

FRANCHISE DISCLOSURE DOCUMENT



The Glass Guru Enterprises, Inc.
A Texas Corporation
5550 Granite Parkway Suite 280
Plano, TX 75024
Phone: 877-654-8507
Email: info@theglassguru.com
Website: theglassgurufanchise.com
Email: info@theglassguru.com
Website: theglassgurufanchise.com

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

The total investment necessary to begin operation of a The Glass Guru franchise is ~~\$145,140,805~~ to ~~\$367,369,280~~. This includes ~~\$544,500~~ to ~~\$203,200,500~~ that must be paid to the Franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our ~~Compliance Director~~ Vice President, Legal & Administrative at compliance@theglassguru.com, 5550 Granite Parkway, Suite 280, Plano, TX 75024 Telephone: (877) 654-8507.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to a professional advisor, such as a lawyer or 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 may contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You may also visit the FTC's website at ~~www.ftc.gov~~ www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

The issuance date: ~~April 30, 2024~~ April 17, 2025 as amended ~~October 15, 2024~~ April 28, 2025

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

Competition from Franchisor. Even when the Franchise Agreement grants you a territory, the Franchisor may have the right to compete with you in your territory .

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

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

Minimum Sales Performance. You must maintain minimum sales performance levels. If you fail to ~~so do so~~, your territory size could be reduced, or the Franchisor could terminate your Agreement

2. ~~and~~ you could lose your investment.

- ~~2.3.~~ **Financial Condition.** The Franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the Franchisor's financial ability to provide services and support to you.

- ~~3.4.~~ **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though/if your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

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

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FOR THE STATE OF MICHIGAN

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

1. A prohibition of the right of a Franchisee to join an association of Franchisees.
2. A requirement that a Franchisee assent to a release, assignment, novation, waiver or estoppel that deprives a Franchisee of rights and protections provided in this act. This must not preclude a Franchisee, after entering into a Franchise Agreement, from settling any and all claims.
3. A provision that permits a Franchisor to terminate a franchise prior to the expiration of this term except for good cause. Good cause must include the failure of the Franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
4. A provision that permits a Franchisor to refuse to renew a franchise without fairly compensating the Franchisee by repurchase or other means for the fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials that have no value to the Franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (a) the term of the franchise is less than 5 years, and (b) the Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the Franchisee does not receive at least 6-months advance notice of Franchisor's intent not to renew the franchise.
5. A provision that permits the Franchisor to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
6. A provision requiring that arbitration or litigation be conducted outside this state. This must not preclude the franchisee from entering into an agreement, at the time of arbitration or litigation, to conduct arbitration or litigation at a location outside this state.
7. A provision that permits a Franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent a Franchisor from

exercising a right of first refusal to purchase the franchise. Good cause must include, but is not limited to:

- A. The failure of the proposed transferee to meet the Franchisor's then-current reasonable qualifications or standards.
 - B. The fact that the proposed transferee is a competitor of the Franchisor or Sub franchisor.
 - C. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - D. The failure of the Franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.
8. A provision that requires the Franchisee to resell to the Franchisor items that are not uniquely identified with the Franchisor. This subdivision does not prohibit a provision that grants to a Franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the Franchisor the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in subdivision (C).
9. A provision that permits the Franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the Franchisee unless a provision has been made for providing the required contractual services.

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

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

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE SECTION, 525 W. OTTAWA ST., G MENNEN WILLIAMS BUILDING, 1st

| FLOOR, LANSING, MICHIGAN 48913, TELEPHONE (517) 373-75

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EXHIBITS

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

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

The Franchisor

Our entity name and state of incorporation was changed from California to Texas effective April 9, 2021, by merger of our predecessor, The Glass Guru Franchise Systems, Inc., a California corporation into us with us surviving the merger. Our predecessor was formed on February 14, 2006, and we were formed on January 1, 2021. As the survivor of the merger, we are a successor in interest to our predecessor, and as such, will continue the operation of the business of offering the sale of and supporting The Glass Guru franchises. Our principal business address is 5550 Granite Parkway, Suite 280, Plano, Texas 75024. Our predecessor’s address was 1382 Blue Oaks Blvd., Suite 213, Roseville, California 95678. We do business under our corporate entity name, The Glass Guru Enterprises, Inc. as well as the name “The Glass Guru.”

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

The agent for service of process is CT Corporation, 1999 Bryan Street, Suite 900, Dallas, Texas 75201. Please refer to **Exhibit C** for a list of other applicable agents for service of process.

Our Business Activities

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

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

Parents and Affiliates

We do not have a parent. We have no affiliates that provide products or services to our franchisees or that offer franchises in any line of business. We have one affiliate, Roseville Glass Partners, Inc., DBA The Glass Guru of Roseville, located at 198 Cirby Way, STE. 120, Roseville, California 95678, that has owned and operated one The Glass Guru Franchise Business in California since 2004.

General Description of the Market and Competition

Our concept is targeted to residential and commercial customers. As a Franchisee, you will compete with a variety

of other businesses that install, repair, and replace residential and commercial glass, mirrors, showers, windows and doors, and provide other related services and sell other related products to residential and commercial customers and sales are not seasonal. Your competition may be local independently owned businesses or may be part of a regional or national dealership chain or franchise system including companies such as Glass Doctor, Binswanger Glass, Window World or Window Medics. You may also compete with other The Glass Guru Businesses operated by us or other Franchisees.

Regulations Specific to the Industry

You must comply with all laws, rules, and regulations governing the operation of the Franchise Business and obtain all permits and licenses necessary to operate the Franchise Business. California, Nevada, Arizona, Florida, and other states require licensing to provide glass and window replacement or similar services. You should contact your state to determine if you must obtain a license. You should investigate the federal, state, and local laws, rules and regulations that apply in the geographic area in which you are interested in locating your Franchise Business and should consider both their effect and cost of ongoing compliance. Under the Franchise Agreement, you alone are responsible for knowing and complying with all applicable laws and regulations despite any advice or information that we may give you.

ITEM 2. BUSINESS EXPERIENCE

President | Daniel Frey

Mr. Frey is the Founder and has served as our and our predecessor's President/CEO since 2007. In addition, Mr. Frey is also the Founder, Director, and President/CEO of our Affiliate, Roseville Glass Partners, Inc., DBA The Glass Guru of Roseville since September 2004. Roseville Glass Partners, Inc. is located in Roseville, California.

~~VP Corporate Administration~~ Controller | D. Joy Frey

Mrs. Frey is the Co-Founder and has served as ~~the~~ our Controller since February 2025. From 2020 to February 2025, she served as our VP of Corporate Administration ~~since 2020~~. Additionally, she has held the position of Co-Founder and senior administrative professional of our Affiliate, Roseville Glass Partners, Inc., DBA The Glass Guru of Roseville since 2004. Roseville Glass Partners, Inc. is located in Roseville, California.

~~VP Franchise Operations~~ Field Services Support | Dave Hull

Mr. Hull ~~joined us~~ has served as VP of ~~Franchise Development~~ and was appointed a Director ~~Field Services Support~~ since February 2025. He joined us in January 2011. ~~Mr. Hull was elected as our~~ and has previously held the positions of VP of Franchise Operations from May 2020 to February 2025, Chief Development Officer ~~in~~ from 2018. ~~In to~~ May 2020, Mr. Hull's title was updated to ~~and~~ VP of Franchise Operations ~~Development~~ from January 2011 to 2018. He also serves as a Director. Mr. Hull is also the Co-Owner and managing owner of our Affiliate, Roseville Glass Partners, Inc., DBA The Glass Guru of Roseville from October 2009 – March 2011, and from September 2018 to present. Roseville Glass Partners, Inc. is located in Roseville, California.

VP Franchise Business Support and Development | Rob Lopez

Mr. Lopez has served as our VP Franchise Business Support and Development since February 2025. He previously service as VP of Franchise Business Development ~~since~~ from April 2020 to February 2025 and previously served as Director of Franchise Development from November 2015 to April 2020. Prior to joining us, Mr. Lopez appointed as the President of Servicer Master-CCS, located in Charlotte and Lee County, Florida, an independently owned and operated franchise location business from 2007 to 2015.

VP Marketing & Communications | Jason Mitchell

How the Initial Franchise Fee is Calculated

The non-refundable Initial Franchise Fee is determined by the aggregated population of the zip/postal codes included in the Area of Primary Responsibility granted to you. The Table below shows the fees and populations for 5 different Population Packs ranging from 250,000 (the minimum) to 1,250,000. However, for any additional population above the population shown for a particular Pack, you will pay an additional \$.15 per person of population.

By way of example, if you want to be granted an APR containing a people population of 300,000, you will pay a total initial franchise fee of \$57,000, which consists of the \$49,500 franchise fee for a single Population Pack plus an additional \$7,500 for the additional 50,000 in population above the population in the single Pack.

| 1 | 250,000 | \$49,500 | \$0.15 |
|---|-----------|-----------|--------|
| 2 | 500,000 | \$94,000 | \$0.15 |
| 3 | 750,000 | \$133,000 | \$0.15 |
| 4 | 1,000,000 | \$168,000 | \$0.15 |
| 5 | 1,250,000 | \$197,500 | \$0.15 |

Veteran Discount

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

Incentives for Converted Businesses

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

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

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

Initial Purchases

~~Before you open the Franchise Business, you must purchase The Glass Guru Brand Identity Package from us for a non-refundable fee currently assessed at \$5,000 plus applicable shipping and sales tax. The items in the package promote the services offered by the Glass Guru Business.~~

Before you open the Franchise Business, you may purchase an initial supply of glass restoration tools from us or from another supplier, except for specified proprietary tools that you must purchase from us if you want to provide certain services as described below. If you purchase the Glass Guru Restoration Tools from us, the current cost is \$1,000 plus applicable shipping and sales tax.

Although you are not required to purchase the Glass Guru Restoration Tools from us, if you want to be able to offer the proprietary Foggy Window Repair Service when you open for business, you will need to purchase from us the following proprietary tools: MicroVents, MicroSeals, Spray tips, and the MicroVent applicator tool. The current cost is estimated at \$300 plus applicable shipping and sales tax.

If the Franchise Agreement is terminated before you begin operations of the Franchise Business, you may return any tools or supplies purchased from us for a refund, provided that the items are unopened, unused, or remain in a saleable condition.

ITEM 6. OTHER FEES

| Name of Fee | Amount | Due Date | Remarks |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Royalty Fee | 7% of Gross Sales | Due on the 20th day of the calendar month | We will charge this fee via an authorized ACH payment on the 20 th day of the calendar month. See Notes 1 and 2 |
| Non-APR Service Fee | 1% of Gross Sales for all Products & Services provided outside of your Area of Primary Responsibility. <u>See Note 3</u> <u>If you sell Products & Services in the Area of Primary Responsibility of another franchisee in violation of the Franchise Agreement, the Cross Territory Violation Fee will apply.</u> | Due on the 20th day of the calendar month | Payable only if you sell to customers outside your Area of Primary Responsibility. We will charge this fee via an authorized ACH payment on the 20 th day of the calendar month. See Notes 1 and 2 |
| Brand Fee | 2% of Gross Sales | Due on the 20th day of the calendar month | Paid along with the Royalty Fee. See Notes 1 and 2 |
| Local Advertising | \$1,250 per month; subject to change ("Minimum Local Advertising Expenditure") | Each calendar month | These monies are spent on advertising, promotion and public relations in your Area of Primary Responsibility. You pay these amounts to third parties directly subject to our approval. |
| Technology Fee | The fee is currently 1% of Gross Sales, with a minimum of \$595 per month and a maximum of \$1,195 per month. This fee is subject to change upon 60 days' notice. | Due on the 20th day of the calendar month | We determine how and what purposes the technology fee will be used. It may be used to cover our direct costs of approved software, software licenses, subscriptions, development, maintenance, and hosting for all systems substantially benefiting franchise locations including but not limited to feature sets like; field service management (FSM), business productivity software, Intranet, learning management (LMS) system, and business intelligence systems (BI), and any additional systems/software otherwise authorized and/or required in the Operations Manual that are procured and managed by us on your behalf. See Notes 1 and 2 |

| Name of Fee | Amount | Due Date | Remarks |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trade Associations | Currently, \$100. In addition to the direct fee, an additional charge of up to \$20 may be applied to this fee annually to compensate us for the administrative costs incurred of overseeing the collective memberships which provides an otherwise unavailable discount to you. | Yearly | We collect from you and pay to the National Glass Association on your behalf. |
| Late Customer Data Entry Fee | Currently \$175 per month; subject to change. | Upon demand | Payable if you fail to enter customer data into the computer system within 48 hours of initial customer contact during any calendar month. If you fail to comply for three or more months during a calendar year, we may require you to obtain and deliver to us a year-end financial statement audited by an independent CPA for the year in which you were not in compliance. |
| Audit Expenses | All costs and expenses incurred by us associated with conducting the audit. | Upon demand | Audit costs payable only if the audit shows an understatement in amounts due of at least 3% or if audit is conducted due to your late entries or failure to report. |
| Late Fees | 1.5% per month or the highest rate allowed by the law of the state where you are located, whichever is less. | Upon demand | Applies to all Royalty Fees, Brand Fees, Technology Fees, and any and all other amounts due to us not paid within 5 days of the due date. Also applies to any understatement in amounts due revealed by an audit. |
| Insurance Reimbursement | Amount of unpaid premiums plus our actual expenses in obtaining the policies. | Upon demand | Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you. |
| Transfer Fee | \$10,000 | Time of transfer | Payable if you sell or transfer any interest in the Franchise Agreement, the franchise business, its assets or any part or all the ownership interest in the franchisee entity. |
| Renewal Fee | \$10,000 | At time of second renewal | There is no fee if you renew at the end of the first 10-year term. Payable if you renew for a successive renewal term at the end of 20 years. |

| Name of Fee | Amount | Due Date | Remarks |
|-----------------------------------------------|-----------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Substitute or New Designated Manager Training | Currently \$1,000 per day; subject to change. | As required | If your Designated Manager does not satisfactorily complete our Initial Training Program and you hire a substitute Designated Manager who must be training, or you later hire a new Designated Manager), you must pay us the then current fee for their attendance at the Initial Training Program. Additionally, you are responsible for all expenses incurred by the Designated Manager while attending the training. |
| Additional Initial Training | \$1,000 per day per person; subject to change | As required | For no additional fee, we provide training for your owners, the Designated Manager and one office assistant, and up to 2 additional field or office assistants with our prior authorization. For any additional trainees, you would pay the then current fee for initial training. Additionally, you are responsible for the cost of all expenses incurred by you and your employees while attending the training. |
| New Technician Training | Currently \$1,000 per day; subject to change | As required | For technicians subsequently hired who did not attend initial training with you. You can conduct the training or you can request us to conduct the training and pay us a fee. Additionally, you are responsible for all expenses incurred by the technician while attending the training. |
| Performance Improvement Training | Currently \$1,000 per day; subject to change | As required | Payable if your business is not performing satisfactorily and we require you to attend training. Additionally, you are responsible for all expenses incurred by you while attending training. |

| Name of Fee | Amount | Due Date | Remarks |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Temporary Management Assistance | Rates as published in the Manual; currently, the greater of \$500 per day, or 25% of the Gross Sales during that period, plus any expenses we incur that are not covered by operating cash flow. | Each month that it applies | Following the delivery of a Notice of Termination of the Franchise Agreement, we may assume operation of the Franchise Business until such time as you correct the breach resulting in the Notice of Termination. Additionally, following the death or incapacity of an owner of the Franchise Business, if necessary, and in our discretion, we may assume operation of the Franchise Business until the deceased or incapacitated owner's interest is transferred to a third party approved by us. Washington Franchisees Only: The Franchisor will only charge the Temporary Management Fee to the extent it represents the Franchisor's actual and reasonable expenses in managing the franchise and will not charge the Fee for more than 180 days. |
| Ongoing Training Programs | Fees as determined by us; most recent charges in 2023 2024 were \$200 per program; <u>subject to change</u> | Time of ongoing training program | You must pay your expenses as well as your employees' expenses in attending ongoing training programs. Attendance will not be required more than 2 times per year and collectively will not exceed 7 days in any year, including attendance at an Annual Convention. |
| Additional Operations Assistance | Currently \$1,000 per day; subject to change | Time of assistance | We provide assistance around the beginning of operations as part of the initial franchise fee. This fee is payable if you request additional operations assistance in connection with the opening or continued operation of the business. |

| Name of Fee | Amount | Due Date | Remarks |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| National Convention | Currently \$750; subject to change. The fee is based each year on our cost to hold the convention | Before date of convention | Payable if we hold a Convention for franchisees. You must pay the fee even if you fail to attend the Annual Convention in violation of the franchise agreement. You must also pay your expenses as well as your employees' expenses in attending the Convention. |
| Cost of Enforcement | All costs including attorneys' fees. | Upon demand | You must reimburse us for (i) all costs we incur in collecting fees due to us and (ii) all costs we incur in a legal action for enforcing your obligations if we prevail. |
| Indemnification | All costs including attorneys' fees. | Upon demand | You must defend lawsuits at your cost and hold us harmless against lawsuits arising from your operation of the Franchise Business. |
| Administrative Fee for Improper Reporting of Gross Sales | \$75 each calendar day until properly submitted; subject to change | Upon demand | Payable if you fail to submit a report of Gross Sales when due or you submit any report of Gross Sales in an improper or unapproved format. |
| Administrative Fee for Failure to Submit Timely Reporting | \$50 each calendar day until properly submitted; subject to change | Upon demand | Payable if you fail to transmit reports, records, or other information to us in the manner, at the times, and/or in the formats specified by us, or if you fail to timely close jobs and process open jobs, or fail to provide accurate information. |
| NSF Fees and Interest | \$75 each occurrence; subject to change. In addition, you must pay interest on all overdue payments equal to the greater of 1.5% per month or the maximum rate permitted by law | Upon demand | Payable as a result of ACH or other transfers returned to Franchisor for non-sufficient funds. Interest on all overdue amounts until paid. <u>If may make another attempt to make the transfer that was originally rejected, you must pay an additional fee.</u> |

| Name of Fee | Amount | Due Date | Remarks |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Taxes | Amount of taxes assessed against us. | Upon demand | You must pay us an amount equal to all sales taxes, use taxes and similar taxes imposed on the fees payable by you to us unless the tax is an income tax assessed on us for doing business in the state where you are located. |
| Relocation Fee | Amount to reimburse us for expenses we incur in providing assistance in connection with the relocation of your Franchise Business. | Upon demand. | If you request approval to relocate the Franchise Business due to lease expiration or termination, the premises of your Franchise Business being destroyed, condemned or otherwise rendered unusable, or as otherwise agreed. |
| Holdback Amount | Greater of \$5,000 or 5% of monthly Gross Sales averaged over the last 6 months | 5 days before date of termination or expiration | Payable upon the expiration or termination of the Franchise Agreement. This amount is held for 6 months and may be used to pay amounts for resolution of your disputes with customers, suppliers and other third parties. |
| Supplier Approval Fee | Currently not charging | Upon request for approval of a supplier | If you request approval of a supplier for products or services that is not currently an approved supplier. |

| Name of Fee | Amount | Due Date | Remarks |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cross Territory Violation Fee | 80% of Gross Sales for all Products & Services provided inside of the Area of Primary Responsibility of another The Glass Guru franchisee | Within 10 days of notice from us. | Payable if you sell Products and/or Services to customers within the Area of Primary Responsibility of another The Glass Guru franchisee. Payment of the fee is not our sole remedy and we may terminate your franchise for selling Products and/or Services to customers within the Area of Primary Responsibility of another The Glass Guru franchisee if you do so more than one time. |

NOTES

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

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

2. All Payments must be paid via Automated Clearing House ("ACH") transfers or other form of electronic payment transfer as we specify. We will make ACH transfers on the 20th day of each calendar month for all monthly fees and other charges due to us. We may make an ACH transfer for miscellaneous fees on other days of the month as necessary. The date of the transfer will be communicated to you in advance.

~~3. For any fees described above that are subject to change, we will give you 60 days' prior notice before implementing a fee change. If you purchase 2 franchises together, you will sign an Addendum to Second Franchise Agreement for the second Franchise Agreement, and will develop the second franchise after the first Franchise Business is established and at a Phase 2 operational level. During the period from the signing of the Franchise Agreement and the opening of the second Franchise Agreement, you may promote and market the second Franchise Business. The first Franchise Business will provide the services to any customers obtained during this interim period from marketing the second Franchise Business and will not be charged a Non-APR fee.~~

~~4. For any fees described above that are subject to change, we will give you 60 days' prior notice before implementing a fee change. In no event will any fee subject to change be increased by more than 50% in any calendar year or more than 100% over the term of the franchise.~~

5. All of the above fees are imposed by and paid to us, and are non-refundable. The fees are uniformly imposed, although franchisees purchasing a franchise during different periods may pay different fees.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

| Names of Expenditures | Actual or Estimated Amounts for You | Method of Payment | When Due | To Whom |
|-------------------------------------------------|------------------------------------------|---------------------------------------|-----------------------------------------------------------------|------------------------------------|
| Franchise Fee ¹ | \$49,500 - \$197,199 , 500 | Wire / Cashier's Check / Installments | Upon Signing Franchise Agreement | Us |
| Real Estate/Rent ² | \$3,500 - \$8,000 | As Arranged | Before Beginning <u>First 3 months of Operations</u> | Lessor |
| Utility Deposits ³ | \$0 - \$500 | As Arranged | Before Beginning Operations | Utilities |
| Leasehold Improvements ⁴ | \$500 - \$2,000 | As Arranged | Before Beginning Operations | Third Parties |
| Insurance ⁵ | \$500 - \$3,000 | As Arranged | Before Beginning Operations | Third Parties |
| Office/Shop Equipment and Supplies ⁶ | \$5,000 - \$8,500 | As Arranged | Before Beginning Operations | Third Parties |
| Glass Restoration Tools ⁷ | \$1,000 - \$1,250 | Wire / Cashier's Check | Upon Signing Franchise Agreement | Us or Third Parties |
| Training Expenses ⁸ | \$1,500 - \$2,500 | As Arranged | Before Beginning Operations | Third Parties |
| Signage ⁹ | \$2,500 - \$4,000 | As Arranged | Before Beginning Operations | Third Parties |
| Furniture, Fixtures & Equipment ¹⁰ | \$500 - \$3,500 | As Arranged | Before Beginning Operations | Third Parties |
| Computer Equipment ¹¹ | \$1,250 - \$4,800 | As Arranged | Before Beginning Operations | Third Parties |
| Software Systems ¹² | \$1,305 - \$2,730 | As Arranged | First 3 months of Operation | Third Parties |
| Phone System ¹³ | \$500 - \$2,500 | As Arranged | Before Beginning Operations | Third Parties |
| Vehicles & Modifications ¹⁴ | \$15,000 - \$25,000 | As Arranged | Before Beginning Operations | Third Parties |
| Initial Local Advertising ¹⁵ | \$3,750 - \$7,500 | As Arranged | First 3 Months of Operation | Third Parties |
| Brand Identity Package ¹⁶ | \$5,000 - \$5,000 | Wire / Cashier's Check | Upon Signing Franchise Agreement | Us <u>Third Parties</u> |
| Licenses & Permits ¹⁷ | \$2,000 - \$4,000 | As Arranged | Before Beginning Operations | Licensing Authority |

| Names of Expenditures | Actual or Estimated Amounts for You | Method of Payment | When Due | To Whom |
|------------------------------------------------------------|-------------------------------------|---------------------|-----------------------------------------------|----------------------|
| Legal & Accounting ¹⁸ | \$2,500 - \$5,000 | As Arranged | First 3 Months of Operation, and As Necessary | Attorney, Accountant |
| Additional Funds/ (3 months) Working Capital ¹⁹ | \$50,000 - \$80,000 | As Arranged | As Necessary | You Determine |
| TOTAL²⁰ | \$145,140.80 | \$367,369.25 | | |

NOTES

We anticipate that you will incur the initial expenditures estimated above in the establishment of a Franchise Business.

- Franchise Fee. The initial Franchise Fee is described in greater detail in ITEM 5 of this Disclosure Document.
- Real Estate/Rent. You must lease or otherwise provide a suitable facility for the operation of the Franchise Business. Your lease costs can vary based upon variance in square footage, cost per square foot and required maintenance costs. A suitable facility will have approximately 1,000 to 2,000 square feet of combined office and warehouse space, with a minimum of 300 square feet dedicated for office/showroom use, and 700 square feet dedicated for warehouse use with a rolltop door available for deliveries. The facility must be located within the defined geographical boundaries of the licensed “Area of Primary Responsibility”, and in an area, zone or district approved for retail and warehouse use. We assume that you will have to pay the first month’s rent and a security deposit equal to one month’s rent in advance.
- Utility Deposits. If you are a new customer of your local utilities, you will generally have to pay deposits in connection with services such as ~~electric~~electricity, telephone, gas and water. The amount of the deposit and whether the deposit is refundable will vary depending upon the policies of the local utilities. You should contact your local utilities for more information.
- Leasehold Improvements. If you lease space, you may need or choose to make minimal renovations. The cost of leasehold improvements will vary based upon size, condition, and location of the premises, local wage rates and material costs.
- Insurance. You must purchase the type and amount of insurance as further described in Item 8 in addition to any other insurance that may be required by applicable law, any lender or lessor. Factors that may affect your cost of insurance include the location of the Franchise Business, value of the leasehold improvements, number of employees and other factors.
- Office/Shop Equipment and Supplies. You must purchase general office supplies including printers, stationery, business cards, and other typical office equipment. You must also purchase an initial supply of shop tools, such as scorers and pliers, and consumables necessary for your Franchise Business to provide basic glass replacement services. Factors that may affect your cost of office equipment and supplies include local market conditions, competition among suppliers, and other factors.
- Glass Restoration Tools. Before you open for business, you will be required to purchase an initial supply of glass restoration tools from us or a third party supplier. We currently offer a Glass Guru Tool Kit for \$1,000 (plus applicable shipping and sales taxes). This “Kit” provides tools necessary for your Franchise Business, including a small supply of micro-vents and tip adaptors that you will need to provide our proprietary Foggy Window Repair Service. The tools for the Foggy Window Repair Service can only be purchased from us.

8. Training Expenses. The cost of initial training is included in the Franchise Fee, but you are responsible for transportation and expenses for meals and lodging while attending training. You and the Designated Manager must attend the initial training program. It is also available to one office assistant, and up to 2 additional field or office assistants at your request and with our prior consent. For any trainees beyond these 5 individuals, you would have to obtain our prior consent and you would pay us an initial training fee. This estimate is based on 1 person attending the initial training. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose.
9. Signage. This range includes the cost of all signage used in the Franchise Business. The signage requirements and costs will vary based upon the location of the Franchise Business, local zoning requirements and local wage rates for installation, among other things.
10. Furniture, Fixtures & Equipment. You will be required to purchase and/or lease and install furniture, fixtures and equipment such as desks, chairs, lamps, filing cabinets and other basic office items necessary to operate your Franchise Business. The cost of the furniture, fixtures and equipment will vary according to local market conditions, suppliers, and other related factors.
11. Computer Equipment. You will be required to have one computer workstation with Microsoft Office Suite and QuickBooks and other software as outlined in the Operations Manual. These will need to be purchased if you don't have them already.
12. Software Systems. You will be required to pay us a technology fee that covers the direct costs of providing you with access to certain software required for the operation of the Franchise Business. You are also required to use Intuit QuickBooks Online for your accounting software, The QuickBooks license is not included as part of the technology fee paid to us. The estimate shown in the table covers the range of cost of the technology fee paid to us and the license fee for QuickBooks paid to a third party for the first 3 months of operation.
13. Phone System. You will be required to purchase a cell phone and a dedicated phone line to a commercial office. The number must be one with an area code and prefix that is local to the Area of Primary Responsibility.
14. Vehicles. You may be required to lease or purchase a utility vehicle, van or truck for use in the operation of the Franchise Business. The high and low estimates represent 3 months of estimated payments assuming full financing of the purchase price of the vehicles. Based on such factors as the location of the Franchise Business, competition among local dealers, financing options available to you and the time of year, these estimates may vary. Each vehicle is also required to be wrapped, and each vehicle transporting glass is required to have a glass rack for use in the operation of the Franchise Business. The high and low estimates include vehicle wrap costs and glass rack costs, which may vary based on such factors as the location of the Franchise Business, competition among local dealers and the time of year.
15. Initial Local Advertising. The low estimate is based on the Minimum Local Advertising Expenditure of \$1,250 per month for the first 3 months of operation, and the higher estimate assumes you may choose to spend additional amounts to promote the opening of The Glass Guru Business.
16. Brand Identity Package. Before you open, you ~~must~~ may but are not required to purchase items in The Glass Guru Brand Identity Package from us. ~~Currently the price for the Package is \$5,000 (plus applicable shipping and sales taxes).~~ third party suppliers. These items include store posters, displays, banners, trade show items, a small quantity of shirts with our logo for the owner, rack and other cards bearing the Marks and promote the services offered by the Glass Guru Business. You may choose to spend more. Factors that may affect the actual amount you spend include the, the size of the area you advertise to, location of the Franchise Business, time of year and customer demographics in the surrounding area.

17. Licenses & Permits. Local government agencies typically charge fees for such things as contractors' licenses, business, and other operating licenses. Your actual costs may vary from the estimates based on the requirements of local government agencies.
18. Legal & Accounting. We strongly suggest that you employ an attorney, an accountant and/or other consultants to assist you in establishing your Franchise Business. These fees may vary from location to location depending upon the prevailing rates of local attorneys, accountants, and consultants. In conjunction with entering into the Franchise Agreement, you are required to obtain an independent third-party Bookkeeping service approved by us to facilitate your bookkeeping as outlined in the Manual; currently for the first 3 full months of operation. Our Approved and/or Preferred Vendors typically charge \$1,500.00 for this service.
19. Additional Funds/Working Capital. We recommend that you have a minimum amount of money available to cover operating expenses, including all variable and fixed expenses without revenue for the first 3 months that the Franchise Business is open. The amounts referenced above have been determined through assessment of the historical break-even analysis of new franchise locations opened within the last year. However, we cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if sales are low or operating costs are high.
20. Total. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. We relied on the experience of our affiliate-owned Glass Guru business and our franchisees in estimating the total initial investment

ADDITIONAL INITIAL INVESTMENT FOR PURCHASE OF SECOND FRANCHISE

If you sign a second Franchise Agreement at the same time you sign the first Franchise Agreement with the intent to open the second Franchise Business after the first one is established and is at a Phase 2 operational level, but no later than 2 years from signing, you will sign an Addendum to Second Franchise Agreement with the signing of the Second Franchise Agreement. That addendum requires that within 60 days of signing the second Franchise Agreement, you must secure a temporary site within the Area of Primary Responsibility for the second Franchise Agreement and a phone number for marketing and promoting the second Franchise Business until it opens. You will incur additional costs as a result.

YOUR ESTIMATED INITIAL INVESTMENT WITH PURCHASE OF SECOND FRANCHISE

| <u>Names of Expenditures</u> | <u>Actual or Estimated Amounts for You</u> | <u>Method of Payment</u> | <u>When Due</u> | <u>To Whom</u> |
|--------------------------------------|--------------------------------------------|--------------------------|-----------------------|--------------------------|
| <u>Real Estate/Rent¹</u> | <u>\$60 - \$3,000</u> | <u>As Arranged</u> | <u>First 3 months</u> | <u>Lessor</u> |
| <u>Telephone²</u> | <u>\$75 - \$360</u> | <u>As Arranged</u> | <u>First 3 months</u> | <u>Telephone Company</u> |
| <u>Local Advertising³</u> | <u>\$0 - \$3,750</u> | <u>As Arranged</u> | <u>First 3 months</u> | <u>Third Parties</u> |
| <u>Total⁴</u> | <u>\$135 \$7,110</u> | | | |

NOTES:

1. Real Estate/Rent. Within 60 days of signing the second Franchise Agreement, you must lease or sublease a temporary site within the Area of Primary Responsibility for the second Franchise Agreement to be used to identify the second Franchise Business until a permanent site approved by us is secured for development. This temporary site must be suitable for marketing purposes and specifically to satisfy verification standards and requirements for a Google My Business (GMB) profile, including ensuring the physical location permits full access to all areas of the site by you for video recording, branding, and receipt of mail as necessary. The low estimate assumes you can lease a mail box location that satisfies the requirements for a GMB profile.
2. Telephone. Within 60 days of the signing the second Franchise Agreement, you must obtain a phone number for the second Franchise Business that will be directed to the phone number for your first Franchise Business until you open the second Franchise Business.
3. Local Marketing. You may promote and market your second Franchise Business while you are developing your first Franchise Business. You are only required to market the second Franchise Business for purposes of a GMB profile which may not have a cost.
4. Total. The table covers an initial period of 3 months. However, you will incur these additional costs until you open your second Franchise Business.

We do not offer any financing for your initial investment.

None of the fees payable to us are refundable, except that you may return any unopened tools or supplies purchased from us for a refund if your franchise is terminated before you begin operations. Fees paid to third party suppliers may or may not be refundable depending on their policies or your arrangements with them.

The initial investment described in this Item relates to the development of a new franchise. If you are renewing your existing franchise for the next Term, you may not be required to pay a renewal fee, and you will not incur most of the expenses referenced in this Item. However, you may be responsible for upgrading your franchise and any related expenses. If you are acquiring an existing franchise by transfer, in addition to the price you negotiate for the purchase of the franchise with the seller, you may be responsible for the transfer fee and you also may be responsible for upgrading the franchise and any related expenses. If you are a conversion franchise, you may not incur many of the expenses referenced in this item. However, you may be responsible for upgrading your business to become compliant with the terms of the Franchise Agreement.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as indicated below, you are not required to purchase or lease products or services from us or from suppliers approved by us or under our specifications. You may work with alternative suppliers that meet our criteria without additional approval, except as regards the items outlined below.

Approved Suppliers/Standards and Specifications

All products, supplies, signs, equipment, automation systems, POS/computer equipment and software, components, accounting services, insurance, marketing and promotional materials, uniforms and other products or materials for use or sale in your Franchise Business must meet our specifications and quality standards and, if required by us, must be purchased only from an Approved Supplier, which may be us. Currently, we are the only

Approved Supplier for glass restoration tools but you may request approval of other suppliers. However, we will be the only source for the proprietary MicroVents, MicroSeals, spray tips and MicroVent applicator tools that are specific tools needed to provide our proprietary for Foggy Window Repair Service.

~~We are the only Approved Supplier for the Brand Identity Package with marketing and promotional materials bearing the Marks.~~

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

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

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

The Glass Guru Restoration Tools

We, and our Affiliate, have designed, developed and/or acquired and continue to design and develop certain window restoration tools and equipment and other items especially suited for use in the operation of The Glass Guru Business ("The Glass Guru Restoration Tools"). In order to maintain the consistency, quality, and uniformity of the System, we will make The Glass Guru Restoration Tools available to you in accordance with the procedures for ordering, handling, and shipping that we may determine periodically, provided that you are in compliance with the Franchise Agreement and all other agreements with us. We will provide The Glass Guru Restoration Tools supplied by us, on an as needed basis, at competitive prices; however, we have the right to earn a reasonable profit on the sale of The Glass Guru Restoration Tools. If properly maintained, the restoration kit is expected to last at least 3 years. We derive revenue from the sale of The Glass Guru Restoration Tools to our franchisees.

During the fiscal year ended December 31, ~~2023~~2024, we had revenue of ~~\$38,154,296.75~~ or 0.786% of our total revenue of ~~\$4,873,7975,015,133~~ from all required purchases by franchisees. We currently do not derive revenue from any other required purchases by franchisees. Our Affiliate does not derive any revenue from purchases by franchisees.

Computer/Point of Sale System

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

Insurance

In addition to any other insurance that may be required by applicable law, any lender or lessor, you must purchase and maintain in effect during the term of the Franchise Agreement the type and amount of insurance we require from time to time. Currently, the required insurance policies include a comprehensive general liability policy with minimum limits of \$1,000,000; automobile liability policy with minimum limits of \$1,000,000; workers compensation insurance with minimum limits of \$100,000 (or higher if we required by your state); and property insurance coverage at full replacement cost. Your insurance policies must name us as an additional insured and/or loss payee. You must purchase the insurance from an insurance company licensed in your state and having at least an "A" Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide.

Miscellaneous

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

We estimate that approximately 15% to 25% of your expenditures for purchases in establishing your Franchise Business will be for goods and services that must be purchased either from us or an Approved Supplier or in accordance with our standards and specifications. We estimate that approximately 30% to 40% of your expenditures on an ongoing basis will be for goods and services that must be purchased from either us or an Approved Supplier or in accordance with our standards and specifications.

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

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ITEM 9. FRANCHISEE'S OBLIGATIONS

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

| Obligation | | Section in the Franchise Agreement | Disclosure Document Item |
|------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------|
| a. | Site selection and acquisition/lease | Section 5 <u>Sections 1 and 5 of Addendum to Second Franchise Agreement</u> | ITEMS 11 and 12 |
| b. | Pre-opening purchases/leases | Sections 5, 11, 12, 13 and 15 <u>Section 3 of Addendum to Second Franchise Agreement</u> | ITEMS 7 and 8 |
| c. | Site development and other pre-opening requirements | Sections 5 and 8 | ITEMS 7, 8 and 11 |
| d. | Initial and ongoing training | Section 8 <u>Section 10 of the Addendum to the Second Franchise Agreement</u> | ITEMS 6, 7 and 11 |
| e. | Opening | Sections 5 and 8 <u>Section 8 of the Addendum to the Second Franchise Agreement</u> | ITEM 11 |
| f. | Fees | Sections 3, 8, 10, 11, 12, 13, 15, 16, 18, and 21. | ITEMS 5, 6 and 7 |
| g. | Compliance with standards and policies/Operating Manual | Sections 6, 7, 8, 9, 10, 11, and 13 | ITEMS 8 and 16 |
| h. | Trademarks and proprietary information | Sections 6, 7, and 9 | ITEMS 13 and 14 |
| i. | Restrictions on products/services offered | Sections 5, 6, 10, and 13 | ITEMS 8 and 16 |
| j. | Warranty and customer service requirements | Section 13 | Not applicable |
| k. | Territorial development and sales quotas | Section 5 | ITEM 12 |
| l. | Ongoing product/service purchases | Section 13 | ITEMS 8 and 11 |
| m. | Maintenance, appearance, and remodeling requirements | Sections 5, 10, and 13 | ITEM 6 and 11 |

| Obligation | | Section in the Franchise Agreement | Disclosure Document Item |
|------------|--------------------------------------------|------------------------------------------------------------------------------|--------------------------|
| n. | Insurance | Section 15 | ITEMS 6, 7 and 8 |
| o. | Advertising | Section 11 <u>Section 3 of the Addendum to Second Franchise Agreement</u> | ITEMS 6 and 11 |
| p. | Indemnification | Section 21 | ITEM 13 |
| q. | Owner's participation/management/ staffing | Section 13 | ITEM 15 |
| r. | Records and reports | Section 12 | Not applicable |
| s. | Inspections and audits | Sections 6, 7, 8, 12,14 and 18 | ITEMS 6, 11 and 13 |
| t. | Transfer | Section 18 and Exhibit 1 and 5 | ITEM 17 |
| u. | Renewal | Section 4 and Exhibit 1 and 5 | ITEM 17 |
| v. | Post-termination obligations | Section 17 and Exhibit 2 | ITEM 17 |
| w. | Non-competition covenants | Sections 7 and 17 | ITEM 17 |
| x. | Dispute resolution | Section 23 | ITEM 17 |
| y. | Other: Guaranty | Section 22.4 and Exhibit 4 | ITEM 15 |

ITEM 10. FINANCING

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

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

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

1. Before you open your Franchise Business, we will:

A. Designate the Area of Primary Responsibility (territory/APR) within which you will operate the Franchise Business. (Section 2.3 and Section B of Exhibit 1). Additionally,

- (1) We do not own and will not lease any real property to you.
- (2) You must select an approved location for the Franchise Business within 60 days of signing the Franchise Agreement. We will provide you with general guidelines to assist you in selecting a site suitable for the Approved Location. If you do not select a site within 60 days, we may terminate the Franchise Agreement. Additionally, if we are unable to reach an agreement for an approved site, we may terminate the Franchise Agreement. (Sections 5.1 and 5.2)
- (3) The main factors the Franchisor considers in approving sites that are suitable for a glass shop are the size and condition of the premises, demographics of the surrounding area, proximity to other The Glass Guru Businesses, lease requirements (if applicable), visibility and overall suitability. Your office must be located inside of your Area of Primary Responsibility. (Section 5.1)
- (4) We must approve the terms of the lease or purchase agreement for the Approved Location before you sign it. (Section 5.3)
- (5) If you purchase 2 franchises together, you will sign an Addendum to Second Franchise Agreement for the second Franchise Agreement. You must secure a temporary site for the Franchise Business located within the Area of Primary Responsibility under the second Franchise Agreement within 60 days of signing the Franchise Agreement for use in marketing the second Franchise Business prior to opening. We provide general guidelines to assist you in selecting the temporary site. You do not have to get our approval of the temporary site. You must secure a permanent site approved by us at least 60 days before the deadline for opening the second site, which is 2 years from signing the Franchise Agreement. (Sections 1 and 5 of Addendum to Second Franchise Agreement)

We do not provide any assistance with conforming the premises to local ordinances and building codes and obtaining any permit, and/or constructing, remodeling, or decorating the premises.

- B. Sell to you an initial partial inventory of The Glass Guru Restoration Tools and an initial inventory of branded products upon receipt of payment. Further information about The Glass Guru Restoration Tools we supply to you and other franchisees is included in ITEMS 5, 7 and 8 of this Disclosure Document. (Sections 5.4.1.3, 11.1,13.2)
- C. Provide you with our specifications for purchasing vehicles, signs, furniture, equipment and supplies necessary for the operation of the Franchise Business. (Section 5.4)
- D. Provide an initial training program for you, your Designated Manager, and one office assistant, and up to 2 additional field or office assistants with your request and with our prior written approval. This training is described in detail later in this ITEM. (Section 8.1)
- E. Provide to you the option, at your expense, of training and guidance to assist you with the opening of the Franchise Business. (Section 8.3)
- F. Provide you with access to an electronic copy of the Manual. The Table of Contents of the

Operations Manual, along with number of pages devoted to each section, is included as Exhibit D to this Disclosure Document. (Section 9)

2. After the opening of the Franchise Business, we will:

- A. Periodically, advise and offer general guidance to you by telephone, e-mail, webinars, conference call, intranet, newsletters, and other methods; however, you will use your own judgment to make all business decisions and should not rely solely upon any advice given or statements made by us. Our guidance is based on our and our franchisees' experience in operating The Glass Guru Business. Such advice and guidance may consist of knowledge and experience relating to the authorized services or products, as well as operational methods, accounting procedures, pricing and marketing and sales strategies. (Section 14.1)
- B. At our discretion, make periodic visits to the Franchise Business to give you assistance with or guidance on various aspects of the operation and management of a The Glass Guru Business. We may prepare written reports outlining any suggested changes or improvements in the operations of the Franchise Business and detail any deficiencies that become evident as a result of any such visit. If we prepare a report, you may request a copy from us. (Section 14.2)
- C. Make available to you ongoing training for you, Designated Managers and/or technicians and hold Conventions for franchisees as we deem necessary. (Section 8)
- D. Make available to you changes and additions to the System as generally made available to all franchisees. (Section 14.3)
- E. Provide advertising and promotional templates including ad-slicks, brochures, fliers and other materials for your use. (Section 14.4)
- F. Approve advertising and promotional materials prepared by you before you use them. (Section 11.2)
- G. Maintain a website for The Glass Guru franchise system. (Section 11.3)
- H. Provide you with modifications to the Manual and intranet knowledge base of resources as they are made available to franchisees. (Section 9.3)

3. Advertising and Promotion:

- A. ~~Prior~~ You may but are not required to ~~beginning operation of the Franchise Business, you must purchase items from~~ the Brand Identity Package ~~from us for promoting the Franchise Business~~ which ~~includes~~ include promotional items such as store posters, displays, banners, trade show items, a ~~limited quantity of~~ shirts with our logo, and rack and other cards (Section 11.1).
- B. You must conduct local advertising in your Area of Primary Responsibility and spend a minimum of \$1,250 each calendar month. We will provide you with general guidelines for local advertising. Exclusive of approved material offered through our (internal) Marketing Store, you must submit to us for our prior approval all advertising and promotional materials to be used by you, including but not limited to, ad copy, coupons, flyers, direct mail or digital ads. We will use reasonable efforts to provide notice of approval or disapproval within 10 business days from the date all requested material is received by us. If we do not approve submitted materials by the end of the 10 business day period, the materials will be deemed to not be approved. You must not use any marketing or promotional material not approved by us. (Section 11.2).

All local advertising expenditures must be recorded in the required QuickBooks accounting software, and local advertising expense reports to provided to us upon request.

- C. You have no obligation to contribute to a national advertising fund and you have no obligation to participate in any local or regional advertising cooperative.

You are required to pay us a Brand Fee on a monthly basis. However, these monies will not be contributed to a system-wide advertising fund and we have the sole discretion in how the Brand Fee monies are spent.

There is no advertising council of franchisees that advises us on advertising policies.

D. Under the Franchise Agreement, you are restricted from establishing a presence on, or marketing using, the Internet in connection with the Franchise Business without our prior written consent. We have established and maintain an Internet website at the uniform resource locator ~~www.theglassguru.com~~ that www.theglassguru.com that provides information about the System and about The Glass Guru Business. We may (but we are not required to) include at The Glass Guru website an interior page containing information about your Franchise Business and a dedicated website for your Franchise Business. If we include such information on The Glass Guru website, or your Franchise Business website, we have the right to require you to prepare all or a portion of the page(s), at your expense, using a template that we provide. All such information is subject to our approval prior to posting. We retain the sole right to market on the Internet, including the use of websites, domain names, uniform resource locators, linking, social media pages, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce, and co-branding arrangements. You may be requested to provide content for our Internet marketing, and you must follow our intranet and Internet usage rules, policies, and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding, and other arrangements. We retain the sole right to approve any linking to, or other use of, The Glass Guru website. (Section 11.3)

E. If you purchase 2 franchises together, you will sign an Addendum to Second Franchise Agreement for the second Franchise Agreement, and will develop the second franchise after the first Franchise Business is established and at a Phase 2 operational level. During the period from the signing of the Franchise Agreement and the opening of the second Franchise Agreement, you may promote and market the second Franchise Business. The first Franchise Business will provide the services to any customers obtained during this interim period from marketing the second Franchise Business.

4. Computer/Point-of Sale System

We have the right, under the Franchise Agreement, to require you to purchase and use, maintain, (and replace or upgrade as necessary) the computer hardware and software programs and point of sale equipment that we designate, as outlined in the Manual. (Section 12.5) Presently, we require you to have at least one computer workstation loaded with Microsoft Office Suite and QuickBooks accounting software and certain software that you are given access to by us, the cost of which is covered by the technology fee that you pay to us.

You will be required to pay us a technology fee that may cover the direct costs of approved software, software licenses, subscriptions, development, maintenance, and hosting for all systems substantially benefiting franchise locations including but not limited to feature sets like; field service management (FSM), business productivity software, Intranet, learning management (LMS) system, and business intelligence systems (BI), and any additional systems/software otherwise authorized and/or required in the Operations Manual. Currently, the technology fee currently covers the cost for providing you access to the FieldPulse field service management

software, and other software and applications, including our proprietary Guru HQ, Guru University and Guru Support. The technology fee is currently 1% of Gross Sales, with a minimum monthly fee of \$595 and a maximum fee of \$1,195. In addition, we currently provide you at access to certain software and applications for marketing and promotion your business.

You will have to separately obtain a license for QuickBooks Online from a third party. The cost of QuickBooks Online is estimated to be between \$75 and \$150 per month.

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

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

You are not required to enter into any ongoing maintenance or support agreements, but you may find it advantageous to do so. The cost of such annual maintenance is estimated to be \$1,500. At your own expense, you must update or upgrade computer hardware and software as we deem necessary. (Section 10.2) We have no obligation for maintenance, repairs, updates, or upgrades to your computer system.

5. Typical Length of Time Before Operation

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

If you purchase 2 franchises together, you will sign an Addendum to Second Franchise Agreement for the second Franchise Agreement which provides that the second Franchise Business will not be opened until the first Franchise Business is established and has reached a Phase 2 operational level. We estimate that the typical length of time between the signing of the second Franchise Agreement and the opening of the second Franchise Business will be from 1 ½ to 2 years. You are required to open the second Franchise Business and be operational within 2 years after signing the second Franchise Agreement.

6. Training

We will conduct an initial training program that your owner and Designated Manager must attend and complete to our satisfaction. Training is offered at various times during the year, depending on the number of new franchisees entering our franchise system. Although initial training is mandatory for the Designated Manager, it is also available by request for franchisee's employees, specifically one office assistant, and for up to two additional field or office assistants with your request and our prior approval and additional fees.

VP Franchisee Business Support and Development-| Rob Lopez

Mr. Lopez joined our predecessor as Director of Franchise Development in November 2015 and was promoted to VP of Franchise Business Development in 2020. He was named VP Franchise Business Support and Development in February 2025. Mr. Lopez has 89 years of experience with us, and 17 years of combined franchise industry experience.

If you will be attending initial training at a Qualified Training Location, the training will be supervised by Dave Hull and Rob Lopez but will be conducted by the franchisee owning the franchise business at the Qualified Training Location and its staff. A franchisee location will not be designated as a Qualified Training Location unless the franchisee has been operating a The Glass Guru business for at least 3 years and is in compliance with operational methods. The franchisee of a Qualified Training Location may in its discretion have employees conduct portions of the training; however, these trainers will be trained and qualified in the topic that they will be teaching.

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

Periodically, we may require that previously trained and experienced franchisees or Designated Managers attend refresher-training programs to be conducted at our headquarters or another location. We may charge a fee for these training programs. Travel, living costs, and employees' salaries incurred for attending these programs will be at your sole expense. We will not require you to attend more than 2 of these programs in any calendar year and these programs will not collectively exceed 7 days during any calendar year. (Section 8.6) We may also require you to attend additional training at your expense if we determine that your Franchise Business is performing unsatisfactorily. (Section 8.8)

We may hold a Convention of franchisees, or Regional Workshops or other educational events, and if we do, you and/or your Designated Manager must attend any Convention. We charge a registration fee for attending these events. The registration fee will be set each year based on our costs to hold the Convention. If you (or your Designated Manager) fail to attend, you must still pay the registration fee. You are responsible for all travel costs, room and board and employees' salaries incurred by you and your Designated Manager in attending the convention. (Section 8.7)

ITEM 12. TERRITORY

You will receive an exclusive territory which we refer to as your Area of Primary Responsibility (APR). The "Area of Primary Responsibility" is an area surrounding the Franchise Business location and is defined using US zip codes. This area is considered the geographic market boundary for the Franchise Business. The population of an Area of Primary Responsibility for a Franchise Business will typically range from a minimum of 250,000 to 1,250,000. Population is currently determined by referencing the most recent figures available to us from the United States Census Bureau at the time the Area of Primary Responsibility is designated. The Area of Primary Responsibility is described in Section B of Exhibit 1 of the Franchise Agreement.

You may solicit and accept work outside of your APR; however, that solicitation or work must not be part of another franchise owner's APR. You will incur a Non-APR Service Fee in the amount of 1% of Gross Sales for all sales from services performed outside your APR and not in the APR of another franchisee. Service of immediate family members is permitted outside your APR as well as in the APR of another franchisee and will not be subject

to the Non-~~ARR~~PAPR fee. For this purpose, immediate family is defined as children, grandchildren, mother, father, stepparents, grandparents, sisters and brothers. Should any zip code be part of APR granted to another franchisee in the future, all customer data, including those that you may have previously served, will belong to the new franchise owner of the APR containing that zip code. If ~~you~~you are currently providing services in the APR granted to a new franchisee, we will determine the process for completing the services and transitioning the customer to the new franchisee.

If we determine that you have solicited work in the APR of another franchisee, you must immediately refer any customer leads to that franchisee. If we determine that you provided services to or sell products to customers in the Area of Primary Responsibility of another The Glass Guru franchisee, other than to immediate family, you must ~~pay~~immediately refer the customers to the other franchisee that has the right to the infringed Area of Primary Responsibility and you must pay us a Cross Territory Violation Fee in the amount equal to of 80% of the total sums you received for Gross Sales from the Services and Products, less the actual cost you paid for the Products sold and any third party hired labor costs in the other The Glass Guru franchisee's Area of Primary Responsibility. All sums must be paid within 10 days after receiving notice from Franchisor. A second violation could result in the termination of the Franchise Agreement.

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

We may establish ourselves or through an affiliate or grant the right to others to establish and operate a The Glass Guru Business at any location outside of the Area of Primary Responsibility. Franchisor and its affiliates will not conduct business within your Area of Primary Responsibility with the direct exception for immediate family identified in the following paragraph. Services provided to immediate family members only of franchisor or its affiliates will not result in compensation to the franchisee whose Area of Primary Responsibility is affected. All other advertising or services within your Area of Primary Responsibility are prohibited by all parties. We retain all rights and control with respect to the Marks and System to: (a) establish or operate or grant others the right to establish or operate a The Glass Guru business outside your Area of Primary Responsibility; (b) establish or operate, and to grant others the right to establish or operate, other businesses offering the same or similar products or services as the Franchise Business utilizing other trade names, trademarks and service marks within or outside of the Area of Primary Responsibility; (c) establish or operate, and to grant others the right to establish or operate businesses offering products and services different than those offered by the Franchise Business utilizing the Marks or other trade name, trademarks and service marks within or outside of the Area of Primary Responsibility; (d) to acquire or be acquired by a company establishing businesses identical or similar to the Franchise Business, even if the other business operates franchises and/or licenses competing businesses anywhere, including your Area of Primary Responsibility; (e) sell or otherwise distribute products and services similar to those offered through the Franchise Business through any alternate channel of distribution, including through retail outlets at a fixed location by direct mail and Internet sales; and (f) engage in any activities not expressly forbidden by the Franchise Agreement.

We may allow you to market your Franchise Business outside your Area of Primary Responsibility but never in the Area of Primary Responsibility of another The Glass Guru Franchise Business Location.

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

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

In order to maintain rights to your Area of Primary Responsibility, you must the Minimum Performance Requirements specified in the Franchise Agreement, Section 5.11, You must achieve annual Gross Sales of at least the following amounts during the first 4 years of operation: (i) \$150,000 for the first year of operation; (ii) \$300,000 for the second 2nd year of operation; (iii) \$450,000 for the third (3rd) year of operation; and (iv) \$600,000 for the fourth (4th) year of operation. After a Franchise Business has been operating in the Area of Primary Responsibility for 4 years, for each subsequent year of operation you must: (A) achieve Gross Sales of at least \$600,000 and (B) perform in the top 90% of all Franchise Businesses operating in the U.S. in the annual growth percentage of Gross Sales as determined by us. If you fail to achieve the Minimum Performance Requirements or are not in compliance with the Minimum Performance Requirements at the time of renewal, we may elect to not renew or modify your Area of Primary Responsibility defined in Section 5.12 of the Franchise Agreement. Additionally, failure to meet the minimum performance requirements may result in termination of the Franchise Agreement.

If you purchase 2 franchises together, you will sign an Addendum to Second Franchise Agreement for the second Franchise Agreement, and will develop the second franchise after the first Franchise Business is established and at a Phase 2 operational level. During the period from the signing of the Franchise Agreement and the opening of the second Franchise Agreement, you will maintain rights to the Area of Primary Responsibility under the Second Franchise Agreement even though you are not operating the Franchise Business. The Minimum Performance Requirements will not apply until you open the second Franchise Business.

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

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

ITEM 13. TRADEMARKS

We grant our franchisees the right to operate The Glass Guru Business under the name “The Glass Guru,” and the related logo which are the principal Marks used to identify our System. You may also use any other current or future Marks to operate your Franchise Business that we designate in writing. By “Mark,” we mean any trade name, trademark, service mark or logo used to identify The Glass Guru Business.

The following Mark(s) has been registered on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”) on the dates shown below:

| Mark | Registration Number | Registration Date |
|-----------------------------------------------------------------------------------|---------------------|-------------------------------------|
| THE GLASS GURU | 5628020 | December 11, 2018 |
| THE GLASS GURU logo | 5726951 | April 16, 2019 |
|  | 3632441 | June 2, 1999 <u>2009</u> |
| GLASSTASTIC | <u>7625235</u> | <u>December 24, 2024</u> |
| <u>THE GLASS GURU</u> <u>RESTORE-REPAIR-REPLACE</u> | <u>7625143</u> | <u>December 24, 2024</u> |

We have filed for registrations on the USPTO on the dates shown for the following marks:

| Mark | Serial Number | Filing Date |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------|
|  | 98455141 | March 18 |
| | 98454426 | <u>November 22, 2024</u> |
| | <u>98868615</u> | March 18 |
|  | <u>98868617</u> | <u>November 22, 2024</u> |
| | THE GLASS GURU RESTORE REPAIR REPLACE | |

We have developed the new The Glass Guru logo shown below. We intend to file an application for registration on the USPTO for this mark.



We do not have a federal registration for the above principal trademarks. Therefore, our trademark does not have many legal benefits and rights as a federally-registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

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

We know of no currently effective material determinations of the USPTO, United States Copyright Office, or trademark trial and appeal board, the trademark administrator of any state or a Court regarding the patent or; copyright; pending infringement, opposition, or cancellation; or pending material litigation involving the Marks.

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

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

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

We may but are not obligated to reimburse you for all expenses reasonably incurred by you in any trademark or similar proceeding disputing your authorized use of any Mark, provided that you have timely notified us of the proceeding and have complied with the Franchise Agreement and our directions in responding to such proceeding. We do not have an obligation or requirement to protect franchisees against claims of infringement or unfair competition arising out of the franchisee's use of the trademark but may elect to do so. We are not required to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed to be used by you, or if a proceeding is resolved unfavorably to you. At our option, we or our designee may defend and control the defense of any proceeding arising directly from your use of any Mark. This indemnification does not include your expenses in removing signage or discontinuance of the use of the Marks, does not apply to litigation between us and you wherein your use of the Marks is disputed or challenged by us, and does not apply to any separate legal fees or costs incurred by you in seeking independent counsel separate from legal counsel representing our and your use of the Marks.

We can require you to modify or discontinue the use of any Mark and to use other trademarks or service marks. If we adopt and use new or modified Marks, you may be required to add or replace equipment, signs, and fixtures, and you may have to make other modifications as necessary to maintain uniformity with our current standards and specifications; however, you will not be required to spend an amount unreasonably disproportionate to your

original investment during the initial term of the Franchise Agreement. We will not be required to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. We are not obligated to reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

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

You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of our Marks or a trademark or service mark that is confusingly similar to any of our Marks.

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

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

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

We know of no currently effective determinations of the United States Patent and Trademark Office, the United States Copyright Office or a Court regarding the patent or copyright materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use. We know of no agreements in effect that limit the use of any copyrighted materials. Further we know of no current copyright infringement that could materially affect any franchisee.

We have developed certain Trade Secrets and other Confidential Information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a The Glass Guru Business and consider this proprietary information. We will provide our Trade Secrets and other Confidential Information to you during training, in the Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the Trade Secrets and other Confidential Information for the purpose of operating your Franchise Business. You may only divulge Trade Secrets and other Confidential Information to employees who must have access to it in order to perform their job duties within the Franchise Business. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to Trade Secrets or other Confidential Information, including your owners, officers, directors, executives, managers, members of your professional staff, all employees and other individuals having access to Trade Secrets or other Confidential Information are required to sign nondisclosure and non-competition agreements in a form acceptable to us, where permitted by state law. We will be a third-party beneficiary of these agreements and we have the independent right to enforce their restrictive covenants.

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

Your use of the Manual, Trade Secrets or other Confidential Information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement.

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

The Franchise Business must always be under the overall supervision of an Owner of the franchisee. A Designated Manager, who may be an owner or an employed manager, must manage the day-to-day operations of the Franchise Business on a full-time basis. The Designated Manager need not have any equity interest in the Franchisee entity.

If you hire a Designated Manager, he or she must be approved by us. The Designated Manager must attend and satisfactorily complete our initial training program before opening the Franchise Business, and must not have any involvement in a competing business.

If you replace your Designated Manager, he or she must be approved by us, and must attend the initial training program within 60 days of hiring.

Anyone who has an ownership interest in the franchisee entity and their spouses must personally guarantee the performance of all of your obligations under the Franchise Agreement and agree to be personally liable for your breach of the Franchise Agreement by signing the Guaranty and Assumption of Obligations attached to the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

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

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

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

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

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ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

| Provision | Section in the Franchise Agreement | Summary |
|--------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. Length of franchise term | Section 4.1 | The initial term is 10 years. |
| b. Renewal or extension of the term | Section 4.2 | You may renew for 2 additional terms of 10 years each, subject to (c) below. If you fail to meet any one of these conditions, we may refuse to renew or extend the terms of your Franchise Agreement. |
| c. Requirements for you to renew or extend | Section 4.2 | <p>You may renew the Franchise Agreement if you: have substantially complied with the provisions of the Franchise Agreement; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us; are not in default of any provision of the Franchise Agreement or any other agreement between you and us; have given timely written notice of your intent to renew; sign a current Franchise Agreement which may contain materially different terms and conditions; comply with current qualifications and training requirements; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.</p> <p>*Upon renewal, franchisees may be asked to sign a Franchise Agreement with materially different terms and conditions than their original contract/Franchise Agreement.</p> |
| d. Termination by you | Section 16.1 | You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and we fail to begin to cure our breach within 30 days of receiving your written notice. |
| e. Termination by us without cause | Not Applicable | |
| f. Termination by us with cause | Section 16.2 | We may terminate the Franchise Agreement only if you default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate. |

| Provision | Section in the Franchise Agreement | Summary |
|--------------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| g. "Cause" defined-defaults that can be cured | Section 16.2 | If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Manual, you can avoid termination of the Franchise Agreement if you cure the default within 30 days of receiving our notice of default. If a default arises from your failure to maintain insurance, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of your failure to maintain insurance. If a default arises from your failure to make payments due to us, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate. |
| h. "Cause" defined-defaults that cannot be cured | Section 16.2 | We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to timely select an approved site for or establish, equip and begin operations of the Franchised Business; fail to have your Designated Manager satisfactorily complete training; made a material misrepresentation or omission in the application for the franchise; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the Franchised Business; use the Manual, Trade Secrets or other Confidential Information in an unauthorized manner; if required, fail to have your owners, officers, directors, managers, executives, employees and professional staff, and other individuals having access to Trade Secrets or other Confidential Information sign nondisclosure and non-competition agreements; abandon the Franchised Business for 5 or more consecutive days; we do not |

| Provision | Section in the Franchise Agreement | Summary |
|-------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p><u>Section 9 of Addendum to Second Franchise Agreement</u></p> | <p>agree upon a site for relocation within 90 days of lease expiration or termination or failure to promptly relocate after new site is approved; surrender or transfer of control of the Franchised Business in an unauthorized manner; fail to maintain the Franchised Business under the supervision of a Designated Manager following the death or incapacity of one of your owners; are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; final judgement remains unsatisfied for 30 days, execution is levied against your business property, foreclosure suit is filed and not dismissed within 30 days; misuse or make unauthorized use of the Marks; fail on 3 or more occasions within any 12 months to submit reports or records or to pay any fees due us or any Affiliate; violate any health, safety or other laws or conducts the Franchised Business in a manner creating a health or safety hazard to customers, employees or the public; engage in any activity reserved to us; fail to comply with laws or regulations after notice of non-compliance; repeatedly breach the Franchise Agreement or repeatedly fail to comply with requirements, specifications, standards or procedures; <u>on more than one occasion you sell service or products in the Area of Primary Responsibility of another franchisee</u>; or default under any other agreement between you and us (or our Affiliate) such that we (or our Affiliate) have the right to terminate the agreement.</p> <p><u>If you purchase 2 franchises together and you don't open the second Franchise Business within 2 years of signing.</u></p> |
| <p>i. Your obligations on termination/non-renewal</p> | <p>Section 17.1</p> | <p>If the Franchise Agreement is terminated or not renewed, you must: stop operating the Franchised Business; stop using any Trade Secret or other Confidential Information, the System and the Marks; if the Franchised Business Office is not within Franchisee's principal residence and if requested, assign your interest in the Approved Location to us; cancel or assign to us any assumed names; return any leased, loaned or other third-party equipment used in the operation of the Franchised Business; pay all sums owed to us (or our Affiliates) including damages and costs incurred in enforcing the Franchise Agreement; return the Manual, Trade Secrets and all other Confidential Information; assign your telephone and facsimile numbers to us; assign to us all domain names, email addresses and social media accounts; pay Holdback Amount to be held for 6 months; comply with the covenants not to compete (see below) and any other surviving provisions of the Franchise Agreement.</p> |

| Provision | Section in the Franchise Agreement | Summary |
|-------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| j. Assignment of contract by us | Section 18.1 | There are no restrictions on our right to assign our interest in the Franchise Agreement. |
| k. "Transfer" by you-definition | Section 18.2 | "Transfer" includes transfer of an interest in the franchise, the Franchise Agreement, the Franchised Business's assets or the franchisee entity. |
| l. Our approval of transfer by you | Section 18.2 | You may not transfer your interest in any of the items listed in (k) above without our prior written consent. |
| m. Conditions for our approval of transfer | Section 18.2 | We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the transferee; the transferee has obtained all necessary consents and approvals of third parties, including the lessor's consent to assignment of the lease; the transferee has agreed that its Designated Manager will complete the initial training program before assuming management of the Franchised Business; you agree that any payments due you from the transferee will be subordinated to transferee's obligations to us. |
| n. Our right of first refusal to acquire your Franchised Business | Section 19 | We may match an offer for your Franchised Business or an ownership interest you propose to sell. |

| Provision | Section in the Franchise Agreement | Summary |
|---------------------------------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| o. Our option to purchase your Franchised Business | Section 17.4 | Except as described in (n) above, we do not have the right to purchase your Franchised Business; however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the Franchised Business for fair market value. |
| p. Death or disability | Section 18.6 | After a death or incapacity of one of your owners, his or her representative must transfer, subject to the terms of the Franchise Agreement, the owner's interest in the Franchised Business within 180 days of death or incapacity or we may terminate the Franchise Agreement. |
| q. Non-competition covenants during the term of the franchise | Section 17.2.3 | You, your owners and your officers, directors, executives, managers, professional staff and employees are prohibited from: attempting to divert any business or customer of the Franchised Business to a Competing Business or causing injury or prejudice to the Marks or the System; owning or working for a Competing Business. Non-competition provisions are subject to state law. |
| r. Non-competition covenants after the franchise is terminated or expires | Sections 17.2 | For 2 years after the termination or expiration of the Franchise Agreement, you, your owners and your officers, directors, executives, managers or professional staff and employees are prohibited from: owning or working for a Competing Business operating within 25 miles of the Approved Location (or within the Area of Primary Responsibility, if greater), or within 25 miles of any other The Glass Guru Businesses; or soliciting or influencing any of our customers, employees or business associates to compete with, or terminate their relationship with us or any other The Glass Guru Business. Non-competition provisions are subject to state law. |

| Provision | Section in the Franchise Agreement | Summary |
|---------------------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| s. Modification of the agreement | Sections 9.3, 22.7, and 22.8 | The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Manual without your consent if the modification does not materially alter your fundamental rights under the Franchise Agreement. |
| t. Integration/merger clause | Section 22.7 | Only the terms of this Franchise Disclosure Document and the Franchise Agreement are binding. Unless described in this Disclosure Document Any other promises may not be enforceable. Nothing in the agreement or in any related agreement is intended to disclaim the representations made in the franchise disclosure document. |
| u. Dispute resolution by arbitration or mediation | Section 23.7 | Except for claims relating to the Marks, Trade Secrets or other Confidential Information and covenants not to compete, and subject to state law, all disputes must be arbitrated in Collin County, Texas. |
| v. Choice of forum | Section 23.2 | Subject to state law, any litigation must be pursued in courts located in Collin County, Texas. |
| w. Choice of law | Section 23.1 | Subject to state law, Texas law applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.). |

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

ITEM 18. PUBLIC FIGURES

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

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ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

~~As of December 31, 2023, The 2024, the Franchisor had 7280 The Glass Guru franchised outlets. Of these, 71 franchisees. One of the franchisees that had 2 outlets operating under the one franchise is being reported as 2 separate outlets for purposes of this Item 19. Therefore, there were 81 outlets as of December 31, 2024. Of the 81, the data of 66 outlets are included in this Item 19 as they were in business for 12 months or more, and which outlets also had 12 full months of reported Sales data for calendar year 2023, 2024. 15 of the 81 the Glass Guru franchised outlets open as of December 31, 2024 were not included in the data below because they had not yet operated for 12 months as of December 31, 2024. Because the number of franchised outlets fluctuated during the year, we have not included any data for franchised outlets that did not have 12 full months of reported Sales data for 2023, 2024. Excluded locations include franchised outlets that started operations in 2023, 2024, or ceased operations in 2023, 2024, and did not have 12 full periods of reporting submitted to the Franchisor. These specific franchised outlets would likely have Sales figures that differ from those depicted in this report. Franchised outlets~~
Outlets defined as "Affiliates" have also been excluded from this data.

Using the same criteria above for inclusion in this Item 19, the data for the year ended December 31, 2023, includes 71 outlets that were in business for 12 months or more and had 12 full months of reported Sales data for calendar year 2023.

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

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

All of the franchised outlets for which Sales are reported are operated by franchisees. Franchisor did not operate any of the businesses. All of the locations reflected in the report are comparable to franchised outlets offered in this disclosure document and offered substantially the same services to the public. ~~No adjustments have been made to reflect geographic location or applicable exchange rate.~~ In addition, all of the information in this report was derived from franchise reported data for a full FIFTY-TWO (52) week period covering the ~~2023, 2024~~ calendar year.

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CHART 1

ANNUAL SALES LEVELS

The chart below shows Annual Sales figures derived from payments received reported by all the 66 qualifying franchised outlets during ~~2023~~2024 and ~~2022~~71 qualifying outlets in 2023, respectively. These figures are separated into groups that include Average (mean) Sales, Middle (median) Sales, Highest Sales, ~~Lowest Sales~~, and percentiles that include the ~~90th Percentile~~, ~~75th Percentile~~, ~~50th Percentile~~, ~~25th Percentile~~, and ~~10th Percentile~~ and ~~Lowest Sales~~. The chart also reflects the number of franchised outlets that exceeded the Annual Sales value for each group, as well as the Annual Sales variance between 2024 and 2023 and ~~2022~~ for each group.

| Measure | 2023 2024 Annual Sales | Franchised Outlets Exceeding Me t or Exceeded Value | 2022 2023 Annual Sales | Franchised Outlets Exceeding M et or Exceeded Value | 2023 2024 vs. 2023 2022 | Explanation |
|-----------------------------|-----------------------------------------|-----------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sales Average Mean | \$ <u>700,345</u> <u>40,050</u> | <u>31</u> <u>27</u> | \$ <u>683,530</u> <u>00,345</u> | <u>26</u> <u>31</u> | + \$ <u>16,816</u> <u>9,705</u> | Shows total of reported annual sales \$ (received payments) for all qualifying franchise outlets, divided by the total number (count) of all qualifying franchise outlets. A total of <u>31</u> franchised outlets exceeded this percentile value in 2023 and <u>26</u> in 2022 respectively. |
| Sales Middle Median | \$ <u>638,114</u> <u>58,729</u> | <u>36</u> <u>33</u> | \$ <u>554,956</u> <u>38,114</u> | 36 | + \$ <u>83,158</u> <u>0,615</u> | Shows mid-point of reported annual sales \$ (received payments) by all qualifying franchise outlets. A total of <u>36</u> franchised outlets exceeded this percentile value in 2023 and <u>36</u> in 2022 respectively. |
| Sales Highest Value | \$ <u>2,122,434</u> | <u>1</u> | \$ <u>2,357,330</u> | <u>1</u> | - \$ <u>234,895</u> | Shows highest reported annual sales \$ (received payments) for all qualifying franchise outlets. |
| Sales Lowest Value | \$ <u>37,643</u> | <u>71</u> | \$ <u>61,228</u> | <u>72</u> | - \$ <u>23,585</u> | Shows lowest reported annual sales \$ (received payments) for all qualifying franchise outlets. |

| | | | | | | |
|-----------------------------------------------------------------------------|---------------------------------|------------|-------------------------------|-----|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sales 90th Percentile Top 10% <u>Highe</u> <u>st Value</u> | \$1,910,192 <u>2,216,652</u> | <u>21</u> | \$2,121,598 <u>122,434</u> | 1 | - \$211,406 + \$94,218 | Shows 90th percentile (top 10%) of highest reported annual sales \$ (received payments) by for all qualifying franchise outlets; only 10% of franchise outlets reported higher sales than this. A total of 2 franchised outlets exceeded this value in 2023 and 1 in 2022 respectively. |
| Sales 75th Percentile Top 25% <u>Low</u> <u>st Value</u> | \$1,591,826 <u>125,270</u> | <u>566</u> | \$1,767,998 <u>37,643</u> | 471 | - \$176,172 + \$87,627 | Shows 75th percentile (top 25%) of lowest reported annual sales \$ (received payments) by for all qualifying franchise outlets; only 25% of franchise outlets reported higher sales than this. A total of 5 franchised outlets exceeded this value in 2023 and 4 in 2022 respectively. |
| Sales 50th Percentile Top 50% | \$1,061,218 | 12 | \$1,178,665 | 11 | -\$117,448 | Shows 50th percentile (top 50%) of reported annual sales \$ (received payments) by all qualifying franchise outlets; only 50% of franchise outlets reported higher sales than this. A total of 12 franchised outlets exceeded this percentile value in 2023 and 11 in 2022 respectively. |
| Sales 25th Percentile Bottom 25% | \$530,609 | 40 | \$589,333 | 34 | -\$58,724 | Shows 25th percentile (bottom 25%) of reported annual sales \$ (received payments) by all qualifying franchise outlets; only 75% of franchise outlets reported higher sales than this. A total of 40 franchised outlets exceeded this value in 2023 and 34 in 2022 respectively. |
| Sales 10th Percentile Bottom 10% | \$212,244 | 65 | \$235,733 | 64 | -\$23,490 | Shows 10th percentile (bottom 10%) of reported annual sales \$ (received payments) by all qualifying franchise outlets; only 90% of franchise outlets reported higher sales than this. A total of 65 franchised outlets exceeded this percentile value in 2023 and 64 in 2022 respectively. |

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**CHART 2
ANNUAL SALES & POPULATION BY LOCATION**

The Chart below reflects the Annual Sales reported and the corresponding territory population for each of the 71 Franchised Outlets, 66 outlets operating for 12 months or more, and which outlets also had 12 full months of reported Gross Sales for calendar year 2023/2024. Data is ranked by the highest to lowest Annual Sales as reported to us in information completed by our Franchisees. Markers Average (mean) Sales, Middle (median) Sales, Highest Sales, Lowest Sales, as well as percentiles including the 90th Percentile, 75th Percentile, 50th Percentile, 25th Percentile, and 10th Percentile are also included. The populations used in this chart were generated using 2023/2024 HERE USA map data and include only those zip/postal codes in the Area of Primary Responsibility as defined in the Franchise Agreement.

| Percentile / Marker | 2023/2024 Annual Sales | 2023/2024 Population | Avg. Annual Sales for Franchised Outlets in This Group |
|----------------------------------------------|------------------------|----------------------|--------------------------------------------------------|
| | | | \$2,122,434 |
| | | | 1,357,689 |
| Sales Highest Payments | \$2,122,434 | 1,402,321 | |
| | \$2,042,440 | 1,015,148 | |
| | \$2,050,600 | 909,923 | |
| Sales 90th Percentile Payments | \$1,910,192 | 753,574 | |
| | \$1,648,612 | 739,661 | |
| | \$1,618,686 | 694,407 | |
| | \$1,633,714 | 687,653 | |
| | \$1,614,414 | 632,929 | |
| | \$1,595,527 | 476,756 | |
| | \$1,389,384 | 408,851 | |
| | \$1,366,566 | 549,886 | |
| Sales 75th Percentile Top 10% Payments | \$1,591,826 | | \$1,727,646 |
| | \$1,535,485 | 817,700 | |
| | \$1,306,152 | 948,495 | |
| | \$1,484,526 | 698,130 | |
| | \$1,294,601 | 273,245 | |
| | \$1,446,831 | 947,009 | |
| | \$1,196,219 | 875,208 | |
| | \$1,326,508 | 270,823 | |
| | \$1,159,550 | 177,494 | |
| | \$1,276,367 | 550,192 | |
| | \$1,149,049 | 257,122 | |
| | \$1,220,902 | 501,037 | |
| | \$1,209,940 | 390,091 | |
| | \$1,168,848 | 525,771 | |
| | \$1,091,477 | 498,651 | |

| | | | |
|---------------------------------------------------|-----------------------------------|-------------------------------|-------------------------------------------------|
| | <u>\$1,023,001</u> | <u>590,254</u> | |
| | <u>\$983,458</u> | <u>692,541</u> | |
| | <u>\$951,933</u> | <u>236,765</u> | |
| Sales 50th Percentile Top 25% Payments | <u>\$951,716</u> | | <u>\$1,061,218</u> <u>373,053</u> |
| | <u>\$1,007,394</u> <u>951,064</u> | <u>585,982</u> <u>524,823</u> | |
| | <u>\$1,001,100</u> <u>941,412</u> | <u>569,940</u> <u>660,449</u> | |
| | <u>\$990,069</u> <u>935,450</u> | <u>578,779</u> <u>319,059</u> | |
| | <u>\$946,636</u> <u>911,456</u> | <u>387,864</u> <u>234,262</u> | |
| | <u>\$894,550</u> <u>845,351</u> | <u>654,482</u> <u>987,892</u> | |

| | | | |
|--|--|------------------|----------------|
| | | <u>\$884,298</u> | <u>233,301</u> |
| | | <u>\$864,345</u> | <u>565,355</u> |
| | | <u>\$840,683</u> | <u>188,271</u> |

| | | |
|---------------------------------|-------------------------------|--|
| <u>\$821,044</u> <u>704</u> | <u>579,173</u> <u>394,818</u> | |
| <u>\$813,956</u> <u>808,031</u> | <u>502,198</u> <u>504,228</u> | |
| <u>\$797,980</u> <u>754,773</u> | <u>359,920</u> <u>903,936</u> | |
| <u>\$787,249</u> <u>747,536</u> | <u>316,234</u> <u>457,230</u> | |
| <u>\$783,307</u> <u>740,264</u> | <u>445,914</u> <u>568,252</u> | |

| | | | |
|--|--|------------------|----------------|
| | | <u>\$769,273</u> | <u>684,750</u> |
| | | <u>\$760,542</u> | <u>974,602</u> |
| | | <u>\$739,455</u> | <u>501,080</u> |
| | | <u>\$713,647</u> | <u>392,770</u> |
| | | <u>\$711,898</u> | <u>513,338</u> |
| | | <u>\$705,063</u> | <u>456,157</u> |

| | | |
|------------------------------------------|-----------------------------------------------|--|
| Sales Average / Mean Payments | <u>\$700,345</u> <u>740,050</u> | |
|------------------------------------------|-----------------------------------------------|--|

| | | | |
|--|--|------------------|----------------|
| | | <u>\$695,743</u> | <u>645,681</u> |
| | | <u>\$695,205</u> | <u>831,300</u> |

| | | | |
|-------------------------------------------|-----------------------------------------------|-------------------------------|---------------------------|
| | <u>\$739,688,186</u> | <u>874,988</u> <u>188,127</u> | |
| | <u>\$734,218</u> | <u>459,535</u> | |
| | <u>\$698,286</u> | <u>647,564</u> | |
| | <u>\$683,386</u> <u>547</u> | <u>892,760</u> <u>518,252</u> | |
| | <u>\$638,114</u> <u>679,320</u> | <u>288,568</u> <u>582,392</u> | |
| | <u>\$666,855</u> | <u>293,153</u> | |
| Sales Middle / Median Payments | <u>\$638,114</u> <u>658,729</u> | | <u>\$1,090,935</u> |

| | | | |
|--------------------------------------------------------|---------------|---------|-----------|
| Sales Top 50% Payments | | | |
| | \$629,847 | 416,266 | |
| | \$606,108 | 650,604 | 844,892 |
| | \$571,838 | 642,710 | 673,900 |
| | \$542,353 | 636,911 | 401,577 |
| | \$620,998 | 582,091 | |
| | \$618,441 | 877,648 | |
| | \$599,568 | 478,867 | |
| | \$583,746 | 363,273 | |
| | \$578,492 | 517,821 | |
| | \$563,683 | 281,627 | |
| | \$561,477 | 677,025 | |
| | \$560,820 | 422,720 | |
| | \$418,056 | 405,484 | |
| | \$379,761 | 312,807 | |
| | \$378,145 | 832,876 | |
| | \$374,858 | 383,638 | |
| | \$365,260 | 459,046 | |
| Sales 25th Percentile Bottom 25% Payments | \$530,609 | 363,078 | \$253,465 |
| | \$529,706 | 362,351 | 460,058 |
| | \$498,503 | 338,433 | 483,541 |
| | \$496,577 | 335,442 | 200,002 |
| | | | \$477,336 |
| | | | 514,938 |
| | | | \$465,825 |
| | | | 309,636 |
| | | | \$464,600 |
| | | | 281,715 |
| \$415,733 | 334,983 | 381 | 825,097 |
| | | | \$401,466 |
| | | | 494,310 |
| | | | \$395,576 |
| | | | 528,555 |
| | | | \$384,487 |
| | | | 631,078 |
| | | | \$358,417 |
| | | | 826,449 |
| \$309,723 | \$288,346,740 | 817,141 | |
| \$332,294 | 307,223 | 628,533 | 500,976 |
| | | | \$328,910 |
| | | | 374,998 |
| | | | \$325,562 |
| | | | 163,419 |

| | | | |
|-----------|-------------------|-----------------|--|
| \$325,198 | \$288,296,030 | 463,874 | |
| | \$320,125,255,760 | 554,757,480,911 | |
| | \$317,145,248,347 | 419,636,390,396 | |
| | \$293,027,246,190 | 670,839,519,889 | |

| | | |
|--|-----------|---------|
| | \$290,699 | 511,437 |
| | \$281,651 | 247,433 |
| | \$265,843 | 544,265 |
| | \$258,721 | 710,594 |
| | \$258,298 | 478,935 |
| | \$230,874 | 256,871 |

| | | | |
|-----------------------------------------------|-------------------|-----------------|-----------|
| Sales 10th Percentile Bottom 10% Payments | \$212,244,238,115 | | \$183,202 |
| | \$162,265,230,040 | 423,991,675,347 | |
| | \$117,445,202,988 | 180,107,258,639 | |
| | \$116,842,190,496 | 147,361,249,664 | |
| | \$73,590,184,661 | 309,931,713,080 | |
| | \$179,482 | 300,688 | |
| | \$67,955,169,480 | 181,223,995 | |
| Sales Lowest Payments | \$37,643,125,270 | 424,541 | |

| | | |
|--|----------|---------|
| | \$37,643 | 110,052 |
|--|----------|---------|

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CHART 3

AVERAGE JOB SIZE (INVOICED)

The chart below shows Average Job Size (AJS) based on pre-tax invoice amounts derived from invoices reported by all 66 qualifying franchised outlets during ~~2023~~2024 and 71 qualifying outlets during ~~2023~~2022, respectively. These figures are separated into groups that include Average (mean) Sales, Middle (median) Sales, Highest AJS, Lowest AJS, and percentiles that include the ~~90th Percentile~~, ~~75th Percentile~~, ~~50th Percentile~~, ~~25th Percentile~~, and ~~10th Percentile~~ and Lowest AJS. The chart also reflects the number of franchised outlets that exceeded the Average Job Size value for each group, as well as the Average Job Size variance between ~~2023~~2024 and ~~2023~~2022 for each group.

| Measure | 2023 2024 Average Job Size (AJS) | Franchised Outlets ExceedingMet or Exceeded Value | 2023 2022 Average Job Size (AJS) | Franchised Outlets ExceedingMet or Exceeded Value | 2023 2024 vs. 2023 2022 | Explanation |
|---------------------------------|------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AJS Average Mean | \$ <u>1,108</u> <u>172</u> | <u>30</u> <u>31</u> | \$ <u>1,104</u> <u>108</u> | <u>29</u> <u>30</u> | + \$ <u>04</u> <u>64</u> | Shows reported Average Job Size (AJS) for all qualifying franchised outlets. The value is derived from the total invoiced sales, divided by the total number (count) of all invoices. A total of <u>30</u> franchised outlets exceeded this value in <u>2023</u> and <u>29</u> in 2022 respectively. |
| AJS Middle Median | \$ <u>1,034</u> <u>121</u> | <u>35</u> <u>33</u> | \$ <u>801</u> <u>1,034</u> | <u>33</u> <u>35</u> | + \$ <u>233</u> <u>87</u> | Shows mid-point of reported Average Job Size (AJS) by all qualifying franchised outlets. A total of <u>35</u> franchised outlets exceeded this value in <u>2023</u> and <u>33</u> in 2022 respectively. |
| AJS Highest Value | \$ <u>2,684</u> | <u>1</u> | \$ <u>2,236</u> | <u>1</u> | + \$ <u>448</u> | Shows highest reported Average Job Size (AJS) for all qualifying franchised outlets. |
| AJS Lowest Value | \$ <u>400</u> | <u>69</u> | \$ <u>531</u> | <u>65</u> | - \$ <u>131</u> | Shows lowest reported Average Job Size (AJS) for all qualifying franchised outlets. |
| AJS <u>90th</u> Percentile | \$ <u>2,417</u> <u>605</u> | <u>21</u> | \$ <u>2,013</u> <u>684</u> | <u>1</u> | + \$ <u>404</u> - <u>\$79</u> | Shows <u>90th</u> percentile (top 10%) |

| | | | | | | |
|----------------------------------------|-----------|-------|-----------|-------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Top 10% Highest Value | | | | | | of highest reported Average Job Size (AJS) by for all qualifying franchised outlets; only 10% of franchised outlets reported higher sales than this. A total of 2 franchised outlets exceeded this value in 2023 and 1 in 2022 respectively. |
| AJS 75th Percentile Top 25% | \$2,014 | 3 | \$1,678 | 3 | +\$336 | Shows 75th percentile (top 25%) of reported Average Job Size (AJS) by all qualifying Franchise Businesses; only 25% of franchise businesses reported higher sales than this. A total of 3 units exceeded this value in 2023 and 3 in 2022 respectively. |
| AJS 50th Percentile Top 50% | \$1,343 | 14 | \$1,119 | 11 | +\$224 | Shows 50th percentile (top 50%) of reported Average Job Size (AJS) by all qualifying Franchise Businesses; only 50% of franchise businesses reported higher sales than this. A total of 14 units exceeded this value in 2023 and 11 in 2022 respectively. |
| AJS 25th Percentile Bottom 25% | \$671 | 63 | \$559 | 59 | +\$112 | Shows 25th percentile (bottom 25%) of reported Average Job Size (AJS) by all qualifying franchised outlets; only 75% of franchised outlets reported higher sales than this. A total of 63 franchised outlets exceeded this value in 2023 and 59 in 2022 respectively. |
| AJS 10th Percentile Bottom | \$269,526 | 6,966 | \$224,400 | 6,569 | +\$45,126 | Shows 10th percentile (bottom 10%) of lowest reported Average |

| | | | | | |
|------------------------|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10% Lowest Value | | | | | Job Size (AJS) by for all qualifying franchised outlets; only 90% of franchised outlets reported higher sales than this. A total of 69 franchised outlets exceeded this value in 2023 and 65 in 2022 respectively. |
|------------------------|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The historical information listed in this item includes the Sales and Average Job Size derived from historical operating results of the Franchise Businesses indicated for the period of time reflected in this report. Sales is defined as any and all monies received ~~&~~and reported by Franchise Businesses for goods and services sold under the franchise brand during the reporting period specified. Average Job Size is derived from the pre-tax invoice amounts for Invoices generated and reported by all Franchised Businesses by the reporting period specified.

Franchisor obtained these figures from information provided by Franchisees for the period of time January 1, ~~2024~~~~2022~~, through December 31, ~~2024~~ and the period January 1, 2023 through December 31, 2024.

Neither we, nor our independent Certified Public Accountants, have audited or verified any of the figures reported to us. We make no representations as to the accuracy of gross revenues reported by our franchisees or the extent that these figures were derived using generally accepted accounting principles (GAAP). These are based upon reasonable assumption of accuracy due to daily submission and monitoring of financial performance data from each franchisee.

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

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

Other than the preceding financial performance representation, The Glass Guru Enterprises, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projection of your future income, you should report it to the franchisor's management by contacting Mr. Daniel Frey, President, 5550 Granite Parkway, Suite 280, Plano, TX 75024, (877) 654-8507, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

| <p align="center">Item 20 : Table No. 1 System-Wide Outlet Summary for Years 2021-2023<u>2022-2024</u></p> | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|-------------------------|-------------------------|
| Outlet Type | Year | Outlets at START of year | Outlets at END of Year | Net Change |
| USA Franchised | 2022 <u>2021</u> | 71 <u>77</u> | 77 | +6 <u>0</u> |
| | 2023 <u>2022</u> | 77 | 77 <u>72</u> | 0 <u>-5</u> |
| | 2023 <u>2024</u> | 77 <u>72</u> | 72 <u>80</u> | -5 <u>+8</u> |
| Affiliate-Owned | 2022 <u>2021</u> | 1 | 1 | 0 |
| | 2023 <u>2022</u> | 1 | 1 | 0 |
| | 2023 <u>2024</u> | 1 | 1 | 0 |
| Total Outlets | 2022 <u>2021</u> | 72 <u>78</u> | 78 | +6 <u>0</u> |
| | 2023 <u>2022</u> | 78 | 78 <u>73</u> | 0 <u>-5</u> |
| | 2023 <u>2024</u> | 78 <u>73</u> | 73 <u>81</u> | -5 <u>+8</u> |

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Item 20 : Table No. 2
Transfers of Outlets to New Owners
(other than the Franchisor)
for Years ~~2021-2023~~2022-2024

| State | Year | Number of Transfers |
|--------------|----------------------|---------------------|
| California | 2022 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 1 |
| | 2024 | 0 |
| Colorado | 2022 2021 | 1 0 |
| | 2023 | 1 |
| | 2024 | 0 |
| <u>Texas</u> | 2022 | 1 0 |
| | 2023 | 1 0 |
| | 2024 | 2 |
| Totals | 2022 2021 | 1 0 |
| | 2022 | 1 |
| | 2023 | 2 |
| | 2024 | 2 |

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Item 20 : Table No. 3
Status of Outlets Franchised
for Years ~~2021-2023~~2022-2024

| State | Year | Outlets Year Start | Outlets Opened | Terminated | Non-Renewals | Re-acquired by Franchisor | Ceased Operation Other Reasons | Outlets at End of the Year |
|--------------------|----------------------|--------------------|----------------|----------------|----------------|---------------------------|--------------------------------|----------------------------|
| Alabama | 2021 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| California | 2021 | 11 | 4 0 | 0 | 4 0 | 0 | 0 | 11 10 |
| | 2022 | 11 10 | 0 | 0 | 0 | 0 | 0 | 10 |
| | 2023 2024 | 10 | 0 | 0 | 0 | 0 | 0 | 10 |
| Colorado | 2021 2022 | 5 | 2 3 | 1 | 0 | 0 | 0 | 6 7 |
| | 2022 | 6 | 3 | 1 | 0 | 0 | 1 | 7 |
| | 2023 | 7 | 0 | 2 3 | 0 | 0 | 0 | 5 |
| Florida | 2021 2024 | 5 | 1 | 0 | 0 | 0 | 0 | 6 |
| Florida | 2022 | 6 | 0 | 1 | 0 | 0 | 1 | 4 |
| | 2023 | 4 | 1 | 0 | 0 | 0 | 1 | 4 |
| | 2024 | 4 | 2 | 0 | 0 | 0 | 1 | 5 |
| Georgia | 2022 2021 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 1 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Hawaii | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Illinois | 2021 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Idaho | 2022 | 4 0 | 0 | 0 | 0 | 0 | 0 | 4 0 |
| | 2023 | 4 0 | 0 | 0 | 0 | 0 | 0 | 4 0 |
| Indiana | 2021 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Illinois | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Indiana | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Kansas | 2021 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Kansas | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Louisiana | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |

| | | | | | | | | |
|-----------------|----------------------|-----------|-----------|----------|----------|----------|-----------|-----------|
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> |
| Maryland | 2022 2021 | <u>10</u> | 0 | 0 | 0 | 0 | <u>10</u> | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Michigan | 2022 2021 | 3 | <u>10</u> | 1 | 0 | 0 | 0 | <u>32</u> |
| | 2022 | <u>3</u> | 0 | <u>1</u> | 0 | 0 | 0 | <u>2</u> |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | <u>2</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2</u> |
| Minnesota | 2022 2021 | <u>23</u> | <u>10</u> | 0 | 0 | 0 | 0 | 3 |
| | 2022 | <u>3</u> | 0 | 0 | 0 | 0 | 0 | <u>3</u> |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | <u>3</u> | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>4</u> |
| Missouri | 2022 2021 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2022 | <u>2</u> | 0 | 0 | 0 | 0 | 0 | <u>2</u> |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | <u>2</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2</u> |
| New Jersey | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | <u>1</u> | 0 | 0 | 0 | 0 | 0 | <u>1</u> |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> |
| New York | 2021 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | <u>1</u> | 0 | 0 | 0 | 0 | 0 | <u>1</u> |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> |
| North Carolina | 2022 2021 | 1 | 0 | 0 | 0 | 0 | <u>01</u> | <u>10</u> |
| | 2022 | <u>1</u> | 0 | 0 | 0 | 0 | <u>1</u> | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ohio | 2021 2024 | <u>60</u> | <u>02</u> | 0 | 0 | 0 | 0 | <u>62</u> |
| <u>Ohio</u> | 2022 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| | 2023 | 6 | 0 | 0 | 0 | 0 | 0 | 6 |
| | 2024 | <u>6</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>6</u> |
| Oklahoma | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | <u>1</u> | 0 | 0 | 0 | 0 | 0 | <u>1</u> |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> |
| Oregon | 2022 2021 | 0 | <u>01</u> | 0 | 0 | 0 | 0 | <u>01</u> |
| | 2022 | 0 | <u>1</u> | 0 | 0 | 0 | 0 | <u>1</u> |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> | <u>0</u> |

| | | | | | | | | |
|------------------|----------------------|---------------|----------------|---------------|---------------|--------------|---------------|----------------|
| Pennsylvania | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 1 | 1 | 0 | 0 | 0 | 1 |
| | 2024 | <u>1</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1</u> | <u>0</u> |
| South Carolina | 2022 2021 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | <u>2</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>2</u> |
| Tennessee | 2022 2021 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2022 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2023 | 5 | 0 | 0 | 0 | 0 | 1 | 4 |
| Texas | 2021 2024 | 10 | 30 | 0 | 0 | 0 | 10 | 124 |
| <u>Texas</u> | 2022 | 12 | 3 | 0 | 0 | 0 | 0 | 15 |
| | 2023 | 15 | 0 | 0 | 0 | 0 | 1 | 14 |
| | 2024 | <u>14</u> | <u>4</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>18</u> |
| Washington | 2022 2021 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2023 2022 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 20232024 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Wisconsin | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| USA | 2021 2024 | 71 | 110 | 20 | 10 | 0 | 20 | 771 |
| <u>Total</u> | 2022 | 77 | 7 | 3 | 0 | 0 | 4 | 77 |
| | 2023 | 77 | 2 | 3 | 0 | 0 | 4 | 72 |
| Canada | 2021 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2022 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2023 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| Totals | 2021 | 76 | 11 | 2 | 1 | 0 | 2 | 82 |
| | 2024 2022 | 82 | 71 | 30 | 0 | 0 | 4 | 82 |
| | 2023 | 82 | 2 | 3 | 0 | 0 | 4 | 77 |

Item 20 : Table No. 4
Status of Affiliate-Owned Outlets
for Years ~~2021-2023~~2022-2024

| State | Year | Outlets Year Start | Outlets Opened | Terminated | Non-Renewals | Re-acquired by Franchisor | Ceased Operation Other Reasons | Outlets at End of the Year |
|------------|----------------------|--------------------|----------------|------------|--------------|---------------------------|--------------------------------|----------------------------|
| California | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |

| | | | | | | | | |
|--------|----------------------|---|---|---|---|---|---|---|
| | 2022 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Totals | 2022 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |

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Item 20 : Table No. 5
Projected Openings as of 12/31/24

| State | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchised Outlet In The Next Fiscal Year | Projected New Company Owned Outlet In the Next Fiscal Year |
|----------------|---------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------|
| Arizona | 0 | 1 | 0 |
| California | 0 | 2 | 0 |
| Florida | 0 <u>2</u> | 2 | 0 |
| Georgia | 0 | 1 <u>2</u> | 0 |
| Illinois | 0 | 1 | 0 |
| Missouri | 0 | 1 | 0 |
| North Carolina | 0 <u>2</u> | 1 <u>2</u> | 0 |
| Ohio | 0 | 1 | 0 |
| Texas | 0 <u>3</u> | 2 | 0 |
| TOTALS | 0 | 12<u>14</u> | 0 |

A list of the names, addresses and telephone numbers of our franchisees as of December 31, ~~2023~~2024 is attached to this Franchise Disclosure Document as Exhibit F. A list of the names, city and state and telephone number of franchisees that have had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the last calendar year ending December 31, ~~2023~~2024, or who has not communicated with us within 10 weeks of the date of this Franchise Disclosure Document is also attached at Exhibit F. If you buy this Franchise, your contact information may be disclosed to other potential buyers when you leave the franchise system.

During the last 3 years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

As of the Issuance Date of this Franchise Disclosure Document, there is no (i) trademark-specific franchisee organization associated with the System being offered that we have created, sponsored or endorsed or (ii) independent franchisee organizations that have asked to be included in this Franchise Disclosure Document.

ITEM 21. FINANCIAL STATEMENTS

The audited financial statements of The Glass Guru Enterprises, Inc. for the years ended December 31, ~~2021, December 31, 2022,~~ December 31, 2023, and December 31, ~~2023,~~2024. are included in Exhibit E to this Disclosure Document.

ITEM 22. CONTRACTS

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

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

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

The Glass Guru Enterprises, Inc. Guaranty and Assumption of Obligations is attached to the Franchise Agreement as Exhibit 3.

The Glass Guru Enterprises, Inc. Holder of Legal or Beneficial Interest in Franchisee; Officers; Directors is attached to the Franchise Agreement as Exhibit 4.

The Glass Guru Enterprises, Inc. Assignment of Telephone Numbers and Internet Tools is attached to the Franchise Agreement as Exhibit 5.

The Glass Guru Enterprises, Inc. Lease Addendum and Collateral Assignment is attached to the Franchise Agreement as Exhibit 6.

~~We provide no other contracts or agreements for your signature.~~

If you purchase two franchises at one time with the intent of developing the second franchise after the first Franchise Business has been establishment and it at a Phase 2 operational level, you will sign an Addendum to the Second Franchise Agreement which is attached to this Disclosure Document as Exhibit G.

ITEM 23. RECEIPTS

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

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



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

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THE GLASS GURU ENTERPRISES, INC.

FRANCHISE AGREEMENT

This Franchise Agreement is made by and between The Glass Guru Enterprises, Inc., a Texas corporation, having its principal place of business at 5550 Granite Parkway, Suite 280, Plano TX 75024 ("Franchisor"), and the individual or entity ("Franchisee"), with the names and addresses for each party listed on Exhibit 1.

WITNESSETH:

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

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

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

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

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

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

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

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

1 DEFINITIONS

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

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

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

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

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

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

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

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

"Brand Identity Package" has the meaning given to such term in Section 11.1;

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

"Confidential Information" means technical and non-technical information used in or related to The Glass Guru Business and not commonly known by or available to the public, including, without limitation, Trade Secrets, training materials and manuals; specifications, standards, procedures, processes, techniques, concepts, methods and know-how for establishing, marketing

promoting, managing and operating The Glass Guru businesses and providing The Glass Guru services; customer information and data; customer service and development techniques; supplier information and data; financial data, financial plans, strategic plans, and product plans; and any other information identified as confidential by Franchisor. Confidential Information must not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure under this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

“Converted Business” means a Competing Business that Franchisor, at its sole discretion, grants an Area of Primary Responsibility in which to begin the Franchise Business. In these circumstances, Franchisee is required to merge the Competing Business with and into the Franchise Business. All subsequent operations and activities of the Franchise Business will be conducted by the Franchisee under the Mark(s) of The Glass Guru, utilizing appropriate copyrighted materials, manuals, systems, etc. subject to the terms and conditions of this Agreement. While Franchisor will discuss a business conversion with any Competing Business, a Competing Business is only eligible receive “Incentives for Converted Businesses” when the Competing Business converting to a Franchise Business can demonstrate Gross Sales equal to, or greater than \$500,000 for the most current 12-month operating period.

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

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

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

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

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

“Franchisee” means the individual or entity specified as “Franchisee” in in Exhibit 1

“Franchisor” means The Glass Guru Enterprises, Inc.;

“Franchisor Indemnities” has the meaning given to such term in Section 21.3; “

“Gross Sales” means the total gross revenues collected or received from whatever source (whether in the form of cash, credit, agreements to pay, barter, trade credits, good will, or other

consideration) that arise, directly or indirectly, from or in connection with the operation of Franchisee's Franchise Business, including but not limited to:

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

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

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

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

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

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

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

"Manual" means The Glass Guru Operations Manual and Safety Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, or otherwise revised by Franchisor from time to time that contain or describe the standards, methods,

procedures and specifications of the System, including other operations, administration and managers' manual and all books, computer programs, password-protected portions of an Internet site, pamphlets, and other publications prepared by, or on behalf of, Franchisor.

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

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

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

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

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

"Royalty Fee" has the meaning given to such term in Section 3.2;

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

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

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

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

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

2 GRANT OF FRANCHISE

2.1 Grant

Franchisor grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions of this Agreement, a revocable, limited license to operate a Franchise Business at one (1) location approved by Franchisor using the System and Marks. Franchisee shall be prohibited from operating more than one (1) location under this Agreement except with the prior written consent of Franchisor, and subject to Section 2.3.1.

2.2 Approved Location

The street address (or detailed description of the premises) of the Location approved in writing by Franchisor for the Franchise Business will be described in Section A of Exhibit 1.

2.3 Area of Primary Responsibility

The "Area of Primary Responsibility" is an area surrounding the Franchise Business location and is defined using U.S. zip codes. This area is considered the geographic market boundary for the Franchise Business. As long as this Agreement is in full force and effect and as long as Franchisee is in compliance with the Minimum Performance Requirements described in Section 5.11, Franchisor will not establish or operate or grant others the right to establish and operate a The Glass Guru Business at any location within the Area of Primary Responsibility. The population of an Area of Primary Responsibility for a Franchise Business will typically range from 150,000 to 800,000; however, the said range is not intended to establish a minimum population or a maximum population for an Area of Primary Responsibility. Population will be determined by referencing the most recent figures available from the United States Census Bureau at the time the Area of Primary Responsibility is designated. **The Area of Primary Responsibility is described in Section B of Exhibit 1.**

2.3.1 Unless as described in Section 5.12, the Area of Primary Responsibility shall not be subject to change during the Term unless Franchisee requests and Franchisor consents to Franchisee establishing an additional location approved by Franchisor with the Area of Primary Responsibility. If Franchisor consents to such request, Franchisor may require that an additional franchise agreement be granted to Franchisee and Franchisee's existing Area of Primary Responsibility will be split between the two (2) Franchise Agreements in the manner agreed upon by the parties. Upon the execution of the second Franchise Agreement, this Agreement will be amended in writing to revise the Area of Primary Responsibility.

2.4 Nonexclusive License

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

- 2.4.1 establish or operate, and to grant others the right to establish or operate, a The Glass Guru Business at any location as Franchisor deems appropriate; provided however such established businesses and operations are conducted outside the Area of Primary Responsibility specified by the Franchisor for the Franchise Business;
- 2.4.2 establish or operate, and to grant others the right to establish or operate, other businesses offering the same or similar products or services as the Franchise Business utilizing other trade names, trademarks and service marks within or outside of the Area of Primary Responsibility;
- 2.4.3 establish or operate, and to grant others the right to establish or operate businesses offering products and services different than those offered by the Franchise Business utilizing the Marks or other trade name, trademarks and service marks within or outside of the Area of Primary Responsibility;
- 2.4.4 to acquire or be acquired by a company establishing businesses identical or similar to the Franchise Business, even if the other business operates franchises and/or licenses Competing Businesses anywhere, including Franchisee's Area of Primary Responsibility;
- 2.4.5 sell or otherwise distribute products and services similar to those offered through the Franchise Business through any alternate channel of distribution, including through retail outlets at a fixed location and by direct mail and Internet sales, under terms and conditions that Franchisor deems appropriate; and
- 2.4.6 engage in any activities not expressly forbidden by this Agreement.

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

2.5.1 Other than for Immediate Family Members, Franchisee must not ~~directly provide services or sell product~~ conduct any direct marketing in areas inside the Area of Primary Responsibility of another The Glass Guru franchisee; and must not directly solicit any customers located inside the Area of Primary Responsibility of another The Glass Guru franchisee. Other than for Immediate Family Members, Franchisee must not provide services or sell product at locations or to customers inside the Area of Primary Responsibility of another The Glass Guru franchisee;

2.5.1.1 ~~If we determine~~ Franchisor determines that Franchisee, prior to obtaining the express written consent of Franchisor, ~~provides~~ has or is providing Services or ~~sells~~ selling Products in the Area of Primary Responsibility of another The Glass Guru franchisee in violation of this Agreement, Franchisee must pay the franchisee that has the right to (i) immediately refer the infringed customers in the other The Glass Guru franchisee's Area of Primary Responsibility and to the other The Glass

Guru franchisee without any payment or compensation, and (ii) pay us a cross territory violation fee in the amount equal to of eighty (80%) of the total ~~sums Franchisee gross revenue~~ received by Franchisee for the Services and Products, less the actual cost Franchisee paid for the Products sold and any third party hired labor costs. All sums in the other The Glass Guru franchisee's Area of Primary Responsibility ("Cross Territory Violation Fee"). The fee must be paid within ten (10) days after receiving notice from Franchisor. A second violation could result in the termination of this Agreement. Services to Immediate Family Members are exempt from this Section.

2.5.1.2 Further, Franchisee must not advertise in any form of media whose primary location, broadcast or circulation is outside of their Area of Primary Responsibility without the prior written approval of Franchisor. If Franchisor determines that Franchisee has advertised in or has directly marketed in the Area of Primary Responsibility of another The Glass Guru franchisee, Franchisee must immediately refer all customers lead from such advertising or direct marketing to The Glass Guru franchisee who has been granted the Area of Primary Responsibility in which the prospective customer is located. Franchisor shall make reasonable efforts to enforce these restrictions with regard to Franchisee and any other The Glass Guru Business, but under no circumstances must Franchisor be required to engage in litigation or similar actions with regard to these restrictions.

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

Other than for Immediate Family Members, if Franchisee wishes to use any part of the System (including, but not limited to, the providing of any Services) and/or the Marks outside Franchisee's Area of Primary Responsibility in an area not yet franchised by us, ~~we~~Franchisor may (but are not obligated to) allow Franchisee to do so on a temporary basis under such terms and conditions as ~~we deem~~Franchisor deems fit, including (but not limited to) our granting such rights on a non-exclusive basis. Any work completed outside Franchisee's Area of Primary Responsibility is subject to our right to charge a fee (a Non-APR Service Fee') per customer for authorizing such service.

Also, upon receipt of notice from us, Franchisee must immediately stop all marketing and sales activities in any area outside of Franchisee's Area of Primary Responsibility and submit a full accounting of all current activity to Franchisor, including all leads, proposals, and sales. Franchisor has the sole discretion to determine the process for completing all activities for customers and the process for making the transition to any new or current franchisee. Franchisee does NOT retain rights to ANY customers outside of Franchisee's Area of Primary Responsibility.

2.6 Sub-franchising/Agents

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

2.7 Notice to Franchisor for Certain Events

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

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

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

2.9 Supplemental Exhibits and Agreements

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

- A. Exhibit 1, Specifics. This document describes the Area of Primary Responsibility, the Franchise Fee, and provides other information.
- B. Exhibit 3, Guaranty and Assumptions of Obligations. The shareholders, members, officers, directors, and representatives of and the Affiliates of

Franchisee involved with or that provide assets or services to the Franchise Business must sign this document to agree to be liable to Franchisor for the obligations of Franchisee.

- C. Exhibit 4, Holder of Beneficial Interest in Franchisee; Officers, Directors and Managers. Franchisee must provide Franchisor with the names and contact information for the owners of Franchisee and other persons beneficially interested in Franchisee, officers, directors and managers of the Franchisee and to provide updates to this information as it occurs.
- D. Exhibit 5, Assignment of Telephone Numbers and Internet Tools. Simultaneously with the signing of this Agreement and any time thereafter, as Franchisor requests, Franchisee will sign an assignment of the telephone numbers, Internet domain names, e-mail addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, and other internet tools ("Telephone Numbers and Internet Tools") used by Franchisee in the Franchise Business in the form of Exhibit 6 attached to this Agreement. The assignment provides that Franchisee will have a limited license to use the Telephone Numbers and Internet Tools during the term of this Agreement and as long as Franchisee complies with the policies and procedures specified by Franchisor.
- E. Exhibit 6, Lease Addendum. Franchisee shall be required to execute this Addendum along with the landlord for the lease for the Approved Location as a condition of approval of the lease.
- F. Exhibit 7, State Addenda. If Franchisee is located in a franchise registration state that requires an addendum to this Agreement as listed in Exhibit 7, Franchisee shall require the addendum along with the signing of this Agreement.

3 FEES, OTHER PAYMENTS AND PROCEDURES

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

3.1 Franchise Fee

In consideration of the rights and license granted by Franchisor, Franchisee agrees to pay, at the time of signing of this Agreement, a non-refundable initial franchise fee (the "Franchise Fee") to Franchisor in the amount stated in Section C of Exhibit 1 The Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as described in this Agreement and for costs incurred by Franchisor, including general sales

and marketing expenses, training, legal, accounting, and other professional fees. The fee reflected in Section C of Exhibit 1 reflects any applicable incentive(s) that may have been applied toward the Franchise Fee as determined by Franchisor at the time the Agreement is executed.

3.2 Monthly Royalty Fee

On the twentieth (20th) day of each month, Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as this Agreement is in effect, a non-refundable royalty fee ("Royalty Fee") equal to seven percent (7%) of Gross Sales for the previous calendar month.

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

3.2.2 Guru Charity. Franchisee is not required to pay the Royalty Fee on the value of any portion of goods and/or services provided without compensation to Franchisee if those goods and/or services are provided for a charitable organization approved by Franchisor ("Guru Charity"). Currently, all charitable organizations listed by the Internal Revenue Service ("IRS") as exempt under Internal Revenue Code §501(c)(3) ("501(c)(3) organizations") are automatically approved by us. Go to IRS.gov to search for a list of 501(c)(3) organizations. If Franchisee provides goods and/or services without compensation that are not for an organization that is listed by the IRS as a 501(c)(3) organization or a charitable organization otherwise approved by us, the value of those goods and/or services must be included in Franchisee's Gross Sales for purposes of paying royalty to us. The value of the goods and/or services provided without compensation will be equal to the amount that Franchisee would normally charge for the goods and/or services Franchisor requires Franchisee to pay Royalty Fees through electronic transfer as described in Section 3.6.

3.3 Brand Fee

Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as this Agreement is in effect, a monthly Brand Fee ("Brand Fee") equal to two percent (2%) of Gross Sales for the previous calendar month. Brand Fee Contributions must be made at the same time and in the same manner as Royalty Fees. Franchisor shall spend Brand Fees collected from franchisees as it deems advisable in its sole discretion.

3.4 Non-APR Service Fee

On the twentieth (20th) day of each month, Franchisee must pay to Franchisor without offset, credit or deduction of any nature, so long as the Franchise Agreement is in effect, a fee ("Non-APR Service Fee") equal to one percent (1%) of Gross Sales for the previous calendar month for any and all services provided and products sold outside of ~~Franchisees~~Franchisee's Area of Primary Responsibility. However, if the services provided or products sold are inside the Area of Primary Responsibility of another The Glass Guru franchisee in violation of this Agreement, the Cross Territory Violation Fee described in Section 2.5.1.1 will apply.

3.5 Technology Fee

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

3.6 Taxes

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

3.7 Payment of Fees

Franchisee must pay the full amount of the Royalty Fee, Brand Fee, Technology Fee and Non-APR Service Fee as provided above and any and all other fees due under this Agreement, and no offset or claim may be made against those fees unless otherwise stated in this Agreement. All payments for fees and charges must be made to Franchisor in the manner and at the times specified by Franchisor. Currently Franchisor specifies that: (a) the Royalty Fee, Brand Fee, Technology Fee, Non-APR Service Fee, administrative fees, NSF fees and interest and other amounts due must be paid to Franchisor on the twentieth (20th) day of the month following the end of the calendar month in which the revenue was generated; (b) miscellaneous fees and charges, including but not limited to fees for goods or services, must be paid to Franchisor at the time they are incurred. All Payments must be paid via Automated Clearing House ("ACH") transfers or other form of electronic payment transfer as Franchisor specifies. In some circumstances, it may be necessary for Franchisor to ACH transfer funds for miscellaneous fees other on the twentieth (20th) day of the month. In that case, the amount

and date of deduction will be communicated to Franchisee in advance. Franchisee must not close the Account associated with Payment of Fees without Franchisor's written consent.

Franchisee must promptly execute and deliver to Franchisor any electronic transfer authorization form required for making ACH transfers upon delivery of such form to Franchisee by Franchisor. Franchisee shall not make any change in the Account used for making payment of the fees due hereunder, including any change in the account number, closing of any account, issuing stop payment orders, or changing of banks without the prior written approval of Franchisor and execution of new electronic transfer authorization forms.

3.8 Late Fees

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

3.9 NSF Fees and Interest

Franchisee must pay on demand a fee equal to any charges Franchisor may incur as a result of ACH or other transfers returned to Franchisor for non-sufficient funds or other reasons, but not less than Seventy-five (\$75.00) for each item returned ("NSF fees"). The current minimum fee is \$75.00 and is subject to change upon sixty (60) days' written notice to Franchisee. Also, If Franchisor re-submits a charge which is returned again for non-sufficient funds or other reasons, another NSF fee will be due from Franchisee. Also, Franchisee must pay to Franchisor, on demand, interest on all overdue payments from the date the payment was due until paid equal to the greater of (i) one and one-half percent (1.5%) per month or (ii) the maximum rate of interest permitted by law. The assessment of NSF fees and interest will not be the sole remedies of Franchisor in such circumstances. All amounts paid will be first applied to NSF fees and interest and the balance to principal.

3.10 Application of Payments

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

4 **TERM AND RENEWAL**

4.1 Initial Term

This Agreement shall be effective and binding for an initial term of ten (10) years from the Effective Date, unless sooner terminated under Section 16.

4.2 Successor Terms

Subject to the conditions below and Section 4.3, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor. Franchisee's right to a successor franchise is limited to two (2) successive terms of ten (10) years each, such that the total term of the Franchise may not exceed thirty (30) years. Following the expiration date of two (2) successive terms, Franchisor has the right to charge a franchise fee commensurate with the current and prevailing Franchise Agreement as of that date. To qualify for a successor franchise, each of the following conditions must have been fulfilled and remain true as of the last day of the term of this Agreement:

- 4.2.1 Franchisee has, during the entire term, substantially complied with all material provisions of this Agreement;
- 4.2.2 Franchisee has at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchise Business reflects Franchisor's then-current standards and specifications;
- 4.2.3 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;
- 4.2.4 Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor;
- 4.2.5 Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than six (6) months nor more than twelve (12) months prior to the end of the term of this Agreement
- 4.2.6 Franchisee has executed at Franchisor's option either (i) Franchisor's then-current form of the franchise agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement must supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee or Brand Fee; and a different or reduced Area of Primary Responsibility; provided, however, that Franchisee will not be required to pay the then-current Franchise Fee; or (ii)

an extension of this agreement.

- 4.2.7 Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements;
- 4.2.8 Franchisee and its owners have executed a general release, in a form the same as or similar to the General Release attached as Exhibit 2, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees.
- 4.2.9 There shall be no renewal fee for the first successive ten (10) year term. At the end of the second successive ten (10) year term, Franchisee shall pay a renewal fee in the amount of Ten Thousand Dollars (\$10,000.00).
- 4.2.10 Unless otherwise noted, all conditions to renewal must be met before the expiration of the initial term of this Agreement. If all of the other applicable conditions to renewal have been met, Franchisor will not withhold approval of renewal without good cause. Notwithstanding the foregoing, Franchisor may withhold approval of renewal if Franchisor has withdrawn from the market in which Franchisee's Area of Primary Responsibility is located and no longer operates or grants others the right to operate a The Glass Guru business in such market.

4.3 Good Cause for Withholding Approval of Renewal

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

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

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

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

4.5 Continued Operation Following Expiration

If Franchisor permits Franchisee to continue to operate the Franchise Business after the expiration of the term of this Agreement, but before the execution of a renewal Franchise Agreement as required by this Section 4, then the temporary continuation of the Franchise Business will be on a month-to-month basis, and this Agreement will be terminable at Franchisor's will by giving Franchisee written notice of termination at least thirty (30) days before the termination is effective. If applicable law requires a longer notice period, the thirty-day period will be deemed modified to be the shortest notice period required by the laws of such jurisdiction.

5 ESTABLISHING THE FRANCHISE BUSINESS

5.1 Selection of Site

Franchisee must promptly select a site for the Franchise Business within the Area of Primary Responsibility and must notify Franchisor of such selection. Franchisor shall evaluate the site and notify Franchisee of its approval or disapproval of the site within a reasonable time of receiving notice of the site from Franchisor. If Franchisor has not disapproved of the initial location or any substitute location proposed by Franchisee within fifteen (15) days of receiving written notice of the location, then Franchisor will be deemed to have approved it. Upon approval of such selection, the site must be designated as the Approved Location. If Franchisor does not approve of such selection, Franchisee must select and notify Franchisor of new sites until Franchisor approves a site for the Franchise Business, which will not be unreasonably withheld. Franchisor shall provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Approved Location.

Franchisor has the right to approve or disapprove a proposed location based on such factors as it deems appropriate, including the size and condition of the premises, demographics of the surrounding area, proximity to other The Glass Guru Business, lease requirements (if applicable) visibility and overall suitability. Franchisee must not locate the Franchise Business

on a selected site without the prior written approval of Franchisor.

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

5.2. Failure to Select Site

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

5.3. Lease of Approved Location

If Franchisee is to execute a lease for, or a binding agreement to purchase for, the Approved Location, Franchisee must obtain Franchisor's approval of the terms. Franchisor shall not unreasonably withhold its approval. Franchisor's review of a lease or any advice or recommendation offered by Franchisor does not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisor shall be entitled to require that nothing in the lease is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement. The franchisee must take all actions necessary to maintain the lease of the Approved Location while this Agreement is in effect. Any default for which the lease may be terminated may also be deemed a default hereunder and the time to cure the same should expire when the lease is terminated.

As a condition of obtaining Franchisor's consent to any lease for the Approved Location, Franchisor may require that Franchisee and the landlord execute the Addendum to Lease and Collateral Assignment of Lease attached to this Agreement as Exhibit 6, or alternatively, providing similar language in the form of lease to be executed by Franchisee and the landlord.

5.4. Development of Franchise Business and Vehicles

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

5.4.1.1. obtain all permits and licenses required for operation of the Franchise Business, and certify in writing that all such permits and certifications have been obtained;

5.4.1.2. purchase or lease a vehicle meeting Franchisor's specification and all other required signs and equipment and install such signs and equipment in either the vehicle or Franchisee's office, as appropriate; The use of any vehicle other than those specified must be approved in writing by Franchisor.

5.4.1.3. purchase the necessary glass restoration tools, which may include The Glass Guru Restoration Tools as described in Section 13.2, ~~the Brand Identity Package as described in Section 11.1~~ and any other marketing and promotional materials, supplies or inventory necessary for the operation of the Franchise Business, as specified in the Manual;

5.4.1.4. establish broadband or high-speed Internet access and obtain at least one business telephone number solely dedicated to the Franchise Business;

5.4.1.5. purchase required number of mobile devices including mobile phones and tablets and establish wireless service connection(s) to the device(s) or mobile hotspot(s); and,

5.4.1.6. purchase and install all signs, furniture and office equipment and office supplies, including any required computer hardware and software, required for the management and administration of the Franchise Business and the maintenance and storage of the books and records of the Franchise Business.

5.5. Franchisee Entity Requirements

~~During the Term of this Agreement,~~Prior to the opening of the Franchise Business and

throughout the balance of the Term of this Agreement, the franchise must be owned and operated by an entity, the entity must be a party to this Agreement, and the entity that is the Franchisee hereunder must be in compliance with the following:

- 5.5.1. Franchisee's organizational documents provide that its activities are confined exclusively to the operation of The Glass Guru franchise businesses unless Franchisee obtains Franchisor's prior written consent for other business activities to be conducted under the entity that is the Franchisee. If Franchisor provides consent for Franchisee to conduct multiple business operations under the entity, Franchisee must use the dba with The Glass Guru designation exclusively for the business activities conducted under this Agreement, must maintain separate books and records, and financial statements for the Franchise Business for reporting to Franchisor, must maintain a separate insurance policy for the Franchise Business operations, and meet any other conditions required by Franchisor. However, in no event may Franchisee operate any competing business under the entity that is the Franchisee.
 - 5.5.2. copies of the Franchisee's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors or limited liability company managers authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents must also be furnished to Franchisor immediately upon adoption.
 - 5.5.3. each stock certificate or other ownership interest certificate of the Franchisee has conspicuously endorsed upon the face of that certificate the statement "**The transfer of the [shares][ownership interest] represented by this certificate is subject to the terms and conditions of a certain written franchise agreement entered into with The Glass Guru Enterprises, Inc.**", or a statement in a form satisfactory to Franchisor that it is held subject to, and that any assignment or transfer of ownership interest and/or the ownership certificate is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and
 - 5.5.4. Franchisee shall remain in good standing with the state in which it was incorporated or organized;
 - 5.5.5. Franchisee shall promptly advise Franchisor of any changes in the information contained in Exhibit 4 attached hereto on owners, officers, directors and managers of Franchisee.
- 5.6. Opening
- 5.6.1. Before opening the Franchise Business and commencing business, Franchisee must:

- 5.6.1.1 fulfill all of the obligations of Franchisee under the other provisions of this Section 5;
 - 5.6.1.2 furnish Franchisor with copies of all insurance policies required by this Agreement, or by any lease (if applicable), or such other evidence of insurance coverage and payment of premiums as Franchisor may request;
 - 5.6.1.3 ensure that the Franchisor approved Designated Manager has completed initial training to the satisfaction of Franchisor;
 - 5.6.1.4 hire any other personnel necessary or required for the operation of the Franchise Business;
 - 5.6.1.5 obtain all necessary permits and licenses;
 - 5.6.1.6 pay in full all amounts due to Franchisor.
- 5.6.2 Franchisee must comply with these conditions and must open and continuously operate the Franchise Business within ninety (90) days after the Effective Date. Time is of the essence.

5.7. Failure to Open

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

5.8. Use of Approved Location

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

5.9. Relocation of the Franchise Business

Franchisee must not relocate the Franchise Business without the prior written consent of Franchisor, which consent will not be unreasonably withheld or delayed. If the lease for the Approved Location expires or is terminated without the fault of Franchisee or if the Franchise Business's premises is destroyed, condemned or otherwise rendered unusable, or as otherwise may be agreed upon in writing by Franchisor and Franchisee, Franchisor may, in its

reasonable discretion, allow Franchisee to relocate the Franchise Business. Any such relocation will be at Franchisee's sole expense and will proceed in accordance with the requirements described in Sections 5.1 through 5.8. Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including legal and accounting fees. Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance. If Franchisor and Franchisee do not agree upon a substitute site within ninety (90) days after the lease expires or is terminated or the Approved Location is rendered unusable, or if Franchisor grants approval of a substitute site but Franchisee fails to promptly relocate the Franchise Business, Franchisor may terminate this Agreement as provided in Section 16.2.1.1.

5.10. Employee Non-disclosure and Confidentiality Agreements

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

5.11. Minimum Performance Requirements

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

5.11.1 Minimum Performance Requirements. For the 1st through 4th years of operation of a Unit in the Area of Primary Responsibility, Franchisee must achieve annual Gross Sales of at least the following amounts: (i) One Hundred Fifty Thousand Dollars (\$150,000) for the first (1st) year of operation; (ii) Three Hundred Thousand Dollars (\$300,000) for the second 2nd year of operation; (iii) Four Hundred Fifty Thousand Dollars (\$450,000) for the third (3rd) year of operation; and (iv) Six Hundred Thousand Dollars (\$600,000) for the fourth (4th) year of operation. After a Franchise Business has been operating in the Area of Primary Responsibility for four (4) years, for each subsequent year of operation Franchisee must: (A) achieve Gross Sales of at least Six Hundred Thousand Dollars (\$600,000); and (B) perform in the top ninety percent (90%) of all Franchise Business operating in the country of origin in the annual growth percentage of Gross Sales as determined by Franchisor. For purposes of this Section, a year of operation is the twelve (12) month period beginning on the first date of operation of a Franchise Business in the Area of Primary Responsibility and each anniversary of that date. However, if the first date of operation of a Franchise Business in the Area of Primary Responsibility is not the first day of the month, a year of operation will be the twelve (12) month period beginning on the first (1st) day of the calendar month after the first (1st) day operation and each anniversary of that date. Except as provided in subsection 5.11.2, the time periods specified in this subsection begin on the date that a Franchise Business was first operated in the Area of Primary Responsibility, whether or not operated by Franchisee.

5.11.2 Notwithstanding the prior section, if Franchisee acquires a Franchise Business

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

5.12. Franchisor's Remedies Relating to Minimum Performance Requirements

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

- A. Require Franchisee to enter into a performance improvement plan, which may include retraining;
- B. Reduce the Area of Primary Responsibility (the reduced Area of Primary Responsibility will include the Approved Location, but will otherwise be determined by Franchisor in its sole discretion);
- C. Offer to renew this Agreement at the end of its term based on a reduced- in-size Area of Primary Responsibility as determined by Franchisor in its sole discretion;
- D. Terminate this Agreement; and/or
- E. Refuse to renew this Agreement at the end of its term.

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

6 PROPRIETARY MARKS

6.1 Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is non- exclusive and is limited to the conduct of business by Franchisee under, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach

of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created, must inure to the benefit of Franchisor. Franchisee must not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee must not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

6.1.1 Promise Not to Contest Validity or Ownership of Marks

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

6.2 Limitations on Use

Franchisee agrees to use the Marks as its sole identification for the Franchise Business, except that Franchisee agrees to identify itself as an independent owner in the manner Franchisor approves. Except as otherwise explicitly authorized by this license or as Franchisor may otherwise authorize in writing, Franchisee may not use any Mark: (i) as part of any entity or legal business name, (ii) with any prefix, suffix, or other modifying words, terms, designs or symbols, (iii) in selling any unauthorized services or products, (iv) as a part of or in connection with any Internet domain names, email addresses, websites, social media (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing, or other Internet tools, or (e) in any other manner that Franchisor has not expressly authorized in writing. Franchisee may not use any Mark in advertising the transfer, sale, or other disposition of the Franchise Business or an ownership interest in the Franchisee without Franchisor's prior written consent, which Franchisor will not unreasonably withhold.

Franchisee agrees to display the Marks prominently as Franchisor prescribes at its Franchise Business and on vehicles, forms, advertising, supplies, and any other materials Franchisor designates. Franchisee agrees to give the notices of trade and service mark registrations that Franchisor specifies and to obtain any fictitious or assumed name registrations required under applicable law. Franchisee must not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or

foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee should include on its letterhead, forms, cards and other such identification, and must display at any office location, a prominent notice stating that the Franchise Business is "Independently Owned and Operated".

6.3 Manner of Using Marks

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

6.4 Goodwill

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

6.5 Permitted Business Name

Franchisee and its affiliates must not use any part of any of the Marks or any words similar to any of the Marks in its entity name. Franchisee shall conduct business under the terms of this Agreement using the assumed or fictitious name described in Section C of Exhibit 1 where required or permitted by applicable law. Franchisee may register the assumed or fictitious name assigned to Franchisee in Section C of Exhibit 1. Franchisee and its affiliates must not use any part of the Marks or words similar to the Marks as a business name, except as Franchisor authorizes by written agreement.

6.6 Notification of Infringements and Claims

If Franchisee receives notice, or is informed, of any claim, demand, or suit against Franchisee on account of any alleged infringement, unfair competition, or similar matter relating to

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

Franchisee does not have any right to, and must not itself, defend or prosecute the Marks.

6.7 Indemnification for Use of Marks

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

6.8 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee must comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor and subject to the limitations in Section 10.2. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

6.9 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchise Business, Franchisor and its designees have the right to enter and inspect the Franchise Business at all reasonable times and, additionally, have the right to observe the manner in which Franchisee renders services and conducts activities and operations, and to

inspect facilities, vehicles, equipment, accessories, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchise Business in accordance with the quality control provisions and performance standards established by Franchisor.

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

6.10 Franchisor's Sole Right to Domain Name

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

7 CONFIDENTIAL INFORMATION

7.1 Confidentiality

Franchisee acknowledges that Franchisor will disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Manuals, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee does not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchise Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of the professional staff of Franchisee): (a) must not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) must maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) must not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential

Information. Franchisee must enforce this Section as to its employees, agents and representatives and must be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

7.2 Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, must be promptly disclosed to Franchisor and must be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation must be due to Franchisee or its owners or employees therefor. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a “work made-for-hire” for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor’s efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

7.3 Exclusive Relationship

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

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

- 7.3.1 Divert or attempt to divert any business or customer of the Franchise Business or any other Franchise Business to any Competing Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or
- 7.3.2 Own an interest in, manage, operate, be engaged in or take part in, be employed by or perform services for any Competing Business wherever

located.

7.4 Nondisclosure and Non-Competition Agreements with Certain Individuals

Subject to applicable law, Franchisor has the right to require Franchisee and any holder of a legal or beneficial interest in Franchisee, and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee to execute a nondisclosure and non-competition agreement, in a form acceptable to Franchisor and containing obligations similar to those of Franchisee in this Section 7 and in Section 17 of this Agreement, upon the signing of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee must provide Franchisor with copies of all nondisclosure and non-competition agreements signed under this Section. Such agreements must remain on file at the offices of Franchisee and are subject to audit or review as otherwise described in this Agreement. Franchisor shall be a third-party beneficiary with the right to enforce covenants contained in such agreements.

7.5 Reasonableness of Restrictions

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

8 TRAINING AND ASSISTANCE

8.1 Initial Training

Franchisor will make an initial training program available to the Owners and Designated Manager and one (1) office assistant. Up to two (2) additional field or office assistants will also be allowed to attend the initial training program with Franchisor's prior authorization. Prior to the opening of the Franchise Business and within ninety (90) days from the date of this Agreement, the Owner and the Designated Manager must attend and successfully complete, to Franchisor's satisfaction, an initial training program pertaining to operation of the Franchise Business including, but not limited to technical procedures, maintenance of quality standards; customer service techniques; sales and marketing methods; financial controls; record keeping and reporting procedures, and other operational items. Franchisor will conduct the initial training program at its headquarters or at a Qualified Training Location designated by Franchisor. Franchisor will not charge tuition or similar fees for initial training for the Owners, Designated Manager, office assistant and two additional field or office assistant; however, all expenses incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, will be the sole responsibility of Franchisee.

8.2 Technician Training & Certification Programs

After Franchisee's Owners and Designated Manager attend and successfully complete the initial training program in accordance with Section 8.1, should Franchisee hire additional window restoration technicians, each such technician must be properly trained to provide window restoration services for the Franchise Business. Such technician training may be conducted by the Franchisee and should be conducted at either Franchisor's headquarters, Franchisee's location or at a Qualified Training Location designated by Franchisor. For training provided by Franchisor at the request of the Franchisee, Franchisee must pay Franchisor's then-current standard rates for technician training programs. In addition, all expenses incurred by Franchisee's technicians in attending such programs including, but not limited to, travel costs, room and board expenses and employees' salaries, will be the sole responsibility of Franchisee.

8.3 Opening Assistance

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

8.4 Failure to Complete Initial Training Program

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

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

sale of a franchise to qualified franchisees, Franchisor's participation in the Franchise sale, Franchisor's legal compliance with franchise laws and regulations, site selection assistance and guidelines and the development and hosting of initial training programs and participation in terminating the Franchise.

8.5 New Designated Manager

After beginning operations, should Franchisee wish to request approval of a new Designated Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager and request approval from Franchisor. The new Designated Manager must complete the initial training program to Franchisor's satisfaction within sixty (60) days of Franchisor's approval of the Designated Manager. Franchisor may require Franchisee to pay Franchisor's then-current rates for additional training for providing initial training to the substitute manager. Franchisee is responsible for all travel costs, room and board and employees' salaries incurred in connection with the new Designated Manager's attendance at such training.

8.6 Ongoing Training

From time to time, Franchisor may provide ongoing training programs or seminars at locations designated by Franchisor during the term of this Agreement, and if it does, Franchisor has the right to require that the Franchisee and Designated Manager attend. Franchisor may charge a fee for any mandatory ongoing training. Franchisor will not require the Designated Manager to attend more than two (2) sessions in any calendar year and collectively not more than seven (7) days in any calendar year, including attendance at the Annual Convention. Franchisee will be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager, or any other employees of the Franchise Business attendance at such training. Franchisee's failure to attend mandatory training programs pursuant to this Section 8.6 or Annual Franchisee Conventions pursuant to Section 8.7 shall be deemed a material breach of this Agreement.

8.7 Annual Franchisee Convention

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

8.8 Training and Performance Improvement Requirements

If the Franchise Business is performing unsatisfactorily (as determined by Franchisor in its sole discretion) in any of the areas listed below, or in another area that Franchisor determines to be material, Franchisor may require Franchisee, at Franchisee's expense, to: (a) attend training session specified by Franchisor; (b) visit another Franchise Business for a Performance Improvement Visit; (c) make a Performance Improvement Visit to Franchisor; (d) receive a Performance Improvement Visit from a Franchisor staff member; (e) participate in an ongoing performance improvement program; or (f) receive a Performance Improvement Visit from a third-party auditor or consultant. The following are examples of matters that are of material concern to Franchisor and/or a material breach of this Agreement, and is not an exhaustive list:

- Failing to meet the Minimum Performance Requirements;
- Suffering a below franchise system average growth rate;
- Failing to comply with paperwork procedures;
- Failing to adhere to OSHA Safety and Regulatory compliance requirements and other legal requirements relating to the Franchise Business;
- Failing to properly control risk or meet loss, safety, and other risk benchmarks specified by Franchisor;
- Failing to meet operations, signage, or truck requirements;
- Failing to meet systems benchmarks;
- Failing to maintain financials according to generally accepted accounting principles (GAAP);
- Customer satisfaction and referral rates that are below the franchise system averages, or other customer service issues;
- Behavior damaging to The Glass Guru brand;
- Failing to adhere to The Glass Guru core values;
- Failing to maintain accurate and timely operating system data;
- Failing to follow the marketing best practices as outlined in the guides developed by Franchisor;
- Failing to timely report financial information as required in the Manuals;
- Failing to follow sales standard operating procedures as outlined by Franchisor;
- Failing to follow the training procedures as outlined by Franchisor;
- Failing to follow customer service procedures as outlined by Franchisor; and
- Performance in multiple areas that are below expectations, none of which on its own is unsatisfactory, but the combination of which results in a determination by Franchisor that the Franchise Business is performing unsatisfactorily.

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

Nothing herein shall be construed as a waiver of Franchisor's rights to terminate this Agreement for any one or more failures listed above that ~~we deem~~ Franchisor deems to be a material breach of the terms of this Agreement or the requirements of the Manuals.

9 MANUAL

9.1 Definition of Manuals

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

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

To preserve and enhance the reputation and the goodwill associated with the System and Marks and to maintain uniform standards of operations throughout the entire franchise system, Franchisee must comply with all lawful standards, policies and procedures in the Manuals that Franchisor specifies from time to time as mandatory in connection with the operation of the Franchise Business. Franchisee will be given access to the currently existing Manuals after execution of this Agreement via Franchisor's Automation Systems and/or in another manner specified by Franchisor. The Manuals remain Franchisor's confidential property must not be duplicated by Franchisee and may not be used by Franchisee other than in the operation of the Franchise Business under this Agreement.

9.3 Revisions

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

9.4 Confidentiality

The Manuals contain Trade Secrets and other Confidential Information of Franchisor and its contents must be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee must always ensure that its copy of the Manuals is in a current and up-to-date manner. If the Manuals are in paper form or stored on computer-readable media, Franchisee must maintain the Manuals in a secure manner in Franchisee's office; if the Manuals are in electronic form, Franchisee must maintain the Manuals in a password-protected file.

Franchisee must only grant authorized personnel, as defined in the Manuals, access to the Manuals or any key, combination or passwords needed for access to the Manuals.

Franchisee must not disclose, duplicate, or otherwise use any portion of the Manuals in an unauthorized manner.

10 FRANCHISE SYSTEM

10.1 Uniformity

Franchisee must comply and must cause the Franchise Business to comply, with all requirements, specifications, standards, operating procedures and rules described in this Agreement, the Manuals or other communications supplied to Franchisee by Franchisor in order to maintain uniformity within the franchise system and for the protection of Franchisor's brand and the Marks.

10.2 Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technologies which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, vehicles, equipment, or signs, the introduction of new products and services, and new specifications, standards, operating procedures relating to the promotion and marketing of the Franchise Business. Franchisee agrees to make all required upgrades and modifications at its expense as may be reasonably required by Franchisor. If such additional investment is required to be made in the last year of any term, Franchisee may avoid making the investment by providing notice of intent not to renew the Franchise unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges that any required expenditures for changes or upgrades to the System must be in addition to expenditures for repairs and maintenance as required in Section 13.3 of this Agreement.

10.3 Variance

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

11 ADVERTISING AND PROMOTIONAL ACTIVITIES

11.1 Brand Identity Package

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

~~Brand Identity Package expenditures will be in addition to any Local Advertising expenditures and Brand Fee.~~

11.2 Local Advertising

11.2.1 ~~In addition to Brand Identity Package, (see Section 11.1) Franchisee must promote the Franchise Business through advertising, promotions, and public relations within Franchisee's Area of Primary Responsibility surrounding the Franchise Business ("Local Advertising"). Each calendar month, Franchisee must spend a minimum amount on Local Advertising ("Minimum Local Advertising Expenditure"). The current Minimum Local Advertising Expenditure is One Thousand Two Hundred Fifty Dollars (\$1,250.00) per month and is subject to change upon delivery of sixty (60) days' notice to Franchisee. Local Advertising expenditures must be made directly by Franchisee to providers of advertising services, subject to the approval and direction of Franchisor. Franchisor will provide general guidelines to Franchisee for conducting Local Advertising. Any marketing activities conducted by Franchisee outside the Area of Primary Responsibility must be approved in writing by the Franchisor, subject to all other terms and conditions of this Agreement. Franchisee must record all expenditures for Local Advertising in the required accounting software. Upon request by Franchisor, Franchisee shall deliver a report on Franchisee's Local Advertising expenditures in a form and manner required by Franchisor.~~

11.2.2 Exclusive of approved material offered through our (internal) Marketing Store, Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, ad copy, coupons, flyers, direct mail or digital ads. Franchisor must use reasonable efforts to provide notice of approval or disapproval within ten (10) business days from the date all requested material is received by Franchisor. If Franchisor does not approve submitted materials by the end of such ten (10) business day period, such materials must be deemed to have not received the required approval. Franchisee must not use any marketing or promotional material prior to approval by Franchisor. The submission of advertising materials to Franchisor for approval must not affect Franchisee's right to determine the prices at which Franchisee sells products or provides services.

11.3 Internet Advertising

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

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

11.4 Telemarketing

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

11.5 Required Advertising on Glass Trucks and Other Business Vehicles

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

11.6 General Limitations on Advertising and Marketing

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

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

Franchisee acknowledges that Franchisor has developed and will continue to develop advertising/marketing policies regarding the methods and manner of advertising in various media and that Franchisee is obligated to comply with all advertising policies.

Franchisee understands that existing and/or future advertising policies may limit or eliminate Franchisee's right to use telephone numbers and/or Internet website addresses in advertising placed on Franchisee's vehicles and/or elsewhere. Franchisee also understands that existing and/or future policies may otherwise limit Franchisee's ability to advertise in a particular manner. Such limitations, when established, are established for the benefit of all the franchise system's customers and/or to establish reasonable rules to govern the actions between franchisees.

11.8 Agreement to Comply with Franchisor Policy

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

11.9 Agreement to Comply with Modifications and Changes to Franchisor Policy

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

11.10 Advertising Standards

Franchisee will make no misrepresentations or material omissions in any of its advertising Or marketing and promotional materials. All marketing, advertising, and promotional materials used by Franchisee must be factual, in good taste and not harmful to the Marks (as determined in Franchisor's sole discretion) and must conform to the highest standards of ethical advertising. Franchisee must immediately cease using any advertising, marketing or promotional material that Franchisor notifies Franchisee is in violation of this Section 11.10.

11.11 Advertisements Produced by Third Parties

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

11.12 Franchisor Remedies for Displaying Unapproved or Unauthorized Advertising

Except in the case of a minor violation that can be immediately cured (as determined In

Franchisor's sole discretion) Franchisor may seek remedies, including injunctive relief barring Franchisee from its ongoing advertising violations, assignment of Franchisee's telephone numbers to Franchisor, or other relief, up to and including termination of the Franchise Agreement.

12 ACCOUNTING RECORDS AND REPORTING OBLIGATIONS

12.1 Records

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

12.1.1 Providing Business Information to Franchisor; Customer Lists

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

12.2 Monthly Reports

Franchisee must provide to Franchisor monthly reports pertaining to Franchisee's Gross Sales and such other additional information specified by Franchisor in monthly report forms or formats specified by Franchisor in the Manuals (currently provided to Franchisor through GPS Insight software system). Monthly Royalty Reports for each calendar month must be provided on or before the fifth (5th) day following the end of that calendar month. Franchisee must provide additional monthly reports specified by Franchisor in the Manuals (e.g., routine month-end close financial entries in line with generally accepted accounting principles) on or before the twentieth (20th) day

following the end of that calendar month. These reports must be provided in the manner specified by Franchisor (which may include Franchisor directly accessing the information on the software systems). Franchisor can share information in these reports with other franchisees in the ordinary course of Franchisor's business as a tool to improve the franchise system's volume of business.

12.2.1 Separate Reporting for each Franchise Business

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

12.2.2 Consequences of Failure to Timely and Accurately Report

If Franchisee fails to transmit reports, records, or other information to Franchisor in the manner, at the times, and/or in the formats specified by Franchisor, or fails to timely close jobs and process open jobs as specified by Franchisor, or fails to provide accurate and/or complete information in required reports, Franchisee must pay Franchisor an administrative fee for each calendar day that data is not transmitted and/or not transmitted in proper form. The current administrative fee is Fifty Dollars (\$50,00) and is subject to change upon sixty (60) days' written notice to Franchisee. The charge is intended to cover expenses Franchisor incurs to collect this data. If a documented technology failure prevents electronic transmittal of the data, or some other bona fide emergency occurs preventing electronic transmittal of the data (as Franchisor determines in its sole discretion), the charge will not be imposed.

12.2.3 Consequences of Improper Gross Sales Reporting

If Franchisee fails to submit the monthly Gross Sales report in an improper or unapproved format or fails to submit the Gross Sales report when due to the Franchisor, Franchisee will incur an administrative fee for each calendar day that the report has not been transmitted and/or has not been submitted in proper form. The current administrative fee is Seventy-Five Dollars (\$75.00) and is subject to change upon sixty (60) days' written notice to Franchisee. If a documented technology failure prevents electronic transmittal of the data, or some other bona fide emergency occurs preventing electronic transmittal of the data (as Franchisor determines in its sole discretion), this charge will not be imposed.

12.3 Financial Statements

12.3.1 Franchisee must, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year

just ended and a balance sheet as of the last day of the calendar year. Such financial statements must be prepared in accordance with generally accepted accounting principles applied on a consistent basis. If required by Franchisor, such financial statements must be reviewed or audited by a certified public accountant.

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

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

12.4 Other Reports

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

12.4.1 Operational Information

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

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

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

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

Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

Within forty-eight (48) hours from initial customer contact, Franchisee is required to enter customer contact information – e.g., including full name, address, phone number and e-mail address and other information Franchisor specifies in the computer system for the Franchise Business. Should Franchisee fail to enter customer information during three (3) or more occasions (three consecutive or non-consecutive months) during any calendar year, franchisee may be required to obtain and present to Franchisor a year-end audited financial statement for the year the breach occurred. The audited financial statements, if required, are to be prepared by an independent account firm and presented within ninety (90) days post year-end. Franchisor may charge an administrative fee currently for each month in which Franchisee fails to enter customer data by the due date. The administrative fee is currently One Hundred Seventy-Five Dollars (\$175.00) for each month, but is subject to change upon sixty (60) days' written notice to Franchisee.

12.6 Right to Inspect

Franchisor, itself or through its designee, has the right, at any time during the term of this Agreement or upon termination or expiration of this Agreement, to inspect, examine, copy, and audit, the books, records, and tax returns of Franchisee's operation of Franchise Business, as well as tax returns for any person or entity holding a material interest in the Franchise Business. This may be accomplished by entering upon the premises of the Franchise Business during business hours, by requiring Franchisee to electronically provide required records or in any other manner designated by Franchisor.

Franchisee must cooperate fully with such audit and inspection. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee must immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of eighteen percent (18%) per annum (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower). If the inspection discloses an underpayment of three percent (3%) or more of the amount due for any period covered by the audit, or if the inspection is conducted due to Franchisee's failure to submit required reports and records, Franchisee must, in addition, reimburse Franchisor for all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). The foregoing remedies must be in addition to any other remedies Franchisor may have.

12.7 Release of Records

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

of this Agreement or until such time as Franchisor withdraws its request. Franchisee must execute all documents necessary to facilitate the release of records referenced here to Franchisor.

12.8 Chart of Accounts; Central Accounting Office

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

13 STANDARDS OF OPERATION

13.1 Authorized Products, Services and Suppliers

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

13.1.2 Franchisor shall provide Franchisee, in the Manuals or other written or electronic form, with a list of specifications and, if required, a list of Approved Suppliers for some or all the products, supplies, signs, equipment, tools, components and other approved or specified items and services, and Franchisor may from time-to-time issue revisions to such list. If Franchisor is an Approved Supplier of products or supplies, Franchisee must execute a standard form purchase or supply agreement for the items to be supplied by Franchisor. If Franchisee desires to utilize any services or products that Franchisor has not approved (for services and products that require supplier approval), Franchisee must first send Franchisor at its expense sufficient information, specifications, and samples (if required) for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisor reserves the right to charge Franchisee a fee for each request for approval of a services, products or a supplier not previously approved by Franchisor. Franchisor will decide within a reasonable time (usually thirty [30] days) after receiving the required information whether Franchisee may

purchase or lease such items or services or from such supplier. Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section shall be construed to require Franchisor to approve any supplier, or to require Franchisor to make available to prospective suppliers, standards, and specifications that Franchisor deems confidential.

13.1.3 Notwithstanding anything contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service, or supplier at any time by notifying Franchisee or the supplier. Franchisee must, at its own expense, promptly cease using, selling, or providing any items or services disapproved by Franchisor and must promptly cease purchasing from suppliers disapproved by Franchisor.

13.1.4 Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to allow one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors described in Section 10.3 and must not create any rights in Franchisee to provide the same products or services.

13.1.5 While Franchisor has the right to retain volume rebates, markups, and other benefits from suppliers or in connection with the furnishing, approval or specification of suppliers, Franchisor may pass on a portion of these benefits to franchisees. Franchisor must keep a portion of any such benefits to compensate it for the administrative costs of the purchasing program.

13.2 The Glass Guru Restoration Tools and Products

13.2.1 Franchisor and its Affiliate have designed, developed and/or acquired and continue to design and develop certain window restoration tools, equipment and products, and other items especially suited for use in the operation of The Glass Guru Business ("The Glass Guru Restoration Tools"). In order to maintain the consistency, quality and uniformity of the System, Franchisor shall make The Glass Guru Restoration Tools available to Franchisee in reasonable quantities in accordance with the procedures for ordering, handling, and shipping that Franchisor may determine periodically, provided that Franchisee is in compliance with the Franchise Agreement and all other agreements with Franchisor.

13.2.2 Franchisee agrees to purchase and use all glass restoration tools as Franchisor requires from Franchisor or a supplier approved by Franchisor.

Franchisee acknowledges and agrees that there may be certain specific glass restoration tools developed by Franchisor and its Affiliate that are distinctive and/or proprietary. Such distinct and/or proprietary tools must be purchased from Franchisor or its Affiliate. Franchisee agrees to always maintain an inventory of the glass restoration tools as specified by Franchisor as necessary to operate the Franchise Business at full capacity.

- 13.2.3 Franchisor commits to provide The Glass Guru Restoration Tools supplied by Franchisor at competitive prices; however, Franchisee acknowledges that Franchisor has the right to earn a reasonable profit on the sale of its The Glass Guru Restoration Tools.

13.3 Appearance and Condition of the Franchise Business

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

13.4 Ownership and Management

Throughout the term of this Agreement, the Franchise Business must always be under the overall supervision of an Owner of Franchisee. Franchisee's Owner supervising the Franchise Business must not engage in any business or other activities that will conflict with the Owner's obligations under this Agreement. The Franchisee must also designate a Designated Manager who must devote full-time efforts to the management of the day-to-day operation of the Franchise Business. The Designated Manager may be an Owner of Franchisee or an employee of Franchisee and must be approved by Franchisor.

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

Franchisee's Designated Manger must be approved in writing by Franchisor, must always personally supervise the day-to-day operation of the Franchise Business, and always personally exercise his or her best efforts to market the products and services of the Franchise Business.. The Designated Manager must successfully complete Franchisor's training program as a condition to approval of the Designated Manager.

13.6 Days of Operation

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

13.7 Franchise Business Staff

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

13.8 Only Franchisee Has the Right to Control Employees

Franchisor does not control, and does not have the right to control, Franchisee's decisions regarding recruiting, hiring, disciplining, supervision, terminating, compensation, benefits, work schedules, work rules, or recordkeeping regarding Franchisee's employees or agents. Franchisor does not control or have the right to control Franchisees other day-to-day business activities. Franchisee shall notify and communicate clearly with its employees in all dealings, including without limitation, its employment applications, written and electronic correspondence, paychecks, employee ———handbooks, employment policies and procedures, and other written materials that Franchisee (and only Franchisee) is their employer, and that Franchisor is not their employer.

Franchisee shall comply with any state workers compensation act, any state unemployment compensation benefit law or regulation, or any other federal, state, or local employment or employee benefit law and regulation, and shall establish employer accounts as required by applicable federal and/or state law. Any required employee training and any mandatory and suggested standards, specifications, policies, and procedures of Franchisor relating to Franchisee's employees or employment matter are imposed not for the purpose of exercising control over Franchisee's or the Franchise Business but rather for the limited purpose of protecting Franchisor's Marks, system, confidential Information, goodwill and brand consistency. Franchisee must indemnify and hold harmless Franchisor from and against any liability relating to or arising from employment related decisions and obligations, including but not limited to labor and employment law violations by Franchisee and Franchisee's employees and claims that Franchisor is an employer or joint employer of Franchisee's Employees

13.9 Contributions and Donations

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

13.10 Licenses and Permits; Compliance with Laws

Franchisee must secure and maintain in force all required licenses, permits and certificates necessary for the operation of the Franchise Business. Franchisee must operate the Franchise Business in full compliance with all applicable federal, state, county, municipal or other statutes, laws, ordinances and regulations, rules or orders applicable to the Franchise

Business, including but not limited to state and federal labor and employment laws, such as the Fair Labor Standards Act (FLSA), Family and Medical Leave Act (FMLA), Occupational Safety and Health Act (OSHA), Employee Retirement Income Security Act (ERISA), Title VII, the Age Discrimination in Employment Act, and the Affordable Care Act and laws and regulations relating to worker's compensation insurance, unemployment insurance, and withholding and payment of federal and state income taxes, sales, and other taxes. Franchisee must promptly pay all payroll and business taxes, fees and expenses, and all other amounts required by law. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchise Business. Franchisee must be solely responsible for investigating and complying with all such laws, ordinances, and regulations with regard to the operation of the Franchise Business.

13.11 Notification of Proceedings

Franchisee must notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchise Business, and of the issuance of any order, writ, injunction, judgment, award, or decree which may affect the operation or financial condition of the Franchise Business not more than five (5) days after Franchisee receives notice of any such commencement or issuance. Franchisee must deliver to Franchisor not more than five (5) days after Franchisee's receipt of that notice, a copy of any inspection report, warning, certificate, or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule, or regulation.

13.12 Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and the Franchise Business, is material to this Agreement and the relationship created. Therefore, Franchisee must endeavor to maintain high standards of quality and service in the operation of the Franchise Business. _____Franchisee must always give prompt, courteous, and efficient service to customers of the Franchise Business. The Franchise Business must in all dealings with its customers, vendors, and the general public, adhere to the highest standards of honesty, fair dealing, and ethical conduct.

13.13 Obligation to be Governed by Highest Ethical Standards and to Comply with the Systems

Franchisee acknowledges that every component of the System is important to Franchisor and to the operation of the Franchise Business. Franchisee must always operate the Franchise Business in a competent manner and in full compliance with all aspects of the System specified by Franchisor. In all business dealings with the public and with Franchisor, Franchisee will be governed by the highest standards of honesty, integrity, fair dealing, and ethical conduct and act always to support and grow the System. Franchisee must not engage in any activity or practice that results in or may reasonably be anticipated to result in damage to Franchisor's business reputation or result in or reasonably be anticipated to result in any

public criticism of the System or Marks. Franchisee will not use or engage any federal, state, or local law, regulation, court, or tribunal to retard or prevent another franchisee or prospective franchisee of the System from obtaining a license or authority to operate as a full-service window, door, and glass business or in any other capacity authorized by this Agreement. Franchisee acknowledges that such violations will be good cause for immediate termination of this Agreement.

13.14 Disputes Arising with Customers and Third Parties

If there is a bona fide dispute between Franchisee and one or more customers and/or other third parties regarding the Franchise Business, Franchisee shall promptly resolve the dispute in a manner that will not cause injury to the reputation of the Marks and The Glass Guru franchise system. Franchisor has the right to terminate this Agreement for violation of this Section.

13.15 Uniforms

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

13.16 Credit Cards

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

13.16.1 Credit Card Payment; PCI Compliance.

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

13.17 E-Mail

Franchisor will provide Franchisee with e-mail addresses for Franchise Business purposes as expressed in the Manual. Franchisee may not change its e-mail addresses unless approved in writing by Franchisor.

13.17.1 Centralized Email

If specified by Franchisor, Franchisee must use a centralized email system maintained by Franchisor. Currently, centralized email use is provided for through the aforementioned Technology Fee.

13.18 Participation in Call Center or Answering Service

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

13.19 Best Efforts

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

13.20 Automation Systems

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

Franchisee must keep accurate Automation Systems user accounts for its employees and must either notify Franchisor or make any necessary updates in the Automation Systems of any user account changes or employee status changes within two business days.

Franchisee must employ other adequate measures to secure the Automation Systems and the information contained in the Automation Systems, as specified by Franchisor or any applicable Designated or Approved Supplier.

If Franchisor has not yet specified a particular system and/or Designated or Approved Supplier of a system as part of the required Automation Systems, Franchisee must obtain approval from Franchisor before obtaining the system or transitioning to a new system or Designated or Approved Supplier of the system. Current examples of systems in this category are telephone systems and call center systems. If Franchisor specifies these or other systems as part of the Automation Systems in the future, Franchisee must use the systems, and/or Designated or Approved Suppliers specified by Franchisor.

13.21 Computer Systems

Franchisee must purchase, install, and use in operating the Franchise Business. In addition, Franchisor may develop computer and point-of-sale systems consisting of hardware, software and other technology that is in accordance with Franchisor's specifications, including, but not limited to software installed locally at the Franchise Business location, cloud-based business applications, or proprietary software developed by Franchisor. If Franchisor introduces software designed exclusively for or modified for the System ("Proprietary Software"), Franchisee must use Proprietary Software in the operation of the Franchise Business and comply with all specifications and standards prescribed by Franchisor regarding the Proprietary Software, as provided from time to time in the Manuals, including but not limited to execution of a software license agreement and payment of license fees. Upgrades to the Proprietary Software may be implemented into the System at Franchisor's discretion. Once developed, Franchisee will be responsible for maintaining on-going services and support regarding the Proprietary Software, and Franchisor or a third party will license the Proprietary Software to Franchisee at the then current published rates.

In addition, Franchisor may develop computer systems and specifications for certain components of the computer system in the future and may modify such specifications and the modification of the specifications for the components of the computer systems and software may require Franchisee to incur costs to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the computer systems during the term of this Agreement. All such computer systems must be compatible with Franchisor's computer systems as modified from time to time, must be connected to Franchisor's facilities by high-speed Internet, and must be updated, maintained, and used in compliance with Franchisor's specifications. Franchisor may require Franchisee to electronically upload or transmit information on a periodic basis (including daily).

13.22 Franchisor Access to and Use of Business Information

Franchisor ~~will have~~has the right, and Franchisee hereby grants Franchisor consent, to independently access sales information, customer information, reports and other data produced by or stored in Franchisee's computer system, software or the Automation Systems and there are no contractual limitations on Franchisor's right to access and use that information and data, even if the data is maintained by a third party. Franchisee must provide Franchisor access to the computer system, software, and Automation Systems information on the Automation Systems in the manner specified by Franchisor and must supply Franchisor with all security codes necessary to obtain such access. Franchisee agrees that Franchisor will not be liable to Franchisee for any claims, losses, or damages arising from or related to

Franchisor's access to or use of the information and other data produced by computer systems, software or the Automation Systems, including but not limited to any errors or omissions in the information and other data obtained by Franchisor or in the information and other data shared by Franchisor with third parties (including other franchisees or prospective franchisees). Franchisee waives and releases Franchisor from any such liability.

13.23 Franchisor Access to and Use of Personal Information

Franchisor has the right, and Franchisee hereby grants Franchisor consent, to use and disclose all personal information collected from Franchisee and its owners for any purpose connected with the System, and this Agreement and its enforcement, including providing or listing contact information for Franchisee and its owners and management employees for System communication purposes, including with landlords and other suppliers of goods or services, or prospective franchisees; posting on franchise system websites listing franchisees; in or in connection with Franchisor's disclosure documents and, where applicable, prospectuses, statements of material facts and other securities filings and documents; and making reports or information received from you pertaining to the Franchise, or portions thereof or extracts therefrom, available for inspection by prospective franchisees, to substantiate information contained in Franchisor's disclosure documents for prospective franchisees regarding the subject matter of such reports or information, as the same pertain to the Franchise or the System in general. Franchisor may also share such personal information where needed with its professional advisors, lenders or affiliates or under agreements with third parties relating to the Franchise or the System. Franchisor may give access to or transfer its files containing such personal information to a prospective purchaser or purchaser of Franchisor or the franchise system. Franchisee is responsible to obtain any required consents from its owners and management employees as may be necessary for it to comply with these provisions.

13.23.24 Certain Telephone Technology Prohibited

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

13.25 Artificial Intelligence

Franchisee will not, without Franchisor's prior written consent, which consent may be withheld or revoked at Franchisor's sole discretion, utilize any generative artificial intelligence software, tools, or technologies, including, natural language processing, deep learning algorithms, or machine learning models (collectively, "Generative AI") directly or indirectly in the operation of the Franchise Business, including without limitation, in advertising, promotion, or marketing of the Franchise Business, communications with customers, business planning, analysis or optimization, or in any social media. Franchisee will not, without Franchisor's prior written consent, which consent may be withheld or revoked at Franchisor's sole discretion, upload, share or otherwise use any Confidential Information (including any inputs of information containing trade secrets, sensitive confidential information or personal information) with any unapproved third-party platforms, including Generative AI. In addition, Franchisee will prohibit its employees from uploading, sharing or otherwise using any Confidential Information with an unapproved third-party platforms, including Generative AI. In the event Franchisee utilizes any Generative AI, with or without Franchisor's prior approval, Franchisee must comply with all

laws applicable to such use, including without limitation, all trademark, copyright, and biometric laws, and must not infringe upon the intellectual property of a third party, or use such intellectual property without appropriate authorization and attribution.

14 FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

14.1 General Advice and Guidance

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

14.2 Periodic Visits

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

14.3 System Improvements

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

14.4 Marketing and Promotional Materials

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

15 INSURANCE

15.1 Types and Amounts of Coverage

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

15.1.1 "Special Form" (all risk) property insurance coverage on all assets including inventory, furniture, fixtures, equipment, supplies, and leasehold improvements and betterments and other property used in the operation of the Franchise Business at full replacement cost; Franchisor must be listed as loss payee;

~~15.1.1~~

15.1.2 Workers' compensation insurance that complies with the statutory requirements of the state in which the Franchise Business is located and employer liability coverage with a minimum limit of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) or, if higher, the statutory minimum limit as required by state law; A waiver of subrogation endorsement in favor of The Glass Guru Enterprises, Inc. is required. Endorsement must be provided;

15.1.3 Comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, the operation of the Franchise Business, or Franchisee's conduct of business under this Agreement, with a minimum liability coverage of ONE MILLION DOLLARS (\$1,000,000.00) per occurrence or higher if required by landlord or other lease agreements; The Glass Guru Enterprises, Inc. is to be named as additional insured with waiver of subrogation. Endorsements must be provided;

Automobile liability insurance for company owned, leased, or hired vehicles, if applicable, with a combined single limit of at least ONE MILLION DOLLARS (\$1,000,000.00); and The Glass Guru Enterprises, Inc. is to be named as additional insured with waiver of subrogation. Endorsements must be provided;

Such insurance as necessary to provide coverage under the indemnity provisions described in Section 15.1.

15.2 Future Increases

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

15.3 Carrier Standards

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

15.4 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies must not be limited in any way by reason of any insurance that may be maintained by Franchisor, nor must Franchisee's performance of this obligation relieve it of liability under the indemnity provisions described in Section 21.3. Franchisee must provide, annually, certificates of Insurance showing compliance with the foregoing requirements. Such certificates must state that said policy or policies must not be canceled or altered without at least thirty (30) days prior written notice to Franchisor.

15.5 Failure to Maintain Coverage

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

16 **DEFAULT AND TERMINATION**

16.1 Termination by Franchisee

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

undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Franchisee reasonable proof of such efforts.

16.2 Termination by Franchisor

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

16.2.1.1 fails to timely select an approved site for or establish, equip and commence operations of the Franchise Business under Section 5.

16.2.1.2 fails to have its Franchisor approved Designated Manager satisfactorily complete the initial training program under Section 8.1;

16.2.1.3 made any material misrepresentation or omission in its application for the Franchise, or otherwise to Franchisor in the course of entering into this Agreement;

16.2.1.4 is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee, or the Franchise Business;

16.2.1.5 discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Manuals or any Trade Secret or other Confidential Information;

16.2.1.6 if required by Franchisor, and allowable under applicable state law, fails to have any holder of a legal or beneficial interest in Franchisee, and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee, execute a nondisclosure and non-competition agreement, in a form acceptable to Franchisor and containing obligations similar to those of Franchisee in Section 7 and in Section 17 of this Agreement, upon the signing of this Agreement or prior to each such person's affiliation with Franchisee or fails to provide Franchisor with copies of all nondisclosure and non-competition agreements signed under Section 7.4, if requested by Franchisor;

16.2.1.7 abandons, fails, or refuses to actively operate the Franchise Business for five (5) or more consecutive days (unless the Franchise Business has not been operational for a purpose approved by Franchisor);

16.2.1.8 if Franchisor and Franchisee do not agree upon a substitute site for relation within ninety (90) days after the lease expires or is terminated or the Approved Location is rendered unusable; or Franchisee fails to promptly relocate the Franchise Business once approval is given by Franchisor for the Approved Location;

- 16.2.1.9 surrenders or transfers control of the operation of the Franchise Business, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee;
- 16.2.1.10 fails to or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner; within one hundred eighty (180) days following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest as required by Section 18.6, or fails to maintain the Franchise Business under the primary supervision of a Franchisor approved Designated Manager until assignment of the Franchisee or the interest in Franchisee;
- 16.2.1.11 adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part of that is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Franchisee's business or property; if a suit to foreclose any lien or mortgage against its property or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;
- 16.2.1.12 misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;
- 16.2.1.13 fails on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, Non-APR Service Fee, Technology Fee, Brand Fee, amounts due for purchases from Franchisor, or other payment when due to Franchisor, whether or not such failures to comply are corrected after notice is delivered to Franchisee;
- 16.2.1.14 violates any health or safety law, ordinance, or regulation, or operates the Franchise Business in a manner that presents a health or safety hazard to its customers, employees, or the public and fails to cure the violation within forty-eight (48) hours of receipt of notice of such violation or health or safety hazard;
- 16.2.1.15 engages in any activity exclusively reserved to Franchisor;
- 16.2.1.16 fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;
- 16.2.1.17 repeatedly breaches this Agreement and/or repeatedly fails to comply with mandatory specifications, customer service standards or operating

procedures prescribed in the Manual, whether or not previous breaches or failures are cured; or

~~16.2.1.17~~ 16.2.1.18 on more than one occasion Franchisee provides services or products to customers located within the Area of Primary Responsibility of another The Glass Guru franchisee; or

~~16.2.1.18~~ 16.2.1.19 If Franchisor has the right to terminate any other agreement between Franchisor and Franchisee, or such agreement automatically terminates.

16.2.2 Except as otherwise provided in Section 16.2.1, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and must continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:

16.2.2.1 within ten (10) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor;

16.2.2.2 within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement; or

16.2.2.3 within thirty (30) days of receiving notice of Franchisee's failure to comply with any other provision of this Agreement or any mandatory specification, standard or operating policy or procedure Franchisor prescribes in the Manuals or otherwise in writing from time to time;

16.2.2.4 within thirty (30) days of receiving notice of Franchisee's failure to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchise Business and/or the franchise system as a whole;

16.2.2.5 within thirty (30) days of receiving notice of Franchisee's failure to regularly attend and actively participate in required training, conference calls, or meetings, conventions, and other events required by Franchisor, or within thirty (30) days of receiving notice of failing to comply with Performance Improvement Requirements described in Section 8.8;

16.2.2.6 within thirty (30) days of receiving notice of Franchisee's failure to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchise Business as part

of the System;

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

16.3 Reinstatement and Extension

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

16.4 Right of Franchisor to Discontinue Services to Franchisee

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

16.5 Right of Franchisor to Operate Franchise Business

Following the delivery of a notice of default or termination under Section 16.2.2, if necessary, in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume the operation of the Franchise Business until such time as Franchisee corrects the breach. Franchisor may charge a management fee as stated in the Manuals from time to time, currently equal to FIVE HUNDRED DOLLARS (\$500.00) per day, or twenty-five percent (25%) of the Gross Sales during that period (whichever is greater), and Franchisor must be entitled to reimbursement of all expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchise Business. In the state of Washington, this fee will not be assessed for more than 180 days.

17 RIGHTS AND DUTIES UPON TERMINATION

17.1 Actions to be Taken

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

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

of the Franchise Business (all of which are acknowledged to be Franchisor's property);

- 17.1.9 assign all telephone listings and numbers and e-mail addresses for the Franchise Business to Franchisor, and must notify the telephone company, Internet service provider and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers, facsimile numbers and e-mail addresses associated with the Marks in any regular, classified, or other telephone directory or Internet listing and must authorize transfer of same to or at the direction of Franchisor;
- 17.1.10 assign to Franchisor all of Franchisee's rights in and to Internet domain names, email addresses, websites, social media accounts (such as Facebook, LinkedIn, Twitter, YouTube), blogs, vlogs (social videos), online social networks, wikis, forums, content sharing communities, and other Internet tools ("Internet Tools") used in connection with the Franchise Business and associated with Franchisor's Marks, including passwords and account manager access, and shall notify the necessary parties of the termination of the Franchisee's right to use any the Internet Tools and to authorize an assignment of same at the direction of Franchisor.
- 17.1.11 Except in the case of termination in connection with a transfer of the Franchise Business under Section 18 or expiration of this Agreement without renewal, Franchisee must pay to Franchisor the greater of an amount equal to Five Thousand Dollars (\$5,000.00) or five percent (5%) of the Franchisee's average Gross Sales for the six (6) calendar months preceding the date of termination or expiration without renewal (the "Holdback Amount").

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

- 17.1.12 comply with all other applicable provisions of this Agreement.

17.2 Post-Termination Covenant Not to Compete

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

- 17.2.1.1 to protect the Trade Secrets and other Confidential Information of Franchisor;
 - 17.2.1.2 to induce Franchisor to grant a Franchise to Franchisee; and
 - 17.2.1.3 to protect Franchisor against its costs in training Franchisee and its officers, directors, executives, professional staff, and Designated Managers.
- 17.2.2 Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager or member of the professional staff of Franchisee, must, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity:
- 17.2.2.1 own an interest in, manage, operate, be employed by, be engaged in or take part in, or provide services to any Competing Business located or operating (a) within a twenty-five (25) mile radius of the Approved Location or within the Area of Primary Responsibility, if greater, or (b) within a twenty-five (25) mile radius of the Approved Location of any other Franchise Business in existence at the time of termination or expiration; or
 - 17.2.2.2 solicit or otherwise attempt to induce or influence any customer, employee, or other business associate of Franchisor to terminate or modify his, her or its business relationship with Franchisor, any The Glass Guru Business, or to compete against Franchisor or any The Glass Guru Business.
- 17.2.3 In furtherance of this Section, Franchisor has the right to require Franchisee's officers, directors, executives, managers or members of the professional staff and all employees to execute standard form nondisclosure or non-competition agreements in a form acceptable to Franchisor and with obligations similar to those of Franchisor under this Section 17 and Section 7.
- 17.2.4 Franchisee acknowledges that that this form of Agreement is prepared for use in many jurisdictions with differing laws and public policies and that such laws and public policies may change. Accordingly, Franchisee and Franchisor agree that the non-competition restrictions set forth above may be modified by a Court to the extent necessary to make the non-competition agreements valid and enforceable against franchisee.
- 17.2.5 Franchisee acknowledges that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to franchisor for which no adequate remedy at law will be available.

Accordingly Franchisee hereby acknowledges that Franchisor may seek to obtain the entry of an injunction prohibiting any conduct by Franchisee or its owners in violation of the terms of the covenants not to compete set forth in this Agreement. Franchisee expressly agrees that it may conclusively be presumed that any violation of the terms of said covenants not to compete was accomplished by and through Franchisees unlawful utilization of our Trade Secrets or Confidential Information. Further, Franchisee expressly agrees that the existence of any claims franchisee may have against Franchisor whether or not arising from this Agreement shall not constitute a defense to the enforcement by Franchisor of the covenants not to compete set forth in this Agreement. Franchisee further agrees to pay all costs and expenses including reasonable attorneys' and experts' fees incurred by Franchisor in connection with the enforcement of those covenants not to compete set forth in this Agreement.

- 17.2.6 Franchisor is entitled to communicate Franchisee's obligations under this Agreement to any future Franchisee, vendor, customer, employer or business associate to the extent deemed necessary by Franchisor for protection of Franchisor's rights hereunder.

17.3 Unfair Competition

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

17.4 Franchisor's Option to Purchase Certain Business Assets

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

be agreed upon, a third appraisal may be ordered to make the final determination. The costs of the appraisal services shall be shared equally by Franchisor and Franchisee. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against such purchase price.

17.5 Survival of Certain Provisions

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

18 TRANSFERABILITY OF INTEREST

18.1 Transfer by Franchisor

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

18.2 Transfer by Franchisee to a Third Party

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

- 18.2.1 Franchisee has complied with the requirements described in Section 19;
- 18.2.2 all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchise Business, are fully paid and satisfied;
- 18.2.3 Franchisee and all transferring owners, have executed a general release, in a form the same as or similar to the General Release attached as Exhibit 2,

releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners and employees (in their corporate and individual capacities) including, without limitation, claims incident to the termination of this Agreement or to the transfer of Franchisee's interest or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee must give the maximum release allowed by law;

18.2.4 the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require demonstrating ability to conduct the Franchise Business;

18.2.5 the transferee and, if Franchisor require, all persons owning any interest in the transferee, have executed the then-current Franchise Agreement for new franchisees, which may be substantially different from this Agreement, including different Royalty Fee, Non-APR Service Fee, Technology Fee, and Brand Fee rates, a different Area of Primary Responsibility, and other material provisions, and the franchise agreement then executed must be for the term specified in such agreement; At Franchisor's option, the parties shall execute an assignment and assumption agreement satisfactory to Franchisor whereby the transferee assumes Franchisee's obligations under this Agreement in lieu of execution of a new franchise agreement;

~~18.2.6~~ Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the ~~prospective~~ Prospective transferee relating to the intended sale or transfer of the Franchise and Franchisor must have determined that the price and terms of payment are not so burdensome to adversely affect the future operations of transferee's Franchise Business;

~~18.2.6~~

18.2.7 Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of Ten Thousand Dollars (\$10,000.00);

18.2.8 the transferee and all holders of a legal or beneficial interest in the transferee, have agreed to be personally bound jointly and severally by all provisions of the new Franchise Agreement, or this Agreement for the remainder of its term if this Agreement is assigned to transferee, to guarantee the full performance of that franchise agreement;

18.2.9 the lessor of the Approved Location has consented to an assignment of the lease or sublease of the Approved Location to transferee;

18.2.10 transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and

requirements applicable to the transfer have been complied with or satisfied;

- 18.2.11 the transferee agrees that Franchisee and its new Designated Manager must complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operation of the Franchise Business. The training must be at the expense of the transferee at the then-current standard rates for technician training.
- 18.2.12 If required by Franchisor, Franchisee shall enter into an agreement with Franchisor agreeing that any obligations of the transferee to make installment payments of the purchase price to Franchisee will be subordinate to the transferee's ongoing obligations to Franchisor, including without limitation, payment of fees and other amounts due to Franchisor.

18.3 Franchisor's Disclosure to Transferee

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

18.4 Franchisee Disclosure to Transferee

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

18.5 For-Sale Advertising

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

18.6 Transfer by Death or Incapacity

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

19 **RIGHT OF FIRST REFUSAL**

19.1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell the Franchise Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee must obtain and deliver a bona fide, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials, to Franchisor.

The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners.

19.2 Franchisor's Right to Purchase

Franchisor shall, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit shall be deemed at least equal to the

credit of any proposed buyer. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor must have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

19.3 Non-Exercise of Right of First Refusal

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

20 LEGAL AND BENEFICIAL OWNERS OF FRANCHISE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the name, entity classification, state of organization, and all persons with a beneficial interest in Franchisee and percentages of ownership of those persons in Franchisee are set forth on the Holders of Legal or Beneficial Interest in Franchisee; Officers; Directors, attached as Exhibit 4. If Franchisee entity is owned by one or more other entities, this form must be completed for all entities, directly or indirectly, owning an interest in Franchisee. Franchisee represents that the information stated in Exhibit 4 is accurate and complete. Franchisee agrees that it will immediately notify Franchisor (and comply with the provisions of Section 18 of this Agreement, if applicable) if there is any change in the ownership of Franchisee or other information set forth in Exhibit 4, including if Franchisee awards some ownership interest to an employee as an incentive or other compensation. In addition, Franchisee must provide to Franchisor an update of the information in Exhibit 4 or confirm that it remains unchanged on an annual basis (or as otherwise specified by Franchisor in the Manuals). Each of the Owners of Franchisee (and their respective spouses) named in Exhibit 4 must guaranty the obligations of Franchisee to Franchisor. Failure to comply with these requirements will be a material default under this Agreement.

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

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

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

21 RELATIONSHIP AND INDEMNIFICATION

21.1 Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venturer, partner, employee, servant, or independent contractor of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty, or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. Franchisee agrees not to use any Mark in signing any contract, purchase agreement, mortgage, lease, negotiable instrument, application for any license or permit, or any other legal obligation, or in any manner that may result in liability to Franchisor for any indebtedness or obligation of Franchisee. Except as expressly authorized by this Agreement, neither Franchisee nor Franchisor will make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other or represent that the relationship between the parties is other than that of franchisor and franchisee. During the term of this Agreement, and any extension or renewal of this Agreement, Franchisee must hold itself out to the public only as a franchisee and an owner of the Franchise Business operating the Franchise Business under a franchise from Franchisor. Franchisee must take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice in the form specified in Section 6.2 and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances must Franchisor be liable for any act, omission, contract, debt, or any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchise Business.

21.2 Standard of Care

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

21.3 No Employment Relationship

Franchisee expressly acknowledges that Franchisor is not Franchisee's employer or an employer of any of Franchisee's employees or subcontractors. In addition, Franchisor is not a joint employer with Franchisee. Franchisee acknowledges that the training, guidance, advice and assistance provided by Franchisor, for obligations under this Agreement and the standards, specifications, policies, and procedures required by Franchisor under this

Agreement and in the Manuals are imposed not for the purpose of exercising control over Franchisee or the operation of the Franchise Business, but rather for the limited purpose of protecting the Marks, System, Trade Secrets and Confidential Information, goodwill and brand consistency. Franchisee shall notify and communicate clearly with its employees and subcontractors in all dealings, including without limitations, employment applications and other employment forms, written and electronic correspondence, agreements or contracts, paychecks, employee handbooks, employment policies and procedures, and other written materials that Franchisee (and only Franchisee) is their employer and that Franchisor is not their employer. Franchisee is solely responsible for the management and supervision of the Franchise Business as an independent franchise owner/operator.

21.4 Indemnification

Franchisee must hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement, which arises from or is based upon Franchisee's (a) ownership or operation of the Franchise Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the Franchise Business, including any negligent or intentional acts; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information. This indemnification includes without limitation actual and consequential damages, reasonable arbitrators', attorneys', accountants' and expert witness fees (including those for appeal), costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The indemnification obligations described herein will continue in full force and effect after, and notwithstanding, the expiration or termination of this Agreement.

21.5 Right to Retain Counsel

Franchisee must give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this Section causes any of Franchisee's insurers to refuse to pay a third-party claim, all cause of action and legal remedies Franchisee might have against such insurer must automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances must Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in

order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss must in no way reduce the amounts recoverable by Franchisor from Franchisee.

22 GENERAL CONDITIONS AND PROVISIONS

22.1 No Waiver

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

22.2 Injunctive Relief

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

If Franchisor obtains injunctive relief, Franchisee shall pay Franchisor an amount equal to the total of its costs of obtaining it, including, without limitation, reasonable arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts court costs, other arbitration or litigation expenses and travel and living expenses, and any damages Franchisor incurs as a result of the breach of any such provision. Franchisee further agrees to waive any claims for damage in the event there is a later determination that an injunction or specific performance order was issued improperly.

22.3 Notices

All notices required or permitted under this Agreement must be in writing and must be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by email; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by U.S. Postal Service Certified or Registered Mail, return receipt requested. Either party may change its address for service by a written notice sent in accordance with this Section. All notices, payments and reports required by this Agreement must be sent to Franchisee at its approved location address on file with Franchisor and the email address provided by Franchisor and to

Franchisor at the following address:

The Glass Guru Enterprises, Inc
ATTN: President
5550 Granite Parkway Suite 280
Plano, TX 724

~~info@theglassguru.com and compliance@theglassguru.com~~
info@theglassguru.com and compliance@theglassguru.com

22.4 Cost of Enforcement or Defense

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

22.5 Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee and their spouses must be required to execute, as of the date of this Agreement, the Guaranty and Assumption of Obligations attached as Exhibit 3, through which such holders and spouses agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

22.6 Approvals

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

22.7 Entire Agreement

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

franchisee to waive reliance on, or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.

22.8 Severability and Modification

22.8.1 Except as noted below, each paragraph, part, term, and provision of this Agreement must be considered severable. If any paragraph, part, term, or provision of this Agreement is ruled to be unenforceable, unreasonable, or invalid, such ruling must not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter must continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable, or invalid paragraphs, parts, terms, or provisions must be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

22.8.2 Notwithstanding the above, each of the covenants contained in Sections 6 and 7 and 17 must be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable, or invalid, then it must be amended to provide for limitations on use of Marks or disclosure of Trade Secrets and other Confidential Information or on competition to the maximum extent provided or permitted by law.

22.9 Construction

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

22.10 Force Majeure

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

22.11 Timing

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

22.12 Withholding Payments

Franchisee must not, for any reason, withhold payment of any Royalty Fees or other amounts

due to Franchisor or to an Affiliate. Franchisee must not withhold or offset any amounts, damages, or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

22.13 Further Assurances

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

22.14 Third-Party Beneficiaries

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

22.15 Multiple Originals; Electronic Signature

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

23 DISPUTE RESOLUTION

23.1 Choice of Law

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

23.2 Consent to Jurisdiction

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

23.3 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor must be deemed, exclusive of any other right or remedy of this Agreement or by law or equity provided or permitted, but each must be in addition to every other right or remedy. Nothing contained in this Agreement will bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

23.4 Limitations of Claims

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

23.5 Limitation of Damages

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

23.6 Waiver of Jury Trial

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

23.7 Arbitration

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

Franchisee acknowledges that it has read the terms of this binding arbitration provision and affirms that this provision is entered into willingly and voluntarily and without any fraud, duress, or undue influence on the part of Franchisor or any of Franchisor's agents or employees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of Texas and federal laws (such the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of Texas.

24 AFFIRMATIONS

24.1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received an exact copy of this Agreement and its exhibits at least seven (7) days prior to the date on which this Agreement was executed. Franchisee has received, at least fourteen (14) calendar days prior to the date on which this Agreement was executed, the Franchise Disclosure Document required by the Trade Regulation Rule of the Federal Trade Commission entitled Disclosure Requirements and Prohibitions Concerning Franchising.

24.2 True and Accurate Information

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

24.3 No Violation of Other Agreements

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

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK.]

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

DATE: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

DATE: _____

EXHIBIT 1

TO THE FRANCHISE AGREEMENT THE GLASS GURU ENTERPRISES, INC.

SPECIFICS

Franchisee's Name: _____

Type of Entity: _____

State of Incorporation or Organization: _____

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

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

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

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

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

The Glass Guru of _____ (City)

This Exhibit 1 is signed on this date: _____

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

This release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

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

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

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

ACKNOWLEDGMENT

State/Province of: _____

On this ___ day of _____, 20___ before me personally appeared _____, known to me to be the same person or who provided _____ (ID and number) as proof thereof, and whose name is signed to the foregoing General Release, and acknowledged the execution thereof for the uses and purposes therein set forth, [and who did swear and say that he/she is the ___ (title) of _____ (Company name), and he/she has the authority to execute said General Release].

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

(NOTARIAL SEAL) _____

Notary Public

My Commission expires: _____

EXHIBIT 3

TO THE FRANCHISE AGREEMENT THE GLASS GURU ENTERPRISES, INC.

GUARANTY AND ASSUMPTION OF OBLIGATIONS

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

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

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

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

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

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

PERCENT OWNERSHIP IN FRANCHISE: _____ %

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

PERCENT OWNERSHIP IN FRANCHISE: ____%

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

PERCENT OWNERSHIP IN FRANCHISE: ____ %

SPOUSE OF PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

NAME OF SPOUSE: _____

PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

PERCENT OWNERSHIP IN FRANCHISE: ____ %

SPOUSE OF PERSONAL GUARANTOR

Personally, and Individually (Printed Name)

Personally and Individually (Signature)

HOME ADDRESS: _____

TELEPHONE: _____

NAME OF SPOUSE: _____

EXHIBIT 4

TO THE FRANCHISE AGREEMENT— THE GLASS GURU ENTERPRISES, INC.

HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS, DIRECTORS, AND MANAGERS

Holders of Legal or Beneficial Interest (i.e. Shareholders, Members):

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

NAME: _____

TITLE: _____

HOME ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

PERCENT OWNERSHIP IN FRANCHISE: _____%

Officers, Directors, and Managers:

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

NAME: _____
TITLE: _____
HOME ADDRESS: _____

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

EXHIBIT 5

TO THE FRANCHISE AGREEMENT THE GLASS GURU ENTERPRISES, INC.

ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS

This Assignment is made between **The Glass Guru Enterprises, Inc.** of 5550 Granite Parkway, Suite 280, Plano, Texas 75024 ("Franchisor") and _____
_____ whose address is _____

("Franchisee").

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

to Franchisor all information necessary to allow Franchisor to access those accounts, including usernames, passwords, security codes, and all changes to any of that information.

6. **Consent:** Franchisee hereby consents and authorizes any and all telephone companies, telephone directory services, Internet companies and other public or private businesses using, authorizing or providing any of the Telephone Numbers and Internet Tools to immediately recognize this Assignment upon receipt of written notice from Franchisor. Franchisee agrees that a copy of this Assignment, certified by an officer of Franchisor, will be as valid and binding as the original.

7. **Notices:** Franchisor may give notice of its acceptance of the Assignment of the Telephone Numbers and Internet Tools by sending written notice by first class mail and certified or registered mail with postage fully paid and depositing them in the United States Mails. Notices may be sent in accordance with this Section to Franchisee and to all telephone companies, Internet companies and other businesses that are to recognize the Assignment. All notices to the Franchisee must be addressed to the address indicated above, or to any subsequent address of which Franchisor receives written notice. Any notice delivered by mail in the manner set forth in this Section will be deemed delivered and received three days after mailing.

8. **Miscellaneous:** If any part of this Agreement is found to be unenforceable, such findings will not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein. This Agreement will be construed in accordance with the laws of the State of Texas and will be deemed to have been made in the State of Texas. This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any change is sought.

Exhibit 5 signed and effective this date: _____.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____

TITLE: _____

BY: _____

NAME: _____
TITLE: _____

BY: _____
NAME: _____
TITLE: _____

EXHIBIT 6

TO THE FRANCHISE AGREEMENT THE GLASS GURU ENTERPRISES, INC.

ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE

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

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

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

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

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

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

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

4. Assignment. Lessee shall have the right to assign all of its right, title and interest in the Lease to Franchisor or its affiliate, or another franchisee, at any time during the term of the Lease, including any extensions or renewals thereof, without first obtaining Lessor's consent in accordance with the Collateral Assignment of Lease attached hereto as Attachment A (the "**Collateral Assignment**"). However, no assignment shall be effective until the time as Franchisor or its designated affiliate or franchisee gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other document shall constitute Franchisor or its designated transferee a party to the Lease, or guarantor thereof, and shall

not create any liability or obligation of Franchisor or its designated transferee unless and until the Lease is assigned to, and accepted in writing by, Franchisor or its designated transferee. In the event of any assignment, Lessee shall remain liable under the terms of the Lease. Franchisor shall have the right to reassign the Lease to another franchisee without the Lessor's consent in accordance with this Section.

5. Default and Notice.

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

The Glass Guru Enterprises, Inc.
5550 Granite Parkway Suite 280
Plano, TX 75024
Attn: Dan Frey, President

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

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

6. Termination or Expiration.

- a) Upon Lessee's default and failure to cure the default within the applicable cure period, if any, under either the Lease or the Franchise Agreement, Franchisor will, at its option, have the right, but not the obligation, to take an automatic assignment of Lessee's interest and at any later time to re-assign the Lease to a new franchisee

without Lessor's consent and to be fully released from any and all liability to Lessor upon the reassignment, provided the franchisee agrees to assume Lessee's obligations and the Lease.

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

7. Consideration; No Liability.

- a) Lessor hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Lessee plans to operate its business and Lessee would not lease the Premises without this Addendum. Lessor also hereby consents to the Collateral Assignment from Lessee to Franchisor as evidenced by Attachment A hereto.
- b) Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Lessor has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liabilities of or against Franchisor or any affiliate of Franchisor.

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

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

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

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

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

LESSOR:

LESSEE:

Name: _____

Name: _____

Title _____

Title _____

Attachment A COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, as of the _____ day of _____, 20_____ (“Effective Date”), the undersigned, _____ (“Assignor”) hereby assigns, transfers and sets over unto The Glass Guru Enterprises, Inc., a Texas corporation (“Assignee”) all of Assignor’s right, title and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as Attachment A (“Lease”) with respect to the premises located at:

This Collateral Assignment of Lease (“Collateral Assignment”) is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Collateral Assignment unless Assignee shall take possession of the premises demised by the Lease pursuant to the terms hereof and shall assume the obligations of Assignor thereunder.

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

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

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

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

ASSIGNOR:

ASSIGNEE:

THE GLASS GURU ENTERPRISES, INC.

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT 7

TO THE FRANCHISE AGREEMENT THE GLASS GURU ENTERPRISES, INC.

MULTI-STATE ADDENDA

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

FOR THE STATE OF CALIFORNIA

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

1. New Section 17.6 is inserted into the Franchise Agreement and states as follows:
 - If termination is the result of Franchisee's default, Franchisee will pay to Franchisor a lump sum payment (as liquidated damages for causing the premature termination of this Agreement and not as a penalty) equal to the total of all Royalty Fee payments for: (a) the twenty-four (24) calendar months of operation of Franchisee preceding Franchisee's default; (b) the period of time Franchisee has been in operation preceding the notice, if less than twenty-four (24) calendar months, projected on a twenty-four (24) calendar month basis; or (c) any shorter period as equals the unexpired term at the time of termination. The parties acknowledge that a precise calculation of the full extent of the damages that Franchisor will incur on termination of this Agreement as a result of Franchisee's default is difficult and the parties desire certainty in this matter and acknowledge that the lump sum payment provided under this Section is reasonable in light of the damages for premature termination that Franchisor will incur. This payment is not exclusive of any other remedies that Franchisor may have, including attorneys' fees and costs.

2. In recognition of the requirements of the California Franchise Investment Law, Cal. Corp. Code §§31000-3516 and the California Franchise Relations Act, Cal. Bus. And Prof. Code §§20000-20043, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - The California Franchise Relations Act provides rights to the Franchisee concerning termination or non-renewal of the Franchise Agreement, which may supersede provisions in the Franchise Agreement, specifically Sections 4.2 and 16.2.
 - Section 16.2.1.10, which terminates the Franchise Agreement upon the bankruptcy of Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).
 - Section 16.2.2.1 which terminates the Franchise Agreement upon (5) days of receiving notice of Franchisee's failure to pay amounts due Franchisor, Franchisor's services provided for said time period if default is not cured.
 - Section 16.2.2.2 which terminates the Franchise Agreement upon (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement, Franchisor's service provided for said time period if default is not cured; or
 - Section 16.2.2.3 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to achieve acceptable status on other compliance requirements; or
 - Section 16.2.2.4 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchise Business and/or the franchise system as a whole; or
 - Section 16.2.2.5 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to regularly attend and actively participate in required conference calls, or meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchise Business and/or the franchise system as a whole; or
 - Section 16.2.2.6 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's failure to embrace new programs and business building initiatives developed for the enhancement of the performance of the Franchise Business; or

- Section 16.2.2.7 which terminates the Franchise Agreement within thirty (30) days of receiving notice of Franchisee's regularly acting in a combative or confrontational manner with vendors, customers, or other franchisees; or
 - Section 16.2.2.8 which terminates within thirty (30) days of receiving notice that Franchisee has had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints.
 - Section 16.2.2.9 which terminates the Franchise Agreement upon (30) days of receiving notice of any other default by Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Manual or otherwise prescribed in writing, Franchisor's services provided for said time period if default is not cured.
 - Section 17.2 contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.
 - Paragraph 1 of this Addendum contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
 - Section 23.7 requires binding arbitration. The arbitration must occur at the forum indicated in Section 23.7, with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.
3. California law requires that you obtain a Contractor's license from the California Contractors State License Board (CSLB) if the total cost (labor and materials) of one or more contracts on the project is \$500 or more. Licenses may be issued to individuals, partnerships, corporations joint ventures, or Limited Liability Companies (LLCs).
 4. To the extent this Addendum must be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to the Franchise Agreement, the terms of this Addendum must govern.

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

FOR THE STATE OF HAWAII

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

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

FOR THE STATE OF ILLINOIS

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

Illinois law shall governs the Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

FOR THE STATE OF INDIANA

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

1. In recognition of the requirements of the Indiana Deceptive Franchise Practices Law, IC 23-2.2.7 and the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2, 8.2 and 18.2 do not provide for a prospective general release of claims against Franchisor that may be subject to the Indiana Deceptive Franchise Practices Law or the Indiana Franchise Disclosure Law.
 - Section 16 is amended to prohibit unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
 - Section 17.2 is amended subject to Indiana Code 23-2-2.7-1(9) to provide that post-term non-competitor covenants shall have a geographical limitation of the territory granted to Franchisee.
 - Section 23.1 is amended to provide that Franchisee shall not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
 - Section 23.1 is amended to provide that, in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2.5, and the Indiana Deceptive Franchise Practices Law shall prevail.
 - Section 23.2 is amended to provide that Franchisee may commence litigation in Indiana for any cause of action under Indiana law.
 - Section 23.7 is amended to provide that arbitration between Franchisor and Franchisee, shall be conducted at a mutually agreed upon location.

2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum shall govern.

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF MARYLAND

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

1. In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201-14-233, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal, termination and transfer of the franchise; such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law.
 - Section 16.2.1.10, which terminates the Franchise Agreement upon the bankruptcy of the Franchisee, may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).
 - Section 23.1 requires that the franchise be governed by the laws of the State of Texas; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.
 - Sections 23.2 and 23.7 require litigation or arbitration to be conducted in the State of Texas; the requirement shall not limit any rights Franchisee may have under the Maryland Franchise Registration and Disclosure Law to bring suit in the State of Maryland.
 - Any Section of the Franchise Agreement requiring Franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing the Franchise are not intended to, nor shall they act as a, release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
 - Section 23.4 is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.
2. Any portion of the Franchise Agreement which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
3. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to that Agreement, the terms of this Addendum shall govern.
4. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK.]

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF MINNESOTA

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

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF NEW YORK

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

1. In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§ 680 through 695, the Franchise Agreement for The Glass Guru Enterprises, Inc. is amended as follows:
 - Sections 4.2.8, 5.2, 5.5, 8.4, 18.2.3 and 18.2.6 require Franchisee to sign a general release as a condition of renewal, termination and transfer of the franchise; such release shall exclude claims arising under the General Business Laws.
 - Under Section 18.1, Franchisor shall not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform the Franchisor's obligations under the Franchise Agreement, in Franchisor's good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.
 - Section 21.3 is amended to provide that Franchisee shall not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products that were required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.
 - Section 23.1 requires that the franchise be governed by the laws of the state the Franchisor's principal business is then located, such a requirement shall not be considered a waiver of any right conferred upon the Franchisee by Article 33 of the General Business Laws.
 - Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum may be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments to them, the terms of this Addendum shall govern.

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF NORTH DAKOTA

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

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF RHODE ISLAND

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

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE COMMONWEALTH OF VIRGINIA

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

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

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF WASHINGTON

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

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a ~~conflict~~ conflict of laws, the provisions of the Washington-
 - ~~Franchise Investment Protection Act, Chapter~~ chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede ~~provisions in the franchise agreement in or~~ related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions which may that supersede the franchise agreement ~~in or related agreements concerning your relationship with the franchisor. Franchise agreement~~ provisions, including the ~~areas of termination~~ those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
 - ~~Site of Arbitration, Mediation, and~~ renewal of your franchise.

3. **/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights ~~executed by a~~ in the franchise agreement or related ~~agreements purporting to bind the franchisee may not include rights to waive compliance with any provision~~ under the Washington Franchise Investment Protection Act or any ~~rule~~ rules or ~~order~~ orders thereunder is ~~void~~ void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions ~~such as those which~~ contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
 - ~~Transfer Fees.~~ Transfer fees are collectable only to the extent that they ~~reflect~~ reflect the

franchisor's reasonable

6. estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgment.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed-

- \$100,000 per year (an amount that will be adjusted annually for ~~inflation~~inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for ~~inflation~~inflation). As a result, any ~~provisions~~provision contained in the franchise agreement or elsewhere that ~~conflict~~conflicts with these limitations are ~~is~~ void and unenforceable in Washington.

- ~~Section 23.5 is removed in its entirety.~~

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.-

- As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

~~Franchisor will defer collection of the initial franchise fee until the franchisor has fulfilled its initial pre-opening obligations to the franchisee~~

- ~~**Questionnaires and** the franchisee is open for business. Please note that the initial fees for the purposes of the deferral include all initial franchisee fees described in Item 5 of the Franchise Disclosure Document.~~

16. Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor—, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

- ~~Section 21.5 of the Franchise Agreement is amended by the addition of the following: "Franchisee has no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's gross negligence, willful misconduct, strict liability, or fraud."~~

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned ~~does~~parties do hereby acknowledge receipt of this ~~addendum~~Addendum.

Dated this _____ day of _____, 20_____.

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

FOR THE STATE OF WISCONSIN

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

to amend and revise said Franchise Agreement as follows:

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

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

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____
NAME: _____
TITLE: _____

FRANCHISEE:

Entity Name

BY: _____
NAME: _____
TITLE: _____

EXHIBIT B

TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.

LIST OF STATE ADMINISTRATORS

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

California

Department of Financial Protection and
Innovation

One Sansome St., Suite 600
San Francisco, California 94104
(415)972-8565

Department of Financial Protection and
Innovation

320 W. 4th Street, Suite 750
Los Angeles, California 90013
(213)576-7500

Department of Financial Protection and
Innovation

~~2101 Arena Blvd.~~
651 Bannon Street, Suite 300
Sacramento, California ~~95834~~95811
(866) 275-2677 Toll Free

Florida

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

Hawaii

Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room ~~203~~205
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62701
(217)782-4465

Indiana

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

Kentucky

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

Maryland

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

Michigan

Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
Mennen Williams Building, 1st Floor
Lansing, Michigan 48933
(517)373-7117

Minnesota

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

Nebraska

Nebraska Department of Banking and Finance
Commerce Court
1230 O Street, Suite 400
Lincoln, Nebraska 68509
(402)471-2171

New York

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

North Dakota

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

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex - Building 68-2
Cranston, RI 02920
(401)222-3048

South Dakota

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

Texas

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

Utah

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

Virginia

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, ~~1st~~^{9th} Floor
Richmond, Virginia 23219
(804)371-9051

Washington

Department of Financial Institutions
Securities Division
PO Box 41200
Olympia, WA 98504-~~98504~~1200
(360)902-8760

Wisconsin

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

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

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

California

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

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

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

Hawaii

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

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62701
(217) 782-4465

Indiana

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

Maryland

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

Michigan

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

Minnesota

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

New York

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

North Dakota

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

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex – Building 68-2
Cranston, RI 02920
(401) 222-3048

South Dakota

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

Virginia

Clerk of the State Corporation Commission
~~Division of Securities and Retail~~
1300 East Main Street
~~9th, 1st~~ Floor
Richmond, Virginia 23219
(804) 371-9051

Washington

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

Wisconsin

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 267-9140

EXHIBIT D
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
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The Glass Guru™ Franchise Operations Manual

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

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

THE GLASS GURU ENTERPRISES, INC.
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

**THE GLASS GURU ENTERPRISES, INC.
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YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Glass Guru Enterprises, Inc.
Plano, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Glass Guru Enterprises, Inc. (a Texas corporation), which comprise the balance sheets as of December 31, 2024, 2023 and 2022, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Glass Guru Enterprises, Inc. as of December 31, 2024, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Glass Guru Enterprises, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Glass Guru Enterprises, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Glass Guru Enterprises, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Glass Guru Enterprises, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



CliftonLarsonAllen LLP

Dallas, Texas
April 14, 2025

THE GLASS GURU ENTERPRISES, INC.
BALANCE SHEETS
DECEMBER 31, 2024, 2023 AND 2022

| ASSETS | 2024 | 2023 | 2022 |
|---------------------------------------------|------------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and Cash Equivalents | \$ 1,246,876 | \$ 1,894,599 | \$ 1,070,554 |
| Accounts Receivable, Net | 438,690 | 361,725 | 359,089 |
| Current Portion of Franchise Fee | | | |
| Financing Receivables | 28,710 | 11,886 | 26,981 |
| Prepaid Income Taxes | 73,541 | - | - |
| Other Prepaid Expenses | 49,971 | 52,402 | 25,884 |
| Total Current Assets | 1,837,788 | 2,320,612 | 1,482,508 |
| PROPERTY AND EQUIPMENT, NET | 23,902 | 45,100 | 63,280 |
| OTHER ASSETS | | | |
| Right-of-Use Assets - Operating | 110,646 | 183,231 | 254,905 |
| Franchise Fee Financing Receivables, Net of | | | |
| Current Portion | 115,314 | 7,646 | 33,138 |
| Loans to Stockholders | 471,649 | 471,649 | 471,649 |
| Deposits | 8,284 | 8,284 | 8,284 |
| Total Other Assets | 705,893 | 670,810 | 767,976 |
| Total Assets | \$ 2,567,583 | \$ 3,036,522 | \$ 2,313,764 |

See accompanying Notes to Financial Statements.

THE GLASS GURU ENTERPRISES, INC.
BALANCE SHEETS (CONTINUED)
DECEMBER 31, 2024, 2023 AND 2022

| | 2024 | 2023 | 2022 |
|------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ 118,185 | \$ 112,017 | \$ 81,958 |
| Accrued Expenses | 8,371 | 65,207 | 29,648 |
| Income Taxes Payable | - | 125,000 | 13,400 |
| Current Portion of Lease Liability - Operating | 74,962 | 72,847 | 70,758 |
| Current Portion of Note Payable | 10,671 | 10,356 | 10,051 |
| Current Portion of Deferred Initial Franchise Fees | 45,334 | 56,795 | 70,867 |
| Total Current Liabilities | 257,523 | 442,222 | 276,682 |
| LONG-TERM LIABILITIES | | | |
| Lease Liability - Operating, Net of | | | |
| Current Portion | 38,135 | 113,097 | 185,944 |
| Note Payable, Net of Current Portion | 21,989 | 32,661 | 43,016 |
| Deferred Initial Franchise Fees, Net of | | | |
| Current Portion | 82,257 | 60,794 | 96,250 |
| Deferred Tax Liability | 8,400 | 38,600 | 48,300 |
| Total Long-Term Liabilities | 150,781 | 245,152 | 373,510 |
| Total Liabilities | 408,304 | 687,374 | 650,192 |
| STOCKHOLDERS' EQUITY | | | |
| Common Stock, \$0.0001 par value, 1,000 shares authorized, 237.5 shares issued and outstanding | - | - | - |
| Additional Paid-in Capital | 150,000 | 100,000 | 50,000 |
| Retained Earnings | 2,009,279 | 2,249,148 | 1,613,572 |
| Total Stockholders' Equity | 2,159,279 | 2,349,148 | 1,663,572 |
| Total Liabilities and Stockholders' Equity | \$ 2,567,583 | \$ 3,036,522 | \$ 2,313,764 |

See accompanying Notes to Financial Statements.

THE GLASS GURU ENTERPRISES, INC.
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|---------------------------------------------------|--------------------|-------------------|-------------------|
| REVENUE | | | |
| Franchise Royalty, Technology, and Marketing Fees | \$ 4,565,884 | \$ 4,680,611 | \$ 4,359,076 |
| Initial Franchise Fees | 334,937 | 132,382 | 201,645 |
| Product Sales Revenue | 29,636 | 38,154 | 43,812 |
| Other Revenue | 84,676 | 22,650 | 73,383 |
| Total Revenues | <u>5,015,133</u> | <u>4,873,797</u> | <u>4,677,916</u> |
| COST OF REVENUE | <u>2,444,593</u> | <u>1,424,494</u> | <u>1,859,156</u> |
| GROSS PROFIT | 2,570,540 | 3,449,303 | 2,818,760 |
| OPERATING EXPENSES | <u>2,714,719</u> | <u>2,696,666</u> | <u>2,481,450</u> |
| INCOME (LOSS) FROM OPERATIONS | (144,179) | 752,637 | 337,310 |
| OTHER INCOME (EXPENSE) | | | |
| Interest Expense | (1,188) | (1,455) | (1,751) |
| Miscellaneous Income (Expense), Net | 11,757 | 36,294 | 6,873 |
| Total Other Income, Net | <u>10,569</u> | <u>34,839</u> | <u>5,122</u> |
| INCOME (LOSS) BEFORE INCOME TAXES | (133,610) | 787,476 | 342,432 |
| INCOME TAX EXPENSE (BENEFIT) | <u>(68,741)</u> | <u>151,900</u> | <u>(6,298)</u> |
| NET INCOME (LOSS) | <u>\$ (64,869)</u> | <u>\$ 635,576</u> | <u>\$ 348,730</u> |

See accompanying Notes to Financial Statements.

**THE GLASS GURU ENTERPRISES, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022**

| | Common Stock | Treasury | Additional | Retained | Total |
|---------------------------------------|--------------|----------|-----------------|--------------|--------------|
| | Shares | Stock | Paid-in Capital | Earnings | Total |
| | Amount | Amount | Amount | Amount | Amount |
| BALANCE - JANUARY 1, 2022 | 238 | \$ - | \$ - | \$ 1,264,842 | \$ 1,264,842 |
| Receipt of Contributed Treasury Stock | (2) | - | 50,000 | - | - |
| Sale of Treasury Stock | 2 | - | - | - | 50,000 |
| Net Income | - | - | - | 348,730 | 348,730 |
| BALANCE - JANUARY 1, 2023 | 238 | - | 50,000 | 1,613,572 | 1,663,572 |
| Receipt of Contributed Treasury Stock | (2) | - | 50,000 | - | - |
| Sale of Treasury Stock | 2 | - | - | - | 50,000 |
| Net Income | - | - | - | 635,576 | 635,576 |
| BALANCE - DECEMBER 31, 2023 | 238 | - | 100,000 | 2,249,148 | 2,349,148 |
| Receipt of Contributed Treasury Stock | (2) | - | 50,000 | - | - |
| Sale of Treasury Stock | 2 | - | - | - | 50,000 |
| Net Loss | - | - | - | (64,869) | (64,869) |
| Distributions | - | - | - | (175,000) | (175,000) |
| BALANCE - DECEMBER 31, 2024 | 238 | \$ - | \$ 150,000 | \$ 2,009,279 | \$ 2,159,279 |

See accompanying Notes to Financial Statements.

THE GLASS GURU ENTERPRISES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

| | 2024 | 2023 | 2022 |
|---------------------------------------------------------------------------------------------|--------------|--------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Income (Loss) | \$ (64,869) | \$ 635,576 | \$ 348,730 |
| Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation Expense | 16,263 | 18,180 | 17,030 |
| Financed Initial Franchise Fees | (23,760) | (23,760) | (23,760) |
| Credit Loss Expense | 5,239 | 3,920 | 23,798 |
| Change in Deferred Tax Liability | (30,200) | (9,700) | (100) |
| Noncash Lease Expense | (262) | 916 | 1,797 |
| Changes in Operating Assets and Liabilities: | | | |
| Accounts Receivable | (82,204) | (6,556) | (65,442) |
| Prepaid Income Taxes | (73,541) | - | - |
| Other Prepaid Expenses | 2,431 | (26,218) | 217,550 |
| Franchise Fee Financing Receivables | (100,732) | 64,347 | 38,930 |
| Deposits | - | - | 6,500 |
| Accounts Payable | 6,168 | 30,059 | (53,213) |
| Accrued Expenses | (56,836) | 35,559 | (44,945) |
| Income Taxes Payable | (125,000) | 111,600 | (61,200) |
| Deferred Initial Franchise Fees | 10,002 | (49,528) | (83,731) |
| Net Cash Provided (Used) by Operating Activities | (517,301) | 784,395 | 321,944 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash Paid for Property and Equipment | (5,551) | - | (18,512) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Distributions | (175,000) | - | - |
| Proceeds from Sale of Treasury Stock | 50,000 | 50,000 | 50,000 |
| Principal Payments on Related Party Note Payable | (10,357) | (10,050) | (9,754) |
| Net Cash Provided (Used) by Financing Activities | (135,357) | 39,950 | 40,246 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (658,209) | 824,345 | 343,678 |
| Cash and Cash Equivalents - Beginning of Year | 1,894,899 | 1,070,554 | 726,876 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | \$ 1,236,690 | \$ 1,894,899 | \$ 1,070,554 |

See accompanying Notes to Financial Statements.

THE GLASS GURU ENTERPRISES, INC.
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|--------------------------------------------------------------|-------------------|------------------|------------------|
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION | | | |
| Cash Paid for Interest | <u>\$ 1,188</u> | <u>\$ 1,455</u> | <u>\$ 1,751</u> |
| Cash Paid for Income Taxes | <u>\$ 160,000</u> | <u>\$ 55,000</u> | <u>\$ 55,000</u> |

See accompanying Notes to Financial Statements.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principal Business Activity

The Glass Guru Enterprises, Inc. (the Company), a Texas corporation, is a full-service glass and window restoration and replacement franchise business offering unique niche repair services as well as traditional glass shop services to residential customers. The Company offers franchises throughout the United States.

Variable Interest Entities

Accounting guidance issued by the Financial Accounting Standards Board (FASB) requires a variable interest entity (VIE) to be consolidated by a company if that company is considered to be the primary beneficiary of the VIE. Management has deemed certain related entities to be a VIE, with the Company being the primary beneficiary. Under Accounting Standards Update (ASU) No. 2018-17, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities*, a nonpublic entity has the option to exempt itself from applying the VIE consolidation model to qualifying common control entities. The Company applied the provisions of the ASU and has elected not to consolidate the related affiliates with the Company.

Use of Estimates

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

Adoption of New Accounting Pronouncements

At the beginning of 2023, the Company adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Company adopted this new guidance effective January 1, 2023, using the modified retrospective transition method, with no material impact on the Company's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows.

The Company adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with guidance under the lease standard effective during that period. The Company has elected to adopt the package of practical expedients available in the year of adoption.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Cost Recognition

The Company recognizes revenue in accordance with FASB Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* (Topic 606) when its customer obtains control of promised goods or services in an amount that reflects the consideration to which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Company satisfies a performance obligation.

A contract exists when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance, and collectability of consideration is probable. The Company enters into contracts with its franchisees to provide pre-opening training and support and ongoing use of the Company's branding and intellectual property, as well as marketing and technology support. These contracts are generally entered into for a period of five years. The Company charges an initial franchise fee at the inception of the contract, which is either collected at the inception of the contract or financed over the term of the contract (see Note 2), as well as continuing royalty, marketing, technology, and other fees for ongoing services provided by the Company based on a percentage of the franchisee's adjusted gross revenue. The Company also makes sales of promotional products and supplies to customers.

The Company considers initial franchise fees to be for initial franchise development activities and ongoing use of the Company's branding and intellectual property. Therefore, under the guidance in Topic 606, the Company recognizes revenue from initial franchise fees in the amount of costs incurred by the Company for pre-opening training and support, with the remainder of the initial franchise fee recognized evenly over the contract term as the Company fulfills the performance obligation to its customer to grant the right to use, and benefit from, the Company's branding and intellectual property.

The Company recognizes revenue from continuing royalty, marketing, technology, and other fees over time as performance obligations are satisfied, as the customer simultaneously receives and consumes the benefits provided by the Company's ongoing marketing and technology support as the Company performs. Revenue is recognized at contractually agreed upon monthly percentages of franchisee adjusted gross revenue in the month that services are provided. Management believes that this method is the most accurate measurement of progress to date for this performance obligation.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Cost Recognition (Continued)

The Company recognizes revenue from sales of promotional products and supplies when control of the products and supplies has transferred to customers. For the majority of the Company's sales of products and supplies, control transfers at a point in time when the items have been delivered as that is generally when legal title, physical possession, and the risks and rewards of the items are transferred to the customer. Amounts billed to customers related to shipping and handling costs are included in net sales in the statements of operations. The Company has elected to account for shipping and handling costs as fulfillment costs which are included in cost of sales in the statements of operations.

The Company has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are not materially affected by customer type, line of business, geographic location, or other differentiating factor.

Opening and closing contract balances were as follows:

| | Accounts Receivable, Net | Franchise Fee Financing Receivables | Deferred Initial Franchise Fees |
|-------------------|-----------------------------|-------------------------------------------|---------------------------------------|
| January 1, 2022 | \$ 317,445 | \$ 75,289 | \$ 250,848 |
| December 31, 2022 | 359,089 | 60,119 | 167,117 |
| December 31, 2023 | 361,725 | 19,532 | 117,589 |
| December 31, 2024 | 438,690 | 144,024 | 127,591 |

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are stated at their estimated collectible amounts and comprise amounts billed and currently due from customers. The Company extends credit to customers in the normal course of business. The Company establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected. The allowance represents the estimate of expected credit losses based on historical loss experience, current economic conditions, and certain forward-looking information, including borrower creditworthiness and collateral values.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses (Continued)

The following table provides information about management's evaluation of the allowance for credit losses for the years ended December 31:

| | 2024 | 2023 | 2022 |
|------------------------------------|-------------|-----------------|------------------|
| Allowance for Credit Losses - | | | |
| Beginning of Year | \$ 2,813 | \$ 13,348 | \$ 7,643 |
| Credit Loss Expense | 5,239 | 3,920 | 23,798 |
| Uncollectible Accounts Written Off | (8,052) | (14,455) | (18,093) |
| Allowance for Credit Losses - | | | |
| End of Year | <u>\$ -</u> | <u>\$ 2,813</u> | <u>\$ 13,348</u> |

Property and Equipment

Property and equipment, carried at cost, is depreciated over the estimated useful life of the related asset. Costs of repairs and maintenance are charged to expense. Upon retirement or disposal of property and equipment, the costs and related depreciation are removed from the accounts, and gains or losses, if any, are reflected in earnings for financial and income tax reporting purposes. Depreciation is provided for under the straight-line method for financial reporting and accelerated methods for income tax reporting. The estimated useful lives used for calculating depreciation for property and equipment are as follows:

| | |
|-----------------------------------|---------|
| Computer and Technology Equipment | 5 Years |
| Furniture | 5 Years |

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in Right-of-Use (ROU) Assets – Operating and Lease Liability – Operating on the balance sheets. Finance leases, if any, are included in Right-of-Use Assets – Finance and Lease Liability – Finance on the balance sheets. The Company did not have any finance leases as of December 31, 2024, 2023 and 2022.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term.

Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Company has elected to recognize payments for short-term leases with a lease term of 12 months or less as an expense when incurred and these leases are not included as right-of-use assets or lease liabilities on the balance sheets.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Company has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The Company has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Impairment of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted net cash flows of the operation to which the assets relate to the carrying amount. If the operation is determined to be unable to recover the carrying amount of its assets, then assets are written down first, followed by other long-lived assets of the operation to fair value. Fair value is determined based on discounted cash flows or appraised values, depending on the nature of the assets. There were no impairment losses recognized for long-lived assets during the years ended December 31, 2024, 2023 and 2022.

Income Taxes

The Company pays taxes based on its income for federal and state purposes. Some states in which the Company pays income taxes have minimum franchise taxes, to which the Company is subject.

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences in reporting for accrual and income tax purposes, and depreciation. Deferred taxes represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets are recovered and liabilities settled. The Company has not recorded a valuation allowance against deferred tax assets, as management believes that the deferred tax assets will be realized at a point in the future.

Uncertain Tax Positions

Accounting guidance issued by the Financial Accounting Standards Board (FASB) prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company did not have unrecognized tax benefits as of December 31, 2024, 2023 and 2022 and does not expect this to change significantly over the next twelve months. The Company will recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. As of December 31, 2024, 2023 and 2022 the Company has not accrued interest or penalties related to uncertain tax positions.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was \$45,871, \$244,830 and \$181,805 for the years ended December 31, 2024, 2023 and 2022, respectively and is included in operating expenses on the statements of operations.

Risks and Uncertainties

Credit Risk:

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents.

Cash and Cash Equivalents:

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Paycheck Protection Program Loan Forgiveness:

In a prior year, the Company received forgiveness of a loan received in connection with the Paycheck Protection Program in the amount of \$171,300, which was recognized as income in the period forgiveness was received. The U.S. Small Business Association may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Company's financial position.

Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through April 14, 2025, the date the financial statements were available to be issued.

NOTE 2 FRANCHISE FEE FINANCING RECEIVABLES

Franchise fee financing receivables consist of initial franchisee fees that the Company and franchisee enter into a financing agreement for payments of principal and interest to be made over a contractually agreed upon period of time at interest rates between 6.00% and 7.00%.

An allowance for uncollectible franchise fee financing receivables is provided for under the current expected credit losses guidance. Management's evaluation of the allowance for uncollectible franchise fees was \$-0- as of December 31, 2024, 2023, and 2022. Credit loss expense for uncollectible franchise fees was \$-0- for each of the years ended December 31, 2024, 2023, and 2022.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 2 FRANCHISE FEE FINANCING RECEIVABLES (CONTINUED)

Long-term maturities of franchise fee financing receivables are as follows:

| <u>Year Ending December 31,</u> | <u>Amount</u> |
|---------------------------------|-------------------|
| 2025 | \$ 28,710 |
| 2026 | 30,387 |
| 2027 | 28,162 |
| 2028 | 30,116 |
| 2029 | 26,649 |
| Total | <u>\$ 144,024</u> |

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|-----------------------------------|------------------|------------------|------------------|
| Computer and Technology Equipment | \$ 36,075 | \$ 49,798 | \$ 49,798 |
| Furniture | 34,968 | 35,384 | 35,384 |
| Total | 71,043 | 85,182 | 85,182 |
| Less: Accumulated Depreciation | 47,141 | 40,082 | 21,902 |
| Property and Equipment, Net | <u>\$ 23,902</u> | <u>\$ 45,100</u> | <u>\$ 63,280</u> |

Depreciation expense of property and equipment was \$16,263, \$18,180 and \$17,030 for the years ended December 31, 2024, 2023 and 2022, respectively and is included in operating expenses on the statements of operations.

NOTE 4 LOANS TO STOCKHOLDERS

The Company has a receivable from stockholders with a balance of \$471,649 as of December 31, 2024, 2023 and 2022, which is included on the balance sheets as Loans to Stockholders.

The loans are due on demand and are not expected to be repaid within the next 12 months. The loans bear interest at rates between 0.14% and 1.73% and require yearly interest-only payments of \$5,095. The Company recorded interest income related to the loans as a component of miscellaneous income on the statements of operations of \$5,095, \$5,095 and \$5,096 for the years ended December 31, 2024, 2023 and 2022, respectively.

**THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022**

NOTE 5 LEASES

The Company leases office space under a long-term, noncancelable lease agreement that expires in June 2026. In the normal course of business, it is expected that this lease will be renewed or replaced by a similar lease.

The following table provides quantitative information concerning the Company's lease:

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|------------------------------------------------------------------------------|-------------|-------------|-------------|
| Lease Cost: | | | |
| Operating Lease Cost | \$ 74,446 | \$ 74,447 | \$ 74,446 |
| Other Information: | | | |
| Cash Paid for Amounts Included in the Measurement of Lease Liabilities: | | | |
| Operating Cash Flows from Operating Leases | \$ 74,708 | \$ 73,531 | \$ 72,649 |
| Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities | \$ - | \$ - | \$ 325,691 |
| Operating Lease Disclosures: | | | |
| Weighted-Average Remaining Lease Term | 1.4 years | 2.4 years | 3.4 years |
| Weighted-Average Discount Rate | 1.27% | 1.27% | 1.27% |

A maturity analysis of annual undiscounted cash flows for lease liabilities is as follows:

| <u>Year Ending December 31,</u> | <u>Amount</u> |
|---------------------------------------------------------------------------------------------------|-------------------|
| 2025 | \$ 75,884 |
| 2026 | 38,236 |
| Total Obligations Under Lease Liability - Operating | 114,120 |
| Less: Amount Representing Interest Present Value of Obligations Under Lease Liability - Operating | (1,023) |
| | <u>\$ 113,097</u> |

NOTE 6 LINE OF CREDIT

The Company has a credit agreement with a commercial bank for a revolving line of credit which permits borrowings up to \$60,000. The rate of interest charged on borrowings on the line of credit at December 31, 2024 was 14.75%. The agreement is unsecured and subject to periodic credit review and renewal. There was no outstanding balance on the line of credit as of December 31, 2024, 2023 and 2022.

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 7 NOTE PAYABLE

In 2017, the Company secured a promissory note from a previous owner in the amount of \$100,000 to fund the repurchase of stock. The note is secured by all assets of the Company including, but not limited to, all franchisor royalty revenue. The note bears interest at the rate of 3.0% per annum, maturing in December 2027. The agreement stipulates monthly payments of principal and interest of \$959.

Long-term maturities of the note payable are as follows:

| <u>Year Ending December 31,</u> | <u>Amount</u> |
|---------------------------------|------------------|
| 2025 | 10,671 |
| 2026 | 10,996 |
| 2027 | 10,993 |
| Total | <u>\$ 32,660</u> |

NOTE 8 DEFERRED INITIAL FRANCHISE FEES

The Company recognizes the portion of deferred initial franchise fees attributable to the ongoing use of the Company's branding and intellectual property evenly over the term of its franchising agreements, which are typically five years.

Revenue associated with deferred initial franchise fees will be recognized as follows:

| <u>Year Ending December 31,</u> | <u>Amount</u> |
|---------------------------------|-------------------|
| 2025 | \$ 45,334 |
| 2026 | 27,607 |
| 2027 | 21,969 |
| 2028 | 19,517 |
| 2029 | 13,164 |
| Total | <u>\$ 127,591</u> |

NOTE 9 INCOME TAXES

The provision for income taxes is reconciled to the federal statutory rate as follows as of December 31:

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|------------------------------------------|--------------------|-------------------|-------------------|
| Federal Tax at Statutory Rate | \$ (20,655) | \$ 142,302 | \$ (2,816) |
| Temporary and Permanent Differences, Net | (48,086) | 9,598 | (3,482) |
| Total Provision for Income Taxes | <u>\$ (68,741)</u> | <u>\$ 151,900</u> | <u>\$ (6,298)</u> |

THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

NOTE 9 INCOME TAXES (CONTINUED)

The provision for income taxes for the year ended December 31, 2024 consists of the following:

| | <u>Current</u> | <u>Deferred</u> | <u>Total</u> |
|-------------|----------------|-----------------|--------------|
| Federal Tax | \$ (38,541) | \$ (30,200) | \$ (68,741) |

The provision for income taxes for the year ended December 31, 2023 consists of the following:

| | <u>Current</u> | <u>Deferred</u> | <u>Total</u> |
|-------------|----------------|-----------------|--------------|
| Federal Tax | \$ 142,200 | \$ 9,700 | \$ 151,900 |

The provision for income taxes for the year ended December 31, 2022 consists of the following:

| | <u>Current</u> | <u>Deferred</u> | <u>Total</u> |
|-------------|----------------|-----------------|--------------|
| Federal Tax | \$ (6,398) | \$ 100 | \$ (6,298) |

The tax effects of temporary differences that give rise to deferred tax assets and liabilities consists of the following at December 31:

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|---------------------------------|-----------------|------------------|------------------|
| Deferred Tax Assets: | | | |
| Net Operating Loss Carryforward | \$ 76,100 | \$ - | \$ - |
| Deferred Tax Liabilities: | | | |
| Excess of Accumulated Tax | | | |
| Depreciation Over Accumulated | | | |
| Book Depreciation | 5,000 | 9,500 | 13,300 |
| Cash-to-Accrual Adjustments | 79,500 | 29,100 | 35,000 |
| Total Deferred Tax Liabilities | <u>84,500</u> | <u>38,600</u> | <u>48,300</u> |
| Net Deferred Tax Liabilities | <u>\$ 8,400</u> | <u>\$ 38,600</u> | <u>\$ 48,300</u> |

NOTE 10 RELATED PARTY TRANSACTIONS

The Company recognized revenue from a franchisee under common control in the amount of \$179,783, \$176,492 and \$133,670 for the years ended December 31, 2024, 2023 and 2022, respectively. The Company had accounts receivable from this franchisee of \$9,628, \$1,391 and \$1,695 as of December 31, 2024, 2023 and 2022, respectively.

**THE GLASS GURU ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022**

NOTE 11 RETIREMENT PLAN

Employees of the Company are covered under a defined contribution plan as defined under Section 401(k) of the U.S. Internal Revenue Code. The safe harbor employer contribution under this plan is to match 100% of employees' contributions up to a maximum match of 4% of the employees' gross wages. The total retirement plan contributions were \$33,347, \$34,333 and \$40,940 for the years ended December 31, 2024, 2023 and 2022, respectively, and are included in operating expenses on the statements of operations.

NOTE 12 FRANCHISES IN OPERATION

The Company's franchise activity was as follows for December 31:

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|------------------------------------------|-------------|-------------|-------------|
| Franchises operating - beginning of year | 72 | 77 | 77 |
| Franchises opened during the year | 12 | 2 | 7 |
| Franchises closed during the year | 4 | 7 | 7 |
| Franchises operating - end of year | <u>80</u> | <u>72</u> | <u>77</u> |

NOTE 13 COMMITMENTS AND CONTINGENCIES

The Company is occasionally involved in litigation matters that arise in the ordinary course of business. There are no pending significant legal proceedings to which the Company is a party for which management believes the ultimate outcome would have a material adverse effect on the Company's financial position.



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EXHIBIT F

TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.

LIST OF CURRENT AND FORMER FRANCHISEES

ACTIVE FRANCHISEES

As of December 31, 2023~~2024~~ - All Units Are Open for Business

| Franchise | Franchisee(s) | Phone | Address | City | State | Postal |
|-----------|---------------|-------|---------|------|-------|--------|
|-----------|---------------|-------|---------|------|-------|--------|

ALABAMA

| | | | | | | |
|-----------------|-----------------------|--------------|--------------------------------|--------|----|-------|
| East Birmingham | Edward Green | 205-433-7058 | 1000 Plantation Pkwy Suite 500 | Moody | AL | 35004 |
| Mobile | Wyatt & Sherry Gerald | 251-287-1562 | 220 Portside Blvd Suite A | Mobile | AL | 36695 |

CALIFORNIA

| | | | | | | |
|----------------------|------------------------------------------------------|-------------------------|-----------------------------------|--------------------|---------------|------------------|
| <u>Brentwood</u> | <u>Ranae Williams</u> | <u>877-654-8507</u> | <u>2220 A Street, Suite A</u> | <u>Antioch</u> | <u>CA</u> | <u>94509</u> |
| Carlsbad | Sherilynn de Maio, Laurel Mayo | 760-994-4441 | 2075 Corte Del Nogal Suite V | Carlsbad | CA | 92011 |
| Brentwood | Ranae Williams | 877-654-8507 | 2220 A Street, Suite A | Antioch | CA | 94509 |
| Elk Grove | Steven Snead, Jeremy Goff, Breck Spain, Derek Klinck | 916-714-4405 | 9100 Elkmont Way | Elk Grove | CA | 95624 |
| Fairfield-Vacaville | Chuck & Alex Tuner | 707-348-5884 | 1601 Enterprises Drive Unit 14 | Fairfield | CA | 94533 |
| <u>Stockton</u> | <u>Dennis Freeman</u> | <u>209-625-8156</u> | <u>1024 Industrial Way</u> | <u>Lodi</u> | <u>CA</u> | <u>95240</u> |
| Folsom | Vito Lessa | 916-517-0952 | 6243 Main Ave Suite A | Orangevale | CA | 95662 |
| Redlands | Rod Heggen | 909-674-0029 | 370 Alabama Street Suite M | Redlands | CA | 92373 |
| Roseville* | Dan Frey, Dave Hull | 916-786-4878 | 198 Cirby Way, Suite 120 | Roseville | CA | 95678 |

| | | | | | | |
|-----------|----------------|-------------------------|--------------------------------------|-----------|----|-------|
| Stockton | Dennis Freeman | 209-625-8156 | 1024 Industrial Way | Lodi | CA | 95240 |
| Temecula | Jay Lund | 951-719-1000 | 43391 Business Park Drive Suite C-8 | Temecula | CA | 92591 |
| Torrance | Corey Gavin | 888-466-7533 | 20950 Normandie Ave Unit G | Torrance | CA | 90502 |
| Yuba City | Greg Lewelling | 530-674-3858 | 909 B. North George Washington Blvd. | Yuba City | CA | 95993 |

***Affiliate-owned unit**

COLORADO

| | | | | | | |
|-------------------|-------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------|------------------|----|--------------------------------------|
| Colorado Springs | James Child, Jr. | 719-229-2419 | 204 Mount View Lane #8 | Colorado Springs | CO | 80907 |
| Denver West | James Child, Jr. | 720-379-8318 | 6618 Wadsworth Blvd. | Arvada | CO | 80003 |
| Denver South | James Child, Jr. | 720-800-9500 | 9457 S. University #178 | Highlands Ranch | CO | 80126 |
| Fort Collins | Michael & Laurie Bean | 970-713-0567 | 6712 N. Franklin Avenue | Loveland | CO | 80538 |
| Grand Junction | Joe Miller | 678-648-0005 | 784 Valley Court Unit E | Grand Junction | CO | 81505 |
| Denver West Rifle | James Child, Jr. Chase & Corrie Strait | 720-379-8318 970-945-3396 | 6618 Wadsworth Blvd. 1530 Railroad Ave., Unit B | Arvada Rifle | CO | 80003 81650 |
| Denver South | James Child, Jr. | 720-800-9500 | 9457 S. University #178 | Highlands Ranch | CO | 80126 |

FLORIDA

| | | | | | | |
|-----------------------|-------------------------------------|----------------------------------------------------|----------------------------------------------------------------------------|-----------------------|----|--------------------------------------|
| Cape Coral Boca Raton | Rita & Scott Vachon Oriya Klein | 561-218-4581 519-796-6084 | 10050 Spanish Isles Blvd E2 TBD-Under Development | Cape Coral Boca Raton | FL | 33498 33982 |
| Fort Myers | Rita & Scott Vachon | 519-796-6084 | TBD-Under Development | Fort Myers | FL | 33901 |
| SE Orlando | Marco Calvert Barba | 407-730-4549 | 6663 Narcoossee Road Suite 130 | Orlando | FL | 32822 |
| Port St. Lucie | Raymond Minter and Alexis Hernandez | 772-773-0443 | 1766 SW Biltmore Street | Port St. Lucie | FL | 34984 |
| Sarasota | Martin Rivenbark | 941-377-4878 | 4496 McAshton Street | Sarasota | FL | 34233 |
| SE Orlando | Marco Calvert Barba | 407-730-4549 | 6663 Narcoossee | Orlando | FL | 32822 |

| | | | | | | |
|--|--|--|------------------------------|--|--|--|
| | | | Road Suite 130 | | | |
|--|--|--|------------------------------|--|--|--|

GEORGIA

| | | | | | | |
|-----------------------------------|-------------------|--------------|-------------------------------------|---------------|----|-------|
| Johns Creek | Charles Gilbreath | 770-727-0955 | 1360 Union Hill Road Blvd 6 Suite I | Alpharetta | GA | 30004 |
| Warner- Robbins Robins | Kenny Meredith | 478-328-0999 | 100 Hospital Drive | Warner Robins | GA | 31088 |

HAWAII

| | | | | | | |
|--------------|--------------------|--------------|-----------------------|----------|----|-------|
| Leeward Oahu | Guerric de Coligny | 808-234-4260 | 2412 Rose St, Suite 2 | Honolulu | HI | 96819 |
|--------------|--------------------|--------------|-----------------------|----------|----|-------|

IDAHO

| | | | | | | |
|-----------------|-----------------------|---------------------|--------------------------------|-----------------|-----------|--------------|
| <u>Boise</u> | <u>Benjamin Swett</u> | <u>208-921-6754</u> | <u>TBD - Under Development</u> | <u>Boise</u> | <u>ID</u> | <u>83701</u> |
| <u>Caldwell</u> | <u>Benjamin Swett</u> | <u>208-921-6754</u> | <u>TBD - Under Development</u> | <u>Caldwell</u> | <u>ID</u> | <u>83605</u> |

ILLINOIS

| | | | | | | |
|--------|-------------|--------------|------------------------|----------|----|-------|
| Gurnee | Tom Rowland | 847-665-8450 | 1020 S Northpoint Blvd | Waukegan | IL | 60085 |
|--------|-------------|--------------|------------------------|----------|----|-------|

INDIANA

| | | | | | | |
|------------|-----------------------|--------------|----------------------------------|-----------|----|-------|
| Indy North | Mitch Ritchey | 317-222-1592 | 10089 Allisonville Road, Suite C | Fishers | IN | 46038 |
| Indy South | Eric & Daina Buehling | 317-350-4138 | 545 Christy Drive, Suite 2200 | Greenwood | IN | 46143 |

KANSAS

| | | | | | | |
|---------|------------------------|--------------|----------------------------------|---------|----|-------|
| Olathe | Brandy Dockett | 913-353-2996 | 715 N Lindenwood Drive Unit E | Olathe | KS | 66062 |
| Wichita | Michael & Valarie Gomm | 316-440-4944 | 8847 W. Monroe Circle, Suite 200 | Wichita | KS | 67209 |

LOUISIANA

| | | | | | | |
|-------------|-----------|--------------|----------------------------|----------------|----|-------|
| Baton Rouge | Ben Smith | 225-271-4890 | 1814 S Range Ave Suite B-1 | Denham Springs | LA | 70726 |
|-------------|-----------|--------------|----------------------------|----------------|----|-------|

MICHIGAN

| | | | | | | |
|---------------|---------------------------|--------------|-------------------------|---------------|----|-------|
| Grand Rapids | Eugene & Cynthia Williams | 616-622-3500 | 4245 44th St SE Suite 9 | Kentwood | MI | 49512 |
| Traverse City | Steve Bentley | 231-510-4464 | 807A Lake Ave | Traverse City | MI | 49684 |

MINNESOTA

| | | | | | | |
|------------------|-------------------------|-------------------------|------------------------------------------|-------------|----|--------------|
| Duluth | Dan Cook | 218-624-2119 | 102 East Central Entrance Suite 6 | Duluth | MN | 55811 |
| Blaine | Jonathan Land | 763-767-2151 | 24078 Greenway Road # 11 | Forest Lake | MN | 55025 |
| Duluth | Dan Cook | <u>218-624-2119</u> | <u>102 East Central Entrance Suite 6</u> | Duluth | MN | <u>55811</u> |
| East Minneapolis | Dan Cook | <u>218-624-2119</u> | <u>TDB-Under Development</u> | Minneapolis | MN | <u>55401</u> |
| West Minneapolis | Peter & Danielle Batman | 952-456-6278 | 4 Shady Oak Road | Minnetonka | MN | 55343 |

MISSOURI

| | | | | | | |
|-------------|--------------|-------------------------|--------------------------------|-------------|----|------------------|
| O'Fallon | Gregg Merkel | <u>636-980-1616</u> | <u>2182 E Pitman Ave</u> | Wentzville | MO | <u>63385</u> |
| Springfield | Chris Allman | 417-708-1231 | 3101 South Scenic Ave. Suite D | Springfield | MO | 65807 |
| O'Fallon | Gregg Merkel | 636-980-1616 | 2182 E Pitman Ave | Wentzville | MO | 63385 |

NEW JERSEY

| | | | | | | |
|-------------|----------------------|--------------|-----------------------|-----------------|----|-------|
| Meadowlands | Jacek & Daria Piczak | 201-528-9764 | 130 Hackensack Street | East Rutherford | NJ | 07073 |
|-------------|----------------------|--------------|-----------------------|-----------------|----|-------|

NEW YORK

| | | | | | | |
|--------|----------------|--------------|----------------|------------|----|-------|
| Albany | Paul Schlimgen | 518-567-7328 | 1 Hillview Ave | Rensselaer | NY | 12144 |
|--------|----------------|--------------|----------------|------------|----|-------|

OHIO NORTH CAROLINA

| | | | | | | |
|------|----------------|---------------------|------------------------------|------|----|--------------|
| Apex | Brian Garoutte | <u>919-522-0127</u> | <u>TDB-Under Development</u> | Apex | NC | <u>27539</u> |
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|------------------------|--------------------------|---------------------|------------------------------|------------------|-----------|--------------|
| <u>South Charlotte</u> | <u>Himadribean Patel</u> | <u>306-520-7774</u> | <u>TDB-Under Development</u> | <u>Charlotte</u> | <u>NC</u> | <u>28211</u> |
|------------------------|--------------------------|---------------------|------------------------------|------------------|-----------|--------------|

OHIO

| | | | | | | |
|------------------|-----------------------------------------------|--------------|----------------------------|-----------|----|-------|
| East Columbus | David Garrison, Howard Garrison | 614-856-4550 | 1010-B Taylor Station Rd | Columbus | OH | 43230 |
| West Columbus | David Garrison, Howard Garrison | 614-522-0028 | 1010-B Taylor Station Rd | Columbus | OH | 43230 |
| Newark | David Garrison | 614-522-0028 | 1010-B Taylor Station Rd | Columbus | OH | 43230 |
| Macedonia | David Garrison, Howard Garrison, Scott Grooms | 330-467-5318 | 7791 Capital Blvd Suite 8B | Macedonia | OH | 44056 |
| Mason | John & Lisa Chambers | 513-204-2354 | 4457 Bethany Road | Mason | OH | 45040 |
| South Cincinnati | Chris Samples | 859-279-3009 | 100 Beacon Drive Unit #4 | Wilder | KY | 41076 |

OKLAHOMA

| | | | | | | |
|--------|--------------------------|--------------|-----------------------------|--------|----|-------|
| Edmond | Greg Adams, Austin Adams | 405-888-3301 | 1321 Fretz Drive, Suite 140 | Edmond | OK | 73013 |
|--------|--------------------------|--------------|-----------------------------|--------|----|-------|

OREGON

| | | | | | | |
|------------------|-----------------|--------------|--------------------------------|--------|----|-------|
| Corvallis-Albany | Quentin Winegar | 541-205-9752 | 1143 Anderson Place SE, Unit 7 | Albany | OR | 97332 |
|------------------|-----------------|--------------|--------------------------------|--------|----|-------|

PENNSYLVANIA

| | | | | | | |
|-----------|--------------|--------------|-------------------------------|----------|----|-------|
| Levittown | Yogesh Patel | 267-520-7405 | 3580 Progress Drive, Unit A-1 | Bensalem | PA | 19020 |
|-----------|--------------|--------------|-------------------------------|----------|----|-------|

SOUTH CAROLINA

| | | | | | | |
|------------|---------------|--------------|----------------------------|------------|----|-------|
| Charleston | Erik Hilger | 843-640-3270 | 1038 Jenkins Road Ste. 102 | Charleston | SC | 29407 |
| Columbia | Daniel Jordon | 803-638-4829 | 1445 Shop Road Suite B | Columbia | SC | 29201 |

TENNESSEE

| | | | | | | |
|----------------|---------------------|--------------|-------------------|--------------|----|-------|
| West Knoxville | Joe & Jessica Grant | 865-217-1013 | 268 Boring Street | Madisonville | TN | 37354 |
|----------------|---------------------|--------------|-------------------|--------------|----|-------|

| | | | | | | |
|-----------------------|------------------------------------|---------------------|---------------------------------------------------|---------------------|-----------|--------------|
| Chattanooga | Scott Tatum | 423-541-3650 | Air Office Park, 117 Nowlin Lane, Suite 900 | Chattanooga | TN | 37421 |
| Hendersonville | Brant Lanham | 615-647-8989 | 40 Industrial Park Drive Suite E | Hendersonville | TN | 37075 |
| <u>West Knoxville</u> | <u>Joe & Jessica Grant</u> | <u>865-217-1013</u> | <u>268 Boring Street</u> | <u>Madisonville</u> | <u>TN</u> | <u>37354</u> |
| Memphis | Chris Chambers, Jonathan Conner | 901-320-7100 | 1690 Shelby Oaks Drive N Suite 4 | Memphis | TN | 38134 |

TEXAS

| | | | | | | |
|-------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------|-----------|----------------------------------|
| <u>Arlington</u> | <u>Kara Harbison</u> | <u>972-362-5520</u> | <u>901 W Harris Rd., #145</u> | <u>Arlington</u> | <u>TX</u> | <u>76001</u> |
| Atascocita | Gustavo, Ana, Gustavo Jr. Valbuena | (281) 623-5604 | 19737 Lee Road Bldg. A, Ste. 103 | Humble | TX | 77338 |
| Austin | Michael Kugler | 512-828-6770 | 8711 Burnet Rd, Suite B-34 | Austin | TX | 78757 |
| <u>Carrollton</u> | <u>Annette & Roberto Lopez</u> | <u>972-389-0660</u> | <u>1411 Lemay Dr., #202</u> | <u>Carrollton</u> | <u>TX</u> | <u>75007</u> |
| College Station | Craig & Rachael Bell | (979) 485-1443 | 3900 State Hwy 6 S Suite 112 | College Station | TX | 77845 |
| <u>Frisco</u> <u>West Ft Worth</u> | <u>Ted & Bonnie Halladay</u> <u>Blake Boren</u> | 817-666-3063 469-252-3785 | <u>7301 Veal Station Road 450 Business Park Drive Suite 105</u> | <u>Azle</u> <u>Prosper</u> | TX | 76020 <u>75041</u> |
| Katy | Carlos Quintana | 346-280-1502 | 18502 Clay Road Bldg 2 | Katy | TX | 77084 |
| Longview | Mike Kirkindoll | (903) 686-0333 | 122 South Ward Street | Longview | TX | 75604 |
| Lubbock | Jimmy & Wendy Teeter | 806-759-3419 | 13405 County Road 1600 Suite 2 | Lubbock | TX | 79382 |
| <u>New Braunfels</u> | <u>Ted & Bonnie Halladay</u> <u>Michael Kugler</u> | 469-252-3785 512-828-6770 | <u>450 Business Park Drive Suite 105</u> <u>TBD-Under Development</u> | <u>Prosper</u> <u>New Braunfels</u> | TX | 75044 <u>78130</u> |
| <u>NE San Antonio</u> | <u>Michael Kugler</u> | <u>201-686-6151</u> | <u>TBD-Under Development</u> | <u>San Antonio</u> | <u>TX</u> | <u>78148</u> |
| Plano | Mike & Michelle Paulda | 469-929-6043 | 849 J Place Suite F | Plano | TX | 75074 |
| San Antonio | Michael Kugler | 201-686-6151 | 7436 Reindeer Trail | San Antonio | TX | 78238 |

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|----------------------|-------------------------------------------------------------------------------------|---------------------|-------------------------|-------------------|-----------|--------------|
| Sherman | Ted & Bonnie Halladay | 903-487-2480 | 158 Meyers Drive | Sherman | TX | 75092 |
| Southlake | Kyle & Stephanie Hansen | 817-424-3500 | 575 Commerce | Southlake | TX | 76092 |
| Spring | Manuel & Isabel Landa Sergio Hurtado, Maria Ariza, Hernan Hurtado | 346-224-8380 | 22131 Rothwood Road 1A1 | Spring | TX | 77389 |
| Tyler | Gary Kirkindoll | 903-504-5646 | 6368 Elkton Way | Tyler | TX | 75703 |
| <u>West Ft Worth</u> | <u>Chasen Lampley</u> | <u>817-666-3063</u> | <u>3531 NW Loop 820</u> | <u>Fort Worth</u> | <u>TX</u> | <u>76106</u> |

WASHINGTON

| | | | | | | |
|------------|------------------|--------------|--------------------------|---------|----|-------|
| Bellingham | Su & TJ Randhawa | 360-927-9395 | 7344 Guide Meridan Road | Lynden | WA | 98264 |
| Everett | Don Dawson | 425-470-6728 | 2207 Everett Ave Suite A | Everett | WA | 98201 |
| Redmond | Don Dawson | 425-867-5267 | 14572 NE 95th St | Redmond | WA | 98052 |

WISCONSIN

| | | | | | | |
|-----------|----------------------|--------------|----------------------|-----------|----|-------|
| Sheboygan | Brian Van Wageningen | 920-894-4878 | 3325 Behrens Parkway | Sheboygan | WI | 53081 |
|-----------|----------------------|--------------|----------------------|-----------|----|-------|

CANADA

| | | | | | | |
|---------------|-------------------|--------------|----------------------|-------------|----|---------|
| SW Calgary | Frank Lyall | 403-975-4527 | 1405 Dufferin Avenue | Calgary | AB | T2G 3Z4 |
| West Edmonton | Kevin Truong | 587-735-6969 | 14808 116 Ave NW | Edmonton | AB | T5M 3G1 |
| Ottawa-East | Marc Latendresse | 613-424-8996 | 305 Vienna Terrace | Orleans | ON | K4A 0J2 |
| North Surrey | Chris Wijaya | 604-595-3011 | 17163 102 Avenue | Surrey | BC | V4N 3L4 |
| Chatham-Kent | Scott & Jen Bowen | 519-627-9119 | 1405 Dufferin Avenue | Wallaceburg | ON | N8A 2W7 |

Former Franchisees
During the year ended December 31, 2023

| | | | | |
|--------------------------------------------|------------------------------------------------------|-------------------------------------------|--------------------------------|--------------|
| <u>Spring</u> | <u>Manuel and Isabel Landa</u> | <u>832- 202-6274</u> | <u>Spring</u> | <u>TX</u> |
| <u>Levittown</u> | <u>Yogesh Patel</u> | <u>267-629-4755</u> | <u>Bethlehem</u> | <u>PA</u> |
| <u>Corvallis-Albany</u> | <u>Quentin Winegar</u> | <u>808-277-9179</u> | <u>Corvallis</u> | <u>OR</u> |
| <u>Fort Collins-West Ft Worth</u> | <u>Blake Boren</u> Chad Kegans | <u>970-566- 5022817-637- 1804</u> | <u>LovelandFort Worth</u> | <u>CO TX</u> |
| <u>Boca Raton</u> Altamonte Springs | <u>Oriya Klein</u> Thomas Hewitt | <u>321-972- 4951718-781- 2869</u> | <u>Boca Raton</u> Longwood | <u>FL</u> |
| <u>Clarksville Mobile</u> | <u>Kristi & Todd King</u> Wyatt <u>Gerald</u> | <u>931-220- 9444251-421- 0950</u> | <u>Clarksville</u> Mobile | <u>TN AL</u> |

| | | | | |
|-------------------------|---------------------------------------|---------------------|-------------------|-----------|
| <u>Waco</u> | <u>Paul & Paige Thompson</u> | <u>254-749-4520</u> | <u>Lorena</u> | <u>TX</u> |
| <u>Lehigh Valley</u> | <u>Placido Hernandez</u> | <u>610-249-0039</u> | <u>Easton</u> | <u>PA</u> |
| <u>Glenwood Springs</u> | <u>Joshua Rice</u> | <u>970-456-6832</u> | <u>New Castle</u> | <u>CO</u> |
| <u>Columbus</u> | <u>Stewart Jimmerson</u> | <u>706-478-7577</u> | <u>Columbus</u> | <u>GA</u> |
| <u>Greeley</u> | <u>Chad Kegans</u> | <u>970-566-5022</u> | <u>Loveland</u> | <u>CO</u> |
| <u>Elk Grove</u> | <u>Breck Spain & Teresa Ryder</u> | <u>916-714-4405</u> | <u>Elk Grove</u> | <u>CA</u> |

EXHIBIT G

TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.

**ADDENDUM TO SECOND FRANCHISE
AGREEMENT**

ADDENDUM TO SECOND FRANCHISE AGREEMENT

This is an Addendum to Second Franchise Agreement by and between The Glass Guru Enterprises, inc., a Texas corporation ("Franchisor"), and _____, a(n) _____ ("Franchisee") executed contemporaneously with the Franchise Agreement. All capitalized or initially capitalized terms used in this Addendum but not defined herein shall have the same meaning as ascribed to them in the Franchise Agreement.

WHEREAS, Franchisee is simultaneously purchasing two The Glass Guru franchises and Franchisor and Franchisee are executing two Franchise Agreements contemporaneously with the execution of this Addendum, which Addendum shall modify the terms of this second Franchise Agreement ("Second Franchise Agreement");

WHEREAS, it is the intent of the parties that Franchisee will first establish and develop Franchisee's first Franchise Business under the first Franchise Agreement executed by the parties and that the opening of the Franchise Business to be developed under this Franchise Agreement will be delayed in order to give Franchisee the opportunity to first establish, begin operating and develop the first Franchise Business.

NOW THEREFORE, the parties hereto agree as follows:

1. Within sixty (60) days of the date of execution of the Franchise Agreement, Franchisee shall secure a temporary business address ("Temporary Site") to be used to identify the Franchise Business until a permanent site approved by Franchisor is secured for development. This Temporary Site must be suitable for marketing purposes and specifically to satisfy verification standards and requirements for a Google My Business (GMB) profile, including ensuring the physical location permits full access to all areas of the site by franchisee for video recording, branding, and receipt of mail.

2. Within sixty (60) days of the date of execution of the Franchise Agreement, Franchisee must obtain a phone number for the Franchise Business. Until the Franchise Business under this Second Franchise Agreement opens, the phone number will be directed to the phone number for Franchisee's first opened Franchise Business.

3. During the period of time between the execution of this Agreement and the opening of the Franchise Business under this Second Franchise Agreement, Franchisee may promote and market The Glass Guru business in the Area of Primary Responsibility under the Second Franchise Agreement and will refer all customers and work to be performed to Franchisee's first Franchise Business. No Non-APR Service Fee will be charged to Franchisee for any services performed or products sold in the Area of Primary Responsibility of this Second Franchise Agreement during this interim period.

4. Prior to the beginning the process of opening of the Second Franchise Location, the first Franchise Business must be established and maintained at a Phase 2 operational level as that

term is defined in the Operations Manual or other written guidelines published by Franchisor from time to time. Franchisor has the sole discretion to determine if the first Franchise Business has met the current criteria for the Phase 2 operational level. Currently, Phase 2 operational level requirements include (i) staffing that consists of two (2) teams comprised of four (4) installers, two (2) estimators, two (2) office coordinators, and a designated or general manager in total; (ii) maintaining minimum gross revenue of at least Seventy-five Thousand Dollars (\$75,000.00) per month for a consecutive six (6) month period; and (iii) compliance with all terms of the Franchise Agreement and applicable federal, state and local laws and regulations.

Once Franchisee deems the first Franchise Business to have met these requirements, Franchisee must send notice to the compliance department informing Franchisor of its request to begin onboarding the second franchise location in agreement with all provisions of the Franchise Agreement and this Addendum. The request is to be emailed to Compliance@theglassguru.com and all other methods of notification are considered invalid. Franchisor will review the status of the first Franchise Business and grant approval or denial to begin onboarding based on the aforementioned requirements within thirty (30) days of receipt of notice as required herein. Once Franchisor has granted approval, Franchisee shall begin Franchisor's ninety (90) day onboarding process for the second Franchise Business. Upon completion of the onboarding process as determined by Franchisor, Franchisee may open the second location.

5. Section 5.1 of this Second Franchise Agreement is amended in part to state that the permanent site for the Franchise Business must be approved by Franchisor and secured at least sixty (60) days prior to the date that is two (2) years following the execution of this Agreement ("Deadline for Opening").

6. The first sentence of Section 5.2 of the Franchise Agreement is amended to read: Should Franchisee fail to select a site for the Franchise Business which meets with Franchisor's approval within sixty (60) days of the Deadline for Opening, Franchisor has the right to terminate this Agreement without refund.

7. The provisions of Section 5.3 on Lease of Approved Location shall apply to the permanent Approved Location and not the Temporary Site.

8. Section 5.6.2 is revised to read as follows: Franchisee must comply with these conditions and must open and continuously operate the Franchisee Business within two (2) years of the Effective Date.

9. The first sentence of Section 5.7 is revised to read as follows: Should Franchisee fail to commence operations of the Franchise Business within two (2) years after the Effective Date, Franchisor has the right to terminate this Second Franchise Agreement without refund. In the event that this Agreement is terminated by Franchisor under this Section, Franchisor shall not have the right to terminate Franchisee's first Franchise Agreement under Section 16.2.1.18 of the Franchise Agreement which grants Franchisor the right to terminate a Franchise Agreement between Franchisor and Franchisee if he has the right to terminate another Franchise Agreement between

Franchisor and Franchisee.

10. The parties acknowledge and agree that as long as the Owners have successfully completed the initial training program under the first Franchise Agreement, Franchisor shall have no obligation to provide initial training to the Owners and Owners will have no obligation to attend the initial training program under this Second Franchise Agreement. However, the initial training program will be made available to any new Designated Manager and field and office assistants for the Franchise Business to be opened under this Second Franchise Agreement who were not previously trained under the first Franchise Agreement. The new Designated Manager and/or field and office assistants must successfully complete the initial training program at least thirty (30) days prior to the opening of the Franchise Business under this Second Franchise Agreement.

11. In the event this Second Franchise Agreement is terminated for Franchisee's failure to open the Franchise Business within two (2) years of the date of execution of this Second Franchise Agreement, Franchisee must immediately stop all marketing and sales activities in the Area of Primary Responsibility under this Second Franchise Agreement.

12. Each Franchise Business under the two Franchise Agreements will stand alone and on its own must meet all obligations under the respective Franchise Agreements, including obligations to meet Minimum Performance Requirements, to pay fees and to meet minimum Local Advertising Expenditures. Franchisee must prepare and maintain separate books for each Franchise Agreement and submit separate financial statements and reports to Franchisor for each Franchise Business.

13. Franchisee expressly acknowledges and understands that this Addendum amends and supplements the Second Franchise Agreement and that the terms and conditions of this Addendum are incorporated into the Second Franchise Agreement as though set forth in full therein.

This Agreement shall become effective and binding upon execution and delivery by all parties

FRANCHISOR:

THE GLASS GURU ENTERPRISES, INC.

BY: _____

NAME: _____

TITLE: _____

Date: _____

FRANCHISEE:

Entity Name

BY: _____

NAME: _____

TITLE: _____

Date: _____

BY: _____

NAME: _____

TITLE: _____

DATE: _____

EXHIBIT H
TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.
MULTI-STATE ADDENDA

ADDENDUM TO THE
THE GLASS GURU ENTERPRISES, INC. ~~UNIFORM~~
FRANCHISE DISCLOSURE DOCUMENT

FOR THE STATE OF CALIFORNIA

~~1.~~ THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

~~2.~~ The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

~~3.~~ Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

4. Section 31512.1 of the California Corporations Code requires that any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibits thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violates any provision of this division.

~~5.~~ Franchisees and all owners must sign a personal guarantee, making you and your spouse individually liable for your financial obligations under the agreement if you are married, the ~~guaranteed~~guarantee will place you and your spouse's marital and personal assets at risk if your franchise fails.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

Neither the franchisor, any person or franchise broker in ITEM 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

~~6.~~ ITEM 17 of the Disclosure Document is amended to add the following:

- The California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
- The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).
- The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.
- The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in ITEM 17 with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

- The following URL address is for the franchisor's website:
www.theglassguru.comwww.theglassguru.com

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.govwww.dfpi.ca.gov.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES 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 OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS, RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIALS 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.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF ILLINOIS

- Illinois law governs the Franchise Agreement (without regard to conflict of laws), and jurisdiction and venue for court litigation shall be in Illinois.
- Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void, provided that a Franchise Agreement may provide for arbitration in a forum outside of Illinois.
- Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim under the provisions of Title 9 of the United States Code.
- No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ITEM 17 of the Disclosure Document is amended to add the following:

- The conditions under which a franchise can be terminated and your rights upon non-renewal, as well as the application by which you must bring any claims, may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/19, 705/20.

FOR THE STATE OF INDIANA

1. ITEM 8 of the Disclosure Document is amended to add the following:
 - Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.
2. ITEMS 6 and 9 of the Disclosure Document is amended to add the following:
 - The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if such procedures or products were utilized by franchisee in the manner required by franchisor.
3. ITEM 17 of the Disclosure Document is amended to add the following:
 - Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
 - Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.
 - ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.
 - ITEM 17(u) is amended to provide that arbitration between a franchisee and franchisor will be conducted in Indiana or a site mutually agreed upon.
 - ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.
 - ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

FOR THE STATE OF MARYLAND

- Any general releases you sign as a condition of renewal and/or assignment/transfer will not apply to claims arising under Maryland Franchise Registration and Disclosure Law.
- The agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce it to the extent the law allows.
- You may, subject to your obligations in the Franchise Agreement, bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
- Texas law applies, except as otherwise required by applicable law for claims arising under the Maryland Franchise Registration and Disclosure Law.
- Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Each provision set forth shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise and Disclosure Law Maryland Franchise and Disclosure Law (MD CODE ANN., BUS. REG. §§ 14-201 through 14-233) are met independently without reference to this Addendum.

FOR THE STATE OF MINNESOTA

1. ITEM 13 of the Disclosure Document is amended as follows:
 - As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse the Franchisee for any costs incurred by the Franchisee in the defense of the Franchisee's right to use the Marks, so long as the Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. ITEM 17 of the Disclosure Document is amended as follows:
 - With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn. Stat. Sec. 80C.14, Subs. 3, 4 and 5, which require, except in certain specified cases, that a Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.
 - ITEM 17 does not provide for a prospective general release of claims against Franchisor that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.
 - Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

- No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF NEW YORK

1. All references made herein to a "Disclosure Document" shall be replaced with the term "Offering Prospectus" as used under New York Law.
2. The UFOC Cover Page is amended as follows:

REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW YORK, NEW YORK 10271-0332. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE CIRCULAR. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE DESCRIBED IN THIS CIRCULAR.

3. ITEM 3 is amended by the addition of the following language:
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against them alleging a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion; misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations. In addition, neither franchisor nor any person identified in ITEM 2 has any pending actions, other than routine litigation incidental to the business, that are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been held liable in a civil action by final judgment or been the subject of a material compliant or other legal proceeding involving violation of any franchise law, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
 - Neither franchisor, the franchisor's predecessor or an affiliate offering franchises under the franchisor's principal trademark, nor any person identified in ITEM 2 is subject to any injunctive or restrictive order or decree relating to the franchises, or any Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency.
4. ITEM 4 is amended to state that:
 - Neither the franchisor, nor its predecessor, officers or general partner of the franchisor has, during the ten (10) year period immediately before the date of the Disclosure Document, has: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy

Code; (b) obtained a discharge of its debts under the Bankruptcy Code; (c) was a principal officer of any company or a general partner in any partnership that either filed as a debtor (or had filed against it) a petition to start action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the Bankruptcy Code during or within one (1) year after the officer or general partner of the franchisor held this position in the company or partnership.

5. ITEM 5 of the Disclosure Document is amended to add the following:

- The Franchise Fee will be used to defray franchisor's costs in obtaining and screening franchisees, providing training, training materials, and assisting in opening the Franchise Business for business.

6. ITEMS 6 and 11 of the Disclosure Document are amended to add the following:

- The franchisee will not be required to indemnify franchisor for any liability imposed on franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if such procedures or products were utilized by franchisee in the manner required by franchisor.

7. ITEM 17 of the Disclosure Document is amended to add the following:

- No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under the New York General Business Law, Article 3, Sections 687.4 and 687.5.
- ITEM 17(d) is amended to provide that you may terminate the Agreement on any grounds available by law.
- ITEM 17(j) is amended to state that no assignment will be made except to an assignee who, in the good faith judgment of Franchisor, is able to assume our obligations under the Agreement.
- ITEM 17(w) is amended to state that New York Law governs any cause of action that arises under the New York General Business Law, Article 33, Section 680-695.

8. Franchisor represents that this Disclosure Document does not knowingly omit anything or contain any untrue statements of a material fact.

FOR THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for The Glass Guru Enterprises, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

FOR THE STATE OF WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

- 1. Conflict of Laws.** In the event of a ~~conflict~~conflict of laws, the provisions of the Washington Franchise Investment Protection Act, ~~Chapter~~chapter 19.100 RCW will prevail.
- 2. Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement in or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions which may that supersede the franchise agreement in or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including the areas of termination and renewal of your franchise those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
- 3. Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
- 4. General Release.** A release or waiver of rights ~~executed by~~in the franchise agreement or related agreements purporting to bind the franchisee may not include rights to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rule rules or order orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
- 5. Statute of Limitations and Waiver of Jury Trial.** Provisions ~~such as those which~~contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
- 6. Transfer Fees.** Transfer fees are collectable only to the extent that they ~~reflect~~reflect the franchisor's reasonable estimated or actual costs in

effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for ~~inflation~~inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for ~~inflation~~inflation). As a result, any ~~provisions~~provision contained in the franchise agreement or elsewhere that ~~conflict~~conflicts with these limitations are ~~is~~ void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

~~Franchisor will defer collection of the initial franchise fee until the franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchisee is open for business. Please note that the initial fees for the purposes of the deferral include all initial franchisee fees described in Item 5 of the Franchise Disclosure Document~~

~~16. The franchisor may use the services of franchise brokers to assist it in selling franchises.~~ **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. CarefullyIf a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by a the franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

The undersigned ~~does~~parties do hereby acknowledge receipt of this ~~addendum~~Addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR

FRANCHISEE

Signature of Franchisor Representative

Signature of Franchise Representative

Print Name and Title of Representative

Print Name and Title of Representative

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|--------------|-------------------------------------------------------|
| California | Pending |
| Hawaii | Pending |
| Illinois | April 30, 2024 as amended October 25, 2024 |
| Indiana | Pending |
| Maryland | September 24, 2024 |
| Michigan | June 28, 2024 |
| Minnesota | September 13, 2024 |
| New York | July 24, 2024 |
| North Dakota | Not registered |
| Rhode Island | June 22, 2024 as amended |
| South Dakota | Not registered |
| Virginia | Pending |
| Washington | September 27, 2024 |
| Wisconsin | May 1, 2024 as amended October 24, 2024 |

Other states may require registration, filing or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

ITEM 23

TO THE DISCLOSURE DOCUMENT
THE GLASS GURU ENTERPRISES, INC.

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If The Glass Guru Enterprises, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days (and 10 business days in Michigan and Oregon) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with or make a payment to us or an affiliate in connection with the proposed franchise sale.

If The Glass Guru Enterprises, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit B.

The franchise sellers for this offering are Daniel Frey, Joy Frey, Dave Hull, Rob Lopez, Jason Mitchell, Annette Lopez and Sean Young, all at 5550 Granite Parkway, Suite 280, Plano, TX 75024 (877) 654-8507

Fill in name, address and telephone number of additional franchise sellers below as applicable:

The following representative(s) of FranDevCo [insert name(s)]: _____
19460 Old Jetton Road, Suite 204, Cornelius, NC 28031, (704)209-4310

Issuance Date: April ~~30, 2024~~17, 2025 as amended ~~October 15, 2024~~April 28, 2025

The Glass Guru Enterprises, Inc. authorizes the respective state agencies identified in Exhibit C to receive service of process for it in the particular state.

I received a disclosure document dated April ~~30, 2024~~17, 2025 as amended ~~October 15, 2024~~April 28, 2025, that included the following Exhibits:

- ~~A. FRANCHISE AGREEMENT~~
- ~~1. SPECIFICS~~
- ~~2.1 GENERAL RELEASE~~
- ~~3.1 GUARANTY AND ASSUMPTION OF OBLIGATIONS~~
- ~~4.1 HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS~~
- ~~5.1 ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS~~
- ~~6.1 ADDENDUM TO LEASE AND COLLATERAL ASSIGNMENT OF LEASE~~
- ~~7.1 MULTI STATE ADDENDA TO FRANCHISE AGREEMENT~~
- ~~B.A. LIST OF STATE ADMINISTRATORS~~
- ~~C.A. LIST OF STATE AGENTS FOR SERVICE OF PROCESS~~
- ~~D.A. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL~~
- ~~E.A. FINANCIAL STATEMENTS~~
- ~~F.A. LISTS OF CURRENT AND FORMER FRANCHISEES~~

- A. FRANCHISE AGREEMENT
- 1. SPECIFICS

2. GENERAL RELEASE

3. GUARANTY AND ASSUMPTION OF OBLIGATIONS

4. HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS

5. ASSIGNMENT OF TELEPHONE NUMBERS AND INTERNET TOOLS

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B. LIST OF STATE ADMINISTRATORS

C. LIST OF STATE AGENTS FOR SERVICE OF PROCESS

D. TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL

E. FINANCIAL STATEMENTS

F. LISTS OF CURRENT AND FORMER FRANCHISEES

G. ADDENDUM TO SECOND FRANCHISE AGREEMENT

G.H. MULTI-STATE ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

Continued on Page 2

Please sign and print your name below, date and return one copy of this receipt to THE GLASS GURU ENTERPRISES, INC. and keep the other for your records.

Date of Receipt

Print Name, Title

Signature

A _____ corporation or LLC
(State of incorporation or organization)

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G. ADDENDUM TO SECOND FRANCHISE AGREEMENT

~~A. FRANCHISE AGREEMENT~~

~~1. SPECIFICS~~

~~2.1 GENERAL RELEASE~~

~~3.1. GUARANTY AND ASSUMPTION OF OBLIGATIONS~~

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Continued on Page 2

Please sign and print your name below, date and return one copy of this receipt to THE GLASS GURU ENTERPRISES, INC. and keep the other for your records.

Date of Receipt

Print Name, Title

Signature

A _____ corporation or LLC
(State of incorporation or organization)

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