.	Vinh Nguyen	1802-299 Rue de la Rotonde, Montreal, QC H3E0C6 Canada	(514) 994-0529
Leeding Capital, Inc.	Dillon Leeder	131 Gourlay Lane, Carp, ON K0A 1L0 Canada	(613) 319-9989
Adroit Acumen Associates, Ltd.	Kuan Hao	4 Filbert Court, Gaithersburg, MD 20879 USA	(240) 463-7653
Amazing Graces, LLC.	Matt Grace	210 S. Weber St., Apt. 15, Colorado Springs, CO 80903 USA	
Benett Enterprises, LLC.	Lisa Burns	4504 W Park View Lane, Glendale, AZ 85310 USA	(623) 444-4469
Big Sky Ventures, LLC.	Will Hughes	1405 Cedar Lane, Nashville, TN 37212 USA	(615) 294-6900
Collin & Sles, LLC.	Christophe Collin	1700 Sawtelle Blvd. #307, Los Angeles, CA 90025 USA	(914) 482-0731
DKay Investment, LLC.	David S Kim	1278 Miss Irene Lane, Lawrenceville, GA 30044 USA	(423) 707-0055
Fixter, LLC.	Skip Campbell	401 School Street, Carlisle, MA 01741 USA	(978) 223 5355
Gadget Saviors, LLC.	Jason Castellanos	9640-B Mission Gorge Rd, #174, Santee, CA 92071 USA	(310) 415-7518
Guida Holdings Corp.	Anthony Guida	1059 W Park Place Drive, Bartlett, IL 60103 USA	(619) 708-5116
Hotchkiss Ventures, LLC.	Jason Patrick Hotchkiss	21110 Eagle Ridge Court, San Antonio, TX 78258 USA	(210) 396-7113
JAR 55, LLC.	James McNeil	2623 Cranberry Circle, Harrisburg, PA 17110 USA	
JK Solutions of Chesterfield, LLC.	Jason Troester	21 Southgate Drive, Troy, MO 63379 USA	(636) 778-2934
Marick GA I, LLC.	Richard McElwain	P.O. Box 6617, Clearwater, FL 33758 USA	(727) 543-8408
Mason Unlimited, LLC.	Josh Mason	3740 Boiling Springs Road, #11, Boiling Springs, SC 29316 USA	(864) 909-2502
McCemie Investments, LLC.	Zachary McCemie	9127 Queen Elizabeth Court, Orlando, FL 32818 USA	(407) 963-6612
Prestige Technologies, LLC.	Jennifer Morgan	1348 Lycoming Mall Road, Muncy, PA 17756 USA	(570) 444-8694
Repair On Demand, LLC.	Stephanie Jandik	630 E Broad Street, Columbus, OH 43215 USA	
Sparkenation, LLC.	Timothy A	W5352 Bowe Lane, Fond du Lac, WI 54937	(920) 733-2000

	VenHaus	USA	
The Baldman, Inc.	Thomas Brame	2711 77th Avenue, Elmwood Park, IL 60707 USA	(312) 226-9007
The Collado Family Enterprises Corp.	John Collado	1426 Graham Circle, Leigh Acres, FL 33936 USA	(352) 606-3381
The Conlin Organization, LLC.	Christopher Conlin	6092 Yosemite Drive, Cincinnati, OH 45237 USA	(513) 739-5696
The Gains Group, LLC.	Marlon Bailey	4613 N. University #397, Coral Springs, FL 33067 USA	(954) 520-2738
Tweezer, LLC.	Kathryn Elise Ours Wiley	525 Congressional Blvd., Carmel, IN 46032 USA	(765) 488-2191
UBIF 88, LLC.	Alexander Mitchell-Wright	10135 W Forest Home Ave., Apt 202, Hales Corners, WI 53130 USA	
UBIF COS 2, LLC.	Timothy W Cook-Berry	11 N 18th Street, Colorado Springs, CO 80904 USA	(321) 271-7479
UBIF JADAM, LLC.	Adam Siegel	3166 Connermara Drive, Ormond Beach, FL 32174 USA	(904) 257-6303
UBIF Management, LLC.	Dipan Patel	35 Buxton Lane, Boynton Beach, FL 33426 USA	(561) 758-2481
UBIF of NEPA, Inc.	William C. Swoyer	537 Overlook Road, Carbondale, PA 18407 USA	(570) 780-7826
UBIF SD 1, LLC.	Adam Joseph Anglisano	2251 Gulf to Bay Boulevard, Clearwater, FL 33765 USA	(727) 270-7676
UBIF Snellville, LLC <sup>1</sup>	Tyler Yancoskie	200 South Orange Ave., Suite 200, Orlando, FL 32801 USA	(954) 444-6982
UBIF STS 1, LLC.	Shane Sizemore	13307 W Statler Street, Surprise, AZ 85374 USA	(407) 908-3185
UBIF Tamarac, LLC.	Alexander Rivero	3004 NW 130th Terrace, Apt 465, Sunrise, FL 33323 USA	(954) 401-9722
UBIF Tech Solutions, Inc.	Michael Pierce	P.O. Box 21010, Little Rock, AR 72221 USA	(501) 425-7272
UBIF912CO, LLC.	Brett Wartars	8753 W Potter Drive, Peoria, AZ 85382 USA	(954) 937-3295
Wells Family Technologies, LLC.	Dalton Wells	4518 Kestrel Ridge Road, South Jordan, UT 84009 USA	(385) 321-6622
Williams Zernickow Holdings, LLC.	Kevin Zernickow	13792 Chauvin Avenue, Orlando, FL 32827 USA	(310) 746-8680
Windy City UBIF, LLC.	Alyson Lynch	11845 Blue Bayou Drive, Huntley, IL 60142 USA	(224) 520-8895

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<sup>1</sup> This franchisee has 2 franchise agreements signed for Stores that were not open as of December 31, 2017.

**FORMER FRANCHISEES AS OF DECEMBER 31, 2017**

<b>State</b>	<b>Name</b>	<b>Phone</b>	<b>Address</b>	<b>Owner /Contact Person</b>
Florida (4 units)	Carrollwood	(407) 687-9683	5703 Red Bug Lake Road, #290 Winter Springs, Florida 32708	Kameron Kaviani
Florida	Orlando	( 07) 432-2798	15508 Perdido Drive Orlando, Florida 32828	Jorge Bonilla
Florida	Orlando Square	(267) 324-7250	1300 Montego Cove Way Unit 2222 Orlando, Florida 32839	Yusef Rivera
Florida	University	(321) 202-1533	6313 Cheryl Street Orlando, Florida 32819	Mary Ellen Starnes
Illinois	Orland Park	(708) 426-8416	103 Forest Edge Drive Palos Park, Illinois 60464	Kathleen DiNardi
Illinois	South Loop	(312) 576-3631	1210 South State Street Chicago, Illinois 60605	Jonathan Rix
Louisiana	Lafayette	(337) 349-3962	2426 Highway 178 Sunset, Louisiana 70584	Joel Charrier
Massachusetts	Hudson	(504) 450-3178	23 Willow Brook Road Holden, Massachusetts 01520	Christopher Quinn/Leslie Quinn
Pennsylvania	King Of Prussia		4649 Umbria Street, #6 Philadelphia, Pennsylvania 19127	David Chase/James Ingram
Texas (3 units)	McKinney	(214) 734-4526	3662 County Road 338 Melissa, Texas 75454	Robert Monroe
Virginia (2 units)	Lynnhaven	(407) 375-3368	4001 Virginia Beach Blvd. #117, P.M.B. #152 Virginia Beach, Virginia 23452	John Spence/ Anthony Spence/ Orville Crouso

\*\*This franchisee continues to own and operate other UBREAKIFIX Store(s).

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

**Exhibit G**  
**Financial Statements**

**UBIF Franchising Co**

**Consolidated Balance Sheets**  
**Quarter Ended June 30, 2018**

	<b>2018 Q1</b>	<b>2018 Q2</b>
<b>Assets</b>		
Cash	\$ 1,440,353	\$ 1,496,191
Accounts receivable	\$ 2,728,275	\$ 3,240,929
Inventories	\$ 6,089,234	\$ 9,643,427
Current portion of notes receivable from franchisees	\$ 383,081	\$ 322,183
Other current assets	\$ 81,997	\$ 381,083
<b>Total current assets</b>	10,722,941	15,083,813
Notes receivable, less current portion	\$ 162,894	\$ 89,574
Property and equipment, net	\$ 736,766	\$ 651,582
Internally developed software, net	\$ 969,365	\$ 1,054,629
Goodwill, net	\$ 430,359	\$ 430,359
Deposits and other assets	\$ 209,965	\$ 133,853
<b>Total assets</b>	\$ 13,232,290	\$ 17,443,811
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 4,823,966	\$ 5,584,244
Deferred lease liability	\$ 77,484	\$ 58,113
Deferred revenue	\$ 5,139,504	\$ 5,645,327
Current portion of long-term debt	\$ 4,173,983	\$ 6,066,263
<b>Total current liabilities</b>	14,214,937	17,353,947
Long-term debt, less current portion		\$ 391,616
<b>Total liabilities</b>	14,214,937	17,745,563
Equity:		
Common stock	\$ 200	\$ 200
Additional paid-in capital	\$ 59,800	\$ 59,800
Retained earnings	\$ (726,058)	\$ (329,468)
<b>Total UBIF Franchising Co equity</b>	(666,058)	(269,468)
Noncontrolling interest in variable interest entities	\$ (316,590)	\$ (32,284)
<b>Total equity</b>	(982,648)	(301,752)
<b>Total liabilities and equity</b>	\$ 13,232,288	\$ 17,443,811



**UBIF Franchising Co**

**Consolidated Statements of Income**  
**Quarter Ended June 30, 2018**

	<b>2018 Q1</b>	<b>2018 Q2</b>
Revenues:		
Franchise fees	\$ 621,815	\$ 1,143,852
Royalty fees	2,052,831	\$ 2,700,307
Parts distribution	10,300,872	\$ 13,142,217
Retail stores	1,304,835	\$ 1,456,555
Other	159,782	\$ 136,054
<b>Total revenues</b>	<u>14,440,135</u>	<u>18,578,985</u>
Cost of sales:		
Parts distribution	9,767,520	12,381,685
Retail stores	585,336	729,859
<b>Total cost of sales</b>	<u>10,352,856</u>	<u>13,111,544</u>
Selling, general and administrative expenses	5,884,565	4,747,319
<b>Operating (loss) income</b>	<u>(1,797,286)</u>	<u>720,122</u>
Financial expense		
Interest expense	39,164	68,526
<b>Net (loss) income</b>	<u>(1,836,450)</u>	<u>651,596</u>
Less: Net income attributable to noncontrolling interest in variable interest entities	<u>(546,180)</u>	<u>305,006</u>
<b>Net (loss) income attributable to UBIF Franchising Co.</b>	<u><u>\$ (1,290,270)</u></u>	<u><u>\$ 346,590</u></u>

UBIF Franchising Co

Consolidated Statements of Changes in Equity  
Quarter Ended June 30, 2018

	Common Stock		Additional	Retained	Noncontrolling	Total
	Shares	Amount	Paid-in Capital	Earnings	Interest in Variable Interest Entities	Equity
Balances, December 31, 2017	200	\$ 200	\$ 59,800	\$ 614,211	\$ 308,260	\$ 982,471
Distributions	-	-	-	(50,000)	(78,670)	(128,670)
Net loss	-	-	-	(1,290,270)	(546,180)	(1,836,450)
<b>Balances, March 31, 2018</b>	<b>200</b>	<b>200</b>	<b>59,800</b>	<b>(726,059)</b>	<b>(316,590)</b>	<b>(982,649)</b>
Distributions	-	-	-	50,000	(20,700)	29,300
Net income	-	-	-	346,590	305,006	651,596
<b>Balances, June 30, 2018</b>	<b>200</b>	<b>200</b>	<b>59,800</b>	<b>(329,469)</b>	<b>(32,284)</b>	<b>(301,753)</b>

## UBIF Franchising Co

### Consolidated Statement of Cash Flows Quarter Ended June 30, 2018

	2018 Q1	2018 Q2
Cash flows from operating activities:		
Net (loss) income	\$ (1,836,449)	\$ 651,596
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Amortization	54,266	173,374
Gain on disposal of property and equipment		
Changes in components of working capital:		
(Increase) decrease in assets:		
Accounts receivable	(1,248,988)	(512,654)
Notes receivable from franchisees	(148,424)	134,218
Inventories	(27,384)	(3,554,193)
Other current assets	239,739	(299,086)
Deposits	(99,087)	76,112
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,107,434	760,278
Deferred lease	(9,686)	(19,371)
Deferred revenue	804,762	505,823
<b>Net cash provided by operating activities</b>	<b>(163,817)</b>	<b>(2,083,903)</b>
Cash flows from investing activities:		
Acquisition of property and equipment	(30,365)	-
Internally developed software	(90,411)	(173,455)
Cash paid in a business combination		
<b>Net cash used in investing activities</b>	<b>(120,776)</b>	<b>(173,455)</b>
Cash flows from financing activities:		
Distributions	(128,670)	29,300
Contributions		
Proceeds from long-term debt	3,990,861	391,616
Principal payments on long-term debt	(3,774,064)	1,892,280
<b>Net cash (used in) provided by financing activities</b>	<b>88,127</b>	<b>2,313,196</b>
<b>Net (decrease) increase in cash</b>	<b>(196,467)</b>	<b>55,838</b>
Cash:		
Beginning	1,636,820	1,440,353
Ending	<b>\$ 1,440,353</b>	<b>\$ 1,496,191</b>
Supplemental disclosures of cash flow information		
Cash paid for interest	<b>\$ 39,164</b>	<b>\$ 68,526</b>

# **UBIF Franchising Co**

Consolidated Financial Report  
December 31, 2017

## Contents

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## Independent Auditor's Report

To the Stockholders  
UBIF Franchising Co

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of UBIF Franchising Co, which comprise the consolidated balance sheets as of December 31, 2017, 2016 and 2015, the related consolidated statements of income, changes in equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

**Emphasis of Matter**

As discussed in Note 10 to the financial statements, the 2016 and 2015 financial statements and beginning equity as of December 31, 2014, have been restated to include the consolidation of certain variable interest entities into these financial statements for which UBIF Franchising Co is considered the primary beneficiary. Our opinion is not modified with respect to this matter.

*RSM US LLP*

Orlando, Florida  
May 11, 2018

**UBIF Franchising Co**

**Consolidated Balance Sheets  
December 31, 2017, 2016 and 2015**

	2017	2016	2015
<b>Assets</b>			
Cash	\$ 1,636,820	\$ 3,705,903	\$ 1,418,736
Accounts receivable	1,479,287	968,126	526,426
Inventories	6,061,850	5,378,948	1,754,297
Current portion of notes receivable	288,434	220,458	116,272
Other current assets	321,736	85,132	449,830
<b>Total current assets</b>	<b>9,788,127</b>	<b>10,358,567</b>	<b>4,265,561</b>
Notes receivable, less current portion	109,117	183,279	48,953
Property and equipment, net	760,666	778,332	839,403
Internally developed software, net	878,954	369,112	48,534
Goodwill, net	430,359	-	-
Deposits and other assets	110,878	115,462	194,704
<b>Total assets (a)</b>	<b>\$ 12,078,101</b>	<b>\$ 11,804,752</b>	<b>\$ 5,397,155</b>
<b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 2,716,532	\$ 1,847,936	\$ 886,793
Deferred lease liability	87,170	145,283	-
Deferred revenue	4,334,742	3,950,864	2,131,720
Current portion of long-term debt	3,774,064	-	-
<b>Total current liabilities</b>	<b>10,912,508</b>	<b>5,944,083</b>	<b>3,018,513</b>
Long-term debt, less current portion	183,122	3,882,976	1,330,193
<b>Total liabilities (b)</b>	<b>11,095,630</b>	<b>9,827,059</b>	<b>4,348,706</b>
Commitments (Note 8)			
Equity:			
Common stock	200	200	200
Additional paid-in capital	59,800	59,800	59,800
Retained earnings	614,211	1,535,659	746,731
<b>Total UBIF Franchising Co equity</b>	<b>674,211</b>	<b>1,595,659</b>	<b>806,731</b>
Noncontrolling interest in variable interest entities	308,260	382,034	241,718
<b>Total equity</b>	<b>982,471</b>	<b>1,977,693</b>	<b>1,048,449</b>
<b>Total liabilities and equity</b>	<b>\$ 12,078,101</b>	<b>\$ 11,804,752</b>	<b>\$ 5,397,155</b>

(a) Total consolidated assets include \$8,173,507, \$6,365,086 and \$2,410,592 in assets of consolidated variable interest entities (VIEs) that can only be used to settle the liabilities of the VIEs (see Note 6)

(b) Total consolidated liabilities include \$5,780,777, \$5,245,226, and \$1,642,215 of non-recourse obligations of VIEs for which creditors do not have recourse to the general credit of the Company (see Note 6)

See notes to consolidated financial statements.



**UBIF Franchising Co**

**Consolidated Statements of Income  
Years Ended December 31, 2017, 2016 and 2015**

	2017	2016	2015
Revenues:			
Franchise fees	\$ 3,705,240	\$ 3,738,586	\$ 1,869,000
Royalty fees	8,535,176	6,503,157	3,886,016
Parts distribution	25,185,261	26,720,584	19,428,956
Retail stores	3,209,046	3,285,387	2,256,770
Other	450,514	723,208	2,045
<b>Total revenues</b>	<b>41,085,237</b>	<b>40,970,922</b>	<b>27,442,787</b>
Cost of sales:			
Parts distribution	21,672,919	24,891,708	18,131,901
Retail stores	1,423,825	1,677,225	926,526
<b>Total cost of sales</b>	<b>23,096,744</b>	<b>26,568,933</b>	<b>19,058,427</b>
Selling, general and administrative expenses	18,159,581	12,846,515	7,310,381
<b>Operating (loss) income</b>	<b>(171,088)</b>	<b>1,555,474</b>	<b>1,073,979</b>
Financial expense			
Interest expense	127,034	71,894	13,648
<b>Net (loss) income</b>	<b>(298,122)</b>	<b>1,483,580</b>	<b>1,060,331</b>
Less: Net income attributable to noncontrolling interest in variable interest entities	123,326	406,997	238,686
<b>Net (loss) income attributable to UBIF Franchising Co.</b>	<b>\$ (421,448)</b>	<b>\$ 1,076,583</b>	<b>\$ 821,645</b>

See notes to consolidated financial statements.

UBIF Franchising Co

Consolidated Statements of Changes in Equity  
Years Ended December 31, 2017, 2016 and 2015

	Common Stock		Additional Paid-in Capital	Retained Earnings	Noncontrolling Interest in Variable Interest Entities		Total Equity
	Shares	Amount					
Balances, December 31, 2014, as previously reported	200	\$ 200	\$ 59,800	\$ 964,369	\$ -	\$ -	\$ 1,024,369
Restatement due to consolidation (see Note 10)	-	-	-	-	409,632	409,632	409,632
Balances, December 31, 2014	200	200	59,800	964,369	409,632	409,632	1,434,001
Distributions	-	-	-	(1,039,283)	(406,600)	(406,600)	(1,445,883)
Net income	-	-	-	821,645	238,686	238,686	1,060,331
Balances, December 31, 2015	200	200	59,800	746,731	241,718	241,718	1,048,449
Contributions	-	-	-	-	130,000	130,000	130,000
Distributions	-	-	-	(287,655)	(396,681)	(396,681)	(684,336)
Net income	-	-	-	1,076,583	406,997	406,997	1,483,580
Balances, December 31, 2016	200	200	59,800	1,535,659	382,034	382,034	1,977,693
Distributions	-	-	-	(500,000)	(197,100)	(197,100)	(697,100)
Net loss	-	-	-	(421,448)	123,326	123,326	(298,122)
<b>Balances, December 31, 2017</b>	<b>200</b>	<b>\$ 200</b>	<b>\$ 59,800</b>	<b>\$ 614,211</b>	<b>\$ 308,260</b>	<b>\$ 308,260</b>	<b>\$ 982,471</b>

See notes to consolidated financial statements.

## UBIF Franchising Co

### Consolidated Statement of Cash Flows Years Ended December 31, 2017, 2016 and 2015

	2017	2016	2015
Cash flows from operating activities:			
Net (loss) income	\$ (298,122)	\$ 1,483,580	\$ 1,060,331
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	452,067	397,104	67,445
Gain on disposal of property and equipment	-	(41,671)	(2,686)
Changes in components of working capital:			
(Increase) decrease in assets:			
Accounts receivable	(511,161)	(441,700)	(286,788)
Notes receivable from franchisees	6,186	(238,512)	(70,486)
Inventories	(553,718)	(3,624,651)	(904,754)
Other current assets	(236,604)	364,698	(387,480)
Deposits	4,584	79,242	(91,351)
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	868,596	961,143	358,126
Deferred lease	(58,113)	145,283	(6,905)
Deferred revenue	383,878	1,819,144	1,851,720
<b>Net cash provided by operating activities</b>	<b>57,593</b>	<b>903,660</b>	<b>1,587,172</b>
Cash flows from investing activities:			
Acquisition of property and equipment	(103,245)	(208,062)	(699,417)
Internally developed software	(731,765)	(406,878)	(61,306)
Cash paid in a business combination	(50,000)	-	-
<b>Net cash used in investing activities</b>	<b>(885,010)</b>	<b>(614,940)</b>	<b>(760,723)</b>
Cash flows from financing activities:			
Distributions	(697,100)	(684,336)	(1,445,883)
Contributions	-	130,000	-
Proceeds from long-term debt	2,093,750	4,749,700	1,550,000
Principal payments on long-term debt	(2,638,316)	(2,196,917)	(294,807)
<b>Net cash (used in) provided by financing activities</b>	<b>(1,241,666)</b>	<b>1,998,447</b>	<b>(190,690)</b>
<b>Net (decrease) increase in cash</b>	<b>(2,069,083)</b>	<b>2,287,167</b>	<b>635,759</b>
Cash:			
Beginning	3,705,903	1,418,736	782,977
Ending	\$ 1,636,820	\$ 3,705,903	\$ 1,418,736
Supplemental disclosures of cash flow information			
Cash paid for interest	\$ 127,034	\$ 71,894	\$ 13,648
Supplemental disclosures of noncash investing and financing activities:			
Due to seller issued in business combinations	\$ 618,776	\$ -	\$ -
Inventories and property and equipment acquired in business combinations	\$ 234,184	\$ -	\$ -

See notes to consolidated financial statements.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies

**Nature of business:** UBIF Franchising Co (Franchising) was incorporated on December 12, 2012, in the state of Florida. The Company was established to sell franchise licenses for professional smartphone and other electronics repair stores modeled after uBreakiFix Co., an entity created by two of the stockholders in the Company. The Company has 326, 256 and 142 franchises in operation as of December 31, 2017, 2016 and 2015, respectively.

UBIF 16 Co (UBIF 16), incorporated on August 1, 2011, in the state of Florida, and UBIF FL Corp (UBIF FL), incorporated on March 11, 2015, in the state of Florida, were established to own and operate professional smartphone and other electronics repair stores branded as uBreakiFix. UBIF 16 owned and operated 8, 7 and 4 stores as of December 31, 2017, 2016 and 2015, respectively. UBIF FL owned 7 stores as of December 31, 2017 and no stores as of December 31, 2016 or 2015.

uBreakiFix Repair Parts Co (Distro), incorporated on September 1, 2011 in the state of Florida, was established to sell repair parts to uBreakiFix stores.

UBIF 16, UBIF FL and Distro are under common ownership and control with Franchising. Franchising also made certain loans to UBIF 16, UBIF FL and Distro, as well as guarantee certain debt for the benefit of Distro. Accordingly, UBIF 16, UBIF FL and Distro are consolidated as variable interest entities (VIEs).

A summary of the Company's significant accounting policies follows:

**Reporting entity and principles of consolidation:** The consolidated financial statements include the accounts of Franchising, UBIF 16, UBIF FL and Distro (collectively, the Company). These entities share common ownership and control. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Noncontrolling interest in variable interest entities:** Noncontrolling interests relate to the interest in the consolidated entities that are not wholly owned but Franchising is deemed to be the primary beneficiary of these variable interest entities. A noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the financial statements. Consolidated net income is to be reported at amounts that include the amounts attributable to both Franchising and noncontrolling interests and requires disclosure of the amounts of consolidated net income attributable to Franchising and to the noncontrolling interests.

In determining if Franchising has a controlling financial interest in this entity, management considers factors such as authority to make decisions, financial control and support. Management continually analyzes and assesses reconsideration events, including changes in these factors, to determine if the primary beneficiary determination and consolidation treatment remain appropriate.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

**Revenue recognition:** The Company recognizes franchise fee revenue once a signed franchise agreement is obtained and all services required of the Company have been provided to the franchisee. The services provided for the franchise fee generally include assistance in site selection, guidance regarding inventory purchasing, store setup consulting and employee training. Included in franchise fee revenue is revenue from training, which is recognized once the training is performed. Deferred revenue represents franchise and training fees received but not earned. The Company also sells franchises under Area Development Agreements, whereby franchisees pay initial franchise and training fees, as well as franchise fees for subsequent stores within a defined geographic area. The Company agrees to provide exclusive rights under Area Development Agreements for franchisee development within that defined geographic area. Initial revenue under an Area Development Agreement is recognized at the time the first store is opened and the Company has completed all services required for the opening of that initial store. A portion of the franchising fee under an Area Development Agreement for subsequent stores is recognized when the subsequent stores are opened.

The Company recognizes revenue from royalty fees and technology and customer support fees on a monthly basis, calculated as 7% and 1%, respectively, of the franchisee's gross revenue as determined by the franchise sales in accordance with the franchise agreement.

The franchise agreements allow the Company to require franchisees to pay up to 2% of gross revenue into an advertising fund, if established by the Company. The Company also has the right to establish a fee for cooperative advertising by region, which would be in addition to the advertising fund, if established. As of December 31, 2017, 2016 or 2015, neither the advertising fund nor any cooperative advertising has been charged to the franchisors.

Revenue from parts distribution and retail stores is recognized once persuasive evidence of an arrangement exists, price is fixed or determinable, collectability is reasonably assured and delivery has occurred or services have been rendered. This generally occurs when the risks of ownership transfers to the customer, typically at the time of shipping, or when the repair services are provided.

**Receivables:** Accounts receivable represent royalty, franchise fees, parts distribution and retail repair services earned by the Company but not collected. Accounts receivable are recorded at net realizable value. The Company performs credit evaluations of its customers to determine collectability of receivables. As of December 31, 2017, 2016 and 2015, management has determined that no allowance for uncollectable accounts is required.

**Notes receivable:** Franchising records notes receivable at their net present value. Notes receivable are issued to franchisees from time to time based on transitory needs and generally contain payment terms that require repayment within 12 months. However, some notes contain longer terms. Interest on the notes receivable is charged at prevailing rates at the inception of each note. The Company evaluates the collectability of the notes receivable from franchisees and will record an estimate in the event they determine collectability is in doubt. The Company did not record an allowance against these notes receivable as they have determined collectability is probable. Interest on these notes is included in other revenue in the accompanying consolidated statements of income.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

**Property and equipment:** Property and equipment is stated at historical cost less accumulated depreciation. Repairs and maintenance expenditures that do not extend the useful lives of the property and equipment are expensed when incurred. Depreciation is recorded using the straight-line method of accounting over the estimated useful lives of the assets or in the case of leasehold improvements, the shorter of the lease term or the estimated useful life of the asset.

**Internally developed software:** The Company capitalizes costs associated with internally developed software to be used internally and for use by franchisees without sale of the software itself in accordance with Accounting Standards Codification (ASC) 350-40, *Internal Use Software*. In accordance with ASC 350-40, capitalization of developed software products begins after the preliminary project stage, during the application development stage and ceases during the post implementation stage. Testing of software developed for internal use is not capitalized. Amortization of the capitalized costs begins once the software is placed in service. Amortization of purchased and developed software costs is computed using the straight-line method of accounting over the product's estimated useful life, which is estimated at two years. Research and development costs relating principally to the design and development of software during the preliminary project stage are expensed as incurred. The cost of developing routine enhancements is expensed as incurred because the enhancements do not add significant life to the product. Amortization of capitalized software costs totaled \$221,923, \$86,300, and \$12,772 for the years ended December 31, 2017, 2016, and 2015, respectively.

**Business combinations:** Identifiable assets acquired in a business combination are recorded at fair value at the acquisition date. Management, in consultation with independent third-party experts, estimate fair values based on assumptions they believe to be reasonable. These estimates are based on historical experience, market data and information obtained from similar sales of franchised retail outlets by other third parties.

**Goodwill:** Goodwill represents the excess of the aggregate consideration over the estimated fair value of the net assets acquired in a business combination. The Company is amortizing goodwill on a straight-line basis over a period of 10 years. The Company tests goodwill for impairment only upon the occurrence of an event or circumstance that indicates the fair value of the entity may be less than its carrying amount. Impairment of goodwill is tested using a fair value approach at the entity level. During the year ended December 31, 2017, there were no indicators that the fair value of the asset group were less than carrying value. There was no goodwill as of December 31, 2016 or 2015.

**Leases:** The Company accounts for its office and retail space leases that included rent free periods and escalating rents on a straight-line basis over the term of each lease. A prepaid rent expense or deferred lease liability is recorded based on the terms of each individual lease.

**Income taxes:** Franchising, UBIF 16, UBIF FL and Distro elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code and similar state statutes. Under those provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholders are taxed on the Company's taxable income or deduct the Company's losses on their individual tax returns. Accordingly, the accompanying consolidated financial statements do not contain a provision for income taxes.

In addition, management has evaluated the Company's tax positions and concluded that the Company does not have any expected uncertain tax positions that require adjustment to the financial statements. The Company is still subject to U.S. federal and state income tax examinations by taxing authorities since the year ended December 31, 2013.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

**Advertising:** The Company uses advertising to promote its franchise licenses to potential investors. These advertising costs are expensed as incurred. Advertising expenses totaled \$774,699, \$793,701, and \$515,434 during the years ended December 31, 2017, 2016 and 2015, respectively, and is included in selling, general and administrative expenses in the accompanying consolidated statements of income.

**Accounting for impairment of long-lived assets (except goodwill):** Long-lived assets are evaluated for impairment whenever events or changes in circumstances have indicated that an asset may not be recoverable and are grouped with other assets to the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. If the sum of the projected undiscounted cash flows (excluding interest charges) is less than the carrying value of the assets, the assets will be written down to the estimated fair value and such loss is recognized in income from continuing operations in the period in which the determination is made. Management determined no impairment of long-lived assets existed as of December 31, 2017, 2016 or 2015.

**Recently issued accounting standards:** In August 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230)*. The amendments in this ASU apply to all entities and provide cash flow statement classification guidance for eight specific cash flow issues. This ASU will be effective for the Company for fiscal years beginning after December 15, 2019. Early adoption is permitted. The Company has not yet evaluated the effects of the adoption of this ASU will have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2019. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company has not yet evaluated the effects adoption of this ASU will have on its consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in accounting principles generally accepted in the United States (U.S. GAAP) when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016. The Company has not yet selected a transition method and has not yet evaluated the effects the adoption of this ASU will have on the consolidated financial statements.

The FASB issued other new or modifications to, or interpretations of, existing accounting guidance during 2016. The Company has considered the new pronouncements that altered U.S. GAAP and other than as disclosed in these notes to the consolidated financial statements, does not believe that any other new or modified principles will have a material impact on the Company's reported financial position or activities.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Business and Summary of Significant Accounting Policies (Continued)

**Use of estimates:** The preparation of consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent events:** Management has evaluated subsequent events through May 11, 2018, which is the date the consolidated financial statements were available to be issued.

#### Note 2. Common Stock

Franchising has 200 authorized shares of \$1 par value common stock available, of which 200 are issued and outstanding as of December 31, 2017, 2016 and 2015.

UBIF 16 has 200 authorized shares of \$1 par value common stock available, of which 200 are issued and outstanding as of December 31, 2017, 2016 and 2015.

UBIF FL has 200 authorized shares of \$1 par value common stock available, of which 200 are issued and outstanding as of December 31, 2017, 2016 and 2015.

Distro has 200 authorized shares of \$0.50 par value common stock available, of which 200 are issued and outstanding as of December 31, 2017, 2016 and 2015.

#### Note 3. Property and Equipment

Property and equipment consist of the following as of December 31, 2017, 2016 and 2015:

	2017	2016	2015
Furniture, equipment, vehicles	\$ 595,166	\$ 545,701	\$ 232,447
Leasehold improvements	672,777	517,823	678,339
Buildings and improvements	59,150	55,324	-
	<u>1,327,093</u>	<u>1,118,848</u>	<u>910,786</u>
Less accumulated depreciation	(566,427)	(340,516)	(71,383)
	<u>\$ 760,666</u>	<u>\$ 778,332</u>	<u>\$ 839,403</u>

Depreciation expense amounted to \$225,911, \$310,804 and \$54,673 for the years ended December 31, 2017, 2016 and 2015, respectively.



## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 4. Business Combinations

In August and October 2017, UBIF FL entered into a series of asset purchase agreements to acquire certain assets consisting of store locations operating uBreakiFix retail stores. Concurrently with these acquisitions, Franchising cancelled the franchise agreements and area development agreements with the owners of those locations. The combined purchase price was \$668,776, which was funded with cash and notes issued to the sellers. The acquisitions were made to own and run corporate stores in certain areas of the states of Florida and Texas.

The aggregate purchase price of the acquisitions was allocated as follows:

Consideration:

Cash	\$ 50,000
Due to sellers (see Note 7)	618,776
Total consideration	<u>\$ 668,776</u>

Acquisition related costs:

Transaction costs included in general and administrative expenses	<u>\$ 15,552</u>
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Recognized amounts of identifiable assets acquired:

Inventories	\$ 129,184
Furniture and equipment	105,000
Goodwill	434,592
	<u>\$ 668,776</u>

The business combination was accounted for under the acquisition method of accounting. Under the acquisition method of accounting, the results of operations of the acquired businesses are included in the accompanying financial statements since the date of acquisition. Identifiable assets, specifically leases acquired at above or below market rates were considered insignificant as the leases were recently signed and management estimates the market rates have not changed significantly from lease inception.

The purchase price exceeded the fair value of the net assets acquired. Accordingly, the Company recognized the excess of purchase price over the fair value of the net assets of \$434,592 of goodwill. The goodwill arising from the acquisition consists largely of the consolidation of geographic areas for retail stores under one management. Management has elected a period of 10 years to amortize the goodwill resulting from these business combinations.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 5. Goodwill

The changes in the carrying amount of goodwill for the year ended December 31, 2017, were as follows:

Balance as of December 31, 2016	\$	-
Acquisitions (see Note 4)		434,592
Amortization of goodwill		(4,233)
Balance as of December 31, 2017	\$	<u>430,359</u>

There was no goodwill as of December 31, 2016 or 2015. Amortization expense related to goodwill was \$4,233 for the year ended December 31, 2017.

The estimated amortization expense related to goodwill for the five years subsequent to December 31, 2017 is as follows:

Years ended December 31:

2018	\$	43,459
2019		43,459
2020		43,459
2021		43,459
2022		43,459

The weighted average remaining useful life of goodwill is 9.7 years as of December 31, 2017.

#### Note 6. Variable Interest Entities

The Company follows guidance issued by FASB related to its accounting for the Company's arrangements and relationships with certain other entities that meet the definition of a variable interest entity (VIE). A VIE is a legal entity that either lacks sufficient equity at risk to finance its activities or the equity investors of the legal entity as a group lack any of the characteristics of a controlling financial interest. A company is required to consolidate a VIE if the company is determined to be the VIE's primary beneficiary.

Risks associated with the Company's involvement with VIEs primarily include the potential of funding the VIEs or performing on the guarantee for third-party debt.

Although the Company has no direct ownership interest in UBIF 16, UBIF FL or Distro, management has determined the Company is the primary beneficiary of these entities due to an implicit variable interest as the result of common ownership, control and intercompany transactions that create certain economic interdependencies.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

#### Note 6. Variable Interest Entities (Continued)

Franchising has identified and consolidated UBIF 16, UBIF FL and Distro as VIEs adding assets and liabilities of the following to the Company's consolidated balance sheets as of December 31, 2017.

	UBIF 16	UBIF FL	Distro
Current assets	\$ 303,600	\$ 256,500	\$ 6,929,100
Noncurrent assets	116,100	535,600	32,500
Total assets	<u>\$ 419,700</u>	<u>\$ 792,100</u>	<u>\$ 6,961,600</u>
Current liabilities	\$ 14,700	\$ 398,700	\$ 5,184,100
Long-term liabilities	386,000	494,000	1,315,000
Total liabilities	400,700	892,700	6,499,100
Stockholders' equity (deficit)	19,000	(100,600)	462,500
Total liabilities and stockholders' equity	<u>\$ 419,700</u>	<u>\$ 792,100</u>	<u>\$ 6,961,600</u>
Revenues	\$ 2,809,800	\$ 520,400	\$ 26,284,100
Cost of sales	(1,204,700)	(219,200)	(22,699,200)
Selling, general and administrative	(1,317,300)	(405,400)	(3,572,600)
Net income (loss)	<u>\$ 287,800</u>	<u>\$ (104,200)</u>	<u>\$ 12,300</u>

The VIEs added assets and liabilities of the following to the Company's consolidated balance sheets and income statements as of December 31, 2016.

	UBIF 16	UBIF FL	Distro
Current assets	\$ 204,600	\$ 396,000	\$ 5,690,700
Noncurrent assets	73,700	-	-
Total assets	<u>\$ 278,300</u>	<u>\$ 396,000</u>	<u>\$ 5,690,700</u>
Current liabilities	\$ 4,700	\$ -	\$ 1,357,500
Long-term liabilities	340,800	392,500	3,883,000
Total liabilities	345,500	392,500	5,240,500
Stockholders' equity (deficit)	(67,200)	3,500	450,200
Total liabilities and stockholders' equity	<u>\$ 278,300</u>	<u>\$ 396,000</u>	<u>\$ 5,690,700</u>
Revenues	\$ 2,666,000	\$ 1,285,200	\$ 27,845,900
Cost of sales	(1,243,800)	(433,400)	(26,012,500)
Selling, general and administrative	(1,118,200)	(691,500)	(1,886,200)
Net income	<u>\$ 304,000</u>	<u>\$ 160,300</u>	<u>\$ (52,800)</u>

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

#### Note 6. Variable Interest Entities (Continued)

The VIEs added assets and liabilities of the following to the Company's consolidated balance sheets and income statements as of December 31, 2015.

	UBIF 16	UBIF FL	Distro
Current assets	\$ 102,700	\$ 62,500	\$ 2,108,900
Noncurrent assets	6,700	50,700	79,100
Total assets	<u>\$ 109,400</u>	<u>\$ 113,200</u>	<u>\$ 2,188,000</u>
Current liabilities	\$ 6,000	\$ -	\$ 306,000
Long-term liabilities	110,000	400,000	1,330,200
Total liabilities	116,000	400,000	1,636,200
Stockholders' equity (deficit)	(6,600)	(286,800)	551,800
Total liabilities and stockholders' equity	<u>\$ 109,400</u>	<u>\$ 113,200</u>	<u>\$ 2,188,000</u>
Revenues	\$ 2,215,800	\$ 41,000	\$ 20,305,700
Cost of sales	(869,200)	(57,400)	(18,992,000)
Selling, general and administrative	(915,600)	(270,400)	(1,202,600)
Net income (loss)	<u>\$ 431,000</u>	<u>\$ (286,800)</u>	<u>\$ 111,100</u>

#### Note 7. Long-Term Debt

Long-term debt as of December 31, 2017, 2016 and 2015, consists of the following:

	2017	2016	2015
Revolving line of credit	\$ 3,317,250	\$ 3,375,000	\$ 700,000
Term loan	109,762	507,976	630,193
Due to sellers (see Note 4)	530,174	-	-
	3,957,186	3,882,976	1,330,193
Less current portion	(3,774,064)	-	-
Total long-term debt	<u>\$ 183,122</u>	<u>\$ 3,882,976</u>	<u>\$ 1,330,193</u>

Distro holds a \$4,000,000 revolving line of credit and a \$650,000 term loan (collectively, the Loans) that bear interest at the London Interbank Offer Rate (LIBOR) plus 2.5% (4.0% as of December 31, 2017) and are subject to a fixed charge coverage ratio requirement. The Loans mature on June 30, 2018, and are secured by all receivables, inventories, equipment and fixtures of Distro and Franchising. The Loans are guaranteed by two shareholders of Franchising.

In January 2018, the Loans were repaid in full (see Note 9). Interest on the Loans amounts to \$114,300, \$71,894 and \$13,648 for the years ended December 31, 2017, 2016 and 2015, respectively, and is included in interest expense in the accompanying consolidated statements of income.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 7. Long-Term Debt (Continued)

In August 2017, UBIF FL and Franchising entered into an asset purchase agreement for 4 retail stores and a repossession of an area development agreement that included an amount due to the seller in the form of a note payable for \$532,500 (the Store Note). The Store Note matures on May 1, 2019, and requires an initial payment of \$87,500 plus monthly payments of principal and interest of \$22,250. There was no stated interest on the Store Note and the Company imputed interest at 8%, resulting in an implied original note balance of \$502,046. Interest on the Store Note amounts to \$8,164 for the year ended December 31, 2017, and is included in interest expense in the accompanying consolidated statements of income. As of December 31, 2017, based on the imputed interest rate, \$336,617 is outstanding on the Store Note, which is included in long-term debt in the accompanying consolidated balance sheets.

In conjunction with a series of business combinations on October 23, 2017 (see Note 4), UBIF FL entered into three separate \$87,777 note agreements with the seller (the Note Agreements). The Note Agreements mature on November 1, 2019, bear interest at 8.0% and require 24 equal monthly installments of principal and interest of \$9,105. Interest on the Note Agreements amounts to \$1,342 for the year ended December 31, 2017, and is included in interest expense in the accompanying consolidated statements of income. As of December 31, 2017, \$193,557 is outstanding on the Note Agreements, which is included in long-term debt in the accompanying consolidated balance sheets.

Future maturities of long-term debt as of December 31, 2017 are as follows:

Years ending December 31:

2018	\$ 3,774,064
2019	183,122
2020	-
2021	-
2022	-
Thereafter	-
	<u>\$ 3,957,186</u>

#### Note 8. Commitments

Franchising is subject to a lease agreement for office space that contains rent escalations and expires in June 2019. The Company records the lease payments on a straight-line basis and accordingly has a prepaid rent expense of \$1,991 as of December 31, 2017, which is included in other current assets in the consolidated balance sheets. Rent expense before lease improvement allowance offset (see below) for the year ended December 31, 2017, is \$236,996, and is included in selling, general and administrative expenses in the accompanying consolidated statements of income.

The lease agreement for office space also required the property owner to pay Franchising an improvement allowance of \$197,710 against the buildout costs incurred, which was recorded as a deferred lease liability, amortized against rent expense for the duration of the lease. During the year ended December 31, 2017, \$58,113 was recorded as an offset to rent expense in the accompanying consolidated statements of income related to this improvement allowance. As of December 31, 2017, \$87,170 remains to be amortized against future rent expense and is included in deferred lease liability on the accompanying consolidated balance sheets.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

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#### Note 8. Commitments (Continued)

UBIF 16 and UBIF FL are subject to a series of leases for retail store locations with varying maturity dates ranging from July 2018 to April 2024. These leases generally contain annual rent escalation clauses between 3% and 4% per year. The Company has determined the deferred rent generated by these rent escalations is not significant.

Future minimum rent payments required under these lease agreements are as follows:

Years ending December 31:

2018	\$	876,986
2019		722,958
2020		485,053
2021		289,642
2022		32,636
	\$	<u>2,407,275</u>

#### Note 9. Subsequent Events

In January 2018, Franchising, jointly with Distro, entered into a \$20,000,000 credit agreement (the Credit Agreement) with a bank that includes a \$10,000,000 revolving loan (the Revolver) and a \$10,000,000 term loan (the Term Loan), secured by all assets of each entity. The Company and Distro guarantee the Credit Agreement, as do two of the three shareholders of Franchising.

The Revolver, which may be drawn upon by Distro, bears interest at the 30-day LIBOR rate, plus 3.0% with a LIBOR floor of 1.25%, matures in January 2020 and requires monthly interest payments with principal due at maturity.

The Term Loan, which may be drawn upon by Franchising, allows for draws on the \$10,000,000 for a period of 24 months. Each draw (a Sub-Note Draw) will mature 48 months from the initial draw date. Each draw initially bears interest for a period of six months at the LIBOR rate, plus 3% with a LIBOR floor of 1.25%. The Company has the option after six months to fix the interest on each Sub-Note Draw at the three-year treasury constant maturity index plus 2.75%, then after the next six-month period to the three-year treasury constant maturity index plus 2.50%. Monthly interest payments are required for the first six months of each Sub-Note Draw, and then monthly interest and principal payments are required. Principal payments are calculated by the outstanding Sub-Note Draw divided by 42.

## UBIF Franchising Co

### Notes to Consolidated Financial Statements

#### Note 10. Restatement

During the year ended December 31, 2017, management evaluated the relationship between Franchising and Distro, UBIF 16 and UBIF FL, concluding these entities qualified as VIEs requiring consolidation. The inclusion of these VIEs resulted in a restatement of opening equity as of December 31, 2014, totaling \$409,632. The impact to the consolidated financial statements due to the restatement for the year ended December 31, 2016 is as follows:

	2016		
	As Previously Reported	Restatement Adjustment	As Restated
<b>Assets</b>			
Cash	\$ 3,009,401	\$ 696,502	\$ 3,705,903
Accounts receivable	776,469	191,657	968,126
Inventories	-	5,378,948	5,378,948
Current portion of notes receivable	220,458	-	220,458
Current portion of related party notes receivable	473,490	(473,490)	-
Other current assets	65,391	19,741	85,132
<b>Total current assets</b>	<u>4,545,209</u>	<u>5,813,358</u>	<u>10,358,567</u>
Notes receivable, less current portion	183,279	-	183,279
Related party notes receivable, less current portion	259,830	(259,830)	-
Property and equipment, net	716,479	61,853	778,332
Internally developed software, net	369,112	-	369,112
Deposits and other assets	103,583	11,879	115,462
<b>Total assets</b>	<u>\$ 6,177,492</u>	<u>\$ 5,627,260</u>	<u>\$ 11,804,752</u>
<b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 485,686	\$ 1,362,250	\$ 1,847,936
Deferred lease liability	145,283	-	145,283
Deferred revenue	3,950,864	-	3,950,864
Current portion of long-term debt	-	-	-
<b>Total current liabilities</b>	<u>4,581,833</u>	<u>1,362,250</u>	<u>5,944,083</u>
Long-term debt, less current portion	-	3,882,976	3,882,976
<b>Total liabilities</b>	<u>4,581,833</u>	<u>5,245,226</u>	<u>9,827,059</u>
Equity:			
Common stock	200	-	200
Additional paid-in capital	59,800	-	59,800
Retained earnings	1,535,659	-	1,535,659
<b>Total UBIF Franchising Co equity</b>	<u>1,595,659</u>	<u>-</u>	<u>1,595,659</u>
Noncontrolling interest in variable interest entities	-	382,034	382,034
<b>Total equity</b>	<u>1,595,659</u>	<u>382,034</u>	<u>1,977,693</u>
<b>Total liabilities and equity</b>	<u>\$ 6,177,492</u>	<u>\$ 5,627,260</u>	<u>\$ 11,804,752</u>

UBIF Franchising Co

Notes to Consolidated Financial Statements

Note 10. Restatement (Continued)

	2016		
	As Previously Reported	Restatement Adjustment	As Restated
<b>Revenues:</b>			
Franchise fees	\$ 3,738,586	\$ -	\$ 3,738,586
Royalty fees	6,503,157	-	6,503,157
Parts distribution	-	26,720,584	26,720,584
Retail stores	-	3,285,387	3,285,387
Other	57,352	665,856	723,208
<b>Total revenues</b>	<b>10,299,095</b>	<b>30,671,827</b>	<b>40,970,922</b>
<b>Cost of sales:</b>			
Parts distribution	-	24,891,708	24,891,708
Retail stores	-	1,677,225	1,677,225
<b>Total cost of sales</b>	<b>-</b>	<b>26,568,933</b>	<b>26,568,933</b>
Selling, general and administrative expenses	9,222,512	3,624,003	12,846,515
<b>Operating income</b>	<b>1,076,583</b>	<b>478,891</b>	<b>1,555,474</b>
<b>Financial expense:</b>			
Interest expense	-	(71,894)	(71,894)
<b>Net income</b>	<b>1,076,583</b>	<b>406,997</b>	<b>1,483,580</b>
Net income attributable to noncontrolling interest in variable interest entities	-	(406,997)	(406,997)
Net income attributable to UBIF Franchising Co	<b>\$ 1,076,583</b>	<b>\$ -</b>	<b>\$ 1,076,583</b>



## UBIF Franchising Co

### Notes to Consolidated Financial Statements

#### Note 10. Restatement (Continued)

The impact to the consolidated financial statements due to the restatement for the year ended December 31, 2015 is as follows:

	2015		
	As Previously Reported	Restatement Adjustment	As Restated
<b>Assets</b>			
Cash	\$1,326,859	\$ 91,877	\$1,418,736
Accounts receivable	521,733	4,693	526,426
Inventories	-	1,754,297	1,754,297
Current portion of notes receivable	116,272	-	116,272
Current portion of related party notes receivable	33,211	(33,211)	-
Other current assets	43,262	406,568	449,830
<b>Total current assets</b>	<u>2,041,337</u>	<u>2,224,224</u>	<u>4,265,561</u>
Notes receivable, less current portion	48,953	-	48,953
Related party notes receivable, less current portion	476,789	(476,789)	-
Property and equipment, net	794,026	45,377	839,403
Internally developed software, net	48,534	-	48,534
Deposits and other assets	103,583	91,121	194,704
<b>Total assets</b>	<u>\$3,513,222</u>	<u>\$1,883,933</u>	<u>\$5,397,155</u>
<b>Liabilities and Stockholders' Equity</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 574,771	\$ 312,022	\$ 886,793
Deferred lease liability	-	-	-
Deferred revenue	2,131,720	-	2,131,720
<b>Total current liabilities</b>	<u>2,706,491</u>	<u>312,022</u>	<u>3,018,513</u>
Long-term debt, less current portion	-	1,330,193	1,330,193
<b>Total liabilities</b>	<u>2,706,491</u>	<u>1,642,215</u>	<u>4,348,706</u>
Equity:			
Common stock	200	-	200
Additional paid-in capital	59,800	-	59,800
Retained earnings	746,731	-	746,731
<b>Total UBIF Franchising Co equity</b>	<u>806,731</u>	<u>-</u>	<u>806,731</u>
Noncontrolling interest in variable interest entities	-	241,718	241,718
<b>Total equity</b>	<u>806,731</u>	<u>241,718</u>	<u>1,048,449</u>
<b>Total liabilities and equity</b>	<u>\$3,513,222</u>	<u>\$1,883,933</u>	<u>\$5,397,155</u>

UBIF Franchising Co

Notes to Consolidated Financial Statements

Note 10. Restatement (Continued)

	2015		
	As Previously Reported	Restatement Adjustment	As Restated
Revenues:			
Franchise fees	\$1,869,000	\$ -	\$1,869,000
Royalty fees	3,886,016	-	3,886,016
Parts distribution	-	19,428,956	19,428,956
Retail stores	-	2,256,770	2,256,770
Other	2,067	(22)	2,045
<b>Total revenues</b>	<b>5,757,083</b>	<b>21,685,704</b>	<b>27,442,787</b>
Cost of sales:			
Parts distribution	-	18,131,901	18,131,901
Retail stores	-	926,526	926,526
<b>Total cost of sales</b>	<b>-</b>	<b>19,058,427</b>	<b>19,058,427</b>
Selling, general and administrative expenses	4,935,438	2,374,943	7,310,381
<b>Operating income</b>	<b>821,645</b>	<b>252,334</b>	<b>1,073,979</b>
Financial expense:			
Interest expense	-	(13,648)	(13,648)
<b>Net income</b>	<b>821,645</b>	<b>238,686</b>	<b>1,060,331</b>
Net income attributable to noncontrolling interest in variable interest entities	-	(238,686)	(238,686)
Net income attributable to UBIF Franchising Co	<b>\$ 821,645</b>	<b>\$ -</b>	<b>\$ 821,645</b>

**Exhibit H**  
**State Administrators**

## STATE ADMINISTRATORS

Commissioner of Department of Business  
Oversight  
320 West 4th Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7500  
(866) 275-2677 Toll Free

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

Chief  
Franchise Bureau  
Office of Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-1090

Franchise Section  
Indiana Securities Division  
302 West Washington Street  
Room E-111  
Indianapolis, Indiana 46204  
(317) 232-6681

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

Franchise Administrator  
Consumer Protection Division  
Antitrust and Franchise Unit  
Michigan Dept. of Attorney General  
670 Law Building  
525 W. Ottawa Street  
Lansing, Michigan 48913  
(517) 373-7117

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

Office of the New York State Attorney  
General  
Investor Protection Bureau  
Franchise Section  
120 Broadway, 23rd Floor  
New York, New York 10271  
(212) 416-8211

Franchise Examiner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, Fifth Floor, Dept. 414  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

Director of the Rhode Island  
Department of Business Regulation  
1511 Pontiac Avenue  
Cranston, Rhode Island 02920  
(401) 462-9500

South Dakota Department of Labor &  
Regulation  
Division of Insurance, Securities Regulation  
124 S. Euclid Suite 104  
Pierre South Dakota 57501  
(605) 773-3563

State Corporation Commission  
Division of Securities and Retail  
Franchising  
1300 E. Main Street, Ninth Floor  
Richmond, Virginia 23219  
(804) 371-9051

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

Franchise Administrator  
Securities and Franchise Registration  
Wisconsin Securities Commission  
345 W. Washington Ave., 4th Floor  
Madison, Wisconsin 53703  
(608) 266-8557

## **AGENTS FOR SERVICE OF PROCESS**

Commissioner of Department of Business  
Oversight  
1515 K Street, Suite 200  
Sacramento, California 95814

Hawaii Commissioner of Securities  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813

Illinois Attorney General Office  
500 South Second Street  
Springfield, Illinois 62706

Indiana Securities Division  
302 West Washington Street  
Room E-111  
Indianapolis, Indiana 46204

Maryland Securities Commissioner  
200 Saint Paul Place  
Baltimore, Maryland 21202-2020

Commissioner of Commerce  
State of Minnesota  
Department of Commerce  
Registration Division  
85 Seventh Place East Suite 280  
St. Paul, Minnesota 55101

New York Secretary of State  
New York Department of State  
One Commerce Plaza  
99 Washington Avenue, 6<sup>th</sup> Floor  
Albany, New York 12231-0001

North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, Fifth Floor, Dept. 414  
Bismarck, North Dakota 58505-0510

Director of Business Regulation  
1511 Pontiac Avenue  
Cranston, Rhode Island 02920

South Dakota Department of Labor &  
Regulation  
Division of Insurance, Securities Regulation  
124 S. Euclid Suite 104  
Pierre South Dakota 57501  
(605) 773-3563

Clerk, State Corporation Commission  
1300 East Main Street, First Floor  
Richmond, Virginia 23219

Administrator of Securities  
Department of Financial Institutions  
150 Israel Rd. SW,  
Tumwater, WA 98501 98504

Commissioner of Securities  
Office of the Commissioner of Securities  
345 W. Washington Ave., 4th Floor  
Madison, Wisconsin 53703

For all other states:  
Min Cho  
200 South Orange Avenue, Suite 200  
Orlando, FL 32801

**Exhibit I**

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**Exhibit J**

**Closing / Franchisee Questionnaire**

**UBIF FRANCHISING, CO.**  
**CLOSING QUESTIONNAIRE**

The undersigned (“**Franchisee**”) desires to enter into a franchise agreement with UBIF FRANCHISING, CO. (“**Company**”). Company requires that Franchisee complete this questionnaire in order to enable Company to confirm that it and its employees and representatives have fully complied with all applicable franchise registration and disclosure laws.

1. Full name of Franchisee:

\_\_\_\_\_

2. Franchisee Address:

\_\_\_\_\_

3. Franchisee is: (Check applicable box)

An individual

A corporation

A limited liability company

A general partnership

A limited partnership

4. If Franchisee is not an individual, indicate the capacity in which the individual signing this questionnaire on behalf of Franchisee is authorized to act on behalf of Franchisee: (Check applicable box)

Officer (insert title): \_\_\_\_\_

Manager: \_\_\_\_\_

General Partner: \_\_\_\_\_

Other (please explain): \_\_\_\_\_

5. Did Franchisee receive Company’s Franchise Disclosure Document?  Yes  No

6. Did Franchisee receive a copy of Company’s Franchise Disclosure Document (and all exhibits and attachments) at least 14 calendar days prior to signing the Franchise Agreement or making any payment to Company?  Yes  No. If “No”, please comment:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Did Franchisee give Company a signed receipt for the copy of the Franchise Disclosure Document?  Yes  No.

If "Yes", on what date? \_\_\_\_\_

8. Below, please indicate the contracts proposed to be executed by Franchisee in connection with execution of the Franchise Agreement (collectively referred to as the "**Agreements**"): \_\_\_\_\_

Agreement

- Franchise Agreement
- Personal Guaranty
- General Release
- \_\_\_\_\_
- \_\_\_\_\_

9. If any changes to the Agreements were made by us, other than at Franchisee's request, did Franchisee receive a copy of the final form of each Agreement that Franchisee is signing at least 7 calendar days prior to the date on which each Agreement was executed?  Yes  No. If "No", please comment:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

10. Did Franchisee carefully review and understand the Franchise Disclosure Document, the Franchise Agreement, and the other Agreements?  Yes  No. If "No", please explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

11. Did Franchisee ask Company any questions concerning the Franchise Disclosure Document or Agreements that were not satisfactorily answered?  Yes  No. If "Yes", please explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. Did Franchisee request a copy of Company's Franchise Disclosure Document before it was provided to Franchisee by Company?  Yes  No

If "Yes", did Company provide Franchisee a copy of Company's Franchise Disclosure Document within a reasonable amount of time?  Yes  No

If "No", please explain:

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13. Has any employee, representative or other person speaking on behalf of Company made any statement or promise to Franchisee (or to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning:

A. The actual or possible revenues, profits or operating costs of a "UBREAKIFIX" store that is contrary to, or different from, the information contained in the Franchise Disclosure Document?  Yes  No

B. The amount of money Franchisee may earn in operating a "UBREAKIFIX" store, that is contrary to, or different from, the information contained in the Franchise Disclosure Document?  Yes  No

C. The total amount of revenue a "UBREAKIFIX" store will or may generate, that is contrary to, or different from, the information contained in the Franchise Disclosure Document?  Yes  No

D. The costs Franchisee may incur in operating a "UBREAKIFIX" store, that is contrary to, or different from, the information contained in the Franchise Disclosure Document?  Yes  No

E. The likelihood of success that Franchisee should or might expect to achieve from operating a "UBREAKIFIX" store?  Yes  No

14. If the answer to any part of question 13 is "Yes", who made the statement or representation, when, and where? Please provide full details in the following space (attach additional pages if necessary).

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15. Has any employee, representative or other person speaking on behalf of Company made any statement, agreement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the advertising, marketing, training, support, service or assistance that Company will furnish to Franchisee that is contrary to, or different from, the information contained in the Franchise Disclosure Document?  Yes  No

16. Prior to today, has Franchisee entered into any binding agreement with Company concerning Franchisee’s investment in the “UBREAKIFIX” franchise?  Yes  No
17. Prior to today, has Franchisee paid any money to Company relating to Franchisee’s investment in the “UBREAKIFIX” franchise?  Yes  No
18. If Franchisee answered “Yes” to any of questions 15-17, provide a full explanation of each “Yes” answer in the following space (attach additional pages if necessary).
- 
- 
- 
- 
19. Does Franchisee understand that the territorial rights granted by the Franchise Agreement are subject to limitations and exceptions?  Yes  No
20. Does Franchisee understand that Company and its affiliates may conduct, own, and operate, and license others to conduct, own and operate “UBREAKIFIX” stores outside of Franchisee’s Protected Area?  Yes  No
21. Does Franchisee understand that Company and its affiliates may conduct, own and operate, and license others to conduct, own and operate businesses that offer services similar to the services Franchisee will provide under names other than “UBREAKIFIX” inside or outside of Franchisee’s Protected Area?  Yes  No
22. Does Franchisee understand that Company and its affiliates and other franchisees may advertise within and pass through Franchisee’s Protected Area?  Yes  No
23. Does Franchisee understand that Company and its affiliates may manufacture, produce, licenses, distribute and/or market products and equipment through any outlet (whether within or outside of Franchisee’s Territory) and through any distribution channel?  Yes  No
24. Does Franchisee understand that it does not have the right to provide certain consulting services?  Yes  No
25. Does Franchisee understand that Company and its affiliates and others may operate stores identified by “UBREAKIFIX” (or other Marks) which offer and sell products and services through other channels of distribution, including at or through physical locations, including home improvement stores, garden centers, trade shows, department stores, specialty stores, and kiosks, even though these stores may compete with Franchisee?  Yes  No
26. Does Franchisee understand that the Agreements contains the entire agreement between Franchisee and Company concerning the franchise rights for the “UBREAKIFIX” franchise, meaning that any prior or written statements not set out in the Agreements will not be binding (except that Company may not disclaim statements made in its Franchise Disclosure Document)?  Yes  No



27. If Franchisee answered “No” to any of questions 19-26, provide a full explanation of each “No” answer in the following space (attach additional pages if necessary).

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28. Did Franchisee contact other franchisees of Company to discuss Franchisee’s possible execution of the franchise agreement? [ ] Yes [ ] No

29. If the answer to question 28 was “Yes”, please identify such franchisee(s) (attach additional pages if necessary):

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Franchisee understands that Company is acting in reliance on the truthfulness and completeness of Franchisee’s responses to the questions above in entering into the Franchise Agreement with Franchisee. FRANCHISEE ACKNOWLEDGES AND AGREES THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE SHALL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION OR ARBITRATION PROCEEDING, AND FRANCHISEE HEREBY WAIVES, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE. HOWEVER, NOTHING IN THIS DOCUMENT IS INTENDED TO DISCLAIM THE REPRESENTATIONS COMPANY MADE IN THE FRANCHISE DISCLOSURE DOCUMENT THAT WAS FURNISHED TO YOU.

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

FRANCHISEE

DATED: \_\_\_\_\_

\_\_\_\_\_

(Print name)

Individually and on behalf of:

\_\_\_\_\_

**Exhibit K-1**  
**Form of Asset Purchase Agreement**

# ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “**Agreement**”) is made and entered into as of this \_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_, a [Florida corporation] (“**Seller**”), and \_\_\_\_\_, a \_\_\_\_\_ (“**Buyer**”).

## RECITALS

A. Seller owns the assets located in or used in the operation of a “UBREAKIFIX” business located at: \_\_\_\_\_ (collectively referred to herein as the “**Business**”).

B. Seller desires to sell the Purchased Assets (as defined hereafter) of the Business to Buyer.

C. Buyer desires to buy the Purchased Assets (as defined hereafter) of the Business from Seller, and simultaneously enter into a Franchise Agreement for the Business with UBIF Franchising, Co., a Florida corporation (“**Franchisor**”), together with all related guarantees and other instruments and documents as Franchisor may require (collectively the “**Franchise Agreement**”).

NOW THEREFORE, in consideration of the foregoing recitals and of the covenants, warranties and agreements set forth below and for other valuable consideration received, the parties hereby agree as follows:

### 1. Purchase And Sale Of Assets:

(a) Agreement to Purchase and Sell. On the terms and subject to the conditions contained in this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, effective as of the Closing Date and Effective Time, for the Purchase Price, all Seller’s right title and interest, legal, and beneficial, in and to only the assets of Seller listed on Schedule 1(a) (the “**Purchased Assets**”), as the same shall exist on the Closing Date and Effective Time, and as evidenced by the Bill of Sale and Assignment, in substantially the form, attached hereto as Exhibit A (other than the Excluded Assets).

(b) Excluded Assets. It is hereby expressly agreed by the parties to this Agreement that the Purchased Assets shall in no way include the following “**Excluded Assets**”:

(i) any right to the “UBREAKIFIX” or any related trade names, service marks, trademarks, logos, emblems and other indicia or origin used in connection with the Business, (the “**Marks**”); and (ii) any and all goodwill associated with the Marks;

(ii) All profit-sharing deposits, any claims by Seller against third parties, tax refunds, prepaid consultant fees, prepaid expenses, escrow and/or trust accounts held by or for the benefit of Seller for any purposes, including, without limitation, prepaid insurance premiums and utility deposits;

(iii) All cash, except for \$200 cash in the drawer of the Business.

(iv) Any receivables of Seller for sales and/or services performed by Seller on or before the Closing Date and Effective Time;

(v) Those permits, if any, which by law cannot be transferred by Seller to Buyer;

(vi) The business records and tax records of Seller;

(vii) Any and all bank accounts of Seller; and

(viii) Those items of personal property, if any, listed on Schedule 1(b)(vi) hereof.

2. Purchase Price: As consideration for the purchase and sale of the Purchased Assets, Buyer shall make the following payments and shall assume the following obligations and liabilities of Seller (such payments and the assumption of such obligations and liabilities are referred to collectively as the "**Purchase Price**"):

(a) Consideration For Purchased Assets. Subject to any adjustments required pursuant to this Agreement, Buyer shall pay to Seller the sum of \$\_\_\_\_\_. Payment hereunder shall be made as follows:

(i) \$\_\_\_\_\_ in cash ("**Cash Consideration**") shall be paid at Closing;

(b) Assumption of Certain Obligations. At Closing, Seller shall assign to Buyer and Buyer shall assume and agree to timely perform, pay and discharge, on and after the Closing Date and Effective Time, any and all leases, debts, liabilities, or obligations relating or pertaining to the Purchased Assets (the "**Assumed Obligations**"). Assumed Obligations shall not include: (1) any payables of Seller for any liabilities that are incurred prior to the Closing Date and Effective Time but billed or invoiced on or after the Closing Date and Effective Time; and (2) any loan obligations of Seller.

Without limiting the foregoing, Seller shall sublet or assign the lease of the premises of the Business to Buyer, in accordance with a Sublease Agreement or Lease Assignment Agreement in the form attached hereto as Exhibit B or in the form as approved by Seller's landlord for the premises. Buyer agrees to pay all lease assignment fees. The parties agree that the security deposit for the premises where the Business is located shall belong to Seller. If the landlord permits Seller's security deposit to be transferred to Buyer's account, Buyer shall deliver payment of Seller's paid deposit amount to Seller at Closing or within 30 days after the assignment is completed.

(c) Adjustments.

(i) Seller and Buyer agree to prorate the Minimum Rent and additional rent (including as applicable Base Rent, Common Area Operation Expenses, Taxes and Insurance) ("**Total Rent**") under the Master Lease, and that Seller is only responsible for its proportionate share of Total Rent for the time it operates the Business. Seller's proportionate share of Total Rent is calculated by taking the total number of days between the Closing Date and the last day

of the month. The total number of days is then multiplied by the product of the monthly Total Rent amount multiplied by 12 and divided by 365. If Buyer receives a CAM reconciliation report from a landlord under the Master Lease and the report provides that Buyer is entitled to a refund or credit of an additional rent amount, Buyer shall pay to Seller Seller's prorated share of the additional rent that was overpaid within 30 days after Buyer has received a refund or credit of the overpaid additional rent amount from the landlord. If, however, the CAM reconciliation report requires Buyer to pay more additional rent, Seller shall pay to Buyer Seller's prorated share of the additional rent amount within 30 days after Buyer has paid the additional rent amount to the landlord.

(d) Franchise Fees. Simultaneously with the Closing, Buyer shall pay all initial franchise fees and other payments required by Franchisor as a condition to entering into the Franchise Agreement.

3. Allocation Of Purchase Price: Not less than five (5) days prior to Closing, the parties will agree to an allocation of the Purchase Price among the Purchased Assets which will be attached to this Agreement prior to Closing as Schedule 3. The parties hereto will adhere to such allocation for all purposes, including federal and state income tax purposes. Seller and Buyer agree to cooperate in preparing and filing IRS Form 8594 reflecting that allocation.

4. Closing:

(a) Closing. The closing of the transactions contemplated herein and the transfer of the Purchased Assets shall occur on \_\_\_\_\_, 20\_\_ (the "**Closing Date**"), effective as of 10:00 a.m. (Eastern Time) on the Closing Date (the "**Effective Time**"), at the Business, or such other date and place as the parties may agree (the "**Closing**").

(b) Seller's Deliveries. At Closing, Seller will deliver to Buyer:

(i) a fully executed Bill of Sale and Assignment in substantially the form attached hereto as Exhibit A, conveying in the aggregate all property included in the Purchased Assets;

(ii) fully executed Sublease Agreement or Lease Assignment Agreement in the form attached hereto as Exhibit B or in the form as approved by Seller's landlord for the premises, subletting or assigning the premises of the Businesses to Buyer; or if the Parties are unable to obtain a fully executed Sublease Agreement or Lease Assignment Agreement at Closing, it shall be delivered within a reasonable time after Closing;

(iii) all of Seller's books, records, and files included in the Purchased Assets;  
and

(iv) Tax Clearance Certificate representing that all taxes are paid current.

(c) Buyer's Deliveries. At Closing, Buyer will deliver to Seller:

(i) the Cash Consideration;

(ii) Buyer's share of the prorated rent for \_\_\_\_\_, 20\_\_ to \_\_\_\_\_, 20\_\_;

(iii) \$200 for the \$200 in cash in the drawer for the Business at Closing;

(iv) fully executed Sublease Agreement or Lease Assignment Agreement in the form attached hereto as Exhibit B or in the form as approved by Seller's landlord for the premises, whereby Buyer sublets or accepts assignment of the premises of the Businesses from Seller; or if the Parties are unable to obtain a fully executed Sublease Agreement or Lease Assignment Agreement at Closing, it shall be delivered within a reasonable time after Closing; if the landlord permits Seller's security deposit to be transferred to Buyer's account, Buyer shall deliver payment of Seller's paid deposit amount to Seller at Closing or within 30 days after the assignment is completed.

(v) all such other instruments and documents as are reasonably necessary to complete the transaction contemplated herein; and

(vi) all instruments and other documents shall be in form and substance, and shall be executed in a manner that is reasonably satisfactory to Seller and Buyer.

5. Representations and Warranties Of Seller: Seller hereby represents, warrants and covenants to Buyer on and as of the date hereof, unless stated to the contrary below, and on and as of the Closing Date and Effective Time as follows:

(a) Organization and Good Standing of Seller. Seller is validly existing, duly organized and in good standing under the laws of the State of Florida.

(b) Authority to Enter Into Agreement. Seller has all requisite power, and has obtained the consents, approvals and authorizations necessary to enter into and perform this Agreement and the transactions contemplated herein. All necessary consents and actions by Seller (including any necessary consents or actions of the directors, shareholders and/or members of Seller) have been obtained. This Agreement has been duly executed and delivered by Seller and is a valid and binding obligation, enforceable in accordance with its terms. Each agreement, instrument, schedule and other document (other than this Agreement) which is executed and delivered at Closing or which is otherwise executed and delivered in connection with this Agreement (collectively, the "**Related Documents**") shall have been duly executed and delivered by Seller, and shall be the valid and binding obligation of Seller, enforceable in accordance with its respective terms.

(c) Purchased Assets.

(i) Seller has, and shall convey to Buyer on the Closing Date, good and marketable title to all of the Purchased Assets, free and clear of any lien, encumbrance, pledge, mortgage, security interest, claim, lease (excluding the Master Lease (defined below)), special assessment, unsatisfied pre-emptive right, transfer restriction or any other restriction or limitation, except (i) the Assumed Obligations and (ii) any permitted encumbrances listed on Schedule 5(c)(i).

A true and complete copy of the real estate lease for the Business by and between Seller and its landlord for the premises where the Business is located, together with any amendments, modifications or supplements thereto, and all easements, appurtenances, servitudes, accessories and components, access and use agreements, ancillary leases, such as additional parking and related agreement(s) relating to the premises of the Businesses (collectively the “**Master Lease**”). A copy of the Master Lease is attached hereto as Schedule 5(c)(ii).

(d) If there are any store damages to any of the premises, including all fixtures such as the A/C system that exceed [Five Thousand Dollars (\$5,000)] in the aggregate, Buyer shall notify Seller by the close of business on the Closing Date in order for Seller to have the damages repaired, otherwise, the Buyer will bear responsibility for the needed repairs.

(e) NO OTHER REPRESENTATIONS. EXCEPT AS SET FORTH IN THIS SECTION 5, SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING THE CONDITION OF THE PURCHASED ASSETS, INCLUDING, WITHOUT LIMITATION, THE PROPERTY, THE EQUIPMENT OR PREMISES LEASED OR PURCHASED WITH THE BUSINESS OR THEIR SUITABILITY FOR USE IN ANY OPERATION OR THEIR FITNESS OR MERCHANTABILITY. THE PREMISES AND PURCHASED ASSETS ARE BEING SOLD AND ASSIGNED, AS APPLICABLE, ON AN “AS-IS,” “WHERE-IS,” AND “WITH ALL FAULTS” BASIS AND, AS SUCH, SELLER IS NOT OBLIGATED TO MAKE ANY REPAIRS OR REPLACEMENTS.

6. Representations And Warranties Of Buyer: Buyer hereby represents, warrants and covenants to Seller on and as of the date hereof, unless stated to the contrary below, and on and as of the Closing Date and Effective Time as follows:

(a) Organization and Standing of Buyer. Buyer is validly existing, duly organized and in good standing under the laws of the State of Florida and is qualified to transact business in the State of Florida.

(b) Fees and Commissions. Buyer has not employed, agreed to pay or become liable to pay any consultant’s, broker’s, finder’s, originator’s and/or agent’s fee or commission by reason of services alleged to have been rendered for or at the instance of Buyer in connection with this Agreement, the Related Documents and the transactions contemplated herein, but if Buyer has, Buyer shall be solely liable for any sums due to such consultant, broker, finder, originator and/or agent.

(c) Authority to Enter into Agreements. Buyer has full power and authority to enter into this Agreement and to perform this Agreement and the transactions contemplated herein. All corporate and other proceedings required to be taken by or on the part of Buyer to authorize Buyer to execute, deliver, and carry out this Agreement and each of the Related Documents and to authorize Buyer to complete the acceptance of the assignments, transfers, conveyances, and delivery of the Purchased Assets to Buyer have been duly and properly taken or will have been duly and properly taken prior to Closing. This Agreement has been duly executed by Buyer and is the valid and binding obligation of Buyer enforceable in accordance with its terms subject to the effect of bankruptcy, insolvency, reorganization, moratorium and similar laws from time to time relating to the rights and remedies of creditors. Each Related Document to be executed and

delivered at Closing will have been duly executed by Buyer and will be the valid and binding obligation of Buyer enforceable in accordance with its terms subject to the effect of bankruptcy, insolvency, reorganization, moratorium and similar laws from time to time relating to the rights and remedies of creditors. Neither the execution and delivery of this Agreement and each Related Document by Buyer, nor compliance with their respective terms, will result in the breach or violation of Buyer's organizing articles or other entity governing agreements.

(d) No Conflict with Other Agreements. Neither Buyer's entry into this Agreement nor its consummation of the transaction contemplated herein will result in the breach of any provision of, or constitute a default under, any contract or other obligation to which Buyer is a party or by which Buyer is bound.

7. Covenants And Agreements:

(a) Conduct of Business. Seller warrants that it has operated the Business in accordance with the ordinary course and substantially in the same manner as previously conducted by it.

(b) Expenses. The parties hereto, shall, except as otherwise specifically provided herein, bear their expenses incurred in connection with the preparation, execution and performance with this Agreement, the Related Documents and the transactions contemplated herein, including, without limitation, all fees and expenses of the parties' respective agents, representatives, counsel and accountants.

8. Conditions To Seller's Obligations To Close. The obligation of Seller to enter into and complete the Closing and to consummate the transfer of the Purchased Assets and the transactions contemplated herein are subject to satisfaction of the deliveries by Buyer under Section 4(c), at the option of Seller acting in accordance with the provisions of Section 10 with respect to the termination of this Agreement, to the fulfillment on or prior to the Closing Date of the following conditions, any one or more of which may be waived by Seller:

(a) Representations and Covenants. The representations and warranties of Buyer contained in this Agreement shall be true as of the Closing Date with the same force and effect as though made on and as of the Closing Date. Buyer shall have performed and complied with all covenants and agreements required by this Agreement to be performed and complied in all material respects prior to the Closing Date. Buyer shall have delivered to Seller a certificate, dated as of the Closing Date, and signed by an authorized officer of Buyer on its behalf to the foregoing effect.

(b) Consents. All consents, approvals and waivers from the lessor under the Master Lease and other third parties necessary to permit Seller to transfer the Purchased Assets to Buyer and sublet or assign the premises of the Businesses and as contemplated hereby, or necessary to permit Buyer to conduct the Business as presently conducted, shall have been obtained.

(c) Franchise Agreement. Simultaneously with the Closing, Buyer (and its owners, as applicable) and Franchisor shall have entered into the Franchise Agreement, and Buyer shall have paid all initial franchise fees and other payments required by Franchisor as a condition to the execution thereof.



9. Conditions To Buyer's Obligation To Close: The obligation of Buyer to enter into and complete the Closing and to consummate the transfer of the Purchased Assets and the other transactions contemplated herein are subject, in addition to satisfaction of the deliveries by Seller under Section 4(b), at the option of Buyer acting in accordance with the provisions of Section 10 with respect to the termination of this Agreement, to the fulfillment on or prior to the Closing Date of the following conditions, any one or more of which may be waived by Buyer:

(a) Representations and Covenants. The representations and warranties (including the Schedules) of Seller contained in this Agreement shall be true on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date. Seller shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by Seller, on or prior to the Closing Date. Seller shall have delivered to Buyer a certificate, dated as of the Closing Date, signed by an authorized officer of Seller to the foregoing effect.

10. Termination: This Agreement may be terminated at any time prior to the consummation of the transactions contemplated herein on the Closing Date as follows:

(a) Mutual Agreement. By mutual written agreement of Seller and Buyer; or

(b) By Buyer. By written notice of Buyer to Seller if (i) Closing has not occurred by the Closing Date or (ii) any condition to the obligations of Buyer set forth in Sections 7 or 9 is not satisfied on or prior to the Closing Date and such condition is not waived by Buyer on or prior to the Closing Date, and (iii) Buyer is not in material default of its obligations under this Agreement; or

(c) By Seller. By written notice of Seller to Buyer if (i) Closing has not occurred by the Closing Date or (ii) any condition to the obligations of Seller set forth in Section 8 is not satisfied on or prior to the Closing Date and such condition is not waived by Seller on or prior to the Closing Date, and (iii) Seller is not in material default of its obligations under this Agreement; or

(d) Liabilities of the Parties. In the event of the termination of this Agreement by any party hereto pursuant to this Section, the parties hereto shall have no liability under this Agreement of any nature whatsoever (other than pursuant to this Section 10(d) to the other parties hereto (including without limitation, any liability for damages or for the costs and expenses incurred in connection with the negotiation of this Agreement), unless any party is in default under its obligations under this Agreement, in which event the party in default shall be liable to the other parties for such default, and such non-defaulting parties shall be entitled to any and all remedies available at law or in equity or under this Agreement. In the event that a condition precedent to the obligations of a party hereto is not satisfied, nothing herein shall be deemed to require any such party to terminate this Agreement rather than to waive such condition precedent and proceed with the Closing.

11. Further Assurances: Seller and Buyer agree that they will, from time to time on or after the Closing Date when so requested by the other, perform, execute, acknowledge, or deliver or cause to be performed, executed, acknowledged or delivered, all such further acts, deeds,

assignments, transfers, conveyances, documents, instruments and assurances as may be reasonably necessary or advisable to carry out the provisions of this Agreement or any Related Document or to effectuate the consummation of any transactions contemplated herein, including without limitation, putting Buyer in possession and operating control of the Purchased Assets and the Business.

12. Miscellaneous:

(a) Assignment. This Agreement shall be binding upon and inure to the benefit of, and be enforceable by, the parties hereto and their respective heirs, executors, successors and assigns, provided that this Agreement shall not be assignable by any party without the prior written consent of the other party.

(b) Entire Agreement. This Agreement, together with all exhibits and schedules and all Related Documents, is the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties. No representation or warranty has been made by or on behalf of any party to this Agreement, or any officer, director, employee, agent or representative thereof, to induce the other party to enter into this Agreement or to abide by or consummate any of the transactions contemplated herein, except the representations and warranties expressly set forth herein. No representations, inducement, agreement, promise or understanding altering, modifying, taken from or adding to the terms and conditions hereof shall have any force or effect unless the same is in writing and validly executed by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

(c) Notice. All notices or other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given if sent by registered or certified mail, postage-prepaid, and return receipt requested or other means which affords the sender evidence of delivery, or of attempted delivery, addressed as follows:

If to Buyer, to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

If to Seller, to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

The addresses so indicated for any party may be changed by similar written notice. Notices shall be deemed effective as of the date of their receipt, not as of the date of their delivery.

(d) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be treated as an original (including telecopied or facsimile copied counterparts of this Agreement containing signatures if the original of any such counterpart is delivered to the other parties hereto by overnight courier for receipt the next business day), but all of which, collectively, shall constitute a single instrument.

(e) Severability. In the event that any one or more of the provisions contained in this Agreement or in any other Related Document shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any Related Document.

(f) Sales and Transfer Taxes. All sales, use, transfer or other taxes or fees attributable to the transfer of the Purchased Assets, as well as all charges for or in connection with recording of any document herein provided shall be paid by Buyer.

(g) Captions. The captions in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

(h) No Benefit to Third Parties. Except as specifically set forth or referred to herein, nothing in this Agreement is intended or shall be construed to confer upon or give to any person or corporation other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

(i) Governing Law. This Agreement, and any disputes arising out of or relating to this Agreement, shall be governed by and construed in accordance with the laws of the State of Florida.

(j) Remedies. Except as expressly provided herein, the rights, obligations and remedies created by this Agreement and the Related Documents are cumulative and in addition to any other rights, obligations or remedies otherwise available at law or in equity.

(k) Amendments. This Agreement may not be amended, modified or altered except by a written instrument executed by all parties hereto.

(l) Gender; Number. As used herein, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the others whenever the contents so indicates.

(m) Attorneys' Fees. Should any party be required to bring legal action to enforce its rights under this Agreement, the prevailing party in such action shall be entitled to recover from the losing party its reasonable attorneys' fees and costs in addition to any other relief to which it is entitled.

(n) Interpretation. The language of this Agreement shall not be construed against any party, it being understood that all parties have participated in the negotiation and drafting of this Agreement.

*[SIGNATURE PAGE FOLLOWS]*

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

**“SELLER”**

\_\_\_\_\_  
a \_\_\_\_\_ [corporation]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: President

**“BUYER”**

\_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**  
**BILL OF SALE AND ASSIGNMENT**

**BILL OF SALE AND ASSIGNMENT**

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ § KNOW ALL PERSONS BY THESE PRESENTS:

**BY THIS BILL OF SALE AND GENERAL ASSIGNMENT ("BILL OF SALE"),**  
\_\_\_\_\_, a \_\_\_\_\_ [corporation] ("Assignor"), hereby assigns and transfers to \_\_\_\_\_ ("Assignee"), the receipt and sufficiency of which are hereby acknowledged, do assign, transfer, set over and deliver to Assignee all of Assignor’s right, title and interest in and to the assets of Seller listed on Schedule 1(a) (the "Purchased Assets"), as the same shall exists on the date hereof; and

It is hereby expressly provided that Assignor does hereby warrant and forever defend, all and singular, those items of Purchased Assets unto Assignee, or its successors and assigns, against every person whomsoever claiming by, through or under Assignor, but not otherwise.

ASSIGNOR HEREBY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES AS TO OWNERSHIP, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE AND ANY AND ALL OTHER WARRANTIES OR REPRESENTATIONS AS TO THE PHYSICAL CONDITION OF THE PURCHASED ASSETS.

ASSIGNEE ACKNOWLEDGES AND AGREES THAT IT HAS INSPECTED THE PURCHASED ASSETS AND ACKNOWLEDGES THAT THE PURCHASED ASSETS ARE BEING SOLD AND ASSIGNED, AS APPLICABLE, ON AN “AS-IS,” “WHERE-IS,” AND “WITH ALL FAULTS” BASIS AND, AS SUCH, SELLER IS NOT OBLIGATED TO MAKE ANY REPAIRS OR REPLACEMENTS AND THAT ASSIGNOR MAKES NO REPRESENTATION OR WARRANTY CONCERNING THE CONDITION OF THE PURCHASED ASSETS, INCLUDING, WITHOUT LIMITATION, THE PROPERTY, THE EQUIPMENT OR PREMISES LEASED OR PURCHASED WITH THE BUSINESS OR THEIR SUITABILITY FOR USE IN ANY OPERATION OR THEIR FITNESS OR MERCHANTABILITY. THE PREMISES AND PURCHASED ASSETS

The parties hereto agree to execute and deliver such further agreements, instruments and documents and to take such other action as may be reasonably necessary or appropriate to carry out or confirm the purposes or intent of this Bill of Sale.

This instrument may be executed in any number of counterparts, each to be an original, but all of which shall constitute one instrument, and it shall be sufficient if any parties hereto executes at least one such counterpart.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Bill of Sale and General Assignment to be executed on the respective dates set forth below, and to be effective as of \_\_\_\_\_, 20\_\_.

**ASSIGNOR:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title:

**ASSIGNEE:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title:

**EXHIBIT B**

**SUBLEASE or LEASE ASSIGNMENT AGREEMENT**



**ASSIGNMENT AND ASSUMPTION OF  
LEASE AGREEMENT**

**THIS ASSIGNMENT AND ASSUMPTION OF LEASE** (“Assignment”) is made as of this \_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_ (“Assignor”), and \_\_\_\_\_ Assignee”).

**W I T N E S S E T H:**

**WHEREAS**, Assignor, as tenant, entered into a Lease Agreements with Landlord, occupying the real property more specifically described in Exhibit A.

**WHEREAS**, Assignor desires to assign all of its right, title and interest in and to the Leases to Assignee, and Assignee desires to assume all such right, title and interest in and to the Agreement from Assignor.

**NOW THEREFORE**, in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Any term not otherwise defined herein shall have the meaning ascribed to it under the Agreement.
3. Assignor hereby assigns, transfers, conveys and delegates to Assignee, and Assignee hereby accepts from Assignor, all of Assignor’s right, title, interest, duties and obligations in, to and under the Leases and all security deposits in the amount of \$\_\_\_\_\_ and all claims, rights, benefits and privileges, if any, that Assignor may have or to which Assignor may be entitled under or by virtue of the Leases. It is the intention of the parties hereto that Assignee shall have and be vested with all of the same rights, benefits, risks and obligations conferred upon and undertaken by Assignor in the Leases as though, and to the same extent as if, Assignee had been named Tenant in the Leases;
4. Assignee hereby accepts the assignment of the rights, duties and obligations of Assignor in, to and under the Leases and assumes and agrees to perform and observe all agreements, covenants and obligations to be performed and observed by Assignor under the Leases.

**IN WITNESS WHEREOF**, Assignor and Assignee have caused this Assignment to be duly executed as of the day and year first above written. Signatures on following page.

**“ASSIGNOR”**

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_

**“ASSIGNEE”**

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Landlord here by acknowledges and consents to the assignment of this lease:

**“LANDLORD”**

By: \_\_\_\_\_  
Name Printed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_

## **Schedule 1(a)**

### **Purchased Assets**

The Purchased Assets, excluding the Excluded Assets, are as follows:

1. All leases, furniture, fixtures, machinery, parts, inventory, equipment, leasehold improvements, computers, software (excluding data not relating to the Business, which Seller shall remove from computers included among the Purchased Assets prior to Closing), and other tangible personal property used in the Business, including those assets specifically described, together with all manufacturers' warranties pertaining to the same, to the extent that such warranties may exist and are assignable;
2. All of Seller's goodwill relating to the Business;
3. All transferable licenses, permits, certificates, authorizations, accreditations, orders, ratings and approvals of all federal, state, or local government or regulatory authorities which relate to the Business and which are held by Seller;
4. Any and all rights of Seller's which by their terms are transferable and which arise under or pursuant to warranties, representations and guarantees made by suppliers in connection with the Purchased Assets;
5. All raw materials, supplies, packaging materials, purchased products, finished goods and all other goods, merchandise and materials, including parts and accessories, owned by Seller; and
6. All receivables and unbilled work in process.

**Schedule 1(b)(vi)**

**Excluded Assets (Items of Personal Property)**

### Schedule 3

#### Allocation of Purchase Price

1. Inventory- \$ \_\_\_\_\_
2. Fixtures- \$ \_\_\_\_\_
3. Goodwill- \$ \_\_\_\_\_

**Schedule 5(c)(i)**

**Permitted Encumbrances**

**Schedule 5(c)(ii)**

**Master Lease**

**Exhibit K-2**  
**Form of Stock/LLC Membership Purchase Agreement**



## [STOCK / MEMBERSHIP INTEREST] PURCHASE AGREEMENT

This [STOCK / MEMBERSHIP INTEREST] PURCHASE AGREEMENT (this “Agreement”) is made as of \_\_\_\_\_, 201\_\_ between \_\_\_\_\_ (“Buyer”) and \_\_\_\_\_ (“Seller”).

### RECITALS

A. Seller is the record and beneficial owner of [\_\_\_\_\_ shares of common stock of][\_\_\_% of the membership interest in] (the “Ownership Interest”) of \_\_\_\_\_, a \_\_\_\_\_ [corporation][limited liability company](the “Company”).

B. Seller desires to sell and Buyer desires to purchase the Ownership Interest, and the parties wish to enter into this Agreement to specify certain terms and conditions with respect to such transaction.

NOW, THEREFORE, in consideration of the foregoing recitals and of the covenants, warranties and agreements set forth below and for other valuable consideration received, the parties hereby agree as follows:

1. Purchase and Sale of the Ownership Interest. Buyer hereby agrees to purchase from Seller, and Seller hereby agrees to sell to Buyer, all of the Ownership Interest [for \$\_\_\_\_\_ per share], for an aggregate purchase price in the amount of \$\_\_\_\_\_ (the “Purchase Price”). Buyer shall pay the Purchase Price in cash at Closing (as defined below).

2. Closing. The closing of the purchase and sale of the Ownership Interest hereunder (the “Closing”), including payment for and delivery of the Ownership Interest, shall occur concurrently with the execution of this Agreement, or at such time and place as the parties may mutually agree.

3. Closing Deliveries and Conditions.

(a) At the Closing, in consideration of the Purchase Price, Seller shall execute and deliver to Buyer one or more [stock certificates] [evidence representing the] Ownership Interest, together with an [irrevocable stock power][assignment of Ownership Interest] in substantially the form of Exhibit A hereto, which shall be duly endorsed in blank, and such other documentation that Buyer shall reasonably request.

(b) Closing shall be subject to Company executing, contemporaneously with the execution of this Agreement, a Franchise Agreement with UBIF Franchising, Co., a Florida corporation.

4. Seller’s Representations and Warranties. Seller hereby represents and warrants to Buyer as follows (which representations and warranties shall be true and correct on the date hereof and on the date of Closing, and which shall survive the Closing):

(a) Seller is the lawful record owner of, and has good and marketable title to, the Ownership Interest. The Ownership Interest is owned by Seller free and clear of all liens, encumbrances, security interests, equities, claims, options, licenses, charges and assessments, and are subject to no restriction with respect to transferability by Seller to Buyer, except compliance with applicable securities laws.

(b) This Agreement is a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, that Seller has all right, legal capacity, authority and requisite legal power to enter into this Agreement and to carry out and perform Seller's obligations under the terms of this Agreement.

(c) The transactions contemplated herein do not violate or conflict with the terms of any agreement applicable to Seller or of any governmental order, ruling or finding, including without limitation any court judgment or decree applicable to Seller or its assets. In addition, such transactions do not violate, nor are they inconsistent with, the rights of any other person or entity.

(d) To the best of Seller's knowledge, the offer and sale of the Ownership Interest has not been accompanied by the publication of any advertisement and has not been effected by or through a broker dealer in a public offering.

5. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as follows (which representations and warranties shall be true and correct on the date hereof and on the date of Closing, and which shall survive the Closing):

(a) This Agreement is a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, that Buyer has all requisite power and authority to enter into this Agreement and to carry out and perform Buyer's obligations under the terms of this Agreement.

(b) Buyer is acquiring the Ownership Interest for investment for Buyer's own account and not with the view to, or for resale in connection with, any distribution, assignment or resale within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**"), to others. Buyer is an "accredited investor" as defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act. Buyer acknowledges that it is informed as to the risks of the transactions contemplated hereby and of ownership of the Ownership Interest. Buyer understands that the Ownership Interest have not been registered under the Securities Act or under any State securities laws by reason of specific exemptions from the registration provisions of the Securities Act and such State laws, which exemptions may depend upon, among other things, the bona fide nature of the investment intent as expressed herein.

(c) To the best of Buyer's knowledge, the offer and sale of the Ownership Interest has not been accompanied by the publication of any advertisement and has not been effected by or through a broker dealer in a public offering.

(d) Buyer has not relied on any representation or statement of the Company in making its investment decision in purchasing the Ownership Interest.

(e) On or before \_\_\_\_\_, 20\_\_, Buyer and Company received a copy of the Franchise Disclosure Document of UBIF Franchising, Co., a Florida corporation, dated as of \_\_\_\_\_, 20\_\_ (the “**FDD**”), and may have been provided with unaudited, written information concerning the actual historical financial performance of the Company. Except as provided in the FDD, Buyer has not relied on any statement of Seller or Company in making its investment decision in purchasing the Ownership Interest to be sold by Seller.

6. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to the other party hereto at his address hereinafter shown below its signature or at such other address as such party may designate by 10 days advance written notice to the other party hereto.

7. Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon Seller and Purchaser and their respective heirs, executors, administrators, successors and assigns.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to conflict of law principles that would result in the application of any law other than the law of the State of Florida.

9. Further Assurances. The parties agree to execute such further instruments and take all such further action(s) as may reasonably be necessary to carry out the intent of and consummate this Agreement as soon as practicable, and to take whatever steps may be necessary to obtain any governmental approval in connection with or otherwise qualify the issuance of the securities that are the subject of this Agreement.

10. Entire Agreement; Miscellaneous. This Agreement contains the complete agreement among the parties with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings among the parties with respect to such transactions. Section and other headings are for reference purposes only and shall not affect the interpretation or construction of this Agreement. The parties hereby have not made any representation or warranty except as expressly set forth in this Agreement. Should any part of this Agreement be declared invalid, void or unenforceable, all remaining parts shall remain in full force and effect and shall in no way be invalidated or affected. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto.

11. Attorneys’ Fees. In the event a lawsuit is instituted by any party concerning a dispute under this Agreement, the prevailing party in such lawsuit shall be entitled to recover from the losing party all reasonable attorneys’ fees, costs of suit and expenses (including fees, costs and expenses of appeals), in addition to whatever damages or other relief the injured party is otherwise entitled to under law and in connection with such dispute.

12. Independent Advice. Each party has been provided with an opportunity to consult with his own counsel and/or other personal advisors with respect to this Agreement and has done so to the extent he has deemed necessary or advisable. Each party acknowledges that he has not relied on any tax, legal or other advice regarding the transactions referenced herein from the Company

or any other party or any of their respective affiliates, professional advisors or other representatives. Each party acknowledges that counsel for UBIF Franchising, Co (“**UBIF Counsel**”) has prepared the initial draft of this Agreement for the benefit of the Seller. Each of the parties acknowledges that UBIF Counsel does not does not represent either Buyer or Seller in the absence of a clear and explicit written agreement to such effect between the Buyer or Seller, on the one hand, and UBIF Counsel (and then only to the extent specifically set forth in such agreement), on the other hand, and that in the absence of any such agreement UBIF Counsel shall owe no duties directly to the Buyer or Seller. Each of Buyer and Seller further acknowledges that, whether or not UBIF Counsel has in the past represented or is currently representing such person with respect to other matters, UBIF Counsel has not represented the interests of either Buyer or Seller in the preparation and negotiation of this Agreement.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed an original and all of which together shall constitute one and the same instrument. The parties agree that this Agreement shall be legally binding upon the electronic transmission, including by facsimile or email, by each party of a signed signature page to this Agreement to the other party.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

**BUYER:**

**SELLER:**

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Name]

Address: \_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT A**

**Form of Irrevocable [Stock Power][Assignment]**

See attached.

**IRREVOCABLE [STOCK POWER][ASSIGNMENT]**

[Company Name: \_\_\_\_\_ (“Company”)]

FOR VALUE RECEIVED, the undersigned, \_\_\_\_\_, does hereby sell, assign, transfer and convey unto \_\_\_\_\_ an aggregate of [\_\_\_\_\_ (\_\_\_\_\_) shares of Common Stock] [its \_\_\_% Ownership Interest in] Company, standing in its name on the books of the Company [and represented by Certificate No. \_\_\_\_\_ or any replacement certificate or certificates therefor].

[The undersigned does hereby irrevocably constitute and appoint \_\_\_\_\_ as its attorney-in-fact and agent to transfer said stock on the books of the Company with full power of substitution in the premises.]

Date: \_\_\_\_\_

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[printed]

**Exhibit K-3**

**Secured Promissory Note**



**SECURED PROMISSORY NOTE**

\$ \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
\_\_\_\_\_, 20\_\_\_\_

In installments as herein stated, for value received, the undersigned ("Franchisee") promises to pay to \_\_\_\_\_ ("UBIF"), or order, at 200 South Orange Avenue, Suite 200 Orlando, Florida 32801 the principal sum of \$ \_\_\_\_\_ interest from date on the unpaid principal at the rate of up to \_\_\_\_\_% per annum. Principal and interest under this Note shall be due and payable in \_\_\_\_\_ equal \_\_\_\_\_ installments of \$ \_\_\_\_\_ on the \_\_\_\_\_ day of each month, commencing \_\_\_\_\_, 20\_\_\_\_ and continuing until \_\_\_\_\_, 20\_\_\_\_ on which day all principal then remaining unpaid and all accrued but unpaid interest shall be payable in full. Principal and interest evidenced hereby are payable only in lawful money of the United States.

Franchisee shall, at its sole cost and expense, instruct its bank to pay the installment amount specified above directly to UBIF from Franchisee's account, by electronic funds transfer or such other automatic payment mechanism which UBIF may designate ("EFT") and Franchisee shall execute or re-execute and deliver to UBIF such pre-authorized check forms and other instruments or drafts required by UBIF's bank, payable against Franchisee's bank account, to enable UBIF to draw the amounts payable under the terms of this Promissory Note. Franchisee shall concurrently herewith execute and deliver UBIF's current form of EFT authorization, which is attached hereto as Exhibit A. Franchisee must, maintain a single bank account for such payments and shall maintain a sufficient balance in such account to cover the installment payments when due, and shall maintain all applicable EFT instructions and authorizations in full effect until the Promissory Note has been paid in full, or until UBIF otherwise consents in writing. Franchisee shall not alter or close such account except upon UBIF's prior written approval. Any failure by Franchisee to implement such EFT system in strict accordance with UBIF's instructions shall constitute a material default of this Promissory Note and the Purchase Agreement (defined below).

Each payment shall be credited first on interest then due, and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Should interest not be so paid, it shall thereafter bear like interest as the principal, but such unpaid interest so compounded shall not exceed an amount equal to simple interest on the unpaid principal at the maximum rate permitted by law.

All agreements between the undersigned and the holder of this Note are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof, acceleration of maturity of the unpaid principal balance, or otherwise, shall the amount paid or agreed to be paid to the holder hereof for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable hereto. If fulfillment of any provision hereof or any instrument securing this Note or any other agreement referred to herein, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any circumstances the holder hereof shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due hereunder and not to the payment of interest. This provision shall control every other provision of all agreements between the undersigned and the holder hereof.

This Note is referred to and arises out of a \_\_\_\_\_ dated as of \_\_\_\_\_, \_\_\_\_\_ between the undersigned and UBIF (the "Purchase Agreement"). Pursuant to the Purchase Agreement, this Note is secured by certain personal property as specified therein. No reference herein to said Purchase Agreement and no provision of this Note shall alter or impair the obligation of the undersigned, which is absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, and in the currency herein prescribed. Franchisee shall at UBIF's request, execute a "Security Agreement" on terms prescribed by UBIF, including:

(a) As additional security for the performance of Franchisee's obligations under the Purchase Agreement and any promissory note executed by Franchisee, Franchisee hereby grants UBIF a security interest in and to all of Franchisee's personal property located at its "UBREAKIFIX" Store(s) and used in operating its "UBREAKIFIX" Store(s), including inventory, fixtures, furniture, equipment, accounts, supplies and products. Franchisee shall execute whatever documents are required and provide any information requested by UBIF to file and protect the validity, priority and enforceability of UBIF's security interest, such as a security agreements and a UCC-1 Financing Statement.

(b) If Franchisee defaults in the performance of any of the terms and conditions of the Purchase Agreement or any promissory note executed by Franchisee, then UBIF may, in its sole discretion, exercise its rights with respect to the security to the extent allowed by law. UBIF's rights are in addition to any other rights or remedies UBIF may have under the Purchase Agreement, any promissory note, or at law or in equity.

(c) Upon written request by Franchisee, UBIF may, in its discretion, subordinate its security interest to the lien of any independent institutional lender providing financing to Franchisee for the purchase of the franchise, but any such subordination must be evidenced in writing, executed by UBIF, containing terms of subordination reasonably acceptable to UBIF, and Franchisee must reimburse UBIF for fees and expenses, including attorney's fees, incurred in connection with the foregoing.

(d) The parties specifically agree that if UBIF enforces its security interest as a result of Franchisee's default, Franchisee shall remain liable for any deficiency and shall be entitled to recover any surplus after application of the security.

Should default be made in the payment of any installment when due, the whole sum of principal and interest and the amount of any accrued but unpaid late charges shall, at the option of the holder this note, become immediately due and payable, provided that there shall be no acceleration of due dates until the holder of the note shall have given written notice to maker of such default and such default shall not have been remedied within 5 days from the giving of such notice. This Note shall also automatically become due and payable, without notice or demand and without the need for any action or election by the holder hereof, in the event of any termination or expiration of the Franchise Agreement between Franchisee and UBIF Franchising Co. dated \_\_\_\_\_, 20\_\_ (the "Franchise Agreement") or any Assignment (as defined in the Franchise Agreement), or any failure to pay when due any payment of any sums due to holder under the Purchase Agreement, or the failure in the performance or observance by the undersigned of any of the terms or conditions under the Purchase Agreement after giving effect to any applicable curative period which may be contained therein.

Upon any default hereunder, in addition to any other rights which the holder of this Note may have, the holder shall have the right to foreclose upon the collateral, as set forth Purchase Agreement and in the Security Agreement, if applicable. The remedies of the holder of this Note are not exclusive, and election by the holder of any remedy hereunder shall not be deemed a waiver of any other remedies which the holder may have.

If this Note or any installment of principal or interest is not paid when due, whether at maturity or by acceleration, the undersigned promises to pay all costs of collection, including without limitation, actual attorneys' fees, and all expenses in connection with the protection or realization of the collateral securing this Note or the enforcement of any guaranty hereof incurred by the holder hereof on account of such collection, whether or not suit is filed hereon or thereon.

The maker of this Note shall have the right to prepay all or any portion of this Note at any time without penalty; provided however that all accrued interest on the amount to be prepaid and all late charges payable hereunder are also paid at such time, and provided, further, that the amount to be prepaid is not less than \$1,000 and the amount to be prepaid is an integral multiple of \$100. Such prepayments will be applied to the final payment of principal under this Note or the principal components of the remaining payments under this Note, in the order or inverse order of maturity, all as the holder hereof may determine.

Assignment by Holder. All rights of holder hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of, either in whole or in part, without notice to the undersigned. The assignee's rights shall be

free from all defenses, set-offs or counterclaims which the undersigned may be entitled to assert against UBIF. No such assignee shall be obligated to perform any duty, covenant or condition required to be performed by UBIF.

Assignment by Maker. This Note may not be changed, modified, amended or assigned or terminated other than by a written instrument executed by the maker and payee hereof. The entire amount of this Note, including all accrued interest, shall become immediately due and payable at the option of the Holder in the event of any transfer or assignment of this Note by Maker, or of any "Assignment" (as defined in Appendix 1 of the Franchise Agreement), or the sale, conveyance, transfer or disposition by the undersigned of the personal property and improvements which have been pledged as security for the Purchase Agreement (or for this Note), or any part thereof, or any interest therein, whether voluntarily, involuntarily or otherwise (other than the sale of inventory in the ordinary course of business).

If the undersigned consists of more than one person or entity, their obligation hereunder shall be joint and several. If the undersigned is a partnership or joint venture, each general partner or joint venturer of the undersigned shall be jointly and severally liable for this Note and hereby waives any requirement of law that in the event of a default hereunder the holder hereof exhaust any assets of the partnership or joint venture before proceeding against such general partner's or joint venturer's assets or against such general partner or joint venturer. Maker hereby waives presentment, demand, protest, notice of protest and notice of dishonor.

Governing Law. This note shall be interpreted and enforced in accordance with the laws of the State of Florida, including applicable statutes of limitations and other such procedural statutes, without reference to such State's conflict of law rules, which shall also govern the resolution of any dispute or claim relating hereto.

**If an entity, complete and sign below:**

\_\_\_\_\_,  
(print name of entity above)

Check one:

- a \_\_\_\_\_ general partnership
- a \_\_\_\_\_ limited partnership;
- a \_\_\_\_\_ limited liability company;
- a \_\_\_\_\_ corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**If individual(s), print name and sign below:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Exhibit "A"  
Electronic Funds Transfer

Authorization To Honor Charges Drawn By and Payable To

\_\_\_\_\_ (“UBIF”)

Bank Name	Account No.	ABA#	FEIN
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\_\_\_\_\_

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, “debits”) drawn on such account which are payable to the above named Payee. It is agreed that Depository’s rights with respect to each such debit shall be the same as it if 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, depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from 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 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 Depositor’s own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository’s or Payee’s participation therein.

Name of Depository: \_\_\_\_\_

Name of Depositor: \_\_\_\_\_

Designated Bank Account: \_\_\_\_\_

(Please attach one voided check for the above account)

Store Location: \_\_\_\_\_

Store #: \_\_\_\_\_

For information call: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

\_\_\_\_\_  
Name of Franchisee/Depositor (please print)

By: \_\_\_\_\_

Signature and Title of Authorized Representative

Date: \_\_\_\_\_

**Exhibit L**

**Template National Account Participation Agreement**

# **UBREAKIFIX**

## **NATIONAL ACCOUNT PARTICIPATION AGREEMENT**

**THIS NATIONAL ACCOUNT PARTICIPATION AGREEMENT (“Agreement”)** is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”) by and between **UBIF Franchising Co (“Franchisor”)**, and \_\_\_\_\_ (“**Franchisee**”), with reference to the following facts.

A. Franchisor and Franchisee are parties to one or more Franchise Agreements (each a “**Franchise Agreement**”), pursuant to which Franchisee operates “**UBREAKIFIX**” Store(s) (each a “**Store**”). Franchisor and Franchisee agree that the Franchise Agreement(s) and all of its/their terms are incorporated by reference as if they are set forth herein. Capitalized terms used herein shall have the meanings given such terms in the Franchise Agreement(s) unless otherwise expressly defined herein.

B. Pursuant to Sections 2.3 and 2.4 of the Franchise Agreement(s), Franchisor reserves the exclusive right to solicit, enter into, and administer national and/or regional contracts with National Accounts, and to establish System Standards governing the marketing, solicitation, sale and provision of services by franchisees to National Accounts.

C. Franchisor has entered into an agreement with \_\_\_\_\_ (“**Company**”), dated on or about \_\_\_\_\_, as may be further amended in the future through amendments and/or additional Statements of Work (the “**Company Agreement**” or “**Company National Account**”), and Franchisee desires to provide services to Company customers on Franchisor’s behalf, at Franchisee’s authorized Store(s) within Franchisee’s Territory(ies) (as defined in the Franchise Agreements) on the terms and conditions set forth in this Agreement, and Franchisor is willing to grant Franchisee such right under the terms and conditions of this Agreement. Franchisee also acknowledges receipt of the Material Terms (as defined below) of the Company Agreement, as modified by Franchisor and attached hereto as Exhibit A.

**NOW, THEREFORE**, the parties agree as follows:

1. Franchisee Agreement to Participate.

1.1 Franchisee agrees during the Term of this Agreement to participate in the Company National Account program and to provide those certain repair services and related goods and services from Franchisee’s authorized **UBREAKIFIX** Store Locations, as required by the Company Agreement and as delegated to Franchisee by Franchisor and Company (the “**Services**”) to certain mobile telecommunications equipment and consumer electronics devices in strict accordance and conformity with (a) the terms and conditions of the Company Agreement, and (b) with Franchisor’s System Standards.

1.2 Franchisee also understands and acknowledges that Company reserves the right to terminate the Company Agreement in the event of any breach of its terms, whether by Franchisor or any franchisee. Accordingly, the rights granted to the Franchisee under this Agreement are non-exclusive and Franchisor expressly reserves, in addition to the rights reserved in the Franchise Agreement(s), the exclusive, unrestricted right, in its discretion, to perform or assign and delegate the performance of some or all of the Services contemplated hereunder, including within the Territory(ies), to itself, and to its Affiliates, representatives, franchisees, licensees, assigns, agents and or any other Person, temporarily or permanently, in its discretion and without compensation to Franchisee. Without limiting the generality of the foregoing, if Franchisor at any time feels insecure about Franchisee’s ability to continuously, fully and faithfully perform the Services hereunder, or if Franchisee fails to comply with the terms of this Agreement, or otherwise fails to meet all System Standards, Franchisor may offer the arrangement with the National Account to another franchisee or retain the same for Franchisor’s or its Affiliate’s account, regardless where the customer may be located, including within Franchisee’s Territory.

1.3 In its sole discretion, Franchisor may authorize Franchisee on a temporary and non-exclusive basis, to provide Services hereunder in Unassigned Areas contiguous to the Territory(ies) upon such terms and subject to such conditions, and during such time period(s), as Franchisor may determine. After Franchisor gives

notice to cease operating in the Unassigned Area, Franchisee shall, without compensation, engage in an orderly transition of Franchisee's customers in the applicable Unassigned Area to the new franchisee, Franchisor or its Affiliate, as applicable.

2. Term. The term of this Agreement ("**Term**") shall commence on the Effective Date (subject to Section 3) and shall continue on a month to month basis, subject to termination by Franchisor on 15 days' prior written notice to Franchisee, with or without cause, and for any reason in its sole discretion, or until terminated for cause pursuant Section 8 below.

3. Conditions Precedent. Franchisee acknowledges that this Agreement and Franchisee's right to provide services to Company customers at any Store pursuant to this Agreement, is subject to the following conditions precedent which must be satisfied if at all within 30 days following the Effective Date, and if all of such conditions have not been satisfied by such date, then this Agreement shall be deemed null and void and of no force or effect:

- a) Franchisee shall have fully performed, in all material respects, all of its obligations under the Franchise Agreement(s), the Manuals and all other agreements then in effect between Franchisee (or its Affiliates) and Franchisor (or its Affiliates);
- b) Franchisee, and Franchisee's employees, as applicable, shall comply with Franchisor's then-current qualification, training and certification requirements at Franchisee's expense; and
- c) Franchisee shall at its expense acquire such equipment, and take and complete such other tasks, reasonably requested by Franchisor to facilitate the provision of Services in accordance with this Agreement.

4. Agreement to Comply with Terms of Company Agreement. Franchisee agrees to adhere to the material terms of the Company Agreement, and any future amendments and/or additional Statements of Work, as if Franchisee is a contracting party with Company. The current essential terms, conditions, and provisions of Company Agreement, as modified by Franchisor where appropriate, is attached hereto as Exhibit A, and incorporated herein by this reference, and are subject to further modification by Franchisor upon notice to Franchisee ("**Material Terms**").

4.1 Franchisee shall be responsible for (i) any acts or omissions of Franchisee or its employees; (ii) any breach by Franchisee or its employees of any of the Material Terms; and (iii) any present or future financial obligations of Franchisee.

4.2 Franchisee shall at all times, at its own expense, comply with all of the Material Terms. The Material Terms, include, but are not limited to:

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_

4.3 The requirements of the Franchise Agreement(s) shall also apply to Franchisee's performance hereunder, except to the extent otherwise expressly stated herein to the contrary.

4.4 In addition to the foregoing Material Terms, Franchisee agrees:

a) Franchisee shall use OEM parts or OEM-quality parts for every repair and the parts must be purchased from uBreakiFix Repair Parts Co a/k/a Distro ("Distro"). If said parts are not available from Distro, Franchisee may purchase them from any supplier but the parts must adhere to OEM quality standards;



b) Franchisor may auto-ship minimum levels of inventory and parts to ensure that all SLAs as set forth in the Company Agreement and Material Terms are achieved. In such instance, Franchisee shall be responsible for the payment of said inventory and parts, including all delivery costs.

5. Performance of Company Agreement Obligations.

5.1 Obligations. If any of the Material Terms require Franchisor to perform any act, all of these terms and conditions are incorporated into and made a part of this Agreement. Franchisee will perform all these obligations on Franchisor's behalf. If there is a conflict between the Material Terms and this Agreement, then as between Franchisor and Franchisee, this Agreement will prevail and control.

5.2 Company Agreement Restrictions. If any of the terms and conditions of the Company Agreement or the Material Terms restrict the rights of Franchisor, all of those terms and conditions are incorporated into and made a part of this Agreement and Franchisee will abide by them.

5.3 Company's Breach. Franchisor will have no liability to Franchisee because of Company's breach of the Company Agreement. As long as it can do so without incurring expense, Franchisor will cooperate with Franchisee and exercise due diligence in all reasonable respects to enforce the terms of the Company Agreement against Company.

5.4 Enforcement of Company Agreement. Nothing contained in this Agreement is intended to abridge or restrict Franchisor under the Company Agreement or the Material Terms, from enforcing the Company Agreement as between Franchisor and Franchisee.

5.5 Consent. Whenever the Company Agreement or the Material Terms provides that Company's consent is required for an act or omission, then the consent of both Company and Franchisor to the act or omission of Franchisee hereunder will be required. Whenever the Company Agreement or Material Terms provides that Franchisor's consent is required for an act or omission by Company, then the consent of both Franchisor and Franchisee to Company's act or omission will be required.

5.6 Franchisor's Right to Cure Defaults. At any time during the term of this Agreement and without notice to Franchisee, Franchisor may, but will not be obligated to, cure or otherwise discharge any default by Franchisee under this Agreement. Any and all costs or expenses which Franchisor may incur for this purpose will be immediately due and payable in full without further notice or communication to Franchisee of any type, kind or nature. Franchisor will have the same remedies for the recovery of these costs and expenses as for the recovery of rent under this Agreement and at law.

5.7 No Assignment or Delegation by Franchisee.

a) Franchisee may not make any Assignment of or relating to this Agreement, including any assignment or any delegation or any transfer of this Agreement or any interest in this Agreement in whole or in part, except in connection with a transfer of the applicable Franchise Agreement(s) and upon the terms and conditions contained in the Franchise Agreement(s) and the Company Agreement. The Franchisee's interest in this Agreement will not be assignable by operation of law. Franchisee shall not sublicense, sublease, subcontract or enter any management agreement providing for, the right to provide Services.

b) If, with Franchisor's prior written consent, Franchisee assigns any one or more, but not all, of its Franchise Agreement(s), the rights granted to Franchisee under this Agreement shall, unless otherwise expressly mutually agreed in writing, thereafter cease to include such assigned Franchise Agreement(s) and the Protected Territory(ies) thereunder (provided that nothing shall relieve Franchisee of Franchisee's obligations or responsibilities relating to the assigned Franchise Agreement(s) arising prior to such Assignment).

c) Any attempted or actual Assignment or other transfer of this Agreement by Franchisee without Franchisor's prior written consent will be null, void and of no force or effect, will convey no right or interest to the purported transferee, and will constitute a material breach of this Agreement.

d) Franchisor may at any time assign this Agreement and the rights, privileges, duties and obligations under it, subject only to its obligations to Company under the Company Agreement.

5.8 Indemnity. Franchisee agrees to indemnify, defend and hold harmless Franchisor, its Affiliates and its and their officers, directors, employees and agents from and against any and all losses, costs, liabilities or expenses (including but not limited to reasonable attorney's fees) for claims arising, directly or indirectly, out of or in connection with any actual or alleged acts or omissions of Franchisee or any of its employees, contractors or other personnel, including, without limitation, (i) the damage, loss or destruction of any real or tangible personal property, or the death of, or bodily injury to, any individual caused by the negligence or other tortious conduct or willful misconduct of Franchisee; (ii) any modification or supplementation by Franchisee of the Company warranty or any warranty provided by Franchisee on Out of Warranty Services (as defined in the Company Agreement), or any warranty offered by Franchisee in violation of the Company Agreement or Material Terms; (iii) Franchisee's breach of this Agreement or the Material Terms; whether made by Company or any other third party.

## 6. Franchise Agreement Fees.

6.1 Gross Sales. Franchisee acknowledges and agrees that all revenue derived by Franchisee pursuant to this Agreement shall be deemed to be Gross Sales and Non-Recommerce Revenue under the Franchise Agreement, or if this Agreement pertains to more than one Franchise Agreement, under each applicable Franchise Agreement for the Store at which Services were initiated by the Company customer; and subject to Franchisee's payment of its Continuing Royalty, Technology and Customer Support Fee, and Advertising Fees, and, if and when in effect, the National Account administrative fee, pursuant to the applicable Franchise Agreement(s).

### 6.2 Payments and Administrative Fee.

a) Franchisee may not attempt to arrange any different terms or collect any additional fees than those which Franchisor has negotiated. Franchisor may deduct from Franchisor's payments due to Franchisee any amounts Franchisee owes to Franchisor.

b) Franchisor may provide a centralized billing system, dispatch service and/or other systems related to the administration or services of the Company or other National Accounts, and Franchisor may charge Franchisee a commercially reasonable administrative fee, which shall not exceed 5% of the Gross Sales earned by Franchisee resulting from performance of services to National Accounts. The administrative fee will be in addition to, and will be calculated before deduction of, all other fees payable by Franchisee under this Agreement with respect to National Accounts, including Royalties, Technology and Customer Support Fees, and Advertising Fees.

c) Instead of Franchisee invoicing Company directly, Franchisor shall invoice Company on Franchisee's behalf for work performed under and in accordance with this Agreement, in which event Franchisee shall cooperate with Franchisor to implement such process, including providing Franchisor all information necessary to prepare and issue such invoices. Franchisor does not guaranty payment by Company. In accordance with section 2.4 of the Franchise Agreement, upon Franchisor's receipt of payment from Company, Franchisor shall deliver the payment to Franchisee after deducting a commercially reasonable National Account administrative fee of no more than 5% of the Gross Sales, as well as any other applicable Royalties, Technology and Customer Support Fees, and Advertising Fees that are due to Franchisor under the Franchise Agreement. Payment for services performed by Franchisee is contingent on Franchisor receiving payment from Company and subject to any charge-back and/or adjustment made by Company.

6.3 Application of Funds. If Franchisee shall be delinquent in the payment of any obligation to Franchisor under any of its Franchise Agreement(s), or under any other agreement between Franchisee (or its Affiliate) and Franchisor (or its Affiliate), or in any payment due to any of Franchisee's vendors, Suppliers or landlords, Franchisor shall have the absolute right to apply any payments received from Company to any obligation owed, whether under this Agreement or otherwise, including to Franchisee's vendors, Suppliers and landlord, notwithstanding any contrary designation by Franchisee as to application.

7. Books and Records. Franchisee shall maintain an accounting and record keeping system, in accordance with sound business practices, which shall provide for basic accounting information necessary to prepare financial statements, a general ledger, and reports required by this Agreement and the Manuals. Franchisee shall maintain accurate, adequate and verifiable books and supporting documentation relating to such accounting information.

8. Termination. In addition to Franchisor's right to terminate this Agreement with or without cause, pursuant to Section 2, Franchisee acknowledges that any breach by Franchisee jeopardizes the continuation of the Company Agreement to the detriment of Franchisor and other participating franchisees, and accordingly Franchisor shall have the right to terminate this Agreement for "cause" on account of any breach by Franchisee under this Agreement, effective immediately upon written notice to Franchisee without affording Franchisee any right to cure the default, in the following circumstances and manners:

8.1 By Company. Company's withdrawal of its authorization of Franchisee as an authorized service provider or any Franchisee Store as an authorized service provider pursuant to the Company Agreement;

8.2 Assignment, Death or Incapacity. If Franchisee shall purport to make any Assignment without the prior written consent of Franchisor;

8.3 Repeated Defaults. If Franchisee shall default in any obligation as to which Franchisee has previously received 2 or more written notices of default from Franchisor setting forth the default complained of within the preceding 12 months, or 3 or more written notices of default from Franchisor setting forth the default complained of within the preceding 24 months, such repeated course of conduct shall itself be grounds for termination of this Agreement without further notice or opportunity to cure;

8.4 Violation of Law. If Franchisee fails, for a period of 10 days after having received notification of noncompliance from Franchisor or any governmental or quasi-governmental agency or authority, to comply with any federal, state or local law or regulation applicable to the Services;

8.5 Sale of Unauthorized Products. If Franchisee sells unauthorized Equipment or other products to the public;

8.6 Under Reporting. If an audit or investigation conducted by Franchisor hereof discloses that Franchisee has knowingly maintained false books or records, or submitted false reports to Franchisor, or knowingly understated its Gross Sales or withheld the reporting of same as herein provided, and, without limiting the foregoing, if, on 3 or more occasions in any single 36 month period, any audits or other investigations reveals an under-reporting or under-recording error of 2% or more, or on any single occasion any audit or other investigation reveals an under-reporting or under-recording of 5% or more;

8.7 Improper Conduct. If Franchisee commits any breach that reflects materially and unfavorably upon the operation and reputation of the "UBREAKIFIX" stores or the "UBREAKIFIX" system; and

8.8 Cross-Default. Without limiting the generality of Section 14.6 of the Franchise Agreement(s), if Franchisee commits any default by Franchisee under the terms and conditions of this Agreement, the same shall be deemed to be a default of each of the Franchise Agreement(s), and any default by Franchisee under any of the Franchise Agreement(s) shall be deemed to be a default of this Agreement; and in the event of termination of this Agreement or any of the Franchise Agreement(s), for any reason, Franchisor may, at its option, terminate any or all said agreements.

9. Reimbursement of Franchisor Costs.

9.1 In the event of a default by Franchisee, all of Franchisor's costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of Franchisor's administrative employees shall be paid to Franchisor by Franchisee within 5 days after cure or upon demand by Franchisor if such default is not cured.

9.2 If the Company Agreement terminates as a result of Franchisee's default or breach of some obligation contained in the Company Agreement or the Material Terms, then, as between Franchisor and Franchisee, Franchisee will be liable for the damage suffered as a result of the Company Agreement termination. Franchisor shall not be liable to Franchisee for damages, including any incidental and consequential damages.

10. Rights and Obligations Upon Termination. Upon the expiration or termination of this Agreement, any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate, and any and all rights of Franchisee under this Agreement shall immediately cease and terminate, and Franchisee shall immediately cease and thereafter refrain from representing itself as then or formerly an approved Service Provider of Services under this Agreement or the Company Agreement.

11. Survival of Obligations. Termination or expiration shall be without prejudice to any other rights or remedies that Franchisor or Franchisee, as the case may be, shall have in law or in equity, including the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which by their nature or expressly constitute post-termination (or post-expiration) covenants and agreements including the obligation of Franchisor and Franchisee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

12. Notices. All written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be delivered in accordance with Section 20.1 of each applicable Franchise Agreement.

13. Dispute Resolution. All disputes arising pursuant to this Agreement shall be resolved in the manner set forth in Article 19 of the Franchise Agreements. Franchisee and Franchisor agree that arbitration will be conducted on an individual, not a class wide, basis and that any arbitration proceeding between Franchisee and Franchisor will not be consolidated with any other arbitration proceeding involving Franchisor and any other person or entity.

14. Waiver and Delay. No waiver by Franchisor of any default or series of defaults in performance by Franchisee, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it hereunder or under any Franchise Agreement or any other agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Company Agreement) or to insist upon strict compliance with or performance of Franchisee's obligations under this Agreement, any other agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Company Agreement), shall constitute a waiver of the provisions of this Agreement with respect to any subsequent default thereof or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof. Franchisor will consider written requests by Franchisee for Franchisor's consent to a waiver of any obligation imposed by this Agreement. Franchisee agrees, however, that Franchisor is not required to act uniformly with respect to waivers, requests and consents as each request will be considered on a case by case basis, and nothing shall be construed to require Franchisor to grant any such request. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor, and may be revoked, in Franchisor's discretion, at any time and for any reason, effective upon 10 days prior written notice to Franchisee. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee by providing any waiver, approval, acceptance, consent, assistance, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

15. Survival of Covenants. The covenants contained in this Agreement which, by their nature or terms, require performance by the parties after the expiration or termination of this Agreement, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

16. Successors and Assigns; Benefit. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of Franchisor and Franchisee and its or their respective heirs, executors, administrators, successors and assigns, subject to the restrictions on Assignment contained herein. This Agreement is for the benefit of the parties only, and is not intended to and shall not confer any rights or benefits upon any person who is not a party hereto.

17. Joint and Several Liability. If Franchisee consists of more than one person or Entity, or a combination thereof, the obligations and liabilities of each such person or entity to Franchisor are joint and several, and such person(s) and/or Entities shall be deemed to be a general partnership.

18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to any conflict of laws principles.

19. Entire Agreement. This Agreement, the Franchise Agreement(s) and the Manuals contain all of the terms and conditions agreed upon by the parties hereto with reference to the subject matter hereof. No other agreements oral or otherwise shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations are merged herein and superseded hereby. Franchisee represents that there are no contemporaneous agreements or understandings relating to the subject matter hereof between the parties that are not contained herein. Franchisee agrees that it has not relied on any statements or representations of any nature whatsoever, whether written or oral, made by Franchisor or any other person, except as specifically set forth in this Agreement. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in any Franchise Disclosure Document for prospective franchisees required by Applicable Law and delivered by Franchisor to Franchisee. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto.

20. Titles for Convenience. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

21. Gender and Construction. The terms of all Exhibits hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words “include,” “includes” or “including” are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, acceptance, approval or authorization of Franchisor which Franchisee may be required to obtain hereunder may be given or withheld by Franchisor in its sole discretion, and on any occasion where Franchisor is required or permitted hereunder to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets System Standards, Franchisor may do so in its sole subjective judgment and discretion. No provision herein expressly identifying any particular breach of this Agreement as material shall be construed to imply that any other breach which is not so identified is not material. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto

22. Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any part, article, section, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

24. Waiver of Jury Trial; Venue. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES: (1) HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT, AND (2) SUBJECT TO SECTION 15 ABOVE, THEY AGREE THAT ORLANDO, FLORIDA SHALL BE THE VENUE FOR ANY LITIGATION ARISING UNDER THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THEY HAVE REVIEWED THIS SECTION AND HAVE HAD THE OPPORTUNITY TO SEEK INDEPENDENT LEGAL ADVICE AS TO ITS MEANING AND EFFECT.

\_\_\_\_\_  
FRANCHISEE  
INITIALS

\_\_\_\_\_  
FRANCHISOR  
INITIALS

24.1 General. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Franchisor and Franchisee, and upon Company's approval of Franchisee. This Agreement shall not be binding on Franchisor unless and until it shall have been accepted and signed on its behalf by an authorized officer of Franchisor.

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the date of execution by

**"Franchisor"**

**UBIF FRANCHISING CO**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**"Franchisee"**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_, an individual

**EXHIBIT A**

**MATERIAL TERMS**

In exchange for the payments described in section 6.2 of the Agreement, Franchisee shall perform certain repair services to Company's customers. Franchisee agrees to the following Material Terms of the as if Franchisee is a contracting party with Company.

**Exhibit M**  
**Express Credit Agreement**



# EXPRESS CREDIT

## Terms & Conditions

This program is intended to support parts availability in your stores. Please review the terms and conditions provided below and select "I agree" and click "submit". On the following page you will be able to choose the amount you'd like to transfer to your Distro Credit account.

uBreakiFix Repair Parts Co a/k/a Distro ("Distro") shall provide you with a line of credit ("LOC") under the following terms:

1. A 3.5% fee shall be applied to all transfers of funds from your Express Credit account into your Distro Credit account ("Transfer Fee"). You understand that the Transfer Fees are separate fees and shall not be included in the available balance in your Distro Credit account. For example, if you transfer \$100 from your Express Credit account into your Distro Credit account, you shall have \$100 of available credit in your Distro Credit account, but the balance owed under the LOC shall be \$103.50.
2. The funds in the LOC may only be used to purchase parts, inventory or materials from Distro.
3. Any and all positive credits that you are entitled to receive for buybacks, RMAs, etc., shall be applied to the LOC balance upon Distro or UBIF Franchising Co's receipt of same from an OEM or vendor, if applicable.
4. Positive credit entries shall appear in your Distro Credit account once the Express Credit balance is paid in full.
5. You may pay down the balance owed under your LOC at any time via ACH or credit card.
6. You agree to pay all costs, expenses and reasonable attorneys' fees, incurred by Distro in connection with any aspect of the LOC, including any defaults, as well as any proceedings which may involve the LOC, including, but not limited to, arbitration, litigation, and bankruptcy proceedings.
7. The terms of the LOC shall be construed and interpreted in accordance with, and all rights and obligations of the parties hereunder governed by, the laws of the State of Florida without regard to conflict of law principles.
8. The exclusive venue for any proceeding which may be brought in connection with the LOC shall be in Orange County, Florida. Further, in regard to any judicial proceeding, each party expressly waives any right to a jury trial.
9. You agree that if any of these terms shall, for any reason, be adjudged by any arbitrator or court of competent jurisdiction to be invalid or unenforceable, that adjudication shall not affect, impair, or invalidate the remainder of the terms. Moreover, you agree that an arbitrator or court of competent jurisdiction may modify any terms hereof held invalid or unenforceable only to the extent necessary to render it valid and enforceable.
10. These terms represent the entire agreement between you and Distro with respect to the subject matter hereof, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. You agree that you have not relied on any statements or representations of any nature whatsoever, whether written or oral, made by Distro, or any other person, except as specifically set forth in these terms.

I have read and agree to the Terms & Conditions. Please open my Express Credit account:

---

**Exhibit N**  
**State Addenda**

**ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT  
FOR THE STATE OF CALIFORNIA**

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

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning transfer, termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31505). BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043).

The franchise agreement requires binding arbitration. The arbitration will occur at Orlando, Florida. The losing party shall pay to the prevailing party a reasonable sum for attorney fees and costs incurred in bringing or defending such arbitration, action or proceeding and/or enforcing any judgment granted. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

Neither UBIF FRANCHISING, CO., nor any person in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF

THE DEPARTMENT OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEB SITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEB SITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at [www.dbo.ca.gov](http://www.dbo.ca.gov).

**ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT FOR  
THE STATE OF HAWAII**

1. The following paragraphs shall be added to the state cover page:

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The name and address of the Franchisor's agent in this state authorized to receive service of process is the Hawaii Commissioner of Securities, 335 Merchant Street, Honolulu, Hawaii 96813.

2. Each provision of this Addendum to the Disclosure document is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E-1, et seq., are met independently without reference to this Addendum to the Disclosure document, and only to the extent such provision is a then valid requirement of the statute.

**ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT  
FOR THE STATE OF ILLINOIS**

1. Section 41 of the Illinois Franchise Disclosure Act of 1987 (as amended) (815 ILCS 705/41) provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

2. Item 17(v) in the table is modified by adding the following to the summary description opposite the subsection entitled “Choice of Forum”:

“However, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under section 4 of the current Illinois Franchise Disclosure Act, although the Franchise Agreement may provide for arbitration in a forum outside of the State of Illinois.”

3. Item 17(w) in the table is modified by adding the following to the summary description opposite the subsection entitled “Choice of Law”:

“Illinois law governs the franchise agreement.”

4. **THERE IS NO FORMAL TRAINING PROVIDED TO PREPARE YOU FOR YOUR POSITION AS AN AREA REPRESENTATIVE.**

**ADDENDUM TO  
UBIF FRANCHISING, CO. FRANCHISE AGREEMENT  
(State of Illinois)**

THIS ADDENDUM is entered into as of \_\_\_\_\_, 20\_\_\_\_ between UBIF FRANCHISING, CO., a Florida corporation (“Company”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), with reference to the following:

1. Company and Franchisee have entered into a UBIF FRANCHISING, CO. Franchise Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, (the “Franchise Agreement”).
2. The parties wish to modify the Franchise Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Franchise Agreement as follows:

1. Section 41 of the Illinois Franchise Disclosure Act of 1987 (as amended) (815 ILCS 705/41) provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of the State of Illinois is void, but that section does not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, nor does it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code. To the extent any provision of the Franchise Agreement is inconsistent with those provisions of the Act, they are amended to be consistent.

2. The following shall be deemed added to Section 20.7:

“Illinois law, as amended, shall apply to any franchise offered or sold in Illinois, notwithstanding anything to the contrary contained in this Agreement.”

3. The following shall be deemed added to Section 20.14:

“However, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under section 4 of the current Illinois Franchise Disclosure Act, although the Franchise Agreement may provide for arbitration in a forum outside of the State of Illinois.”

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms.

**“Company”**

UBIF FRANCHISING, CO.

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**“Franchisee”**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_,  
 an individual;  
 a \_\_\_\_\_ general partnership;  
 a \_\_\_\_\_ limited partnership;  
 a \_\_\_\_\_ limited liability company;  
 a \_\_\_\_\_ corporation

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_, and individually



**ADDENDUM TO  
UBIF FRANCHISING, CO. AREA DEVELOPMENT AGREEMENT  
(State of Illinois)**

THIS ADDENDUM is entered into as of \_\_\_\_\_, 20\_\_\_\_ between UBIF FRANCHISING, CO., a Florida corporation (“Company”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), with reference to the following:

1. Company and Franchisee have entered into a UBIF FRANCHISING, CO. Area Development Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, (the “Development Agreement”).

2. The parties wish to modify the Development Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Development Agreement as follows:

1. The following shall be deemed added to Section 10.8:

“Illinois law, as amended, shall apply to any franchise offered or sold in Illinois, notwithstanding anything to the contrary contained in this Agreement.”

2. Section 705/41 of the Illinois Franchise Disclosure Act of 1987 (as amended) provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of the State of Illinois is void, but that section does not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, nor does it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code or Illinois Regulations at Section 200.609. To the extent any provision of the Development Agreement is inconsistent with those provisions of the Act, they are amended to be consistent.

3. The following shall be deemed added to Section 10.15:

“However, any provision in the Area Development Agreement that designates jurisdiction or venue in a forum outside of the State of Illinois is void under section 4 of the Illinois Franchise Disclosure Act of 1987 (as amended), although the Area Development Agreement may provide for arbitration in a forum outside of the State of Illinois.”

*[signature page follows]*

Except as set forth herein, the Development Agreement shall be valid and enforceable between the parties in accordance with its terms.

**“Company”**

UBIF FRANCHISING, CO.

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**“Franchisee”**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_,  
 an individual;  
 a \_\_\_\_\_ general partnership;  
 a \_\_\_\_\_ limited partnership;  
 a \_\_\_\_\_ limited liability company;  
 a \_\_\_\_\_ corporation

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_, and individually

**ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT FOR THE  
STATE OF NEW YORK**

1. The following paragraphs are to be added in the state cover page:

THIS OFFERING PROSPECTUS IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS OFFERING PROSPECTUS AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ALTHOUGH THESE FRANCHISES HAVE BEEN ACCEPTED FOR FILING, SUCH FILING UNDER THE GENERAL BUSINESS LAW, ART. 33 OF THE STATE OF NEW YORK DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE NEW YORK STATE DEPARTMENT OF LAW THAT THE INFORMATION PROVIDED HEREIN IS TRUE. THE DEPARTMENT'S REVIEW DID NOT INCLUDE A DETAILED EXAMINATION OF THE MATERIALS SUBMITTED. A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT MAY CONSTITUTE A VIOLATION OF BOTH FEDERAL AND STATE LAW, AND SHOULD BE REPORTED TO BOTH THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND THE NEW YORK STATE DEPARTMENT OF LAW BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, NEW YORK, NEW YORK 10271.

GENERAL BUSINESS LAW, ARTICLE 33 OF THE STATE OF NEW YORK MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE AT THE EARLIER OF (A) THE FIRST PERSONAL MEETING BETWEEN THE FRANCHISOR OR ITS AGENT AND THE PROSPECTIVE FRANCHISEE, (B) AT LEAST 10 BUSINESS DAYS PRIOR TO THE EXECUTION OF A BINDING FRANCHISE OR OTHER AGREEMENT OR (C) AT LEAST 10 DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION IN CONNECTION WITH THE SALE OR PROPOSED SALE OF A FRANCHISE.

2. Item 3 is modified by adding the following language at the end of the Item:

Except as disclosed in this Item 3, neither the franchisor, its predecessor, any person identified in Item 2 nor an affiliate offering franchises under the franchisor's principal trademark:

(a) has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations;

(b) 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 a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations; or

(c) is subject to any injunctive or restrictive order or decree relating to franchises or under any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

3. Item 4 is modified by adding the following language at the end of the last paragraph:

Neither UBIF FRANCHISING, CO. nor any predecessor or current officer of UBIF FRANCHISING, CO. has 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 1 year after the officer or general partner of UBIF FRANCHISING, CO. held this position in the company or partnership.

4. Item 7 is modified by adding the following language at the end of the Item:

THERE ARE NO OTHER DIRECT OR INDIRECT PAYMENTS TO THE FRANCHISOR IN CONJUNCTION WITH THE PURCHASE OF THE FRANCHISE.

5. Item 17(d) is modified by adding the following to the summary description opposite the subsection entitled "Termination by you":

You may terminate the agreement on any grounds available by law.

6. Item 17(j) is modified by adding the following to the summary description opposite the subsection entitled "Assignment of Contract by Franchisor":

However, no assignment will be granted except to an assignee who in the good faith judgment of the franchisor is willing and able to assume the franchisor's obligations.

7. Item 17(w) is modified by adding the following to the summary description opposite the subsection entitled "Choice of Law":

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

8. Each provision of this Addendum to the Disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, Article 33, are met independently without reference to this Addendum, and only to the extent such provision is a then valid requirement of the statute.

9. THE FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

## **ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT FOR THE STATE OF NORTH DAKOTA**

1. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following paragraphs:

The Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

a. **Restrictive Covenants:** Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

b. **Situs of Arbitration Proceedings:** Franchise Agreements providing that the parties must agree to the arbitration of the disputes at a location that is remote from the site of the franchisee’s business.

c. **Restriction on Forum:** Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

d. **Liquidated Damages and Termination Penalties:** Requiring North Dakota Franchisees to consent to liquidated damages or termination penalties.

e. **Applicable Laws:** Franchise Agreements which specify that they are to be governed by the laws of a state other than North Dakota.

f. **Waiver of Trial by Jury:** Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

g. **Waiver of Exemplary & Punitive Damages:** Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

h. **General Release:** Franchise Agreements that require the franchisee to sign a general release upon renewal of the Franchise Agreement.

i. **Limitation of Claims:** Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

2. Item 17(r) in the table is modified by adding the following to the summary description opposite the subsection entitled “Non-competition covenants after the franchise is terminated or expires”:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”

**ADDENDUM TO UBIF FRANCHISING, CO. FRANCHISE AGREEMENT FOR THE  
STATE OF NORTH DAKOTA**

THIS ADDENDUM is entered into as of \_\_\_\_\_, 20\_\_\_\_ between UBIF FRANCHISING, CO. a Florida corporation (“Company”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), with reference to the following:

1. Company and Franchisee have entered into a UBIF FRANCHISING, CO. Franchise Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, (the “Franchise Agreement”).

2. The parties wish to modify the Franchise Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree to amend the Franchise Agreement as follows:

1. Notwithstanding anything to the contrary set forth in the Franchise Agreement, and in particular Sections 3.4.5, 13.2 and 18.3 thereof, any general release the Franchisee is required to assent to shall not apply to any liability Company may have under the North Dakota Franchise Investment Law.

2. The following caveat is added to Article 15:

The Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

Liquidated Damages and Termination Penalties: Requiring North Dakota Franchisees to consent to liquidated damages or termination penalties

3. The following caveat is added to Section 12.1:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”

4. Notwithstanding anything to the contrary set forth in the Franchise Agreement, and in particular Section 12.2.3 and Articles 18 and 19 thereof, the Franchise Agreement and the legal relations among the parties to the Franchise Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

5. The following caveat is added to Sections 12.1, and Articles 19 and 20 of the Franchise Agreement:

“The Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Applicable Laws: Franchise Agreements which specify that they are to be governed by the laws of a state other than North Dakota.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.”

6. Sections 19.1 and 19.3 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“The site of the arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee’s place of business.”

7. Section 20.14 of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

“This section shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.”

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms.

“Company”

“Franchisee”

UBIF FRANCHISING, CO.,  
a Florida corporation

\_\_\_\_\_

By: \_\_\_\_\_

an individual

Name: \_\_\_\_\_

a general partnership;

Its: \_\_\_\_\_

a limited partnership;

Date of signing: \_\_\_\_\_

a limited liability company;

a corporation;

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date of signing: \_\_\_\_\_



**ADDENDUM TO UBIF FRANCHISING, CO. AREA DEVELOPMENT AGREEMENT  
FOR THE STATE OF NORTH DAKOTA**

THIS ADDENDUM is entered into as of \_\_\_\_\_, 20\_\_\_\_ between UBIF FRANCHISING, CO., a Florida corporation (“Company”), and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”), with reference to the following:

1. Company and Franchisee have entered into a UBIF FRANCHISING, CO. Area Development Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, (the “Development Agreement”).

2. The parties wish to modify the Development Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Development Agreement as follows:

1. Notwithstanding anything to the contrary set forth in the Development Agreement, and in particular Sections 4.4.5, 6.3.4 and 7.2.2 thereof, any general release the Franchisee is required to assent to shall not apply to any liability Company may have under the North Dakota Franchise Investment Law.

2. The following caveat is added to Section 8:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”

3. Notwithstanding anything to the contrary set forth in the Development Agreement, and in particular Articles 10 and 11 thereof, the Development Agreement and the legal relations among the parties to the Development Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota.

4. The following caveat is added to Articles 10 and 11 of the Area Development Agreement:

“The Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Applicable Laws: Franchise Agreements which specify that they are to be governed by the laws of a state other than North Dakota.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies”

5. Sections 10.17 and 10.19 of the Development Agreement are amended by the addition of the following language to the original language that appears therein:

“The site of the arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee’s place of business.”

6. Section 10.15 of the Development Agreement is amended by the addition of the following language to the original language that appears therein:

“This section shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.”

Except as set forth herein, the Development Agreement shall be valid and enforceable between the parties in accordance with its terms.

**“Company”**

**UBIF FRANCHISING, CO.**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**“Franchisee”**

\_\_\_\_\_  
Date of Execution

\_\_\_\_\_,  
[ ] an individual;  
[ ] a \_\_\_\_\_ general partnership;  
[ ] a \_\_\_\_\_ limited partnership;  
[ ] a \_\_\_\_\_ limited liability company;  
[ ] a \_\_\_\_\_ corporation

\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_, and individually

## **ADDENDUM TO UBIF FRANCHISING, CO. DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON**

The State of Washington has a statute, RCW 19.100 which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise.

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

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

Any release or waiver of rights executed by you will not include rights under the Washington Franchise Investment Protection Act except if you execute the release or waiver as part of a negotiated settlement after your agreement is in effect and where we are both represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act and/or rights or remedies under the Act, such as a right to a jury trial, may not be enforceable.

We may collect the transfer fees if they reflect our reasonable estimated or actual costs in effecting your transfer.

Each provision of this Addendum to the Disclosure document will be effective only if, with respect to such provision, the jurisdictional requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, are met independently without reference to this Addendum to the Disclosure document.

**ADDENDUM TO UBIF FRANCHISING, CO. FRANCHISE AGREEMENT FOR THE  
STATE OF WASHINGTON**

The State of Washington has a statute, RCW 19.100 which may supersede the terms of your franchise agreement in the areas of termination and renewal of your franchise. There may also be court decisions in Washington which may supersede the franchise agreement in your relationship with UBIF FRANCHISING, CO. including the areas of termination and renewal of your franchise.

Washington law requires that any arbitration involving a franchise purchased in Washington shall be arbitrated in either the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100.RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

“Company”

“Franchisee”

UBIF FRANCHISING, CO.,  
a Florida Corporation

\_\_\_\_\_,

- an individual
- a general partnership;
- a limited partnership;
- a limited liability company;
- a corporation;

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date of signing: \_\_\_\_\_

Date of signing: \_\_\_\_\_

**ADDENDUM TO UBIF FRANCHISING, CO. AREA DEVELOPMENT AGREEMENT  
FOR THE STATE OF WASHINGTON**

The State of Washington has a statute, RCW 19.100 which may supersede the terms of your franchise agreement in the areas of termination and renewal of your franchise. There may also be court decisions in Washington which may supersede the franchise agreement in your relationship with UBIF FRANCHISING, CO. including the areas of termination and renewal of your franchise.

Washington law requires that any arbitration involving a franchise purchased in Washington shall be arbitrated in either the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100.RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

“Company”

UBIF FRANCHISING, CO.,  
a Florida Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date of signing: \_\_\_\_\_

“Franchisee”

\_\_\_\_\_,  
[ ] an individual  
[ ] a general partnership;  
[ ] a limited partnership;  
[ ] a limited liability company;  
[ ] a corporation;  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date of signing: \_\_\_\_\_

**Exhibit O**

**Regional Representative Information**

**REGIONAL REPRESENTATIVES AS OF DECEMBER 31, 2017**

<b>State</b>	<b>Regional Representative</b>	<b>Phone No.</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>	<b>Experience</b>
Arizona	UBIF69 Co LLC	(954) 593-0212	7369 W Bell Rd, Suite 5 Peoria, AZ 85382	Ryan Ottaviano	UBREAKIFIX owner since 2009  Regional Representative since November 2012
California	UBIF 11 Co	(954) 226-1320	4288 Lincoln Blvd. Marina Del Rey, CA 90292	Trevor Wetherill Neil Michael Behnke Carlos Marmo	UBREAKIFIX owner since July 2011  Regional Representative since June 2013
District of Columbia	UBIF 36 Co	(904) 537-2800	1408 Monroe St., NE Washington, DC 20017	Adam Nations	UBREAKIFIX owner since June 2010  Regional Representative since January 2014
Florida	UBIF 39 Co	(954) 444-6982	1011 N Federal Hwy Fort Lauderdale, FL 33304	Gina Wetherill	UBREAKIFIX owner since February 2009  Regional Representative since February 2009
Florida	UBIF 4 Co	(954) 914-3802	321 Narrows Drive Birmingham, AL 35242	Rolando S. Bencomo	UBREAKIFIX owner since February 2009  Regional Representative since February 2009

**REGIONAL REPRESENTATIVES AS OF DECEMBER 31, 2017**

<b>State</b>	<b>Regional Representative</b>	<b>Phone No.</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>	<b>Experience</b>
Georgia	UBIF 21 Co	(404) 903-1332	1605 Mansell Rd Alpharetta, GA 30009	Alex Ortiz	UBREAKIFIX owner since 2010 Regional Representative since 2012
Illinois	Bruno Lerouge Co	(954) 292-2862	1611 N Clybourn Ave. Floor 2 Chicago IL 60614	Sedrick Bruno- Lerouge	UBREAKIFIX owner since 2010 Regional Representative since October 2013
Indiana (multi- state territory)	Tweezer, LLC	(317) 819-9093	525 Congressional Blvd. Carmel, IN 46032	Kathryn Wiley	UBREAKIFIX owner since December 2016 Regional Representative since December 2016
North Carolina	UBIF 9 Co	(704) 341-5227	7510 Pineville Mathews Rd. Suite 11B Charlotte, NC 28226	Matt Allen	UBREAKIFIX owner since August 2010 Regional Representative since 2012
New York	UBIF 27 Co	(312) 972-9829	12 Claire Ave. Huntington Station, NY 11746	Ryan McEvoy Adam Escobar	UBREAKIFIX owner since 2010 Regional Representative since December 2012
Ohio	Marple Investments, LLC	(407) 341-3728	55 W Church St, #2007 Orlando, FL 32801	Jason Marple	UBREAKIFIX owner since 2011 Regional Representative since December 2013



**REGIONAL REPRESENTATIVES AS OF DECEMBER 31, 2017**

<b>State</b>	<b>Regional Representative</b>	<b>Phone No.</b>	<b>Store Address</b>	<b>Owner/Contact Person</b>	<b>Experience</b>
Pennsylvania	UBIF 500 Co	(954) 649-5860	4885 McKnight Road, Suite 20 Pittsburgh, PA 15237	Thomas Fadul	UBREAKIFIX owner since March 2012  Regional Representative since March 2013
Wisconsin	Danny Sotomayor	(954) 829-6887	7440 West Holmes Ave. Greenfield, Wisconsin 53220	Danny Sotomayor	UBREAKIFIX owner since 2012  Regional Representative since 2014
Canada	9287-7828 Quebec Inc.	(855) 963-5673	3449 Avenue de Vendome Montreal, Quebec, Canada, H4A 3M6	Jordan Socran	UBREAKIFIX owner since August 2013  Regional Representative since August 2013

**LITIGATION (ITEM 3) AND BANKRUPTCY (ITEM 4) DISCLOSURES  
FOR REGIONAL REPRESENTATIVES, IF APPLICABLE:**

None

**FORMER REGIONAL REPRESENTATIVES**

None

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

### Exhibit P – 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 UBIF Franchising, Co. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Several states, including New York, require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Several states, including Michigan, require that we give you this disclosure document at least 10 business days before execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If UBIF Franchising, Co. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit H.

The following is the name, principal business address and telephone number of each franchise seller offering this franchise:

- Justin M. Wetherill at 200 S. Orange Ave., Suite 200, Orlando Florida 32801 (877) 224-4349
- Todd Evans at 200 S. Orange Ave., Suite 200, Orlando Florida 32801 (877) 320-2237
- Regional Representative, if applicable: \_\_\_\_\_
- See attached list.

Date of Issuance: May 16, 2018 as amended July 24, 2018

See Exhibit H for our registered agent authorized to receive service of process.

I have received a disclosure document dated May 16, 2018 as amended July 24, 2018, that included the following Exhibits:

- |   |  |
|---|--|
| A. Franchise Agreement  | J. Closing / Franchisee Questionnaire                |
| B. Area Development Agreement   | K. Purchase Agreements and Secured Promissory Note   |
| Exhibit 1 – Addendum to Area Development Agreement for Existing Franchisees | L. Template National Account Participation Agreement |
| C. General Release  | M. Express Credit Agreement                          |
| D. Guaranty   | N. State Addenda                                     |
| E. Confidentiality Agreement  | O. Regional Representative Information               |
| F. Franchisee Information   | P. Receipts  |
| G. Financial Statements   |  |
| H. State Administrators/Agents for Service of Process                       |  |
| I. Franchise Operations Manuals Table of Contents                           |  |

Date: \_\_\_\_\_

Prospective Franchisee:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Individually and on behalf of the following entity:

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

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Date: \_\_\_\_\_

Prospective Franchisee:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Individually and on behalf of the following entity:

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_