

FRANCHISE DISCLOSURE DOCUMENT



All Tune Franchising, LLC
a Texas limited liability company
5608 Parkcrest Drive, Suite 225
Austin, Texas 78731
(512) 994-1500
www.alltune.com

The franchise is for the establishment and operation of a facility offering a comprehensive range of automotive repair and maintenance services, including diagnostics, fluid changes, brakes, steering, suspension, engines, transmissions, tires, and air conditioning, as well as, where permitted, the replacement of engines and transmissions and other services only as All Tune designates under the “All Tune” trade name and business system (“All Tune Center” or “Center”).

The total investment necessary to begin operation of an All Tune Center ranges from \$245,000 to \$470,000. This amount includes \$44,000 that must be paid to us or our affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Nancy N. Brown, Vice President, All Tune Franchising, LLC, at 5608 Parkcrest Drive, Suite 225, Austin, Texas 78731.

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

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

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

Date of Issuance: July 9, 2025, as amended September 11, 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, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits C-D.
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?	Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets
Will my business be the only All Tune business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an All Tune Franchising, LLC franchisee?	Exhibits C-D list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty and/or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
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.

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.

**ADDENDUM TO ALL TUNE FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
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:

- (a) a prohibition on the right of a franchisee to join an association of franchisees.
- (b) a requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) a provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) a provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration, of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) a provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) a provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) a provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) the failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) a provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

The fact that there is a notice of this disclosure on file with the Attorney General does not constitute approval, recommendation, or endorsement by the Attorney General.

Any questions concerning this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913; 517-373-7117.

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
Item 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
Item 2 BUSINESS EXPERIENCE	2
Item 3 LITIGATION	3
Item 4 BANKRUPTCY	3
Item 5 INITIAL FEE	3
Item 6 OTHER FEES	4
Item 7 ESTIMATED INITIAL INVESTMENT	6
Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	9
Item 9 FRANCHISEE'S OBLIGATIONS	12
Item 10 FINANCING	13
Item 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	13
Item 12 TERRITORY	18
Item 13 TRADEMARKS	20
Item 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	22
Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	23
Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	23
Item 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	24
Item 18 PUBLIC FIGURES	28
Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS	28
Item 20 OUTLETS AND FRANCHISEE INFORMATION	30
Item 21 FINANCIAL STATEMENTS	36
Item 22 CONTRACTS	36
Item 23 RECEIPTS	36

Exhibits

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	List of Centers in Operation
Exhibit D	List of Franchisees Who Have Left the System
Exhibit E	List of Franchisees Who Have Signed a Franchise Agreement But Have Not Opened a Center
Exhibit F	General Release (Transfer)
Exhibit G	Manual Table of Contents
Exhibit H	List of State Administrators
Exhibit I	Agents for Service of Process

Exhibit J	State-Specific Addenda to Franchise Disclosure Document
Exhibit K	State Effective Dates
Exhibit L	Receipts

Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “we,” “us,” and “All Tune” each means All Tune Franchising, LLC, the franchisor. We refer to the person interested in buying a franchise as “you” or “your.” If you are a corporation, partnership, limited liability company, or other entity, certain provisions of the Franchise Agreement will apply to your owners. These will be addressed in this disclosure document where appropriate.

The Franchisor

We were organized as a Texas limited liability company under the name All Tune and Lube Franchising, LLC on January 1, 2025. We changed our name to All Tune Franchising, LLC on March 19, 2025. We do business under the name “All Tune”, “All Tune Total Car Care”, and our corporate name. Our principal business address is 5608 Parkcrest Drive, Suite 225, Austin, Texas 78731. Exhibit I discloses our agents for service of process.

Our parent, All Tune Holding, LLC (“Parent”), which shares our principal business address, acquired the All Tune system under an Asset Purchase Agreement dated January 31, 2025 between our Parent, as the buyer, and ATL International, Inc., as the seller (the “Acquisition”).

ATL International, Inc. is our predecessor (“Predecessor”), and its principal business address was 8334 Veterans Highway, Millersville, Maryland 21108. Our Predecessor was previously known as All Tune and Lube System, Inc. until it changed its name to ATL International, Inc. in September 1990.

Our Predecessor began offering All Tune Center franchises in July 1986. From 1996 until the Acquisition, our Predecessor also offered franchises for “ATL Motor Max” (later known as “ATL Motor Mate”), which offered automotive engine replacements and exchanges, and “All Tune Transmissions”, which offered automotive transmission exchanges, rebuilds, and clutch replacements. As of the date of this disclosure document, there are 15 ATL Motor Mate and 15 All Tune Transmission centers that continue to operate under those names. After the Acquisition, All Tune combined the services of ATL Motor Mate and All Tune Transmissions under the single All Tune franchise offered in this disclosure document.

Except as described above, we have no parents, predecessors or affiliates.

The Franchise

We sell franchises for the establishment and operation of facilities offering a comprehensive range of automotive repair and maintenance services, including diagnostics, fluid changes, brakes, steering, suspension, engines, transmissions, tires, and air conditioning (“Core Services”), as well as, where permitted, the replacement of engines and transmissions (“Supplemental Services”) and other services only as All Tune designates (“All Tune Center” or “Center”). All Tune Centers do business under the marks “ALL TUNE” and “ALL TUNE TOTAL CAR CARE.”

We offer franchises for All Tune Centers to qualified applicants. The Franchise Agreement (Exhibit A to this disclosure document) gives you the right to establish and operate one Center at a location selected by you and approved by us within a non-exclusive “Designated Market” described in the Franchise Agreement.

All Tune Centers operate under the All Tune tradename and trademarks in compliance with the All Tune business design, format, and system (“System”). The trademarks include the “ALL TUNE” trade name, the “ALL TUNE TOTAL CAR CARE” trade name, and the other trade names, service marks, trademarks,

logos, emblems, and other indicia of origin that we designate in writing for use in All Tune Centers operating under the System (collectively, “Marks”).

We began to offer franchises for All Tune Centers on May 20, 2025. Neither we nor our affiliates operate any All Tune Centers as of the date of this disclosure document.

We are not engaged in any other businesses and have never offered franchises in any other lines of business.

Competition

The market for general automotive repair and maintenance services, including Core Services and Supplemental Services, is well-established. You will compete with a range of businesses providing similar services, including automobile dealerships, national and regional chains of service centers, local service stations, and independent repair shops.

Industry-Specific Regulations

There are specific regulations applicable to the industry in which you will operate; such as federal, state, and local environmental laws and regulations, and fire marshal requirements; which govern the storage, handling, and disposal of waste oil, solvents, cleaners, and other substances, and motor vehicle repair licensing laws and regulations which require businesses to file for and display statewide and/or local repair licenses and to conform their customer invoices to standard statewide and/or local formats. If you desire to conduct state emissions and/or vehicle safety inspections in those states that require or permit private sector inspections, you must first obtain the appropriate licenses from state authorities. There may be other laws, regulations, and permitting requirements related to Core Services and Supplemental Services, as well as the equipment used in those facilities. It is your responsibility to comply with all federal, state, and local laws, regulations, and permitting requirements.

You should consider these laws and regulations when evaluating your purchase of a franchise.

Item 2

BUSINESS EXPERIENCE

John G. Jordan: President

Mr. Jordan has been our President and President of All Tune Holding, LLC since January 2025. He is also a business consultant and investor, roles he has served since November 2015. Mr. Jordan serves as an independent board member for three credit funds managed by Alliance Bernstein, roles that began in April 2016. From December 2000 to October 2015, he was President of BusinesSuites, LP in Austin, Texas.

Nancy N. Brown: Vice President

Ms. Brown has been our Vice President and Vice President of All Tune Holding, LLC since January 2025. Ms. Brown is also a Manager and Co-Owner of ADL Productions, LLC, positions she has held since August 2019. From April 2021 to January 2025, Ms. Brown was Regional Sales Manager for Interstate Batteries and, from January 1988 to December 1997, Market General Manager for Interstate Battery System of Cincinnati, an independent distributor of Interstate Batteries. From January 2001 to October 2015, she was Vice President-Development of BusinesSuites, LP in Austin, Texas.

Dana B. Kraft: Vice President

Mr. Kraft has been our Vice President and Vice President of All Tune Holding, LLC since May 2025. From April 2016 to April 2025, Mr. Kraft was a self-employed fractional Head of Marketing in Austin, Texas. From November 2015 to March 2016, he was Director of Marketing for Regus Group Companies in Addison, Texas, and, from January 2012 to October 2015, he was Head of Marketing for BusinessSuites, LP in Austin, Texas.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

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

Item 5

INITIAL FEE

Unless otherwise indicated below, all fees and costs are non-refundable and are imposed uniformly on all franchisees.

Initial Franchise Fee

You must pay a nonrefundable initial franchise fee of \$44,000. The initial franchise fee must be paid in full when you sign the Franchise Agreement.

We offer a discount of 15% off the initial franchise fee of \$44,000 for the first All Tune Center Franchise Agreement entered into by military veterans who have a certified DD214 issued by the U.S. Department of Defense evidencing that such veteran was honorably discharged from service, as long as the qualifying veteran owns 50% or more of the franchisee.

We offer a discount of 50% off the initial franchise fee of \$44,000 for (a) existing independent businesses that provide services and products similar to All Tune Centers for conversion to an All Tune Center and (b) existing All Tune franchisees in good standing who purchase such a business for conversion to an All Tune Center.

Item 6

OTHER FEES

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Weekly Royalty Fee	6.5% of weekly Gross Sales ⁽²⁾ (weekly \$395 minimum)	Payable weekly by Thursday on the preceding week's Gross Sales	Gross Sales is defined in Note 2.
Weekly Advertising Fund Contribution	Up to 5% of Gross Sales ⁽²⁾ . Currently, 0% of Gross Sales	Payable weekly by Thursday on the preceding week's Gross Sales	We may require to you to contribute up to 5% of the Center's Gross Sales to the Fund. Currently, we do not require any contribution to the Fund, but we have the right to require to you to begin contributing to the Fund at any time on 30 days' prior written notice.
Additional Training	\$500 per trainer per day	As incurred	We do not charge a fee for Initial Training. After the Initial Training, we may charge you this fee for additional training related to new hires, advanced skills, and special assistance. The additional training may be online virtual or in-person. If the training is provided at your Center, you must pay the travel and living expenses of our training personnel. If you or your employee travels for the training, you must pay the associated travel and living expenses.
Transfer Fee	50% of the then current Initial Franchise Fee	Before transfer	Payable when you sell or transfer the Franchise Agreement, the franchise, the assets of the franchised business or any substantial part of those assets. No charge if the Franchise Agreement is transferred to an entity controlled by you.
Audit ⁽³⁾	Cost of inspection or audit	10 days after billing	Payable only if you under-report Gross Sales by 2% or more.
Insufficient Funds Fee	\$100 plus any fees incurred by All Tune	As incurred	Payable if you have insufficient funds in your bank account to cover a payment made by ACH, check, or electronic funds transfer to All Tune
Interest ⁽³⁾	<i>Wall Street Journal</i> prime rate plus 1%	10 days after billing	Payable on all overdue amounts

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Late Fees	1% of Gross Sales for the week for which payment was late	10 days after billing	Payable on overdue weekly royalty fee(s), and/or weekly advertising Fund contribution(s)
Costs/Attorney Fees	Varies based on circumstances	As incurred	Payable if you fail to comply with the Franchise Agreement
Indemnification	Varies based on circumstances	As incurred	You have to reimburse us if we are held liable for claims from your Center's operations
Warranty Obligations ⁽⁴⁾	Varies based on circumstances	As incurred	You must pay other franchisees for warranty work performed on vehicles previously serviced at your Center.
Software Fee	Cost; currently, \$700 per month.	When billed	We may require you to pay us, an affiliate, or a third-party provider for access to software programs and related support, including a shop management platform, used in the operation of your Center as part of the Computer Systems. The cost for software and support is determined by the provider.

NOTES

- (1) All fees and contributions that are imposed by and payable to All Tune are non-refundable and not subject to offset by you. The Franchise Agreement requires you to pay weekly royalty fees, weekly advertising Fund contributions, equipment and supply charges, and any applicable late fees and interest charges to All Tune by means of ACH or other means of electronic funds transfer from your bank account(s). Except as noted in the table, these fees and contributions are uniform. The Minimum Weekly Royalty Fee is \$395 per week per Center. If you fail to make any payment under the Franchise Agreement when due, All Tune may at its sole discretion (i) apply payments received from you, on your behalf, or from any national account, fleet account, supplier, or vendor program in which you participate, to any category of payment due from you that we select, (ii) transfer, suspend, discontinue, terminate, or amend your Center's telephone service, telephone numbers, web pages, and/or directory listings, and/or (iii) suspend support services to you and/or the placement of advertising for your Center. During any period of suspension or other action(s) by All Tune described above, you must still make continuing advertising contributions, royalty fee payments, and/or any other amounts due under the Franchise Agreement.
- (2) "Gross Sales" means the total selling price of all services and products and all income of every other kind and nature related to the Center, whether for cash or credit, and regardless of collection in the case of credit. All proceeds from the sale of coupons, gift cards, gift certificates, or vouchers are included in Gross Sales; provided, that when the coupons, gift cards, gift certificates, or vouchers are redeemed, you may credit their retail price against Gross Sales to determine the amount of Gross Sales upon which fees calculated in respect of Gross Sales are due. If you do not

record and report sales proceeds for royalty purposes when the coupon, gift card, gift certificate or voucher is sold, or if such coupons, gift card, gift certificates or vouchers are distributed free of charge, Franchisee will not be entitled to a credit against Gross Sales upon redemption of the coupon, gift card, gift certificate or voucher. "Gross Sales" does not include sales taxes Franchisee collects from customers of the Center, if the taxes are actually transmitted to the appropriate taxing authority.

- (3) All interest begins from the date of the underpayment or non-payment.
- (4) Your payment to other franchisees under the warranty program is for the cost of parts and labor according to an hourly charge we determine.

Item 7

ESTIMATED INITIAL INVESTMENT

Your Estimated Initial Investment

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Initial Franchise Fee ⁽¹⁾	\$44,000	\$44,000	Lump sum	At signing of Franchise Agreement	All Tune
Initial Training - Travel & Lodging Expenses ⁽²⁾	\$2,000	\$4,000	During Initial Training	Before opening as incurred	Restaurants, retailers, and outside suppliers
Real Estate and Improvements ⁽³⁾	\$11,000	\$113,000	As agreed	Before opening as incurred	Outside suppliers
Shop Equipment ⁽⁴⁾	\$46,000	\$53,000	As agreed	Before opening as incurred	All Tune or outside suppliers
Computer Systems ⁽⁵⁾	\$16,000	\$25,000	As agreed	Before opening as incurred	All Tune or outside suppliers
Initial Inventory ⁽⁶⁾	\$6,000	\$9,000	As agreed	Before opening as incurred	Outside suppliers
Signs ⁽⁷⁾	\$12,000	\$34,000	As agreed	Before opening as incurred	All Tune or outside suppliers
Furniture, Supplies, and Miscellaneous Opening Costs ⁽⁸⁾	\$13,000	\$23,000	As agreed	Before opening as incurred	All Tune or outside suppliers

Grand Opening Advertising and Promotion – 6 months ⁽⁹⁾	\$30,000	\$30,000	As agreed	As incurred	All Tune or outside suppliers
Additional Funds – 6 months ⁽¹⁰⁾	\$60,000	\$120,000	As agreed	As incurred	Employees, suppliers, utilities, and outside suppliers
Insurance – 6 months ⁽¹¹⁾	\$5,000	\$15,000	As agreed	As incurred	Insurance company
Total Estimated Initial Investment ⁽¹²⁾	\$245,000	\$470,000			

NOTES

- (1) You must pay the nonrefundable \$44,000 initial franchise fee upon execution of the Franchise Agreement.
- (2) This estimate only applies if training is held in at our headquarters in Texas instead of virtual online. It is a per person estimate of expenses during franchise school. You pay for any travel, lodging, local transportation, meals, other travel expenses, and wages (if any) during the franchise school. We pay for the cost of training instructors, facilities, and training materials. Franchisor reserves the right to substitute/offer Initial Training at our headquarters in Austin, Texas versus online virtual Initial Training. The classroom training and virtual training will contain the same material in its entirety.
- (3) Most of our franchisees lease their Center locations. The real properties used as All Tune Centers will vary considerably in rental amounts, improvements required to make the property usable as a Center, cosmetic improvements to the building and security deposits. The improvement costs you pay may include floor covering, counters, ceilings, electrical upgrades, wall and floor treatment, carpentry and related work, and painting, which will vary significantly depending on the condition, location and size of the premises and the demand for the premises among prospective tenants. An All Tune Center typically consists of a 4 to 8 bay automotive service building or space with a customer waiting room, inventory storage area and restroom(s). Center locations typically have 2,000 to 4,000 square feet, although there are smaller (3-bay) and larger (more than 8-bay) Centers. A paved parking area at or near the Center location large enough to accommodate approximately 10 to 15 vehicles is preferable; however, many All Tune Centers operate with significantly fewer parking spaces or share parking with other tenants in multi-tenant facilities such as shopping centers, auto malls, and strip centers. You should consider that the owners and managers of real property are independent third parties not controlled by All Tune, and that market conditions, together with certain other property-specific factors described below, will determine the terms under which you will be able to secure your Center location. Also, applicable zoning/permitting restrictions or lease provisions may prevent you from offering certain goods and services such as the Supplemental Services. All Tune estimates that monthly base rent (excluding the franchisee's share of real estate taxes, maintenance and/or insurance) will typically range from \$5,500 to \$12,500 per month, with an initial security deposit required between \$5,500 and \$25,000 at the time of lease signing. Most franchisees lease their Center locations, whether existing or new, rather than purchasing land and a building which can involve substantial additional expense. Whether leasing or purchasing the Center location, you may pay commissions or consulting fees (for example, by way of lease payments) to real estate brokers or consultants who are involved in procuring the Center location.

- (4) These amounts represent the estimated cost for equipment needed to operate a typical Center as described above. The cost of equipment varies depending on whether you only offer the Core Services or if you are permitted to offer Supplemental Services and the quantity and type of equipment you choose to purchase for your Center. The cost for equipment including delivery and installation will vary based on the local market, shipping distances, price differentials between suppliers, tariff surcharges, and the layout of the Center. Installation charges are paid to third-party contractors.
- (5) Computer Systems (defined in Item 11) include the hardware and software we designate to manage the shop, point-of-sale, and communications in your Center. These initial costs are for hardware as well as software setup and startup costs.
- (6) Initial inventory includes filters, oil, fluids, windshield wipers, light bulbs and supplies purchased from third-party suppliers. The cost of the initial inventory will depend on the expected needs in the market where the Center is located as well as whether oil and fluids dispensing equipment is purchased or provided by suppliers.
- (7) The cost and installation of exterior signs will vary according to the characteristics of your Center's location and layout. For example, if you must construct a new free-standing pylon sign and/or channelized letters or sign boxes attached to the building, then the upper range of the estimate may apply. If your Center has existing pylon and/or sign boxes, then the lower to middle range of the estimate may apply. Regardless of the source of signs, installation charges are paid to third-party contractors.
- (8) The cost estimate for furniture, supplies, and miscellaneous opening costs includes various items such as the Center's furniture, fire extinguishers, janitorial supplies, décor, and customer amenities. Some of these items may be specified by All Tune and others may be the choice of the franchisee. Also included in miscellaneous costs is an estimate of deposits required by utilities and sales tax authorities, fees to independent counsel of your choosing for legal and accounting services including forming your business entity and reviewing lease or purchase agreements for the Center, and fees for business licenses and other permits. Many of these expenses will vary from jurisdiction to jurisdiction.
- (9) During the first six months of operating the Center, you must spend a minimum of \$5,000 per month on advertising and promotion of the Center. This campaign will be planned jointly by you and All Tune's marketing team and subject to All Tune's approval.
- (10) This is an estimate of your initial start-up expenses. You will need capital to support ongoing expenses, including payroll costs for your employees, utilities, internet, security alarm, supplies, uniforms, and other business expenses to the extent that these costs are not covered by sales revenue. We do not include expenses such as depreciation, loan interest, and salaries or any other benefits paid to you or incurred for your benefit because these amounts vary greatly from franchisee to franchisee. These figures are estimates only, based upon approximate expenses of these items and All Tune cannot guarantee that you will not have additional expenses, or need additional working capital, during the first 6 months or the months that follow.
- (11) We estimate that the low-high range of the total premiums for 6 months for the insurance you are required to carry under the Franchise Agreement and your lease to be approximately \$5,000 to \$15,000 equating to annual premiums of \$10,000 to \$30,000. The cost and availability of this insurance may vary substantially depending on size and location of the Center, number of employees in the Center, market conditions within the insurance industry, and other applicable factors. Insurance premiums are typically not due as a lump sum at the opening of the Center. Instead, based on the insurance company or the availability of premium financing, you make a 10% to 25% down payment followed by 8 to 10 monthly installments to pay the balance of the premiums due.

- (12) We relied on our and our Predecessor's experience in the automotive repair and maintenance business to compile these estimates.

Unless otherwise stated above, these estimates are subject to increases based on changes in market conditions, our cost of providing services and future policy changes. At the present time, we have no plans to increase payments we control.

We do not offer any financing for your initial franchise fee or any portion of your initial investment. Unless otherwise stated, the amounts described above are not refundable.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

Computer Systems

You must use the Computer Systems that we designate to operate your Center. You must obtain the Computer Systems, maintenance and support services, and other related services that meet our specifications from the suppliers we specify, which may be limited to us.

As part of the Computer Systems, you must use the shop management platform software that we require. Our current supplier of the shop management platform software is Tekmetric.

Approved Suppliers

If we have approved suppliers (including manufacturers, distributors, and other sources) for any supplies, materials, fixtures, furnishings, equipment, computer systems, warranties, and other products or services used or offered for sale at the Center, you must obtain these items from those suppliers. These specifications may include brand requirements. If brand requirements have been identified, you may purchase and use only approved brands. Approved or designated suppliers are those who demonstrate the ability to meet our then-current standards and specifications, who have adequate quality controls, and whom we have approved in writing and whom we have not later disapproved. We may change the number of approved suppliers at any time or approve or disapprove any suppliers at any time. We may designate ourselves or our affiliates as approved or designated suppliers of any item.

If we require that an item be purchased from an approved supplier and you wish to purchase it from a supplier we have not approved, you must submit to us a written request for approval. You must not purchase or lease the item from the supplier until and unless we have approved the supplier in writing. We have the right to require you to submit information, specifications, and samples to us to enable us to determine whether the item complies with our standards and specifications and that the supplier meets our criteria. We also have the right to inspect the supplier's facilities and to have samples from the supplier delivered to us or to an independent laboratory we designate for testing. We may condition our approval of a supplier on requirements relating to product quality, prices, consistency, reliability, financial compatibility, labor relations, client relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), or other criteria. We will notify you within 60 days of your request as to whether you may purchase products from the proposed supplier. We may re-inspect the facilities and products of any approved supplier, and we may revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria. If we revoke our approval of any supplier and informing you of the same, you must promptly discontinue use of that supplier. You must reimburse us for the costs that we incur in the supplier approval process. Nothing requires us to approve any particular supplier, and we are not required to notify you of our approval or disapproval within any specified period of time. Our specifications

for products and criteria for supplier approval are generally issued through written communications and are available to franchisees and approved suppliers.

Except to the extent that All Tune is an approved supplier, none of our officers owns an interest in any privately-held suppliers, or a material interest in any publicly-held suppliers. From time to time, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

Purchases According to Specifications

You must comply with all of our standards and specifications relating to the purchase of all supplies, materials, fixtures, furnishings, equipment, computer systems, and other products used or offered for sale at the Center. Our standards and specifications are also contained in our Manuals (as further described in Item 11), which we have the right to add to or modify from time to time.

Site Selection and Construction

We must approve any proposed site you find for the Center, and we must also approve any lease or purchase agreement for the Center before you sign it. The initial term of your lease together with any renewal terms must be for at least 15 years. Additionally, Exhibit F to the Franchise Agreement contains the Lease Addendum, which must be included in the terms of your lease.

Insurance

You must obtain and maintain the insurance coverage listed in Paragraph 12 of the Franchise Agreement. We do not restrict the source(s) of your insurance coverage; however, you must obtain the policies from a financially stable insurance company reasonably satisfactory to us, name us as an additional insured, deliver to us initial and renewal certificates of insurance, and notify us in the event of cancellation or non-renewal. The policies must include, at a minimum, the insurance coverage and policy limits specified below.

You must purchase and maintain in full force at all times insurance policies meeting the following minimum requirements: (i) worker's compensation insurance in amounts and from insurance providers as required by law, or, when not required by law, voluntarily maintain workers' compensation coverage or an alternative work injury insurance coverage subject to our approval; (ii) liability insurance under a garage liability policy, with coverage of \$1,000,000 per occurrence with a \$2,000,000 annual aggregate, medical payments coverage of at least \$2,500, and customer automobile insurance (garage keepers physical damage) of at least \$80,000; (iii) business insurance consisting of business personal property (fire peril/all risk) of at least \$70,000, employee dishonesty/loss of money and securities for \$25,000 each, and business interruption insurance for your actual loss of income from your Center for up to 12 consecutive months with no dollar limitation; (iv) pollutant cleanup and removal coverage insuring your Center against losses from spills or releases from your business operations for at least \$25,000 (which pollution insurance requirement All Tune may waive in its complete discretion if we determine that this insurance is not available on a commercially reasonable basis); and (v) any additional insurance that may be required under your real estate lease, loan, equipment lease, or by All Tune in its complete discretion. All policies of insurance must be in form acceptable to All Tune in its complete discretion, with companies reasonably satisfactory to us. All Tune may periodically require you to purchase different forms and/or amounts of insurance. There are also requirements in the Franchise Agreement for you to provide us with certificates issued by each of your insurers indicating that the required coverages are in effect and providing for at least 30 days written notice to us. See paragraph 12 of the Franchise Agreement for more details.

We estimate that the low-high range of the total annual premiums for the insurance you are required to carry under the Franchise Agreement to be approximately \$10,000 to \$30,000. The cost and availability of this insurance may vary substantially depending on size and location of the Center, number of employees

in the Center, market conditions within the insurance industry, and other applicable factors. Insurance premiums are typically not due as a lump sum at the opening of the Center. Instead, based on the insurance company or the availability of premium financing, you make a 10% to 25% down payment followed by 8 to 10 monthly installments to pay the balance of the premiums due.

We may change the coverage requirements and amounts, in our discretion, and will advise you of the changes in writing. If you fail to maintain the required insurance, we have the right, but not the obligation, to obtain such insurance and charge the costs to you.

Purchasing Arrangements

For the period from August 1, 2023 to July 31, 2024 (which was our Predecessor's fiscal year), our Predecessor had total revenues of \$767,656, of which \$70,807 (or 9.22%) was derived from the sale of equipment, signs, fixtures, software, forms, customer receipts, and other supplies. We are a newly-formed entity that acquired the All Tune system on January 31, 2025. Therefore, neither we nor our affiliates received any revenue based on the sale of products or services to franchisees from January 1, 2024 to December 31, 2024.

We (i) may change the number of approved suppliers at any time and may designate ourselves, an affiliate, or a third party as the exclusive source for any particular item, (ii) may profit from your purchases from designated or approved suppliers, and (iii) we and/or our affiliates may receive payments, fees, commissions, or reimbursements from such suppliers in respect of your purchases (including, without limitation, for products and services we or our affiliates provide to you and by suppliers that we designate or approve for some or all of our franchisees). We may, but are not required to, refund such amounts to you or contribute such amounts to the Fund. We also may retain such amounts for our own use in our sole discretion, despite any designation by the supplier or otherwise. Contributions of any rebates or credits to the Fund will not reduce your obligation to make the contributions to the Advertising Fund provided for in the Franchise Agreement.

We may negotiate certain purchase arrangements (including price terms) with suppliers for the benefit of our franchisees. In doing so, we seek to promote the overall interests of our franchise system and our interests as the franchisor. If we negotiate a purchase agreement, you must participate in the purchasing program. We do not provide material benefits to franchisees based upon their use of designated or approved suppliers. There are currently no purchasing or distribution cooperatives for the System.

All Tune provides no material benefits to a franchisee based on a franchisee's use of designated or approved sources or their purchase of particular products or services.

Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that your total initial required purchases will range between 35% to 50% of the cost of your initial purchases or leases (not including the initial franchise fee). We estimate your required purchases for the operation of the Franchised Business will range between 25% and 50% of your annual purchases or leases. The majority of these required purchases will be from third parties under our specifications.

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Paragraph in Agreement	Disclosure Document Item
a. Site Selection and acquisition/lease	Paragraphs 5A and 5B	Item 11
b. Pre-opening purchases/leases	Paragraphs 5D and 5G of Franchise Agreement	Items 5, 6, 7, and 8
c. Site development and other pre-opening requirements	Paragraph 5D	Items 6, 7, and 11
d. Initial and on-going training	Paragraph 5E and 5F	Items 6, 7, and 11
e. Opening	Paragraphs 5A, 5B, and 5D	Item 11
f. Fees	Paragraphs 4, 10E, 10F, 15F and 23C(3)	Items 5 and 6
g. Compliance with standards and policies, Confidential Operating Manual	Paragraphs 5C, 5L and 8	Items 8 and 11
h. Trademarks and proprietary information	Paragraphs 7 and 8	Items 13 and 14
i. Restrictions on products and services offered	Paragraphs 5C, 5L, and 8	Item 16
j. Warranty and customer service requirements.	Paragraphs 5J and 6	Item 11
k. Territorial development and sales quotas	Paragraphs 1A, 1B, and 1C	Item 12
l. Ongoing product and service purchases	Paragraph 5G	Item 8

m.	Maintenance, space and remodeling requirements	Paragraphs 2B(2), 5D, 5H, and 5I	Item 11
n.	Insurance	Paragraph 12	Item 7
o.	Advertising	Paragraphs 4, 5I and 11	Items 6, 7, and 11
p.	Indemnification	Paragraph 18D	N/A
q.	Owner's participation, management and staffing	Paragraphs 16A and 16B(2)	Items 11 and 15
r.	Records and Reports	Paragraph 10	Item 6
s.	Inspections and audits	Paragraphs 5K, 10D, and 10E	Items 6 and 11
t.	Transfer	Paragraph 13	Item 17
u.	Renewal	Paragraph 2B	Item 17
v.	Post-termination obligations	Paragraphs 15 and 16C	Item 17
w.	Non-competition covenants	Paragraphs 16B, 16C, and 16D	Item 17
x.	Dispute resolution	Paragraph 23	Item 17

Item 10

FINANCING

We do not offer direct or indirect financing, and we do not guarantee your notes, leases, or other obligations.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

PRE-OPENING OBLIGATIONS

Before you open your business, All Tune will:

- (1) Approve your Center location and review your lease or purchase agreement. All Tune generally does not own the premises or lease it to the franchisee (Franchise Agreement – paragraph 3G).
- (2) Provide you with specifications for inventory, supplies, equipment, and exterior and interior signs necessary for the opening of your Center (Franchise Agreement – paragraph 3C).
- (3) Supply information on sources from whom you may purchase inventory, supplies, equipment, and signs. All Tune has recommended suppliers (as shown in Item 8) for inventory, supplies, and equipment. Unless we have approved suppliers from which you must obtain items, you may purchase your inventory, supplies, equipment, and signs from any source as long as All Tune's specifications are met (Franchise Agreement – paragraph 3C). Signage is sourced locally to the franchisee's area. All Tune does not deliver or install any equipment or fixtures.
- (4) Provide initial advisory assistance in the operation of your Center (Franchise Agreement – paragraph 3B).
- (5) Provide an initial training program, including Initial Training/franchise school (Franchise Agreement–paragraphs 3A and 5E). The Initial Training (franchise school) is described below.
- (6) Provide access to our Manual in electronic or paper format. (Franchise Agreement – paragraph 3D).

CONTINUING OBLIGATIONS

During the operation of the franchise business, All Tune will:

- (1) Provide you with support services, such as All Tune Operations Department assistance and ongoing training programs as All Tune deems appropriate (Franchise Agreement – paragraphs 3A and 5F).
- (2) Provide you with sales, service or promotional bulletins to assist you in developing and improving your Center (Franchise Agreement – paragraph 3E).
- (3) Provide you with continuing advisory assistance in the operation of your Center (Franchise Agreement – paragraph 3B).
- (4) Continue our efforts to maintain high standards of quality, appearance, professionalism, and service, conducting inspections of the Center and evaluations of the services you offer as we deem appropriate (Franchise Agreement – paragraph 3F).
- (5) Make reasonable efforts in providing approvals, advice, and services to you as long as no suspension of services has occurred (Franchise Agreement – paragraph 3G).
- (6) Administer the Advertising Fund (Franchise 3H, 4A(3), 11B, and 11C).

Other than the above Pre-Opening Obligations and Continuing Obligations, we are not obligated by the Franchise Agreement, or any other agreement, to provide any other supervision, assistance, or services before Center opening or during the ongoing operation of the franchised business. We do not provide guidance regarding the establishment of prices charged to customers, nor do we place any restrictions on the prices you may set for your customers. As disclosed in Note 1 of Item 6, we have the right to suspend the above support services and advertising if you fail to make any payment under the Franchise Agreement when due (Franchise Agreement – paragraph 4A(4)). Your failure to comply with the Franchise Agreement may also result in All Tune's causing the transfer, suspension, termination, or amendment of your Center's telephone service, telephone numbers, email addresses, website, and/or directory listings.

All Tune's Pre-Opening and Continuing Obligations are independent covenants, and your obligation to pay weekly royalty fees, Advertising Fund contributions, and all other amounts due under the Franchise

Agreement is not contingent on our performance of these obligations (Franchise Agreement – paragraph 4B).

ADVERTISING

Advertising and promotion expenditures are essential to establishing and maintaining brand awareness, customer acquisition, and market competitiveness. All advertising and promotion activities must align with All Tune's brand standards and guidelines and are subject to approval by All Tune's marketing team. All Tune will own the digital footprint of each Center including the website, domains, Directory Listings, reviews, social media, and any other web presence. "Directory Listings" means any public or consumer-facing listing of the Center's contact information or business details, whether in print or digital form, including but not limited to telephone directories, online business directories (e.g., Google Business Profile, Yelp), mapping services, review platforms, and other searchable databases.

Currently, advertising for All Tune Centers is primarily direct mail, internet and web-based electronic media. All Tune in its complete discretion directs the use of all Advertising Fund contributions and fees made by its franchisees to the Fund and all decisions regarding creative content and materials used, as well as the source(s) of all advertising (including whether to use an in-house advertising department or an outside advertising agency) (Franchise Agreement – paragraph 11B). All Tune reserves the right to disseminate advertising for franchisees' Centers in any media. All Tune's Marketing Department is, either directly or through an outside agency it designates, the source of all advertising purchased with Advertising Fund contributions and fees from franchisees. If All Tune serves as the agency directly placing advertising, we may charge the Fund a placement fee at a market rate. As a matter of policy, the All Tune Marketing Department invites input from All Tune Center franchisees.

Upon written approval by us, you may also place your own advertising and use your own promotional materials at your expense (Franchise Agreement–paragraph 11B). However, you may not advertise your Center's telephone number(s), web address, or physical address in any medium without our prior approval (Franchise Agreement–paragraph 11A). You may not create your own domain or website. You may not deduct any portion of the cost or expense of your own advertising (including print, digital, or any other advertising you place on your own) from Weekly Advertising Fund Contributions, weekly royalty fees or any other amount(s) owed to All Tune under your Franchise Agreement (Franchise Agreement–paragraph 11B). Currently, All Tune does not have an advertising council composed of franchisees, and you are not required to participate in a local or regional advertising cooperative.

There is no requirement that we spend any amount on advertising in the area where your Center is located. Substantially all advertising fees and contributions are spent in the fiscal year in which they accrue. All Tune spends those advertising fees and contributions which are not spent in the fiscal year in which they accrue on advertising for Centers in the following fiscal year. For our Predecessor's most recently concluded fiscal year ending July 31, 2024, amounts were spent from the Advertising Fund in the following unaudited percentages: production (0%), media placement (100%), and administrative expenses (0%). As noted above, All Tune has the right to spend amounts from the Fund for production, media placement, administrative expenses, and other expenses, and reserves the right to do so. No part of the Advertising Fund is used for advertising that is principally a solicitation for the sale of franchises.

We may require to you to contribute up to 5% of the Center's Gross Sales to the Fund. As of the date of this disclosure document, we do not require any contribution to the Fund, but we have the right to require to you to begin contributing to the advertising fund at any time on 30 days' prior written notice.

All Tune administers the Fund. We will prepare an annual statement of the Fund's operations and will make it available to you if you request it. We are not required to have the Fund statements audited. We

will not use your Fund contributions to defray any of our operating expenses, except for any reasonable administrative costs and overhead that we may incur in administering or directing the Fund or a market rate of compensation for placing advertising.

During the first 6 months of operating the Center, you must spend a minimum of \$5,000 per month on advertising and promotion of the Center. This campaign will be planned jointly by you and All Tune's marketing team and subject to All Tune's approval. After the initial six-month period, you must spend the greater of 5% of Gross Sales or \$2,500 per month for advertising and promotion efforts for the next three years. During the first 42 months of operating the Center, your advertising and promotion spending requirements will be reduced by the amounts, if any, you pay to All Tune in the Weekly Advertising Fund Contribution during these periods.

COMPUTER SYSTEMS

All Tune will designate a technology package which you must use in your Center including computers, handheld devices, shop management and point-of-sale software system, phone service and call monitoring, email accounts, cyber security and remote support, accounting software, internet access services, a website for your center, and related, electronic, and technological equipment, systems, and digital support ("Computer Systems"). All Tune owns all the data and information stored in the Computer Systems including all customer and prospect data, transactions stored in the shop management and point of sale software, email addresses, phone numbers, online reviews, and any other data whether publicly facing or internally available related to the operation of the Center. All Tune has the right to access the Computer Systems at any time without specific notice to you.

You must obtain the Computer Systems, maintenance and support services, and other related services that meet our specifications from the suppliers we specify, which may be limited to us. All Tune may change the designation of components of the Computer Systems periodically.

As part of the Computer Systems, you must use the shop management platform software that we require, which is currently Tekmetric and pay the applicable software fees.

We estimate that the initial costs are for Computer System hardware as well as software setup and startup costs will range between \$16,000 and \$25,000.

SITE SELECTION AND TIME FOR OPENING

You select your Center location within your Designated Market (Franchise Agreement— paragraphs 1A and 5A). Generally, All Tune does not hold or open Center locations for resale or lease to franchisees. Instead, you apply to All Tune for a franchise in a geographical area chosen by you. Exhibit G contains that application form, the Confidential Qualification Report. After application and signing of the Franchise Agreement, you seek a location for your Center within the geographical area you and All Tune have agreed upon, which is identified as the Designated Market in the Franchise Agreement (Franchise Agreement— paragraph 1A).

All Tune recommends that you engage your own tenant-representative broker or buyer-representative broker with specialized knowledge of the commercial real estate market in your Designated Market to assist you in your site selection efforts. In most instances, Center locations are leased or purchased from third parties who are not affiliated with or controlled by All Tune. While you are responsible for finding and securing your Center location (Franchise Agreement – paragraph 5A), All Tune may identify potential Center locations which we may share with you, although we are not contractually obligated to do so (Franchise Agreement – paragraph 5B).

All Tune must approve the proposed location for your All Tune Center (Franchise Agreement – paragraphs 3G and 5A). Factors which All Tune considers in deciding whether to approve sites include population (households and businesses) in the area of the site, median household income, daily vehicle traffic, and site characteristics, together with proximity to existing Center locations. The Franchise Agreement does not contain time limits on your obligation to obtain or on our obligation to approve or disapprove your site. If you and All Tune are unable to agree on your site, you may lose your initial franchise fee because the Franchise Agreement states that these amounts are non-refundable (Franchise Agreement – paragraph 4A).

Typically, the interval between the signing of your Franchise Agreement and the opening of your Center ranges between 2 to 10 months. Factors which may affect this period include the ability to locate an acceptable site, to obtain a lease, to obtain acceptable financing arrangements, and to obtain required zoning and building permits meeting local ordinances or community requirements. Additionally, weather conditions, shortages, slow delivery and other factors such as completion of construction, remodeling, and purchasing and installing equipment, fixtures and signs affect the opening of your Center.

You must begin business within 365 days after signing the Franchise Agreement, unless we give you a written extension. (Franchise Agreement - paragraph 5D). You may request to extend your Opening Date deadline by 30 days by providing us your request in writing no later than 45 days before the Opening Date deadline. If we agree to your request, you must pay us \$5,000. (Franchise Agreement - paragraph 5D).

CONFIDENTIAL OPERATING PROCEDURE MANUALS

The table of contents for the All Tune Confidential Operating Procedure Manual is at Exhibit G. The Manual has a total of 208 pages.

TRAINING

Before you can open your Center, you (including the signers of the Franchise Agreement and any other individuals All Tune in its complete discretion requires and approves) must satisfactorily complete Initial Training which consists of franchise school, either online virtual training or at our Texas headquarters, and the in-Center training you receive in your Center just before it opens. The Initial Training is mandatory for all new franchisees and must be completed to All Tune's satisfaction (Franchise Agreement–paragraph 5E). The first part of the Initial Training consists of approximately one week of franchise school. Should Franchisee attend Initial Training at our headquarters in Austin, Texas, All Tune will pay for training instructors, facilities, and training materials. You will be responsible for round-trip transportation to and from Austin, Texas, the cost of local transportation, and living expenses of the persons attending franchise school. The Initial Training program is scheduled throughout the year based on franchisee need. Therefore, a franchisee generally completes the first part of the training before opening the Center. The second part of the Initial Training is the in-Center training. An All Tune employee or designee will conduct this portion of the training program in your Center just before your Center opens and during the course of your Center's opening.

All Tune's Initial Training is conducted by Jack Ray, Senior Operations Manager, who has 26 years of training experience. Other All Tune employees, as well as representatives of several suppliers, give instruction in areas in which they specialize, such as Center administration, technical/equipment, technology, and center operation. Examples of items used as instructional materials are the Manual, supplier materials, brochures, videos, bulletins, handouts, various All Tune forms and other materials.

The Initial Training required by All Tune before and during your Center opening currently consists of the following:

TRAINING PROGRAM⁽³⁾

Subject	Hours of Virtual or Classroom Training ⁽¹⁾	Hours of On-the-Job Training ⁽²⁾	Location
Sales Training	10 hours		Online
Policies and Procedures	6 hours		Online
Business Management	8 hours		Online
Customer & Public Relations	4 hours		Online
Technical/Equipment	4 hours		Online
Administration	8 hours		Online
Center Operation		80-120 hours	Your Center

- (1) Classroom training, as an alternative to online virtual training, occurs at the franchise school held at All Tune's headquarters in Austin, Texas. The allocation of hours devoted to each subject, whether by virtual online training, or classroom, may vary at All Tune's discretion. All Tune holds online virtual franchise schools as necessary.
- (2) On-the-job training occurs just before and during the opening of your Center. Actual number of hours may vary at All Tune's discretion.
- (3) The All Tune Confidential Operating Procedures Manual is provided to you during training. It consists of 208 pages of training and reference information to help with the operation of your franchise. See Exhibit G for more information.

You must also satisfactorily complete additional training programs which may include sales meetings, operations meetings, and conventions as All Tune may reasonably require. We are only responsible for supplying training instructors to lead these programs. All Tune may charge you for additional training beyond the Initial Training. You must pay all the expenses you incur while attending additional training, if not virtual online training, including the cost of all travel, lodging, meals, salaries, and wages. All Tune's operations team also provides ongoing telephone and virtual training for new product lines and services that we make available to our franchisees, as well as ongoing training in policies and procedures.

Item 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we may own, or from other channels of distribution or competitive brands that we control.

However, under the Franchise Agreement you will have the sole right to operate 1 All Tune Center at the Center location selected by you and approved by us within the non-exclusive Designated Market. We will

determine the Designated Market and insert it in the Franchise Agreement before you sign the Franchise Agreement. The Designated Market will exclude any existing or future protected area of another All Tune Center franchisee that is or may be within the Designated Market. After your selection and our approval of the Center location, we will assign you a geographic protected area around the Center location ("Protected Area"), and we will not, without your consent, establish, or grant a third party to establish, an All Tune Center within the Protected Area during the term of the Franchise Agreement, as long as you remain in compliance with the Franchise Agreement and any other agreements you have with us or our affiliates. We do not guarantee any minimum area of protection. The Protected Area will generally be a geographic area in which there are residences and businesses with adequate vehicle registrations to support the Center. However, the actual size and shape of the Protected Area will be determined based on several factors, including population density, income level, vehicular traffic, and the number of households and businesses in the area.

The Franchise Agreement only grants you the right to operate your All Tune Center at the Center location. You may not actively solicit or accept business from consumers through any method of distribution not expressly permitted by the Franchise Agreement, including alternative channels such as the Internet, catalog sales, telemarketing, or other direct marketing. You may use the Internet to advertise on our Website only to the extent expressly permitted under, and in compliance with, the Franchise Agreement.

We retain all other rights. Among other things, this means we can:

- (i) Operate, and license others to operate, All Tune Centers at any location outside the Protected Area.
- (ii) Develop and establish other business systems (including systems that offer and sell products or services similar to those offered at All Tune Centers) using other names or marks, and grant licenses to use those systems;
- (iii) Advertise and promote the System in the Protected Area, and we are not required to pay any compensation to a franchisee for soliciting or accepting orders from customers inside the Protected Area or Designated Market.;
- (iv) Within and outside the Protected Area, to engage, directly or indirectly, at wholesale, retail, or otherwise, in the production, distribution, license, and sale of any and all services and products, under the Marks or under other names or marks, within and outside your Protected Area, through any other method of distribution, including automotive supply stores, supermarkets, convenience stores, mail order catalogs, community or special events of any kind, and the Internet, regardless of the competitive impact on the Center, and without compensation to you.

You must receive All Tune's written approval before relocating your Center. The conditions under which All Tune will approve relocation of your franchise business after opening your Center include, but are not limited to, low car count, moving to a larger location, fire, substantial rent increase, road construction and traffic disruption, loss of lease due to building being sold, or other extenuating circumstances where relocating would be beneficial to the franchise business. In the event a franchisee relocates their existing location, the approval will be considered under the basic demographic requirements that are used for approval of locations, and the proposed new location must not be within any other All Tune Center franchisee's Protected Area or similar area in which we have agreed not to establish or license another All Tune Center. The proposed new lease or purchase agreement must be submitted and approved by All Tune which will not be unreasonably withheld.

There is no automatic right to acquire additional franchises in the vicinity of your Center or otherwise, and we do not grant you any rights of first refusal.

You are not restricted from selling products and services to customers residing outside the Protected Area. Except when advertising cooperatively with appropriate franchisees, you are restricted from advertising outside your territory without prior written consent.

Except for the 15 ATL Motor Mate and 15 All Tune Transmission centers that continue to operate under those names as discussed in Item 1, All Tune does not operate or franchise any other business under a trademark different from those disclosed in this disclosure document that sells goods or services similar to those offered in the Center and we have no present plans to do so. The Franchise Agreement, however, reserves All Tune's right to do so.


Continuation of the territorial rights you have in lieu of any exclusive territory does not depend on achievement of any sales volume, sales goal, market penetration, or other contingency (although a \$395 minimum royalty fee is payable weekly under the Franchise Agreement). There are no circumstances, other than termination because of your default, under which All Tune may alter your territorial rights under the Franchise Agreement without your consent.


Item 13

TRADEMARKS

The Franchise Agreement grants you a license to operate your Center under the trademarks "ALL TUNE" and "ALL TUNE TOTAL CAR CARE." All Tune may require you in writing to use other trademarks designated by All Tune in operating your Center.

The following Marks have been registered with the U. S. Patent and Trademark Office ("USPTO") and are owned by our Parent, All Tune Holding, LLC. Out Parent intends to renew the registration and to file all appropriate affidavits at the appropriate times required by law.

Mark	Register	Registration Number	Registration Date
ATL TOTAL CAR CARE	Principal	2173232	07/14/1998
ALL TUNE AND LUBE TOTAL CAR CARE & Design 	Principal	3448729	06/17/2008

ALL TUNE AND LUBE & Design 	Principal	2105084	10/14/1997
ALL TUNE AND LUBE	Principal	1437506	04/21/1987
THE ATL MENU OF SERVICES	Principal	2053777	04/22/1997

Our Parent has also filed an application for registration of the following Marks on the Principal Register of the USPTO. Following registration and at the appropriate times, our Parent intends to file all required affidavits.

Mark	Register	Application Number	Application Date
ALL TUNE	Principal	99086762	3/16/2025
ALL TUNE TOTAL CAR CARE	Principal	99086765	3/16/2025

There is no presently effective determination of the U.S. Patent and Trademark Office, the trademark trial and appeal board, the trademark administrator of any state or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Marks which is relevant to its ownership, use or licensing.

We know of no superior prior rights or infringing use that could materially affect your use of the Marks, and we know of no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise.

Our rights to the Marks and the proprietary System know-how are derived from a nonexclusive perpetual license (“Intercompany License”) among us and our Parent. The Intercompany License grants us the right to use the Marks and the proprietary information related to the System, such as the know-how and the Manuals, for the purpose of licensing them to our franchisees and fulfilling our obligations under the Franchise Agreement. The Intercompany License is terminable only for material breach of the Intercompany License agreement and only if we do not cure or begin to cure the breach within 90 days after notice. We know of no other agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to you.

We are not obligated to protect your rights to use the Marks or to protect you against claims of infringement or unfair competition. We are not obligated to participate in your defense and/or indemnify you for expenses

or damages if you are party to an administrator or judicial proceeding involving the Marks if the proceeding is resolved unfavorably to you.

You must promptly notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks. You and your owners must agree not to communicate with any person other than us, any designated affiliate, and our or their counsel about any infringement, challenge or claim. We or our affiliates have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or Patent and Trademark Office (or other) proceeding, from any infringement, challenge or claim concerning any of the Marks. You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests or those of our affiliates in any litigation or proceeding or to otherwise protect and maintain our or their interest in the Marks.

You may not use any of the Marks as part of your corporate or other name. You must also follow our instructions for identifying yourself as a franchisee and for filing and maintaining the requisite trade name or fictitious name registrations. You must sign any documents we or our counsel determine are necessary to obtain protection for the Marks or to maintain their continued validity and enforceability. Neither you nor your owners may take any action that would prejudice or interfere with the validity of our rights with respect to the Marks and may not contest the validity of our interest in the Marks or assist others to do so.

We have the right to substitute different trade names, service marks, trademarks and indicia of origin for the Marks if the Marks can no longer be used, or if we determine, in our sole discretion, that the substitution will be beneficial to the System. If we do, we may require you to discontinue or modify your use of any Mark or use 1 or more additional or substitute Marks at your expense.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents or pending patent applications that are material to the franchise. We do claim common law copyright protection and proprietary rights in the original materials used in the System, including our Manuals, bulletins, correspondence and communications with our franchisees, training, advertising and promotional materials, and other written materials relating to the operation of All Tune Centers and the System. These copyrights are not registered.

There is no presently effective determination of the U.S. Copyright Office (Library of Congress) or any court affecting our copyrights. There is no currently effective agreement that limits our right to use and/or license our copyrights. We are not obligated by the Franchise Agreement, or otherwise, to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use or licensing of the copyrights.

We treat all of this information as trade secrets and you must treat any of this information we communicate to you confidentially.

You and your owners must agree not to communicate or use our confidential information for the benefit of anyone else during and after the term of the Franchise Agreement. You and your owners must also agree not to use our confidential information at all after the Franchise Agreement terminates or expires. You and your owners can give this confidential information only to your employees who need it to operate your All Tune Center. You must have your managers and any of your other personnel who have received or will have access to our confidential information, sign similar covenants.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are an individual, you, or if you are an entity, one of your owners who has successfully completed the All Tune training program for managers, must either (i) directly supervise the franchised business on the Center premises (in which case, you or the owner, as applicable, must devote a minimum of 30 hours per week to the management of the Center) or (ii) employ a full-time manager who has successfully completed the All Tune training program for managers and is approved by us to supervise the franchised business on the Center premises.

All Tune does not require the on-site manager to have an equity interest in the franchisee. Each individual who owns an equity interest in the franchisee entity must sign the Owners' Guaranty and Assumption Agreement (Attachment A to the Franchise Agreement), assuming and agreeing to discharge all obligations of the "Franchisee" described in the Franchise Agreement.

At our request, you must have your manager and any other personnel who will have access to our training sign covenants not to compete and must maintain the confidentiality of information they have access to through their relationship with you. These covenants will be in substantially the form of Exhibit B to the Franchise Agreement. We have the right, in our sole discretion, to decrease the period of time or geographic scope of the noncompetition and nonsolicitation covenants or eliminate the noncompetition and nonsolicitation covenants altogether for any person who must sign an agreement described in this paragraph.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

All products and services you use or sell at the Center must conform to our standards and specifications. These are described in our Manual and other writings. You must not deviate from our standards and specifications unless we first give you our written consent. You must also comply with all applicable laws and regulations and secure all appropriate governmental approvals for the Center.

You must offer and sell only the products and services that we have expressly approved in writing. You must stop selling any products or services that we disapprove in writing. There is no limit on our right to add or remove products or services the Center's offerings, and you must promptly comply with any changes that we make to those offerings. You must open and operate the Center during the hours we specify in the Manual or otherwise in writing.

Unless All Tune otherwise authorizes in writing, you must offer all the Core Services and Supplemental Services. However, you may not be able to offer certain goods and services because of applicable zoning restrictions or lease provisions. You must contact local zoning/permitting authorities and your landlord about any of those restrictions or provisions which may limit or prevent your offering those goods and services that we authorize and/or require you to offer under the franchise. All Tune may authorize you not to offer goods or services restricted in this manner.

All Tune does not restrict the customers you may solicit or the prices you may charge.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The table lists important provisions of the franchise agreement and any related agreements.

You should read these provisions in the agreement attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provisions	Paragraph of Franchise Agreement	Summary
a. Length of the franchise term	Paragraph 2A	Term is 15 years
b. Renewal or extension of the term	Paragraph 2B	If you are in good standing, you can renew for three additional terms of 5 years each as long as renewal requirements in c. below are met.
c. Requirements for franchisee to renew or extend	Paragraph 2B	Send timely renewal notice to All Tune; sign new agreement; complete maintenance, renovation and remodeling we deem advisable; satisfy all obligations to All Tune and its affiliates; and sign release. If you seek to renew your rights to operate the franchised Center at the expiration of the initial term or a renewal term, you will be asked to sign a new Franchise Agreement that may contain terms and conditions materially different from those in your previous Franchise Agreement, such as different training qualifications.
d. Termination by franchisee	Not applicable	
e. Termination by franchisor without cause	Not applicable	
f. Termination by franchisor with cause	Paragraph 14	All Tune can terminate only if franchisee defaults.

Provisions	Paragraph of Franchise Agreement	Summary
g. “Cause” defined – curable defaults	Paragraph 14C	You have 5 days to cure Monetary Defaults such as non-payment of fees, non-payment of money due under lease or purchase agreement, non-submission of reports, and submission of reports containing false statements. You have 15 days to cure any other Curable Defaults defined in Paragraph 14 of the Franchise Agreement.
h. “Cause” defined – Non-curable defaults	Paragraph 14A and 14B	Non-curable defaults: bankruptcy, ceasing to do business at Center, conviction of felony, unapproved transfer, failure to comply with in-term covenant not to compete, breach of required confidentiality, failure to transfer within 12 months after death or substantial incapacity of franchisee, endangerment of public health or safety, material misrepresentation in application for franchise, abandonment for 5 or more consecutive days, or 2nd Curable Default in 12-month period even if prior Curable Default has been cured.
i. Franchisee’s obligations on termination or non-renewal	Paragraph 15	Obligations include completely de-identifying the Center, paying all amounts due, returning the Operating Manual and other proprietary material including customer information, and discontinuing use of telephone numbers, websites, and directory listings for the Center (also see o. and r. below).
j. Assignment of contract by franchisor	Paragraph 13A	No restrictions on All Tune’s right to assign.
k. “Transfer” by franchisee, defined	Paragraph 13B and 13C	Includes transfer of contract or assets or any ownership change in franchisee.
l. Franchisor’s approval of transfer by franchisee	Paragraph 13B and 13C	You must obtain All Tune’s prior written consent to all transfers; however, we will not unreasonably withhold our consent as long as

Provisions	Paragraph of Franchise Agreement	Summary
		conditions for consent in m. below are met.
m. Conditions for franchisor's approval of transfer	Paragraph 13B and 13C	You pay All Tune all outstanding monies owed, you sign All Tune form release, you and transferee sign written assignment, new franchisee qualifies, new franchisee signs then-current Franchise Agreement, you pay transfer fee, new franchisee completes Initial Training (also see r. below) and complete any upgrades/refurbishment of the Center that we require. If you transfer to a corporation or other legal entity, all shareholders or interest holders must sign Owners' Guaranty and Assumption Agreement, entity formalities meet Section 13C restrictions, franchisee and entity signs written assignment.
n. Franchisor's right of first refusal to acquire franchisee's business	Paragraph 13D	On 30 days written notice, we have the option to purchase an interest being transferred on the same terms and conditions offered by a third party.
o. Franchisor's option to purchase franchisee's business	Paragraph 15H	Upon termination or expiration, All Tune has right to assume your lease and/or franchise; All Tune also has right to purchase your equipment, signs, and other tangible assets at fair market value (excluding goodwill).
p. Death or disability of franchisee	Paragraph 13E	Your estate or legal representative must transfer the franchise within 12 months with All Tune's written consent.
q. Non-competition covenants during the term of the franchise	Paragraph 16B	No involvement in competing business.
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 16C	No involvement in competing business for 2 years within 10 miles of the former location or any other location in a System franchised by All Tune.

Provisions	Paragraph of Franchise Agreement	Summary
s. Modification of the agreement	Paragraphs 8D and 21	No modifications generally unless signed by both parties, but Confidential Operating Manual subject to change.
t. Integration/merger clause	Paragraphs 21 and 24	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Paragraph 23A	Claims, controversies or disputes from or relating to the Franchise Agreement must be mediated, except actions based on the Marks or confidential information.
v. Choice of forum	Paragraphs 23A and B	<p>Unless contrary to applicable state law: Mediation in Austin, Texas, except actions based on the Marks or confidential information; venue for any other proceeding is Travis County, Texas or the federal district court for the Western District of Texas (subject to state law).</p> <p>In addition to the provisions noted in this chart, the Franchise Agreement contains a number of provisions that may affect your legal rights, including a waiver of the right to a jury trial, a waiver of punitive or exemplary damages and limitations on when claims may be raised (See Franchise Agreement, paragraphs 23E, F, and G). We recommend that you carefully review all of these provisions, and all of the contracts listed in Item 22, with a lawyer.</p>
w. Choice of law	Paragraph 23C	Subject to applicable state law, Texas law applies (see state-specific addendum).

Other Notes

- (1) In addition to the provisions noted in the Item 17 chart above, the Franchise Agreement contains a number of provisions that may affect your legal rights, including a waiver of a jury trial, waiver of

punitive or exemplary damages, and limitations on when claims may be raised. See Franchise Agreement paragraph 23. We recommend that you carefully review all of these provisions, and all contracts, with a lawyer.

If a state law requires any modification to these provisions of the Franchise Agreement (or other provisions described in this Item 17) or requires additional terms, those modifications will be found in the disclosure addenda and contractual amendments appended to this disclosure document.

- (2) If any of the provisions in the Franchise Agreement including those summarized above, are inconsistent with, or contrary to, applicable state law, the requirements of the applicable law or laws will be substituted for the inconsistent or contrary provisions in the agreements.

Item 18

PUBLIC FIGURES

We do not use any public figure to promote the franchise.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

This historical financial performance representation discloses average and median Gross Sales, car count, and average repair order for 11 franchised All Tune Centers ("Sample Centers") for the 52 weeks ending December 27, 2024 (the "Reporting Period") and that met the following criteria: (i) the Sample Centers were operating for at least 1 full year as of the end of the applicable Reporting Period; and (ii) the Sample Centers reported Gross Sales and car count data to us or our Predecessor for the full applicable Reporting Period.

These 11 Sample Centers represent 79% of the 14 Centers open as of the end of the Reporting Period.

The information contained in this financial performance representation is based on historical Gross Sales of the Sample Centers; it is not a forecast or projection of your performance.

The figures in this financial performance representation reflect only revenue, car count, and average repair order of the Sample Centers and do not reflect any costs of sales, operating expenses, or other costs or expenses that you will incur in operating the Center, including the royalty fees and Advertising Fund contributions that you must pay under the terms of the Franchise Agreement. This financial performance representation also does not include debt service or equipment lease costs that may be incurred in the operation of an All Tune Center. In addition, this financial performance representation does not include any information about the federal income taxes payable on any net income derived from the operation of the

Center or state or local net income or gross profits taxes that may be applicable in the jurisdiction in which your Center is located. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees and former franchisees listed in this disclosure document may be one source of information

The Sample Centers in this financial performance representation operate throughout the United States in both urban and suburban areas and have operated for an average of 12.1 years.

**ALL TUNE CENTERS
AVERAGE, MEDIAN, AND HIGH/LOW
GROSS SALES, CAR COUNT, AND AVERAGE REPAIR ORDER
FOR THE 52 WEEKS ENDING DECEMBER 27, 2024**

	Average	High	Low	Median	Number of Centers that Met/Exceeded Average	Percentage of Centers that Met/Exceeded Average
Gross Sales*	746,673	\$1,463,396	\$209,878	\$677,003	4	36%
Car Count	2,416	5,328	425	2,125	5	46%
Average Repair Order	369	\$794	\$133	\$321	4	46%

*The definition of "Gross Sales" is included in Note 2 to the Table in Item 6.

* * *

Gross Sales, car count, and average repair order realized will vary from Center to Center and will be directly affected by many factors, such as the Center's geographic location, traffic patterns, competition in the marketplace, the presence of other All Tune Centers, and the quality of management and service at the specific Center.

We compiled these figures from the individual Center's actual reported Gross Sales and car count for the Reporting Period. This information has not been audited.

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

We have written substantiation in our possession to support the information appearing in this Item 19 and such substantiation will be made available to you on reasonable request.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations, either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Nancy Brown, our Vice President, at 512-994-1500; the Federal Trade Commission; and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2022-2024⁽¹⁾

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	27	25	-2
	2023	25	19	-6
	2024	19	18	-1
	12/31/2024	18	14	-4
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
	12/31/2024	0	0	0
Total Outlets	2022	27	25	-2
	2023	25	19	-6
	2024	19	18	-1
	12/31/2024	18	14	-4

Note:

- (1) The numbers for “2022”, “2023” and “2024” are as of July 31, which was our Predecessor’s fiscal year end. Our fiscal year end is December 31, so we have also included information as of December 31, 2024.

Table No. 2

Transfer of Outlets from Franchisees to New Owners (other than the Franchisor)

For Years 2022 to 2024⁽¹⁾

State	Year	Number of Transfers
Kansas	2022	1

State	Year	Number of Transfers
	2023	0
	2024	0
	12/31/2024	0
Pennsylvania	2022	0
	2023	1
	2024	0
	12/31/2024	0
Texas	2022	1
	2023	0
	2024	0
	12/31/2024	0
Total	2022	2
	2023	1
	2024	0
	12/31/2024	0

Note:

- (1) The numbers for “2022”, “2023” and “2024” are as of July 31, which was our Predecessor’s fiscal year end. Our fiscal year end is December 31, so we have also included information as of December 31, 2024.

Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024⁽¹⁾

State	Year	Outlets at Start of Year	Outlets Opened	Terminations (2)	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of the Year
California	2022	1	0	0	0	0	0	1
	2023	1	0	0	1	0	0	0
	2024	0	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0	0
Florida	2022	2	2	0	1	0	0	3
	2023	3	0	0	0	0	1	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations (2)	Non- Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of the Year
	2024	2	0	0	0	0	0	2
	12/31/2024	2	0	0	0	0	0	2
Georgia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	12/31/2024	1	0	0	0	0	0	1
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
	12/31/2024	1	0	0	0	0	0	1
Iowa	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	12/31/2024	1	0	0	0	0	0	1
Kansas	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	12/31/2024	1	0	0	0	0	0	1
Louisiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	1	0	0	0
	2024	0	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations (2)	Non- Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of the Year
Maryland	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	2	1
	2024	1	0	0	0	0	0	1
	12/31/2024	1	0	0	0	0	0	1
Michigan	2022	1	0	0	1	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	12/31/2024	1	0	0	0	0	1	0
New Hampshire	2022	1	0	0	1	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0	0
New Jersey	2022	1	0	0	0	0	0	1
	2023	1	0	0	1	0	0	0
	2024	0	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0	0
Ohio	2022	3	2	0	0	0	1	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	2	2
	12/31/2024	2	0	0	1	0	1	0
Pennsylvania	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	12/31/2024	3	0	0	0	0	1	2
Tennessee	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	12/31/2024	2	0	0	0	0	0	2
Texas	2022	7	0	1	0	0	1	5
	2023	5	0	0	0	0	2	3
	2024	3	1	0	1	0	0	3
	12/31/2024	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations (2)	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at End of the Year
Virginia	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	1	0	0	0	0
	12/31/2024	0	0	0	0	0	0	0
Totals	2022	27	5	1	4	0	2	25
	2023	25	2	0	3	0	5	19
	2024	19	3	1	1	0	2	18
	12/31/2024	18	0	0	0	0	4	14

Note:

- (1) The numbers for “2022”, “2023” and “2024” are as of July 31, which was our Predecessor’s fiscal year end. Our fiscal year end is December 31, so we have also included information as of December 31, 2024.
- (2) The “Terminated” column reflects the number of outlets terminated after Center opening. The total number of franchises terminated before Center opening for our Predecessor’s fiscal years 2022/2023/2024 is 3/1/1.

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024⁽¹⁾

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
All States	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Totals	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	12/31/2024	0	0	0	0	0	0

Notes:

- (1) The numbers for “2022”, “2023” and “2024” are as of July 31, which was our Predecessor’s fiscal year end. Our fiscal year end is December 31, so we have also included information as of December 31, 2024.

Table No. 5

**Projected Openings as of
July 31, 2024, for 2025**

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
Colorado	1	1	0
Florida	2	1	0
Georgia	1	0	0
New Jersey	1	0	0
Texas	2	1	0
Total	7	3	0

* * *

A list of Centers in operation as of December 31, 2024 is attached as Exhibit C.

A list of franchisees who have left the system in our Predecessor's most recently concluded fiscal year is attached as Exhibit D.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. Some former franchisees who have signed release documents typically in connection with a sale or transfer of their All Tune franchise, or upon termination of

the franchise relationship with All Tune, have agreed to confidentiality provisions which restrict their ability to speak openly about their experience with All Tune. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

As of the date of this disclosure document, we do not have any franchisee advisory councils. We are not aware of any trademark-specific franchisee organizations.

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit A are our audited financial statements for the period from January 1, 2025 (inception) to January 31, 2025, in addition to our unaudited financial statements for the period from January 1, 2025 to June 30, 2025.

Item 22

CONTRACTS

The following contract documents are or may be used by All Tune in the franchise relationship:

- (1) All Tune Franchise Agreement (with exhibits) – Exhibit B

Item 23

RECEIPTS

Attached as the last two pages of this disclosure document are duplicate Receipts to be signed by you. Keep one for your records and return the other one to us.

EXHIBIT A
FINANCIAL STATEMENTS

All Tune Franchising, LLC

Financial Statements

*As of January 31, 2025 and for the period from
inception (January 1, 2025) through January 31, 2025*

All Tune Franchising, LLC

Financial Statements

As of January 31, 2025 and for the period from
inception (January 1, 2025) through January 31, 2025

Table of Contents

Independent Auditor's Report.....	3
Financial Statements	
Balance Sheet.....	5
Statement of Operations.....	6
Statement of Changes in Member's Equity.....	7
Statement of Cash Flows.....	8
Notes to Financial Statements.....	9



Dallas Office
2425 N Central Expy.
Suite 200
Richardson, TX 75080
Phone 972 238 5900
Fax 972 692 5357

www.agllp-cpa.com

Independent Auditor's Report

To the Member
All Tune Franchising, LLC
Austin, Texas

Report on the Financial Statements

Opinion

We have audited the financial statements of All Tune Franchising, LLC (the "Company"), which comprise the balance sheet as of January 31, 2025, and the statements of operations, changes in member's equity and cash flows for the period from inception (January 1, 2025) through January 31, 2025 and related notes to the financial statements.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of All Tune Franchising, LLC as of January 31, 2025, and the results of its operations, changes in member's equity and its cash flows for the period from inception (January 1, 2025) through January 31, 2025 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of All Tune Franchising, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 All Tune Franchising, LLC's ability to continue as a going concern within one year from the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of this 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of All Tune Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used, and the reasonableness of, significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about All Tune Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

A+G LLP

Dallas, Texas
April 30, 2025

Balance Sheet

As of January 31,

2025

Assets

Current assets:

Cash and cash equivalents	\$ 275,000
Prepaid expenses	9,248
Total current assets	284,248

Intangible assets, net	1,325,000
------------------------	-----------

Total assets	\$ 1,609,248
---------------------	---------------------

Liabilities and Member's Equity

Current liabilities:

Accounts payable	\$ 1,523
Total current liabilities	1,523

Member's equity	1,607,725
-----------------	-----------

Total liabilities and member's equity	\$ 1,609,248
--	---------------------

Statement of OperationsFor the period from inception (January 1, 2025)
through January 31,**2025**

Revenues:	\$ -
General and administrative expenses:	
Professional fees	1,523
Other general and administrative expenses	25
Total general and administrative expenses	1,548
Net loss	\$ (1,548)

Statement of Changes in Member's Equity

Balance at January 1, 2025 (inception)	\$ -
Net loss	(1,548)
Contributions from member	1,609,273
Balance at January 31, 2025	\$ 1,607,725

Statement of Cash Flows

For the period from inception (January 1, 2025)
through January 31,

2025

Operating Activities

Net loss	\$ (1,548)
Changes in operating assets and liabilities:	
Prepaid expenses	(9,248)
Accounts payable	1,523
Net cash used by operating activities	(9,273)

Investing Activities

Net cash provided by investing activities

-

Financing Activities

Contributions from member	284,273
Net cash provided by financing activities	284,273

Net increase in cash and cash equivalents 275,000

Cash and cash equivalents, beginning of period -

Cash and cash equivalents, end of period \$ 275,000

Supplemental Disclosure of Cash Flow Information**Non-cash investing and financing activities**

Contribution of intangible assets from member \$ 1,325,000

NOTES TO FINANCIAL STATEMENTS

1. Organization and Operations

Description of Business

All Tune Franchising, LLC ("ATF" or the "Company"), a Texas limited liability company, was formed on January 1, 2025 ("Inception") as All Tune and Lube Franchising, LLC and subsequently changed its name to All Tune Franchising, LLC on March 19, 2025. The Company is a wholly-owned subsidiary of All Tune Holding, LLC ("ATH", the "Member" or the "Parent")

Effective January 31, 2025, our member, ATH, acquired certain assets of ATL International, Inc. and its affiliates and subsequently contributed a portion of those assets to the Company.

The Company is in the business of granting franchises for the establishment and operation of facilities offering a comprehensive range of automotive repair and maintenance services, including diagnostics, fluid changes, brakes, steering, suspension, engines, transmissions, tires, and air conditioning, as well as, where permitted, the replacement of engines and transmissions and other services only as the Company designates ("All Tune Center" or "Center"). All Tune Centers do business under the marks "ALL TUNE" and "ALL TUNE TOTAL CAR CARE".

The Company is a limited liability company, and therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

ATH licensed the trademarks and other intellectual property relating to the ALL TUNE brand to the Company under a perpetual royalty free license agreement (the "License"). The License grants the Company the right to use this trademark and other intellectual property for licensing them to franchisees of the Company in the United States.

As of January 31, 2025, there were 15 franchised outlets, and 0 affiliate-owned outlets in operation.

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company is a recently formed entity which acquired existing franchise agreements of operating centers that generate weekly royalty revenue. Based on this expected revenue, existing and forecasted obligations, and liquidity on hand, management believes the Company has sufficient resources to meet all of its obligations for at least twelve months following the issuance of the financial statements. Accordingly, these financial statements do not include any adjustments that would be required were the Company not be able to continue as a going concern.

2. Significant Accounting Policies

Basis of Accounting

The Company uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Under this method, revenue is recognized when earned and expenses are recognized as incurred.

Use of Estimates

The preparation of the financial statements and accompanying notes in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Estimates are used for the following, among others: revenue recognition, valuation of contributed assets and useful lives for depreciation and amortization of long-lived assets. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

2. Significant Accounting Policies (continued)**Fair Value of Financial Instruments**

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist primarily of cash and cash equivalents, prepaid expenses and accounts payable. The carrying values of cash and cash equivalents, prepaid expenses and accounts payable are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Non-recurring fair value measurements include the assessment of intangible assets for impairment. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as level 3.

Cash and Cash Equivalents

For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

Intangible Assets

Intangible assets are stated at cost less accumulated amortization. Intangible assets include franchise rights acquired as part of a business acquisition. The Company amortizes franchise rights on a weighted average basis over the remaining terms of the franchise agreements, which range from 2 to 14 years.

Impairment of Long-Lived Assets

The Company assesses potential impairment of its long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company's overall business, and significant industry or economic trends. When the Company determines that the carrying value of the long-lived assets may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate. If the carrying value is not fully recoverable, an impairment is recognized in the amount by which the carrying amount exceeds the fair value of the asset. During the period ended January 31, 2025, no impairment charges were recognized related to long-lived assets.

Revenue Recognition**Franchise fees**

The Company will recognize revenue in accordance with the Financial Accounting Standard Board ("FASB") ASC 606-10-25, Revenue from Contracts with Customers. In January 2021, the FASB issued ASU 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient." ASU 2021-02 provides a practical expedient that simplifies the application of ASC 606 about identifying performance obligations and permits franchisors that are not public entities to account for pre-opening services listed within the guidance as distinct from the franchise license. The Company has adopted ASU 2021-02 and implemented the guidance on its revenue recognition policy.

NOTES TO FINANCIAL STATEMENTS

2. Significant Accounting Policies (continued)**Franchise fees (continued)**

The Company sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty and other fees on a weekly basis based upon a percentage of franchisees gross sales. A franchise agreement establishes an All Tune Center developed in one or multiple defined geographic areas and provides for a 15-year initial term with the option to renew. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner and a franchise agreement is signed with the new franchisee.

Under the terms of its franchise agreements, the Company typically provides franchise rights, pre-opening services such as site selection and training, and ongoing services. The Company considers certain pre-opening activities and the franchise rights and related ongoing services to represent two separate performance obligations. The franchise fee revenue is allocated to the two separate performance obligations using a residual approach. The Company estimates the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial franchise fee to the franchise rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than opening date. Revenue allocated to franchise rights and ongoing services is recognized on a straight line basis over the contractual term of the franchise agreement, as this ensures that revenue recognition aligns with the customer's access to the franchise right. Renewal fees are recognized over the renewal term of the respective franchise from the start of the renewal period. Transfer fees are recognized over the contractual term of the transfer agreement.

Royalty revenue

Royalties from All Tune Centers are based on the greater of the minimum amount per week or a percentage of gross sales as set forth in the franchisees' respective franchise agreement and are recognized as earned.

Advertising and marketing

All costs associated with advertising and marketing are expensed in the period incurred.

Income Taxes

The Company is treated as a partnership for tax purposes and, as such, is not liable for federal or state income tax. As a single-member limited liability company, and therefore a disregarded entity for income tax purposes, the Company's assets, liabilities, and items of income, deduction and credit are combined with and included in the income tax return of the Parent. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes. The Company recognizes income tax related interest and penalties in interest expense and other general and administrative expenses, respectively.

The Company's parent, ATH, files income tax returns in the U.S. federal jurisdiction and the states in which it operates. The Company is subject to routine audits by taxing jurisdictions from Inception; however, there are currently no audits for any tax periods in progress.

In accordance with FASB ASC 740-10, *Income Taxes*, the Company is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at January 31, 2025.

NOTES TO FINANCIAL STATEMENTS

2. Significant Accounting Policies (continued)**Recent Accounting Pronouncements**

We reviewed other significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

Subsequent Events

In accordance with FASB ASC 855, Subsequent Events, the Company has evaluated subsequent events through April 30, 2025, the date on which these financial statements were available to be issued. Except as disclosed in Note 7, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. Certain Significant Risks and Uncertainties

The Company maintains its cash in a bank deposit account that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents. The Company maintains its deposits in one financial institution.

4. Intangible Assets

The principal asset classifications of intangible assets, at cost and accumulated amortization, are as follows:

	January 31, 2025	
	Gross Carry Amount	Accumulated Amortization
Acquired franchise rights	\$ 1,325,000	\$ -

Future aggregate amortization expense is as follows:

2025	\$	197,885
2026		207,875
2027		160,497
2028		141,235
2029		133,882
Thereafter		483,626
Total	\$	1,325,000

5. Related Party Transactions**Transactions with Member**

Effective January 31, 2025, our member, ATH, acquired certain assets of ATL International, Inc. and its affiliates and subsequently contributed a portion of those assets to the Company. In connection with the contribution of acquired franchise rights, the Member assigned the rights and obligations of certain franchise agreements to the Company. As of January 31, 2025, the Member contributed acquired franchise rights in the amount of \$1,325,000 to the Company.

6. Commitments and Contingencies**Litigation**

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of the management, all matters are of such nature, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTES TO FINANCIAL STATEMENTS

7. Subsequent Events

Effective March 26, 2025, the Company entered into an operating lease for office facilities. The lease commences on April 1, 2025 and has an initial term of 36 months with an option to renew for an additional 24 months with future lease payments of \$157,839 over this period.

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

All Tune Franchising, LLC

Balance Sheet

As of June 30,

2025

Assets

Current assets:

Cash and cash equivalents	\$235,678
Prepaid expenses	<u>\$7,494</u>
Total current assets	\$243,172

Fixed assets, net	\$39,873
Intangible assets, net	\$1,332,900
Other assets	\$9,334

Total assets	\$1,625,279
---------------------	--------------------

Liabilities and Member's Equity

Current liabilities:

Credit Cards	\$1,916
Accounts payable	<u>\$31,495</u>
Total current liabilities	\$33,410

Member's equity	\$1,591,869
-----------------	-------------

Total liabilities and member's equity	\$1,625,279
--	--------------------

Unaudited - Internally Prepared

All Tune Franchising, LLC

Statement of OperationsFor the period from inception (January 1, 2025)
through June 30,**2025**

Revenues:	<u>\$229,742</u>
Operating expenses:	
Professional fees	\$90,422
Payroll	\$86,782
Contract labor	\$20,830
Technology	\$12,360
Training and development	\$10,606
Travel	\$6,711
Advertising and marketing	\$5,955
Other expenses	<u>\$9,873</u>
Total operating expenses	\$243,539
Net operating loss	(\$13,797)
Other income/expenses:	
Interest income	\$500
Transaction and transition expenses	\$34,107
Net loss	<u>(\$47,404)</u>

Unaudited - Internally Prepared

All Tune Franchising, LLC

Statement of Cash FlowsFor the period from inception (January 1, 2025)
through June 30,**2025**

Cash Flow from Operating Activities

Net Loss	(\$47,404)
Changes in operating assets and liabilities	
Prepaid expenses	(\$7,494)
Accounts payable	\$31,495
Credit card	\$1,916
Net cash used by operating activities	<u>(\$21,488)</u>

Cash Flow from Investing Activities

Development of intangible assets	(\$7,900)
Purchase of furniture, fixtures, and equipment	(\$26,948)
Leasehold improvements	(\$12,925)
Other changes in long term assets	<u>(\$9,334)</u>
Net cash provided by used by activities	<u>(\$57,107)</u>

Cash Flow from Financing Activities

Contributions from member	\$314,273
Net increase in cash and cash equivalents	\$235,678
Cash and cash equivalents, beginning of period	<u>\$0</u>
Cash and cash equivalents, end of period	<u>\$235,678</u>

Supplemental Disclosure of Cash Flow Information**Non-cash investing and financing activities**

Contribution of intangible assets from member	\$1,325,000
---	-------------

Unaudited - Internally Prepared

EXHIBIT B
FRANCHISE AGREEMENT



**ALL TUNE FRANCHISING, LLC
FRANCHISE AGREEMENT**

Form Dated: July 9, 2025
FDD Dated: July 9, 2025

TABLE OF CONTENTS

1.	APPOINTMENT	1
2.	TERM AND RENEWAL	2
3.	DUTIES OF FRANCHISOR	3
4.	FEES.....	4
5.	DUTIES OF FRANCHISEE	6
6.	WARRANTIES AND GUARANTEES.....	10
7.	PROPRIETARY MARKS.....	11
8.	CONFIDENTIAL OPERATING MANUAL.....	12
9.	CONFIDENTIAL INFORMATION	13
10.	ACCOUNTING AND RECORDS.....	13
11.	ADVERTISING	14
12.	INSURANCE	15
13.	TRANSFERABILITY OF INTEREST	16
14.	DEFAULT AND TERMINATION.....	19
15.	OBLIGATIONS UPON TERMINATION.....	21
16.	COVENANTS	23
17.	TAXES, PERMITS AND INDEBTEDNESS	24
18.	INDEPENDENT CONTRACTOR AND INDEMNIFICATION	25
19.	APPROVALS AND WAIVERS	25
20.	NOTICES	26
21.	ENTIRE AGREEMENT	27
22.	SEVERABILITY AND CONSTRUCTION	27
23.	DISPUTE RESOLUTION.....	28
24.	ACKNOWLEDGMENTS.....	30

Exhibits

Exhibit A	Owners' Guaranty and Assumption Agreement
Exhibit B	Confidentiality and Noncompetition / Nonsolicitation Agreement
Exhibit C	Selected Key Commercial Terms
Exhibit D	Ownership and Management Information
Exhibit E	Electronic Funds Transfer Authorization
Exhibit F	Lease Addendum Terms

STATE AMENDMENTS

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement"), made and entered into this day of _____, 20_____ between All Tune Franchising, LLC, a Texas limited liability company, ("Franchisor") and _____, ("Franchisee") recites and provides as follows:

RECITALS:

I. Franchisor has the right to use and license the use of a business system ("System") (further defined below) for the establishment and operation of automotive repair/service centers ("All Tune Center", "Center", or "Centers") providing comprehensive range of automotive repair and maintenance services, including diagnostics, fluid changes, brakes, steering, suspension, engines, transmissions, tires, and air conditioning ("Core Services), as well as, where permitted, the replacement of engines and transmissions ("Supplemental Services") and other services as Franchisor designates. The distinguishing characteristics of the System include, without limitation, market analysis, research and development on the optimum use of sophisticated automotive engine analysis equipment, sales and merchandising methods, training, record keeping, advertising techniques and business management, all of which may be changed, improved, and further developed by Franchisor from time to time;

II. Franchisor is the owner of all right, title and interest in the trade names, trademarks and service marks now or hereafter designated by Franchisor for use in the System, including the trade name, "ALL TUNE" and "ALL TUNE TOTAL CAR CARE" (collectively, the "Proprietary Marks"), and Franchisor shall continue to develop, use and control such Proprietary Marks for the benefit and exclusive use of itself and its franchisees in order to identify for the public the source of services and products marketed hereunder and to represent the System's high standards of quality and service;

III. Franchisee desires to operate a Center under the System and wishes to obtain a franchise from Franchisor for that purpose, as well as to receive the training and other assistance provided by Franchisor in connection therewith; and

IV. Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality and service and the necessity of operating the business franchised hereunder in conformity with Franchisor's standards and specifications.

PROVISIONS:

1. APPOINTMENT

A. Franchisor hereby grants to Franchisee, upon the terms and conditions of this Agreement, the right and license, and Franchisee undertakes the obligation, to develop, establish, and operate the Center, and to use solely in connection therewith the System, as the System may be changed, improved and further developed from time to time and the Proprietary Marks, only at a single location, approved by Franchisor pursuant to Paragraphs 3A and 5C below, within non-exclusive designated market area (the "Designated Market") set forth in Exhibit C.

Franchisee and Franchisee's owners jointly and severally represent and warrant that Franchisee and Franchisee's owners are not, nor to Franchisee's or Franchisee's owners' knowledge have been designated, a "suspected terrorist" as defined in Executive Order 13224.

B. After Franchisee selection of, and Franchisor's consent to the Center location, Franchisor will assign to Franchisee a geographic area (the "Protected Area") that includes the Center location, which Protected Area will be set forth in Exhibit C. Except as provided in Paragraph 1C, and subject to Franchisee's full compliance with this Agreement and any other agreement between Franchisee or its

affiliates and Franchisor or its affiliates, neither Franchisor nor any of its affiliates will, during the term of this Agreement, establish, or authorize any person or entity other than you to establish, an All Tune Center in the Protected Area.

C. The rights granted to Franchisee under this Agreement are nonexclusive, and Franchisor and its affiliates have and retain all rights within and outside the Protected Area except those expressly granted to Franchisee. Accordingly, Franchisor, its affiliates, and any other authorized person or entity will have the right, among others, (i) to operate, and license others to operate, All Tune Centers at any location outside the Protected Area, including locations that are adjacent to or surrounded by the Protected Area; (ii) within and outside the Protected Area, to develop and establish other business systems (including systems that distribute products or services similar to those offered at All Tune Centers) using other names or marks and to grant licenses to use those systems; (iii) to advertise and promote the System in the Protected Area; and (iv) except for the restriction in Paragraph 1B against the establishment of another All Tune Center in the Protected Area, to engage, directly or indirectly, at wholesale, retail, or otherwise, in the production, distribution, license and sale of any and all services and products, under the Marks or under other names or marks, within and outside the Protected Area, through any other method of distribution, including, but not limited to, automotive supply stores, supermarkets, convenience stores, mail order catalogs, community or special events of any kind, and the Internet, regardless of the competitive impact on the Center.

D. Franchisee hereby waives any right Franchisee has, may have, or might in the future have, to oppose our exercise of our reserved rights in Paragraph 1C and any claim for compensation from Franchisor or its affiliates as a result of our exercise of such rights.

2. TERM AND RENEWAL

A. Except as otherwise provided in this Agreement, the term of this Agreement shall commence on the date of this Agreement and shall expire fifteen (15) years thereafter, unless terminated before expiration pursuant to the terms and conditions hereof.

B. Franchisee, at its option, may renew its rights hereunder, subject to the terms and conditions of this Paragraph 2, for three (3) additional consecutive periods of five (5) years each (the "Renewals"). In order to renew, a Franchisee who is eligible as described in subparagraphs B(1)(a)(b) may exercise its renewal option pursuant to subparagraphs B(2)(a)(c). Upon any Renewal, Franchisee shall execute Franchisor's then-current form of Franchise Agreement for the five year Renewal term (the "Superseding Agreement"), which shall supersede in all respects the Agreement in effect just prior to Renewal (the "Previous Agreement"). In no event, however, will there be another initial franchise fee charged upon any Renewal hereunder. Other terms and conditions of the Superseding Agreement may differ on any Renewal from the terms and conditions of the Previous Agreement. Other terms and conditions which may be different in the Superseding Agreement, without limiting areas of potential change, are the standards for qualification and training; the renewing Franchisee shall comply with the Superseding Agreements qualification and training requirements (including but not limited to the completion of Additional Training as explained in Paragraph 5F).

(1) In order to be eligible for any Renewal hereunder Franchisee shall:

- (a) not be in default under any provision of the Previous Agreement, any amendment thereof, or any other agreement between Franchisee and Franchisor, and/or its subsidiaries and affiliates, and have complied with all of the terms and conditions of such agreements during the terms thereof; and
- (b) have satisfied all monetary obligations owed by Franchisee to Franchisor and/or its subsidiaries and affiliates and have timely met these obligations throughout the term of the Previous Agreement;

- (2) In order to exercise any Renewal hereunder, Franchisee, if it meets the above-noted eligibility standards, shall:
- (a) give Franchisor written notice of such election to renew not less than six (6) months nor more than twelve (12) months prior to the expiration of the then-current term of the Previous Agreement;
 - (b) permit Franchisor, if Franchisor decides to do so, to inspect the Center at least five (5) months prior to the expiration of the then-current term of the Previous Agreement, and Franchisor may require, as a condition precedent to its approval of any Renewal, that Franchisee complete to Franchisor's satisfaction, no later than (60) days prior to expiration, such maintenance, renovation and remodeling of the Center as Franchisor deems advisable; and
 - (c) execute and deliver to Franchisor, no later than fifteen (15) days prior to the expiration of the then-current term of the Previous Agreement, the Superseding Agreement and a general release in form satisfactory to Franchisor which releases any and all claims against Franchisor arising prior to such effective date.

3. DUTIES OF FRANCHISOR

A. Franchisor shall provide, as Franchisor deems appropriate, support services such as Operations Department assistance and ongoing training programs to Franchisee. All training and other support services provided by Franchisor shall be provided at such times and places as may be designated by Franchisor.

B. Franchisor shall provide initial and continuing advisory assistance in the operation of the Center as Franchisor deems advisable.

C. Franchisor shall provide Franchisee with a set of specifications as to the types and quantities of inventory, supplies, and equipment necessary for operation of the Center and specifications for exterior and interior signs, which specifications may be revised, from time to time, by Franchisor. From time to time, as Franchisor deems appropriate, Franchisor will provide a list of approved suppliers to Franchisee.

D. Franchisor shall provide Franchisee with access to Franchisor's Manual in electronic or paper format, as more fully described in Paragraph 8, which Manual Franchisee shall return to Franchisor under the circumstances set forth in Paragraph 15.

E. Franchisor shall provide sales, service, or promotional bulletins to Franchisee.

F. Franchisor shall continue its efforts to maintain high standards of quality, appearance, professionalism, and service of the System, and to that end shall conduct, as it deems advisable, inspections of the Center franchised herein, and evaluations of the automotive engine performance and preventative maintenance services rendered therein.

G. Franchisor shall make reasonable efforts in providing approvals, advice, and services to Franchisee but shall not, by virtue of any such approvals, advice, or services, be deemed to have made any warranty or guarantee thereof, nor to have otherwise assumed responsibility or liability to Franchisee or any third parties. Without limiting the generality of the foregoing, Franchisor's approval of the location for the Center shall be limited to a determination that the physical characteristics of the proposed location are suitable for the operation of a Center and, by such approval, Franchisor shall not be deemed to have warranted or guaranteed (or otherwise assumed liability for) the success of a Center at such location or to have warranted or guaranteed the relative desirability or operating results of such location in comparison to other locations within the Designated Market. Furthermore, Franchisor's review of the proposed lease or

purchase agreement for the Center shall in no event be deemed the giving of legal advice to Franchisee, and Franchisee shall have the right and/or opportunity to have such documents reviewed by professionals of its own choosing.

4. FEES

A. Franchisee shall pay to Franchisor the following fees:

- (a) A initial franchise fee of Forty-Four Thousand Dollars (\$44,000) upon the execution of this Agreement by Franchisee. The initial franchise fee shall be deemed fully earned when paid to Franchisor and is nonrefundable in consideration of administrative and other expenses incurred by Franchisor in granting the rights enumerated hereunder to Franchisee and for Franchisor's lost or deferred opportunity to franchise others.
- (b) A non-refundable continuing weekly royalty fee, in an amount equal to the greater of (i) Three Hundred Ninety-Five Dollars (\$395) per week or (ii) six and one-half percent (6.5%) of Franchisee's weekly Gross Sales (defined below).
- (c) A non-refundable weekly Advertising Fund contribution paid by Franchisee up to 5% of weekly Gross Sales. The weekly Advertising Fund contribution percentage that all Center franchisees are required to contribute may be changed by Franchisor at any time upon thirty (30) days' prior written notice to Franchisee.

B. Franchisor may, in its sole discretion, (i) suspend support services to Franchisee, and/or the placement of advertising for the Center, and/or (ii) cause its affiliate or designee to transfer, suspend, discontinue, terminate, or amend the Center's Computer Systems or any component thereof, telephone service, telephone numbers, website, and/or directory listings if any payment due Franchisor under this Agreement is not paid to Franchisor on or before the date upon which such payment is due. The actions by Franchisor described in (i) and (ii) in the preceding sentence may continue until Franchisee has paid all amounts owed Franchisor. Franchisee is not relieved of any obligation to make continuing Advertising Fund contributions, weekly royalty fees, and/or any other amounts due under this Agreement during the term of any suspension or other action(s) by Franchisor as described above.

C. The weekly royalty fee required in Paragraph 4A(2) hereof and the continuing weekly Advertising Fund contribution required in Paragraph 4A(3) hereof shall be paid by Franchisee to Franchisor at Franchisor's notice address by Thursday of each week based on Gross Sales for the preceding week together with any statements and/or reports required under Paragraph 10B. The duties and other obligations of Franchisor set forth in paragraph 3 and elsewhere in this Agreement are independent covenants, and the payment by Franchisee of weekly royalty fees, Advertising Fund contributions, and all other amounts payable under this Agreement is not contingent, individually or collectively, upon Franchisor's performance of any or all of such obligations. Without limiting the generality of the foregoing, Franchisee expressly acknowledges and agrees that neither such fee(s) nor such contribution(s) or other amounts due hereunder shall be subject to offset, setoff, or counterclaim, for any reason whatsoever. In addition, Franchisee shall report to Franchisor by electronic means designated by Franchisor on or before 5 p.m. local time for the Center on Monday of each week a true and accurate statement of the Center's Gross Sales for the preceding week. For the purposes of this Agreement, the term "week" shall refer to the period from the start of business on Saturday to the close of business on the following Friday. Neither the payment(s) of any amounts of any nature from Franchisee to Franchisor, nor the receipt by Franchisor of a lesser amount than the weekly royalty fee, and/or any category of other charge due under or in connection with this Agreement, shall be deemed to be other than on account of the earliest weekly royalty fee, continuing weekly Advertising Fund contribution, or category of other charge due under or in connection with this Agreement, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Franchisor may accept such check or payment without prejudice to

Franchisor's right to recover the balance due from Franchisee and/or Franchisor's right to pursue any other remedy provided in this Agreement or under applicable law. Additionally, where Franchisee has or commits any arrearage, default or other delinquency in any category of payment, fee, contribution or charge due Franchisor in connection with this Agreement, Franchisor shall have the right to apply payment(s) received from or on behalf of Franchisee (or from any national account, fleet account, supplier, or vendor program in which Franchisee participates) to such category or categories as Franchisor shall select in its sole discretion regardless of the category or categories to which Franchisee has allocated such payment(s). By way of example, and without limiting the generality of the foregoing, if Franchisee has an arrearage or default in connection with weekly royalty fee(s) owed under this Agreement, then Franchisor shall have the option to apply any and all Advertising Fund contributions it receives from Franchisee to such weekly royalty fee arrearage, regardless of the category of payment that Franchisee has allocated to such check by way of any endorsement or statement on the check or any letter accompanying such check or payment.

D. Franchisee must execute Exhibit E to this Agreement (and any required updates thereto) and all other documents necessary to permit Franchisor to withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of the weekly royalty fees, weekly Advertising Fund contributions, equipment/supplies charges, and any applicable late fees and interest charges, and any other amounts due under this Agreement at the time such amounts become due and payable under the terms of this Agreement. Any fee calculated by reference to Gross Sales will be based on the information we obtain pursuant to Paragraph 5G or the Gross Sales report provided under Paragraph 4C, at Franchisor's election. If Franchisor has not received the Gross Sales report within the time period required by this Agreement, then Franchisor may process an EFT for the subject week based on the most recent Gross Sales information taken from the Computer Systems, or if such information is not taken from the Computer Systems, from the most recent Gross Sales report provided to us by you; provided, that if a Gross Sales report for the subject week is subsequently received and reflects (i) that the actual amount of the fee due was more than the amount of the EFT, then Franchisor will be entitled to withdraw additional funds through EFT from Franchisee's designated bank account for the difference; or (ii) that the actual amount of the fee due was less than the amount of the EFT, then Franchisor will credit the excess amount to the payment of Franchisee's future obligations. Notwithstanding the foregoing, if Franchisee submits a Gross Sales report that reflects an amount that is different from the Gross Sales information we have taken from the Computer Systems, then the higher amount of the two reports will be used. Franchisee is responsible for paying all service charges and other fees imposed or otherwise resulting from action by franchisee's bank in connection with EFT by Franchisor including, without limitation, any and all service charges and other fees arising in connection with any EFT by Franchisor not being honored or processed by franchisee's bank for any reason. In the event Franchisor's debit entries or other EFT from franchisee's bank account(s) results in a return entry or is otherwise not honored due to lack of sufficient funds, Franchisee's closing of the account, or other act or omission of Franchisee, then Franchisee shall be subject to the late fee in the amount of one percent (1%) of Franchisee's Gross Sales for such week plus interest, plus a \$100 insufficient funds fee payable to Franchisor. Upon written notice to Franchisee, Franchisor may designate another method of payment.

E. As used in this Agreement, the term "Gross Sales" shall mean the total selling price of all services and products and all income of every other kind and nature related to the Center, whether for cash or credit, and regardless of collection in the case of credit. All proceeds from the sale of coupons, gift cards, gift certificates, or vouchers are included in Gross Sales; provided, that when the coupons, gift cards, gift certificates, or vouchers are redeemed, Franchisee may credit their retail price against Gross Sales to determine the amount of Gross Sales upon which fees calculated in respect of Gross Sales are due. If Franchisee does not record and report sales proceeds for royalty purposes when the coupon, gift card, gift certificate or voucher is sold, or if such coupons, gift card, gift certificates or vouchers are distributed free of charge, Franchisee will not be entitled to a credit against Gross Sales upon redemption of the coupon, gift card, gift certificate or voucher. "Gross Sales" does not include sales taxes Franchisee collects from customers of the Center, if the taxes are actually transmitted to the appropriate taxing authority.

F. The initial franchise fee, continuing weekly royalty fee, and continuing weekly Advertising Fund contribution payable by Franchisee under Paragraphs 4A(1), 4A(2), and 4A(3), respectively, are to be paid absolutely net to Franchisor. Without limiting the generality of the foregoing, Franchisee shall pay any and all sales, use, gross receipts or similar taxes or assessments, as well as any other taxes or assessments of whatever nature (excepting only Franchisor's federal and state income taxes) imposed by any state, federal or local governmental authority on any of the fees, contributions, charges and other amounts due Franchisor in connection with this Agreement; Franchisee agrees forthwith, upon Franchisor's providing written notice to Franchisee, to pay any such governmental authority directly and/or to reimburse Franchisor any and all such amounts.

5. DUTIES OF FRANCHISEE

A. Franchisee shall be responsible for finding and securing, by lease or purchase, the location for the Center, subject to Franchisor's approval of the location and review of any proposed lease (which incorporates the lease addendum terms in substantially the form attached hereto as Exhibit F) or purchase agreement. Before signing any such agreement, Franchisee shall submit to Franchisor such information and materials on the proposed location for the Center as Franchisor may reasonably require, together with any proposed lease or purchase agreement.

B. Franchisor (and/or its agents/representatives) may from time to time, at Franchisor's discretion, identify potential Center locations. In the event Franchisor or its agent/representative sends Franchisee a written notice of the availability of a proposed Center location, Franchisee shall inspect the location and notify Franchisor, within four business days after Franchisor sends such written notice, of Franchisee's decision to accept or decline the location to Franchisor. If Franchisor does not receive Franchisee's written notice regarding its decision on or before 5 p.m. on such fourth business day, Franchisee shall be conclusively deemed to have declined such location. Following Franchisor's consent to, and Franchisee's acquisition of, the Center location pursuant to this Paragraph 5, this Agreement will be updated by Franchisor, without the need for an amendment executed by both parties, so that the Center location is set forth in Exhibit C and the Designated Market will have no further force or effect.

C. Franchisee must operate the Center in full conformity with Franchisor's methods, standards, and specifications as set forth in the Manuals and as from time to time otherwise prescribed in writing. Franchisee shall operate the Center continuously during such hours as Franchisor shall designate and only at the specific location approved by Franchisor, and Franchisee shall not relocate the Center without the prior written approval of Franchisor. Franchisee shall use the Center premises solely for the operation of the Center, as defined in paragraph 7A below.

D. Franchisee shall, after Franchisor's approval of the location for the Center, complete the leasing and/or purchase of the Center (including, without limitation, signing and delivering the final lease or purchase agreement with landlord or seller, providing a copy of the fully executed agreement to Franchisor, and performing any necessary construction, remodeling, decorating and/or other work on the premises), open the Center for business, and operate the Center continuously throughout the term of this Agreement during such minimum hours as Franchisor prescribes. Franchisee must open the Center and commence business within 365 days after the execution of this Agreement, unless Franchisee obtains a written, 30-day extension from Franchisor, which Franchisor may or may not grant in its sole discretion and for which Franchisor has the right to charge Franchisee a \$5,000 extension fee. If Franchisee wishes to acquire a 30-day opening date extension, Franchisee must submit its request to Franchisor in writing no later than 45 days before the opening date deadline. Franchisee must follow the same process for any additional extensions (including payment of additional extension fees), which Franchisor may or may not grant, in its sole discretion. Notwithstanding the foregoing, Franchisee acknowledges that time is of the essence. Franchisee's failure to open the Center in compliance with these provisions will be deemed a material event of default under this Agreement.

Prior to occupancy of the Center, Franchisee shall submit to Franchisor a statement signed by Franchisee certifying that Franchisee has obtained all permits and certifications required for operation of the Center (including but not limited to zoning, access, use, sign, fire, and occupancy permits and certifications), together with such copies of permits and certifications as Franchisor may request. Franchisee shall not enter into any cancellation or mutual termination of the lease or other agreement for the Center (or of Franchisee's right to possession of the premises), nor shall Franchisee relocate or move the Center without obtaining the express prior written consent of Franchisor, which Franchisor may grant or withhold in its sole discretion.

E. Franchisee (and other personnel as Franchisor shall in its sole discretion require and approve) shall attend and complete to Franchisor's satisfaction the initial training program for Franchisees (the "Initial Training"), the content, schedule, and duration of which Initial Training Franchisor shall in its sole discretion determine. As of the execution of this Agreement, the Initial Training consists of (i) online virtual Initial Training, (Franchisor reserves the right to hold training at Franchisor's headquarters in Austin, Texas (the "Franchise School")); When the Franchise School is held at Franchisor's headquarters in Austin, Texas, Franchisor currently provides its franchisees who attend with approximately one week of Franchise School; and (ii) certain in-Center training which is conducted by Franchisor's employee or designee in the Center just prior to and during the opening for business of the Center. As to such Franchise School, Franchisor shall provide and pay for all of the following: training instructors, facilities, and training materials. All other expenses which may be incurred during the Franchise School shall be borne by Franchisee, including, without limitation, any travel, lodging, local transportation, meal, other travel expenses, and wages (if any) during the Franchise school.

F. Franchisor may require Franchisee and/or its employees to attend and complete to Franchisor's satisfaction additional training programs ("Additional Training", including but not limited to such sales meetings, operations meetings and conventions as Franchisor may reasonably require). Franchisor may charge a fee for such Additional Training, and Franchisee shall pay such fee for Additional Training. All expenses incurred in connection with Additional Training including, without limitation, the cost of all travel, lodging, meals, salaries, and wages, shall be borne by Franchisee. Consistent with the concept of Additional Training as defined in this Paragraph 5F, Franchisee, at its sole expense, shall conduct periodic training programs at the Center for employees as prescribed by Franchisor. Such periodic training programs shall be conducted as Additional Training when periodic inspections and/or evaluations by Franchisor deem them necessary.

G. Franchisee must use the Computer Systems that Franchisor specifies for use in the operation of the Center. Franchisor may change the Computer Systems from time to time. Franchisee acknowledges that Franchisor may modify the specifications and the components of any such Computer Systems from time to time. As part of the Computer Systems, Franchisor may require Franchisee to obtain specified computer hardware and/or software, including, without limitation, a license to use software programs developed by Franchisor or others. Specifically, but without limiting the generality of the foregoing, Franchisee must install and maintain systems that permit Franchisor to access and retrieve electronically any information stored in the Computer Systems, including information concerning the Center's Gross Sales. Franchisees acknowledges that Franchisor may require Franchisee to modify, enhance, and/or replace all or any part of the computer hardware and software comprising the Computer Systems at Franchisee's expense. For purposes of this Agreement, "Computer Systems" means any technology package which Franchisee must use in its Center including computers, handheld devices, shop management and point-of-sale software system, phone service and call monitoring, email accounts, cyber security and remote support, accounting software, internet access services, a website for your Center, and related electronic, and technological equipment, systems, and digital support.

Franchisee acknowledges and agrees that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Proprietary Marks and System. Accordingly, Franchisee agrees that it will cause its All Tune Center to meet or exceed, at all times, all

applicable security standards developed by the Payment Card Industry Data Security Standards (“PCI DSS”) council, or its successor, and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including but not limited to the Fair and Accurate Credit Transaction Act (“FACTA”) and all other successor or additional laws, and all other data security requirements we prescribe. Franchisee is solely responsible for educating itself as to these regulations and standards and for achieving and maintaining applicable compliance certifications.

H. Franchisee must maintain the Center in a high degree of sanitation and repair, and make such additions, alterations, repairs, and replacements as may be required for that purpose, including, without limitation, such periodic repainting or replacement of signs, furnishings, and equipment (including, but not limited to Computer Systems, including point-of-sale systems) as Franchisor may reasonably direct. At Franchisor's request, which Franchisor shall make no more than once every five (5) years, Franchisee shall, at its sole expense, refurbish or enhance the Center and Franchisee's equipment to conform to Franchisor's then-current public image, and advertising program(s).

I. Franchisee shall use only the telephone numbers and Directory Listings reserved by Franchisor, its affiliates, and/or designees, and Franchisor shall have the right to prior review and approval of all telephone numbers and Directory Listings for the Center. For purposes of this agreement, “Directory Listings” means any public or consumer-facing listing of the Center's contact information or business details, whether in print or digital form, including but not limited to telephone directories, online business directories (e.g., Google Business Profile, Yelp), mapping services, review platforms, and other searchable databases. Franchisee shall be responsible for any and all charges and costs related to telephone service, telephone numbers, and Directory Listings for the Center. Franchisee acknowledges that Franchisor, its affiliates and/or designees, has the sole and exclusive right and authority to transfer, suspend, discontinue, terminate, and amend such telephone numbers and Directory Listings as Franchisor, in its sole discretion, deems appropriate. Without limiting the generality of the foregoing, Franchisee agrees not to order or arrange for any telephone service, Directory Listing(s), and/or telephone number(s) for the Center without Franchisor's prior written consent. In the event Franchisor takes any action pursuant to this paragraph, the telephone company and all other telephone service providers and all listing agencies may, without liability to Franchisee, accept this Agreement and the directions by or on behalf of Franchisor as conclusive of the exclusive rights of Franchisor in such telephone numbers and Directory Listings and its authority to direct their transfer, suspension, discontinuance, termination, and/or amendment.

J. Franchisee shall render prompt, workmanlike, courteous, and willing service to all customers of the Center and agrees to handle all customer complaints promptly and courteously.

K. Franchisee shall permit Franchisor and its agents to enter the Center for the purposes of conducting inspections; shall cooperate fully with the Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be necessary immediately to correct any deficiencies detected during such inspections.

L. Franchisee shall comply with all of Franchisor's standards and specifications relating to the purchase of all inventory, fixtures, furnishings, equipment (including computer hardware and software), warranties, and other products or services used or offered for sale at the Center. If Franchisor has approved suppliers for any such item (including manufacturers, distributors and other sources), Franchisee must obtain these items from those suppliers. Franchisor's approved suppliers are those who continue to demonstrate the ability to meet Franchisor's then-current standards and specifications for inventory, fixtures, furnishings, equipment and other items used or offered for sale at All Tune Centers and who possess adequate quality controls and capacity to supply Franchisee's needs and distribute promptly and reliably over an extended period of time; and who have been approved in writing by Franchisor prior to any purchases by Franchisee from any such supplier and who have not thereafter been disapproved by Franchisor. Franchisee acknowledges and agrees that (i) Franchisor may change the number of approved

suppliers or distributors at any time and may designate itself, an affiliate, or a third party as the exclusive source for any particular item; and (ii) Franchisor may profit from Franchisee's purchases from approved suppliers, or distributors, and Franchisor and/or its affiliates may receive payments, fees, commissions or reimbursements from such suppliers or distributors in respect of Franchisee's purchases. Franchisor's approval of a supplier indicates that such supplier meets Franchisor's then-current minimum standards, but Franchisee acknowledges that Franchisor's approval of any supplier does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the supplier has met all, or any particular, legal or other requirement that may be applicable to such supplier. If Franchisee desires to purchase, lease or use any products, services or other items from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval, or shall request the supplier itself to do so. Franchisee shall not purchase or lease from any supplier until and unless such supplier has been approved in writing by Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to Franchisor or to an independent laboratory designated by Franchisor for testing. A charge, not to exceed the cost of the inspection and of the test (including Franchisor's administrative costs attributable to both), shall be paid by Franchisee or the supplier. Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria. Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier. Franchisee's failure to comply with the provisions of this Section 5.L. shall be deemed a material breach under this Agreement.

M. Franchisee must install and maintain all hardware and software needed to access the Internet at the bit speed Franchisor requires from time to time. Franchisee must not establish or participate in any Website or other listing on the Internet except as provided herein.

(1) Without Franchisor's prior written approval, which Franchisor may give or withhold in Franchisor's sole discretion, Franchisee may not develop, create, generate, own, or otherwise use any computer and/or electronic media (including but not limited to the Internet, bulletin boards, social networking sites (e.g., Facebook), and news groups) in connection with the Center. If Franchisor grants approval for Franchisee's use of an Internet website, Franchisee acknowledges that the form, content and appearance of any Internet website Franchisee uses must comply with the System standards and must be approved by Franchisor in writing before being used. Accordingly, Franchisee agrees that Franchisee have no authority to, and Franchisee will not, establish any website that creates any association with the Proprietary Marks or the System, or post any advertisements or material on the Internet that depict or display the Proprietary Marks or suggest an association with the System, without Franchisor's express prior written consent. Without limitation of the foregoing, if Franchisor requires, any Internet website created by or for Franchisee must contain a hypertext link to Franchisor's Internet website in the form Franchisor requires, and no other hypertext links to third party Internet websites unless previously approved in writing by Franchisor. Notwithstanding Franchisor's approval of a website, Franchisor reserves the right to revoke Franchisor's approval at any time that the website fails to continue to meet Franchisor's standards, and Franchisee agrees that upon such revocation, Franchisee will immediately discontinue use of the website.

(2) Franchisee agrees that Franchisee has no authority to, and Franchisee will not, register any domain name in any class or category that uses or creates any association with the Proprietary Marks (including any abbreviation, acronym, phonetic variation or visual variation of the Proprietary Marks) or the System without Franchisor's express prior written consent. Franchisee must obtain Franchisor's written approval for Franchisee's domain name prior to use. Franchisee's domain name must be registered in Franchisor's name and licensed to Franchisee by Franchisor. On termination or expiration of this Agreement, the license of the domain name to Franchisee will automatically terminate and Franchisee agrees to undertake all such actions that Franchisor requires to disassociate itself with the domain name.

(3) Franchisor may establish an Internet website that provides information about the System and the products and services offered by Centers. If Franchisor establishes an Internet website, Franchisor will have sole discretion and control over the website, including timing, design, contents and continuation. Franchisor may include at the website interior pages containing information about Franchisor's franchisees' Centers and may require Franchisee to prepare all or a portion of the page for Franchisee's Center, at Franchisee's expense, using a template that Franchisor provides, with all such information subject to Franchisor's approval prior to posting. Franchisor may use Brand Building Fund monies to establish and maintain the website.

(4) Franchisor also has the sole right (but no obligation) to provide or designate the Computer Systems through which Franchisor and Franchisor's franchisees can communicate by e-mail or similar electronic means internally and/or externally. Franchisee agrees to participate in strict compliance with Franchisor's standards, protocols and restrictions, including, without limitation, standards, protocols and restrictions relating to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements. Franchisor may, in Franchisor's sole discretion, charge a reasonable fee for the Computer Systems, which Franchisee agrees to pay in accordance with Franchisor's invoice.

(5) Franchisee must not transmit or cause any other party to transmit advertisements or solicitations by email or other electronic media without first obtaining our written consent as to the content of such email advertisements or solicitations as well as our plan for transmitting such advertisements. In addition, you will be solely responsible for compliance with any laws pertaining to sending emails, including but not limited to the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM Act of 2003).

N. Franchisee and any other personnel Franchisor designates and permits must attend, at Franchisee's own expense, the annual meeting, convention, or conference of franchisees and all meetings relating to new, or changes in, System procedures, programs, training, promotional programs, and/or similar topics.

O. Franchisee shall comply with all other requirements set forth in this Agreement and shall adhere to the Franchisor's policies and procedures as set forth in the Manual(s), as defined in paragraph 8A, or otherwise in writing.

6. WARRANTIES AND GUARANTEES

Recognizing the value of providing warranties and guarantees of the services performed hereunder by Franchisee to the customers of Franchisee and the importance of the standardization of the warranties and guarantees offered to the furtherance of the goodwill and public image of Franchisee and of the System, the parties agree as follows:

A. Franchisor has established uniform warranties and guarantees for the System, and Franchisee agrees to offer customers of its Center, on forms provided by Franchisor or through warranty vendors and providers approved or designated by Franchisor, such warranties and guarantees as Franchisor prescribes.

B. Franchisee agrees to honor customer claims presented under warranties and guarantees issued by Franchisee and/or other System franchisees without demanding reimbursement therefor from the customer.

C. Franchisee agrees to reimburse any System franchisee who satisfies any warranty or guarantee issued by Franchisee hereunder, in an amount as described in the following sentence, within five (5) days after receipt of an invoice for such reimbursement. The amount of reimbursement shall be the cost of all replacement parts, plus a labor charge for the warranty services as established by Franchisor from time to time.

7. PROPRIETARY MARKS

A. Franchisor grants Franchisee the right during the term to use only the Proprietary Marks as described herein or as hereinafter designated in writing by Franchisor for use by Franchisee. Franchisee is authorized to use the Proprietary Marks only in connection with the operation of the Center under this Agreement at the specific location approved by Franchisor under the System.

B. Franchisee understands and agrees:

- (1) That it shall operate and advertise the Center only under the Proprietary Marks designated by Franchisor in writing for use by Franchisee and only in accordance with the terms of this Agreement.
- (2) That Franchisor is the exclusive owner of the Proprietary Marks and that all goodwill arising from any use thereof by Franchisee shall inure exclusively to Franchisor's benefit.
- (3) That upon expiration or termination of this Agreement, no monetary amount shall be attributed to any goodwill associated with or related to Franchisee's use of the Proprietary Marks and/or Franchisee's association with the System or the Proprietary Marks.
- (4) That the Proprietary Marks can and will be used by Franchisee only as authorized herein; and that any unauthorized use of such Proprietary Marks shall constitute an infringement of Franchisor's rights in, to and under the Proprietary Marks.
- (5) That the rights granted hereunder are non-exclusive and that Franchisor retains the right, among others, to operate and to authorize others to operate businesses under the Proprietary Marks, except that Franchisor shall not do so in violation of Paragraph 1B hereof.

C. Franchisee shall operate, advertise and promote the Center under the Proprietary Marks without prefix or suffix and shall use no other name without Franchisor's prior written consent; Franchisee shall not, without Franchisor's prior written consent, use the Proprietary Marks as part of Franchisee's corporate or other legal name, nor hold out or otherwise employ the Proprietary Marks to perform any activity, or to incur any obligation or indebtedness, in such a manner as could result in making Franchisor liable therefor or in such a manner as would violate Paragraph 18 of this Agreement.

D. Franchisee shall promptly notify Franchisor of any suspected infringement of the Proprietary Marks or unauthorized use or disclosure of the Confidential Information, as defined in Article 9 below, any challenge to the validity of the Proprietary Marks, or any challenge to Franchisor's ownership of, or Franchisee's right to use, the Proprietary Marks licensed hereunder or the Confidential Information. Franchisee acknowledges that Franchisor shall have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks or the Confidential Information, including, without limitation, any settlement thereof. Franchisor shall have the sole right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks or the Confidential Information. If Franchisor undertakes the defense or prosecution of any litigation relating to the Proprietary Marks or the Confidential Information, Franchisee shall execute any and all documents and to do such acts and things as may, in the opinion of counsel for Franchisor, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks or the Confidential Information in a manner inconsistent with the terms of this Agreement, Franchisor agrees, subject to Paragraph 7F, to reimburse Franchisee for its out-of-pocket costs in doing such acts and things, except that Franchisee shall bear the costs of its employees' salaries and/or wages.

E. Franchisee understands and acknowledges that Franchisor has invested significant time and money in each and every detail of the System. As it is prudent for Franchisee and Franchisor together to protect and enhance the reputation and goodwill of the System and Franchisee's business, Franchisee agrees to do each of the following:

- (1) To refrain from using any of the Proprietary Marks in conjunction with any other word or symbol without Franchisor's prior written consent.
- (2) To adopt and use the Proprietary Marks solely in the manner prescribed by Franchisor.
- (3) To observe all requirements with respect to service mark, trademark and/or copyright notices, and trade name and/or fictitious name registrations under applicable federal, state, and local laws, rules, and regulations, and to display the legal name or other identification of Franchisee as Franchisor may direct in writing from time to time.
- (4) To use, promote and offer for sale under the Proprietary Marks only those products and services which meet Franchisor's prescribed standards and specifications, as they may be revised and amended by Franchisor from time to time in the Manual, or otherwise in writing.
- (5) To execute all documents requested by Franchisor, which, in the opinion of its counsel, are necessary to obtain protection for the Proprietary Marks or to maintain their continued validity or enforceability, and to take no action that would jeopardize the validity or enforceability thereof.
- (6) To identify itself, during the term of this Agreement and any Renewal hereof, in a manner reasonably acceptable to Franchisor, as the owner of the Center in conjunction with any use of the Proprietary Marks, including, without limitation, uses on invoices, order forms, receipts, and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Center as Franchisor may designate in writing.
- (7) To refrain from directly or indirectly contesting or challenging Franchisor's right to the Proprietary Marks or to any of the Confidential Information or business techniques which are imparted to Franchisee by Franchisor or otherwise are part of the System.

F. If it becomes advisable at any time in the Franchisor's sole discretion for the Franchisor and/or Franchisee to modify or discontinue use of any Proprietary Mark, and/or to use one or more additional or substitute trade or service marks, Franchisee agrees to comply therewith within a reasonable time after notice by Franchisor, and Franchisee agrees to bear the out-of-pocket costs of such compliance including, without limitation, the cost of new signs, selling boards, stationery, and permit filings required by such modification, discontinuance, addition and/or substitution.

8. CONFIDENTIAL OPERATING MANUAL

A. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Proprietary Marks, Franchisee shall operate its Center in accordance with Franchisor's Confidential Operating Manual (the "Manual"), access to which will be provided to Franchisee upon the arrival of Franchisee at Franchise School.

B. Franchisee shall at all times during the term of this Agreement treat the Manual, any other manuals created for or approved for use in the operation of the Center, and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any individual except for such of its employees as must have access to the Manual in order to operate the Center.

C. Franchisee agrees that the Manual shall only be used in the operation of the Center and shall at all times remain the sole property of Franchisor.

D. Franchisor may from time to time revise the contents of the Manual and/or the services Franchisee is required or authorized to provide therein, and Franchisee expressly agrees to comply with each such revision upon receipt of written notice from Franchisor.

E. Franchisee shall at all times ensure that its copy of each Manual is kept current and up-to-date, and in the event of any dispute as to the contents of any such Manual, the terms of the master copy of such Manual maintained by Franchisor at Franchisor's home office shall be controlling.

9. CONFIDENTIAL INFORMATION

Franchisee and Franchisee's owners shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, corporation, limited liability company, or other entity, any confidential information, knowledge, or know-how (including, without limitation, all information on the Computer Systems, including customer and prospect data) concerning the methods of operation of the Center which may be communicated to Franchisee or its owners or of which Franchisee or its owners may be apprised or become aware by virtue of or in connection with Franchisee's operation under the terms of this Agreement (collectively the "Confidential Information" which also includes, without limitation, each and every Manual loaned to Franchisee or otherwise in Franchisee's possession). Franchisee and Franchisee's owners acknowledge and agree that Franchisor is the sole owner of all such Confidential Information, and Franchisee shall only use such Confidential Information in the operation of the Center and shall divulge such Confidential Information only to such of its employees as must have access to it in order to operate the Center.

10. ACCOUNTING AND RECORDS

A. During the term and any Renewal(s) of this Agreement and during the two (2) years after the termination or expiration of the term or any Renewal, Franchisee shall compile in accordance with generally accepted accounting principles, and maintain and preserve for the immediately preceding six (6) years of its operation of the Center, full, complete and accurate books, records and accounts in the form and manner prescribed by Franchisor from time to time in the Manual or otherwise in writing, and shall also maintain and preserve, for the same time period, copies of tax returns for such years as filed with the appropriate taxing authorities. Notwithstanding the foregoing, in the event Franchisee has had fewer than six (6) years of operation as of any request by Franchisor or its designated agents to inspect, examine, or audit Franchisee's books, records, and/or tax returns, then Franchisee shall be required to submit to Franchisor or its designated agents the above-described documentation for all of its actual years and months of operation.

B. Franchisee shall submit to Franchisor, no later than Monday of each week, signed statement(s) and/or report(s) in the form and manner prescribed by Franchisor, accurately reflecting all Gross Sales during the preceding week and such other information or data as Franchisor may require.

C. Franchisee shall, at its expense, submit to Franchisor by the twentieth (20th) day of each month, an unaudited profit and loss statement on the Center for the preceding month and the year-to-date. Upon Franchisor's request, Franchisee shall, at its expense, submit to Franchisor an audited profit and loss statement and balance sheet for the current fiscal year of Franchisee and for those concluded fiscal years requested by Franchisor, all as prepared by a certified public accountant.

D. Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, information and data as Franchisor may reasonably request, including, without limitation, the Center's and/or Franchisee's income tax returns. Franchisor shall have the right, as it deems necessary, to review Franchisee's credit as received from a recognized credit reporting bureau.

E. Franchisor or its designated agents shall have the right at all times to inspect, examine or audit, at its expense, the books, records, and tax returns of Franchisee including any data on the Computer

Systems. Franchisor shall also have the right, at any time, to have an independent inspection, examination or audit made of the books and other records of Franchisee. If any inspection, examination, or audit should reveal that Franchisee's Gross Sales have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount of royalty fees and/or Advertising Fund contributions due on such understatement, plus interest thereon from the date the royalty fees and/or Advertising Fund contributions on such understatement would have been due if correctly reported. If any inspection, examination, or audit discloses an understatement in any report of two percent (2%) or more of Franchisee's Gross Sales, Franchisee shall, in addition, immediately reimburse Franchisor for any and all costs and expenses connected with the inspection, examination, or audit, including, without limitation, reasonable accountant's, examiner's, and/or attorney's fees and travel expenses, lodging, meals, and compensation of Franchisor's employees, agents, examiners, accountants, and/or attorneys in connection with the inspection, examination, or audit. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

F. Unless otherwise specified, "interest" as used in this Agreement shall mean the prime rate published in *The Wall Street Journal* on the date when payment was due (or the previous business day), plus one percentage point (100 basis points).

11. ADVERTISING

Recognizing the value of advertising, and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

A. Franchisee agrees not to advertise the Proprietary Marks and/or any telephone number(s) for and/or the address of the Center's location in any medium without Franchisor's prior written approval. Franchisee agrees that any advertiser may, without liability to Franchisee, accept this Agreement and the directions by or on behalf of Franchisor to terminate, discontinue or amend Franchisee's advertising as conclusive of the exclusive rights of Franchisor in the telephone number(s) and address of the Center for all advertising purposes.

B. All advertising by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements in the Manual. Franchisee shall submit to Franchisor for Franchisor's prior written approval (except with respect to prices to be charged) samples of all advertising and other marketing plans and materials which Franchisee desires to use. If Franchisor does not provide its written approval within ten (10) business days after such materials have been received by Franchisor, such proposed advertising, marketing plans, or other materials shall be deemed disapproved. By virtue of having approved any advertising, marketing plans, or promotional materials proposed for use by Franchisee, Franchisor shall not be deemed to have provided Franchisee with any advice, counsel, or review as to whether such materials meet the requirements of applicable federal, state, or local laws, including without limitation, consumer protection and advertising laws. Franchisee acknowledges and agrees that Franchisee has no right to deduct, offset, or set-off any portion of the costs of expenses of Franchisee's own advertising (including, without limitation, print, radio, television, or any other advertising placed by Franchisee) from the continuing weekly Advertising Fund contributions, weekly royalty fees, or any other amounts payable to Franchisor under this Agreement. The word "advertising," as referred to in any provision of this Agreement, shall be deemed to include any use of or reference to the System or to any one or more of the Proprietary Marks in any form as to which there exists public access, including, without limitation, print (e.g. newspapers, magazines, mailings, brochures, coupons, signage, placards, banners, and any other non-electronic means) or electronic (e.g. television, radio, internet, and any other electronic means) media of any kind whatsoever.

C. Franchisee hereby acknowledges Franchisor's right to charge the Fund for all reasonable advertising expenses, including, without limitation, formulation, development, and media production costs of advertising and the proportionate compensation of employees or contractors of Franchisor (collectively the "Chargeable Advertising Expenses") who devote time and render services in such advertising

formulation, development and media production or in the administration of the Fund and any other accounts used therefor. Franchisor and/or its contractors shall spend all Advertising Fund contributions received from Franchisee's Designated Market, less the Chargeable Advertising Expenses, for advertising at Franchisor's sole discretion. Franchisee and Franchisor acknowledge and understand that the Fund is intended to maximize general public recognition and patronage of the System(s) and the Center in the manner determined to be most effective by Franchisor.

D. Franchisee agrees that time is of the essence in its duty and obligation to make Advertising Fund contributions as required under Paragraph 4A(3). Notwithstanding anything to the contrary in this Agreement, such contributions shall be maintained and administered by Franchisor, in its sole discretion. Franchisee agrees further that Franchisor may designate an advertising agency of its choice, which may or may not be an affiliate of the Franchisor.

E. During the first 6 months of operating the Center, Franchisee must spend a minimum of \$5,000 per month on advertising and promotion of the Center. This campaign will be planned jointly by Franchisee and Franchisor and subject to Franchisor's approval. After the initial 6-month period, Franchisee must spend the greater of 5% of Gross Sales or \$2,500 per month for advertising and promotion efforts for the next 36 months. During the first 42 months of operating the Center, Franchisee's advertising and promotion spending requirements under this Paragraph 12E will be reduced by the amounts, if any, Franchisee actually pays as weekly Advertising Fund contributions during these such period.

12. INSURANCE

A. Franchisee shall purchase and at all times during the term of this Agreement shall maintain in full force and effect policies of insurance as follows:

- (1) worker's compensation insurance (including, without limitation, employer's liability insurance), in amounts prescribed by law or, when not required by law, voluntarily maintain workers' compensation coverage or an alternative work injury insurance coverage subject to Franchisor's approval;
- (2) liability insurance under a garage liability policy, consisting, at a minimum, of the following coverages:
 - (a) bodily injury and property damage liability insurance with coverage of \$1,000,000 per occurrence with \$2,000,000 annual aggregate, including, but not limited to completed operations liability insurance, products liability insurance, and automobile liability insurance, (including owned and non-owned hired cars, trucks, trailers, and other motor vehicles),
 - (b) medical payments coverage in the amount of at least \$2,500, and
 - (c) customer automobile insurance (garage keepers physical damage) on a primary basis in the amount of at least \$80,000; and
- (3) business insurance, consisting, at a minimum of the following coverages:
 - (a) business personal property (fire perils/all risk) in the amount of at least \$70,000,
 - (b) employee dishonesty/loss of money and securities other than by employee dishonesty in the amount of at least \$25,000 each, and
 - (c) business interruption insurance for Franchisee's actual loss of income for up to twelve (12) consecutive months with no dollar limitation; and

- (4) pollutant clean-up and removal coverage insuring against clean-up and removal losses, damages, and other claims resulting from spills or releases from the Center's business operations in the amount of at least \$25,000, provided Franchisor may, at its sole discretion, waive the insurance required under this Paragraph 12A(4) after written request from Franchisee, if Franchisor determines in its sole discretion that the insurance described herein is not available for purchase by Franchisee at commercially reasonable rates.
- (5) such additional insurance and/or deductibles thereon (or on the above described insurance) as may be required under any lease for the Center premises, under any loan or equipment lease to which Franchisee is a party, or by Franchisor in its sole discretion. Before binding and/or purchasing insurance coverage, Franchisee agrees to present to its insurance consultant the text of Paragraphs 12A and 12B of this Agreement and the text of any provisions in its proposed lease regarding insurance.

B. All policies of insurance required under this Paragraph 12 shall be in such form and in such amounts as Franchisor shall in its sole discretion determine with companies reasonably satisfactory to Franchisor and shall protect, as named insured, Franchisee, Franchisor, and any other party designated by Franchisor. Without limiting the generality of the foregoing sentence, Franchisor may, from time to time or upon annual or more frequent renewal of any of such policies, require in its sole discretion that Franchisee purchase different form(s) or minimum amount(s) of insurance. All such policies shall contain an endorsement which provides that only actual notice to insured, if an individual, or to any executive officer of insured, if a corporation, shall constitute knowledge of the insured. Franchisee shall furnish Franchisor, any other named insured, and all other persons designated by Franchisor, certificates issued by each of Franchisee's insurers indicating that all required insurance is in full force and effect and that such insurance shall not be terminated or changed without at least thirty (30) days prior written notice to Franchisor. Within five (5) days of any request by Franchisor, Franchisee shall deliver copies of all such insurance policies to Franchisor for examination.

C. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as revised in form(s) and/or amount(s) from time to time by Franchisor pursuant to Paragraph 12B hereof, Franchisor shall have the right and authority (without, however, any obligation to do so), to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Franchisor's expenses in so acting, shall be payable by Franchisee immediately upon receipt of notice from Franchisor that such procurement charges and fee are due.

D. Franchisee's obligation to obtain and maintain the foregoing insurance policies in the forms and amounts specified from time to time by Franchisor shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of its insurance obligations under this Paragraph 12 relieve it of liability under the indemnity provisions set forth in Paragraph 18D of this Agreement.

13. TRANSFERABILITY OF INTEREST

A. Transfer by Franchisor: Franchisor has the right to transfer or assign this Agreement and all or any part of Franchisor's rights or obligations under this Agreement to any person or legal entity without Franchisee's consent, and upon such transfer or assignment, the transferee or assignee shall be solely responsible for all Franchisor's obligations arising subsequent to the transfer or assignment. Without limitation of the foregoing, Franchisor may sell its assets to a third party; may offer its securities privately or publicly; may merge with or, acquire other corporations, or may be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring.

B. Transfer by Franchisee:

- (1) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that Franchisor has granted the rights enumerated hereunder to Franchisee in consideration of Franchisee's business skill and financial capacity. Accordingly, neither this Agreement, any of Franchisee's rights hereunder, nor all or any part of the ownership interest of Franchisee (which ownership interest shall include but not be limited to voting stock, securities convertible thereto, proprietorship and general partnership interests) nor all or any substantial portion of the assets located in, on, or about the Center premises or other assets of the Center may be voluntarily, involuntarily, directly, or indirectly assigned, sold, conveyed, given away, pledged, mortgaged, hypothecated or otherwise transferred or encumbered by Franchisee or its owners (including, without limitation, by will, by declaration of or transfer in trust, or by the laws of intestate succession) without the prior written consent of the Franchisor, which consent shall not be unreasonably withheld as set forth in the following subparagraph B(2) and in Paragraph 13C. Any purported assignment or transfer, by operation of law (except in cases of Franchisee's death or Substantial Incapacity for the time period provided in Paragraph 13E hereof) or otherwise, not having the written consent of Franchisor shall be null and void and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without Franchisee having the opportunity to cure pursuant to Paragraph 14C of this Agreement.
- (2) Franchisor shall not unreasonably withhold its consent to a transfer by Franchisee of this Agreement, Franchisee's rights hereunder, all or any part of the ownership interest of Franchisee or all or any substantial portion of the assets of the Center; provided, however, that prior to the time of transfer, Franchisor may, in its sole discretion, require that:
 - (a) All of Franchisee's accrued outstanding obligations to Franchisor and all other outstanding obligations related to the Center shall have been satisfied.
 - (b) The transferor and all such officers, directors, shareholders, partners, and members (as applicable) as Franchisor shall designate shall have executed and delivered to Franchisor a general release in form satisfactory to Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders, and employees, in their corporate and individual capacities.
 - (c) Both the transferor and the transferee shall have executed and delivered to Franchisor a written assignment, in form satisfactory to Franchisor.
 - (d) The transferee (or if a corporation, a partnership, or a limited liability company, such officers, directors, shareholders, partners, or members as are designated by Franchisor) shall meet Franchisor's educational, managerial and business standards; possess good moral character, business reputation, and credit rating and have the aptitude and ability to conduct the Center (as evidenced by the transferee's prior related business experience or otherwise; transferee shall not be under Substantial Incapacity as defined in Paragraph 13E).
 - (e) The transferee shall have executed and delivered to Franchisor such then-current standard franchise agreement and any ancillary addenda, schedules, and agreements as Franchisor may require, which standard agreement shall be for such initial term and such renewal terms as are set forth therein.
 - (f) The transferor shall have paid Franchisor a transfer fee in an amount equal to 50% of the then-current initial franchise fee.
 - (g) The transferee shall have completed the Franchise School program then in effect for new franchisees of the System.

- (i) The transferor and all such officers, directors, shareholders, partners, or members (as applicable) as Franchisor shall designate shall have executed and delivered to Franchisor such documents as Franchisor may reasonably specify in order to give effect to the provisions of Paragraph 16C.
- (j) The transferee must complete (or agree to complete on a timeline agreed to by transferee and Franchisor) refurbishments and upgrades that Franchisor requires.

C. Transfer to the Franchisee Corporation:

In the event the proposed transfer is to a corporation formed solely for the convenience of ownership (the "Franchisee Corporation"), the transfer fees under Paragraphs 13B(2)(f) and (h) shall not apply, and Franchisor's consent to such transfer may, in its sole discretion, be conditioned on the following requirements:

- (1) The Franchisee Corporation shall be newly organized, and its charter shall provide that its activities are confined exclusively to operating the Center.
- (2) Franchisee must be the owner of all the voting stock in the Franchisee Corporation, or, if Franchisee is more than one individual, each individual shall have the same proportionate ownership interest in the Franchisee Corporation as he or she had in Franchisee before the transfer.
- (3) Each stock certificate of the Franchisee Corporation shall have conspicuously endorsed upon its face the following printed legal legend:

The transfer of this stock is subject to the terms and conditions of a Franchise Agreement with All Tune Franchising, LLC, dated _____. Reference is made to the provisions of the said Franchise Agreement and to the Articles and ByLaws of this corporation.

- (4) Copies of the Franchisee Corporation's Articles of Incorporation, By-Laws, and all other governing documents, including the resolutions of the Board of Directors authorizing entry into this Agreement, shall be promptly furnished to Franchisor;
- (5) All shareholders of the Franchisee Corporation shall execute this Agreement and shall, notwithstanding the transfer to the Franchisee Corporation, be bound jointly and severally by all of the provisions hereof; and
- (6) Both the transferor Franchisee and the transferee Franchisee Corporation shall execute and deliver to Franchisor a written assignment, in form satisfactory to Franchisor, and each owner of the Franchisee Corporation must sign the Owners' Guaranty and Assumption Agreement.
- (7) In the event the proposed transfer is to a partnership or limited liability company formed solely for the convenience of ownership (the "Franchisee Partnership" or "Franchisee LLC," respectively), then Franchisor, in its sole discretion, may consent to such transfer conditioned on the above requirements as revised or modified by Franchisor according to the appropriate organizational documents, operating agreements, certificates, and indicia of ownership for partners in the Franchisee Partnership or for members in the Franchisee LLC, as the case may be.

D. Right of First Refusal: If Franchisee or any of its owners wishes to transfer any interest in this Agreement, the Center, or Franchisee pursuant to any *bona fide* offer received from a third party to purchase such interest, then the proposed seller shall promptly notify Franchisor in writing of the offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

Franchisor will have the right and option, exercisable within 30 days after receipt of such written notification and copies of all required documentation describing the terms of the offer, to send written notice to the seller that Franchisor intends to purchase the seller's interest on the terms and conditions offered by the third party. If Franchisor elects to purchase the seller's interest, closing shall occur on or before 60 days from the later of the date of Franchisor's notice to seller of Franchisor's election to purchase and the date Franchisor receives all necessary permits and approvals, or any other date agreed by the parties in writing. If the third party offer provides for payment of consideration other than cash, Franchisor may elect to purchase seller's interest for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent, then that amount shall be determined by two appraisers. Each party shall select one appraiser, and the average of the appraisers' determinations shall be binding. Each party shall bear its own legal and other costs and shall share the appraisal fees equally. If Franchisor exercises its right of first refusal, Franchisor will have the right to set off all appraisal fees and other amounts due from Franchisee to Franchisor or any of Franchisor's affiliates. A material change in the terms of any offer before closing shall constitute a new offer subject to the same right of first refusal as an initial offer. Franchisor's failure to exercise the option afforded by this Paragraph 13D shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Paragraph 13B. If Franchisee does not complete the sale to the proposed buyer within 90 days after Franchisor notifies Franchisee that Franchisor does not intend to exercise its right of first refusal, Franchisor or its designee will have an additional right of first refusal during the 30-day period following the expiration of the 90-day period on the terms originally offered at Franchisor's or its designee's option. Failure to comply with this Paragraph 13D shall constitute a material event of default under this Agreement.

E. **Transfer Upon Death or Substantial Incapacity:** If, upon the death or Substantial Incapacity (as defined in the last sentence of this Paragraph 13E) of any individual with an ownership interest in the Center, in this Agreement, or in Franchisee, the executor, administrator, heir(s), committee or other legally empowered personal representative of such individual is unable to meet the conditions of this Paragraph 13, then such personal representative shall have a reasonable time to dispose of the interest of the deceased individual or individual under Substantial Incapacity, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. Under no circumstances shall the time needed to finalize the above described transfer exceed twelve (12) months from the date of death or diagnosis of Substantial Incapacity. An individual shall be deemed under Substantial Incapacity when a qualified health care professional certifies in writing that the patient is mentally impaired to the extent that he is incapable of conducting his affairs for an indefinite, but not necessarily permanent, period of time.

F. **Non-Waiver of Claims:** Franchisor's consent to a transfer of any interest in the Center, in this Agreement, or in Franchisee shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

14. DEFAULT AND TERMINATION

A. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee or any opportunity to cure the default, if Franchisee is or becomes insolvent, makes a general assignment for the benefit of creditors, is adjudicated a bankrupt, suffers temporary or permanent court appointed receivership of substantially all of its property, or suffers the filing (voluntary or involuntary) of a petition under the U.S. Bankruptcy Code.

B. Franchisee shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon the provision of notice to Franchisee (in accordance with the provisions of Paragraph 20), upon the occurrence of any of the following events:

- (1) If Franchisee ceases to do business at the Center, or loses the right to possession of the

Center or otherwise forfeits the right to do or transact business in the jurisdiction where the Center is located; however, if any loss of possession results from the governmental exercise of the power of eminent domain, or if, through no fault of Franchisee, the Center is damaged or destroyed by a disaster to the extent that it cannot, in Franchisor's judgment, reasonably be restored, then in either such event this Agreement shall not be terminated by reason of such event for ninety (90) days thereafter, provided Franchisee applies within such ninety (90) days for Franchisor's approval to relocate the Center for the remainder of the term hereof, which approval shall not be unreasonably withheld;

- (2) Upon: (i) the conviction of Franchisee or any of its owners of any felony offense or of any offense involving moral turpitude; or (ii) the entry of a plea of guilt or nolo contendere by Franchisee or any of its owners to any of the above-enumerated offenses; or (iii) any other admission of guilt by Franchisee or any of its owners to any of such offenses.
- (3) If Franchisee or its owners purport to transfer any rights or obligations to any third party without Franchisor's prior written consent, contrary to any of the terms and conditions of Paragraph 13.
- (4) If Franchisee or its owners fails to comply with the in-term covenants in Paragraph 16.
- (5) If Franchisee or its owners discloses or divulges, contrary to Paragraph 8 and/or Paragraph 9, the contents of any of the Manual, and/or any other trade secret or Confidential Information provided Franchisee by Franchisor.
- (6) If an approved transfer is not consummated after the death or Substantial Incapacity of Franchisee or of an individual holding an interest in Franchisee, as required by Paragraph 13E.
- (7) If a threat or danger to public health or safety (under environmental laws or otherwise) results from the maintenance or operation of the Center.
- (8) If Franchisor discovers that Franchisee made any material misrepresentation on or in connection with his application for the Franchise.
- (9) If Franchisee abandons or vacates the Center for five (5) or more consecutive days; or
- (10) If Franchisee is in default as provided in Paragraph 14C and Franchisor has provided to Franchisee one (1) or more prior notices pursuant to Paragraph 14C for the same, similar, or different defaults during the preceding twelve (12) months (whether or not such defaults were cured after notice).

C. Franchisee shall have (i) five (5) days after Franchisor provides notice regarding any Monetary Default, or (ii) fifteen (15) days after Franchisor provides notice regarding any Non-Monetary Default, within which to remedy the defaults described in this Paragraph 14C and provide evidence thereof to Franchisor. The terms "Monetary Default" and "Non-Monetary Default" are defined in Paragraph 14C(1), are collectively referred to herein as "Curable Default," and specifically do not include the types of default described in Paragraphs 14A and 14B. If any such Curable Default is not cured within the applicable time period (or such longer period as applicable law may require), this Agreement shall terminate at Franchisor's option upon Franchisor's providing notice to Franchisee. As a general matter, Franchisee shall be in Curable Default for any failure to substantially comply with any of the requirements imposed by this Agreement (except as otherwise set forth in Paragraphs 14A and 14B), as reasonably supplemented from time to time by the Manual, or for any failure to carry out in good faith the terms of this Agreement. Such

Curable Defaults shall include, for example and without limitation, the occurrence of any of the following events:

- (1) If Franchisee fails, refuses, or neglects promptly to pay any monies owing to Franchisor or its subsidiaries or affiliates when due, or to pay rent or any other monies required under its lease or purchase agreement on the Center to the landlord/owner of the location of the Center when due, or to submit the business and financial information required by Franchisor under this Agreement, or if Franchisee makes any false statements in connection therewith (the type of default enumerated in this subparagraph C(1) being defined as "Monetary Default"; all other types of default described in this Paragraph 14C and all other types of default by Franchisee under its lease or purchase agreement on the location of the Center being defined as "Non-Monetary Default"; neither Monetary Default nor Non-Monetary Default include any of the defaults specified in Paragraphs 14A and 14B.)
- (2) If Franchisee fails to maintain any of the standards or procedures prescribed by Franchisor in this Agreement, the Manual, or otherwise in writing.
- (3) If Franchisee fails, refuses or neglects to obtain the Franchisor's prior written approval or consent as required by this Agreement; or
- (4) If Franchisee misuses or makes any unauthorized use of the Proprietary Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein.

D. If Franchisee is in default of any provision of this Agreement, including, without limitation, any provision of any addenda or amendment attached hereto, or if Franchisee or any of its affiliates are in default of any other agreement with Franchisor, its subsidiaries and/or affiliates, Franchisor, at its option, shall have the right, at its sole discretion, to terminate this Agreement, any right(s) of Franchisee to operate under the System, and/or any other agreement between Franchisee and Franchisor, its subsidiaries and/or affiliates upon notice to Franchisee in accordance with the provisions for notice and opportunity to cure (if any) in the applicable agreement(s).

E. If any applicable law or rule requires an earlier notice of the termination of, or election not to renew, this Agreement, or the taking of some other action with respect to such termination or election not to renew than is required hereunder, then the requirements of such law or rule as to earlier notice or other action shall govern. Termination of Franchisee pursuant to this Paragraph 14 shall not be deemed an election of remedies by Franchisor, and Franchisor may avail itself of any other remedies available to it under applicable law.

15. OBLIGATIONS UPON TERMINATION

Upon the termination or expiration of this Agreement (collectively, "termination or expiration"), all rights granted hereunder to Franchisee shall forthwith be void and of no further effect and:

A. Franchisee shall immediately cease to operate the Center, and shall not thereafter, directly, or indirectly, represent to the public or hold itself out as a present or former Franchisee of Franchisor.

B. Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, Confidential Information, methods, procedures and techniques associated with the System and any Proprietary Marks and distinctive forms, without limitation, the yellow and black color combination or other color combinations used by Franchisor at the time of termination or expiration, slogans, indoor and outdoor signs, symbols, or devices associated with the System. Without limiting the generality of the foregoing, Franchisee shall cease to use, in physical or digital form, all signs,

equipment, advertising materials, stationery, forms and any other articles which display the Proprietary Marks associated with any of the System.

C. Franchisee shall take such action as may be necessary to cancel or amend any assumed name or equivalent registration which contains any of the Proprietary Marks and/or any other service mark, trademark, or trade name designated in writing by Franchisor for Franchisee's use to delete the reference to all of such marks and/or names, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of such cancellation or amendment within thirty (30) days after termination or expiration.

D. If after termination or expiration, it continues to operate or subsequently begins to operate any other business, Franchisee agrees not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Marks in connection with such other business nor to make any representation which suggests or implies an association or connection (past or present) with Franchisor. Immediately upon the termination or expiration, Franchisee shall make such modifications or alterations to the premises constituting the Center (including, without limitation, the obtaining of a new telephone listing and number for whatever business Franchisee chooses to operate which complies with the covenants not to compete in paragraphs 16B and/or 16C below, and the removal of/repainting over the yellow and black color combination wherever it appears) as Franchisor may reasonably require to prevent the operation of any business by Franchisee or others in derogation of this Paragraph and/or Paragraph 16, and Franchisee shall make such specific additional changes to deidentify such business from the System as Franchisor may reasonably require. Without limiting the generality of the foregoing, Franchisee agrees immediately to discontinue the use of all telephone service, telephone numbers, and directory listings in the operation of or otherwise in connection with the Center including the Computer Systems. Franchisee agrees to permit Franchisor or its designee to inspect the Center premises within thirty (30) days of termination or expiration to confirm that this Paragraph 15 and the Franchisor's deidentification requirements have been complied with. In the event Franchisee fails or refuses to comply with this Paragraph 15 and/or Franchisor's deidentification requirements, Franchisor shall have the right to enter upon the premises where the Center was conducted, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required hereunder, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand.

E. Franchisee shall promptly pay all sums owing to Franchisor and its subsidiaries and affiliates. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including but not limited to reasonable attorney's fees, incurred by Franchisor as a result of such default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the machinery, fixtures, equipment, inventory, and other personal property owned by Franchisee and on Franchisee's interest in the Center premises at the time of default.

F. Franchisee shall pay to Franchisor all damages, costs, and expenses, including but not limited to reasonable attorney's fees, incurred by Franchisor in obtaining injunctive or other relief for the enforcement of this Paragraph 15.

G. After termination or expiration, Franchisee shall immediately turn over to Franchisor the Manual (and any copies thereof, whether or not made in accordance with this Agreement), records, files, instructions, correspondence, all materials related to operating the Center including, without limitation, blank service orders, promotional materials, brochures, agreements, disclosure statements, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, excepting only Franchisee's copy of this Agreement and any correspondence between the parties.

H. Franchisor shall have the right (but not the duty), to be exercised by written notice after termination or expiration, to: (i) assume Franchisee's lease and/or Franchisee's interest in the Center premises; and (ii) purchase any or all of Franchisee's equipment, signs, promotional materials, supplies, and

inventory (including but not limited to items bearing the Licensed Proprietary Marks) at fair market value; provided that the purchase price shall not contain any factor or increment for "good will" or "going concern value". If the parties cannot agree on fair market value of any such equipment, signs, promotional materials, supplies, and inventory within a reasonable time, the purchase price therefore shall be the fair market value as determined by independent appraisal. If the Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from the Franchisee under this Agreement against any payment, therefore.

I. Franchisee shall comply with the covenants contained in Paragraph 16 of this Agreement.

J. Franchisee shall immediately assign and deliver to Franchisor or Franchisor's designee all accounts with customers, customer telephone numbers and addresses, and any voice-mail computer back-up disks and computer tapes relating to Franchisee's operation of the Center.

16. COVENANTS

A. If Franchisee is a corporation, partnership, limited liability company, or other legal entity, the ownership interests in Franchisee are accurately and completely described in Exhibit D. Franchisee will maintain at all times a current list of all of Franchisee owners and make such list of owners available to Franchisor upon request. Franchisee shall cause each of Franchisee's owners to execute the Owners' Guaranty and Assumption Agreement attached as Exhibit A to this Agreement, jointly and severally guarantying Franchisee's performance under this Agreement and otherwise binding themselves to the terms of this Agreement, as stated therein.

B. If Franchisee is an individual, Franchisee, or if Franchisee is an entity, one of Franchisee's owners who has successfully completed the All Tune training program for managers, must either (i) directly supervise operating of the Center (in which case, Franchisee or the owner, as applicable, must devote a minimum of 30 hours per week to the management of the Center) or (ii) employ a full-time manager who has successfully completed the All Tune training program for managers and is approved by us to supervise the operations of the Center. At Franchisor's request, Franchisee must have its manager(s) and any other personnel who will have access to Franchisor's training programs, sign covenants not to compete and must maintain the confidentiality of information they have access to through their relationship with Franchisee. These covenants will be in substantially the form of Exhibit B to this Agreement. Franchisor has the right, in its sole discretion, to decrease the period of time or geographic scope of the noncompetition and nonsolicitation covenants or eliminate the noncompetition and nonsolicitation covenants altogether for any person who must sign an agreement described in this paragraph.

C. Franchisee and Franchisee's owners covenant that during the term of this Agreement or any Renewal thereof, except as otherwise approved in writing by Franchisor, Franchisee and its owners shall not directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation:

- (1) Divert or attempt to divert any business or customer of the Center to any competitor (or to any business entity affiliated to any degree with Franchisee, excluding the Center), by direct or indirect act or otherwise, or to do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with any of Franchisor's Proprietary Marks and/or System.
- (2) Own, maintain, engage in, provide advice to, help, consult with, or have any direct or indirect interest in or position with (including, without limitation, as employee, director, officer, shareholder, partner, representative, agent or in any other capacity) any other business providing any one or more of the specific automotive services provided by Centers which is located within the United States, its territories or commonwealths, or any other

country, province, state or geographic area in which Franchisor or its affiliates have used, sought registration of or registered the Proprietary Marks or similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks; provided, however, that this provision shall not apply to the operation by Franchisee of any other franchise which may be granted by Franchisor to Franchisee; and provided further that this provision shall not apply to less than five percent (5%) beneficial interest of the outstanding equity securities in any publicly held corporation.

D. Except as otherwise approved in writing by Franchisor, Franchisee and Franchisee's owners covenant that for a period of two (2) years after the assignment or other transfer pursuant to Paragraph 13 hereof and for a period of two (2) years after the termination or expiration of this Agreement (regardless of the cause of termination), provided that the two (2) year period shall begin on the later to occur of (i) the date of the assignment, other transfer, termination or expiration or (ii) the conclusion of any legal proceedings (including but not limited to arbitration, appeals therefrom, and appeals from court cases) in which Franchisee unsuccessfully contests any of the covenants contained in Paragraphs 16B and/or 16C, Franchisee and Franchisee's owners shall not either directly or indirectly, for himself or through, on behalf of, or in conjunction with any other person, persons, partnership or corporation:

- (1) Do or engage in any act proscribed by Paragraphs 16C(1) and/or 16C(2), which are hereby incorporated by reference as if more fully set forth herein (except that the term "other franchisee" in Paragraph 16C(2) shall be deemed to include, without limitation, any assignee or other transferee of Franchisee);
- (2) Own, maintain, engage in, provide advice to, help, consult with or have any interest in or position with any business providing any one or more of the specific automotive services provided by Centers within a radius of ten (10) miles of the Center or within ten (10) miles of any other Center operating under one or more of such System at the time of such termination, expiration, or conclusion.

E. Franchisee and Franchisee's owners understand and acknowledge that Franchisor shall have the right, in its sole discretion, to modify this Agreement by reducing the Scope (defined to include, without limitation, geographical radius, time period and/or activities prohibited) of any covenant set forth in Paragraphs 16C and/or 16D, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice of such modification. Franchisee and Franchisee's owners agree that it shall comply forthwith with any covenant so modified, which shall be fully enforceable notwithstanding the provisions of Paragraph 21. Franchisee also agrees that, if any covenant set forth in Paragraphs 16C and/or 16D, or any portion thereof, is determined to be unenforceable by a court of law, an administrative body of competent jurisdiction, or an arbitrator with respect to its Scope, and such covenant can be rendered enforceable by reduction of one or more aspects of such Scope, then such covenant shall be enforced, consistent with Paragraph 22, to the extent permissible under applicable law where enforcement is sought.

17. TAXES, PERMITS AND INDEBTEDNESS

A. Franchisee shall promptly pay when due all taxes levied or assessed by any federal, state, or local tax authorities, and any and all indebtedness incurred by Franchisee in the conduct of the Center.

B. Franchisee shall comply with all federal, state, and local laws, rules and regulations (including, without limitation, federal, state, and local consumer protection laws and regulations such as those pertaining to the form and/or content of automobile repair orders and/or estimates), and shall timely obtain any and all certificates, licenses, and permits necessary for the operation of the Center, including, without limitation, certificate of occupancy, business license, fictitious name registration and sales tax permit.

C. Franchisee shall notify Franchisor in writing within five (5) days of the commencement of any action, suit or proceeding and/or of the issuance of any order, writ, injunction, award or decree of any court, arbitration panel, administrative body, or other governmental entity, which may adversely affect the operation or financial condition of the Center.

18. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. Franchisee agrees that the relationship created by this Agreement is not a fiduciary, special, or any other similar relationship, but rather is an arms-length business relationship, and Franchisor owes Franchisee no duties except as expressly provided in this Agreement. Franchisee is an independent contractor, and nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer, or servant of the other for any purpose. During the term of this Agreement, Franchisee must hold itself out to the public as an independent contractor conducting the operations of the Center pursuant to the rights granted by Franchisor. Nothing in this Agreement authorizes franchisee or any of its owners to make any contract, agreement, warranty, or representation on our behalf, or to incur any debt or other obligation in Franchisor's name, and Franchisor will in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of Franchisee or any of its owners or any claim or judgment arising therefrom. Franchisor does not participate in the hiring, promoting, disciplining, or discharging of Franchisee's employees or in setting or paying wages or benefits to Franchisee's employees, and Franchisee acknowledges that Franchisor has no power, responsibility, or liability in respect to the hiring, promoting, disciplining, or discharging of employees or in setting or paying their wages. Franchisee must conspicuously identify itself and the Center in all dealings with Franchisee's employees, customers, contractors, suppliers, public officials, and others, as an independent franchisee of All Tune Franchising, LLC, and Franchisee must place a conspicuous notice, in the form and at such place as Franchisor prescribes, notifying the public of such independent ownership.

B. Franchisee will indemnify, defend, and hold harmless Franchisor, its affiliates, and its and their respective shareholders, directors, officers, employees, agents, successors, and assigns ("Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, and liabilities directly or indirectly arising out of the operation of the Center, Franchisee's employment relationships with its employees, or Franchisee's breach of this Agreement, without limitation and without regard to the cause or causes thereof or the negligence (whether such negligence be sole, joint, or concurrent, or active or passive) or strict liability of Franchisor or any other party or parties in connection therewith. Notwithstanding the foregoing, this indemnity shall not apply to any liability arising from Franchisor's gross negligence or willful misconduct, except to the extent that joint liability is involved, in which event the indemnification provided herein shall extend to any finding of comparative or contributory negligence attributable to Franchisee, its owners, officers, directors, employees, independent contractors, or Affiliates. For purposes of this indemnification, "claims" includes all obligations, damages (actual, consequential, exemplary, or other), and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration, or alternative dispute resolution and travel and living expenses. Franchisor has the right to defend any such claim against Franchisor. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will Franchisor or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate Franchisor's, their, or Franchisee's losses and expenses, in order to maintain and recover fully a claim against Franchisee. Franchisee agrees that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts Franchisor or another Indemnified Party may recover from Franchisee. The terms of this paragraph 18.B shall survive the termination, expiration, or transfer of this Agreement or any interest herein.

19. APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefore, and such approval or consent shall be obtained in writing.

B. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefore.

C. No failure of Franchisor to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with any of the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with any of such terms. Waiver by Franchisor of any particular default by Franchisee shall neither affect nor impair Franchisor's rights with respect to any subsequent default of the same, similar, or different nature. No delay, forbearance, or omission (collectively "Omission") of Franchisor in exercising any power or right arising out of any of the terms, provisions, or covenants of this Agreement or out of any breach or default thereof by Franchisee shall affect or impair Franchisor's right to exercise the same, nor shall such Omission constitute a waiver by Franchisor of any right hereunder. Notwithstanding any such Omission, Franchisor shall retain the right subsequently to declare any breach or default and/or to terminate this Agreement prior to the expiration of its term. The acceptance by Franchisor of any payments due to it hereunder (whether partial or full payment) shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any of the terms, covenants, or conditions of this Agreement.

20. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by certified or registered U.S. mail or by a reputable overnight delivery service, or provided by other means which affords the sender evidence of delivery or of rejected delivery, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to FRANCHISOR:

All Tune Franchising, LLC
5608 Parkcrest Drive, Suite 225
Austin, TX 78731
Attn: President

Notices to FRANCHISEE:

Attn: _____

Any notice by a means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery. Notwithstanding the foregoing, any notice served by a reputable overnight delivery service (e.g. DHL Express, Federal Express, or UPS) shall be deemed to have been received one (1) day after deposit with such overnight service before deadline and marked for delivery the next day.

21. ENTIRE AGREEMENT

This Agreement and the exhibits and amendments attached hereto constitute the entire, full, and complete Agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede any and all prior or contemporaneous negotiations, discussions, understandings and agreements, no other representations having induced Franchisee to execute this Agreement. There are no other oral or written understandings or agreements between Franchisor and Franchisee, or oral representations by Franchisor, or written representations by Franchisor (other than those set forth in the Franchise Disclosure Document that Franchisor provided to Franchisee), relating to the subject matter of this Agreement, the franchise relationship, or the Center (and any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). However, and notwithstanding the foregoing, nothing in this Franchise Agreement is intended to disclaim any representations made by Franchisor in the Franchise Disclosure Document that Franchisor furnished to Franchisee. Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

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.

22. SEVERABILITY AND CONSTRUCTION

A. Except as expressly provided to the contrary herein, each portion, section, part, term and/or provision (collectively "Portion") of this Agreement shall be considered severable; and if, for any reason, any such Portion is determined to be void, contrary to, and/or in conflict with, any existing or future law or regulation by a court of law, an administrative body of competent jurisdiction, or an arbitration panel, such Portion shall not impair the operation of, or have any other effect upon, such other Portions as may remain otherwise intelligible. Such intelligible Portions shall continue to be given full force and effect and bind the parties hereto, while the void Portions shall be deemed not to be part of this Agreement.

B. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any individual, person, or legal entity other than Franchisor or Franchisee, and such of their respective successors and assigns as may be contemplated by Paragraph 13 hereof, any rights or remedies under or by reason of this Agreement.

C. Franchisee expressly agrees to be bound by the maximum duty permitted or required by applicable law which is subsumed in any promise or covenant of this Agreement, as though it were separately articulated in and made a part of this Agreement. It is the strong intent of Franchisor and Franchisee that any reviewing court of law, administrative body of competent jurisdiction, or arbitration panel, instead of canceling or invalidating this Agreement, modify this Agreement by striking any Portion(s) it determines to be unreasonable or unenforceable and/or reducing the scope of any promise or covenant to the extent required to delineate the maximum duty, obligation, or restriction permitted by applicable law, or required by court order or final decision.

D. All captions in the Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof. All references herein to paragraphs and paragraph numbers are to provisions within this Agreement.

E. All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements, and obligations herein made are undertaken by all of the signers of this Agreement on behalf of Franchisee.

F. This Agreement shall be executed in duplicate, and each copy so executed shall be deemed an original.

G. All provisions of this Agreement which, by their terms or intent, are designed to survive the expiration or termination of this Agreement, shall so survive the expiration and/or termination of this Agreement.

23. DISPUTE RESOLUTION

A. MEDIATION. FRANCHISOR AND FRANCHISEE ACKNOWLEDGE THAT DURING THE TERM OF THIS AGREEMENT CERTAIN DISPUTES MAY ARISE THAT FRANCHISOR AND FRANCHISEE ARE UNABLE TO RESOLVE, BUT THAT MAY BE RESOLVABLE THROUGH MEDIATION. TO FACILITATE SUCH RESOLUTION, FRANCHISOR AND FRANCHISEE AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE BETWEEN FRANCHISOR OR ANY OF FRANCHISOR AFFILIATES (AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES AND/OR EMPLOYEES) AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AGENTS, REPRESENTATIVES AND/OR EMPLOYEES) ARISING OUT OF OR RELATED TO (a) THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, (b) FRANCHISOR'S RELATIONSHIP WITH FRANCHISEE, OR (c) THE VALIDITY OF THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN FRANCHISOR AND FRANCHISEE, TO MEDIATION BEFORE BRINGING SUCH CLAIM, CONTROVERSY OR DISPUTE IN A COURT OR BEFORE ANY OTHER TRIBUNAL.

- (1) THE MEDIATION SHALL BE CONDUCTED BY A MEDIATOR AGREED UPON BY FRANCHISOR AND FRANCHISEE AND, FAILING SUCH AGREEMENT WITHIN NOT MORE THAN FIFTEEN (15) DAYS AFTER EITHER PARTY HAS NOTIFIED THE OTHER OF ITS DESIRE TO SEEK MEDIATION, BY THE AMERICAN ARBITRATION ASSOCIATION OR ANY SUCCESSOR ORGANIZATION ("AAA") IN ACCORDANCE WITH ITS RULES GOVERNING MEDIATION. MEDIATION SHALL BE HELD AT THE OFFICES OF THE AAA NEAREST TO FRANCHISOR'S THEN-CURRENT PRINCIPAL PLACE OF BUSINESS. THE COSTS AND EXPENSES OF MEDIATION, INCLUDING THE COMPENSATION AND EXPENSES OF THE MEDIATOR (BUT EXCLUDING ATTORNEYS' FEES INCURRED BY EITHER PARTY), SHALL BE BORNE BY THE PARTIES EQUALLY.**
- (2) IF THE PARTIES ARE UNABLE TO RESOLVE THE CLAIM, CONTROVERSY OR DISPUTE WITHIN NINETY (90) DAYS AFTER THE MEDIATOR HAS BEEN CHOSEN, THEN, UNLESS SUCH TIME PERIOD IS EXTENDED BY WRITTEN AGREEMENT OF THE PARTIES, EITHER PARTY MAY BRING A LEGAL PROCEEDING PURSUANT TO PARAGRAPH 23.B. FRANCHISOR AND FRANCHISEE AGREE THAT STATEMENTS MADE BY EITHER FRANCHISOR OR FRANCHISEE IN ANY SUCH MEDIATION PROCEEDING WILL NOT BE ADMISSIBLE FOR ANY PURPOSE IN ANY SUBSEQUENT LEGAL PROCEEDING.**
- (3) NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS PARAGRAPH 23.A, FRANCHISOR'S AND FRANCHISEE'S AGREEMENT TO MEDIATE SHALL NOT APPLY TO CONTROVERSIES, DISPUTES OR CLAIMS RELATED TO OR BASED ON THE MARKS, THE CONFIDENTIAL**

INFORMATION, OR MONIES OWED. MOREOVER, REGARDLESS OF FRANCHISOR'S AND FRANCHISEE'S AGREEMENT TO MEDIATE, FRANCHISOR AND FRANCHISEE EACH HAVE THE RIGHT IN A PROPER CASE TO SEEK TEMPORARY RESTRAINING ORDERS AND TEMPORARY OR PRELIMINARY INJUNCTIVE RELIEF.

B. LITIGATION. WITH RESPECT TO ANY CONTROVERSIES, DISPUTES OR CLAIMS WHICH ARE NOT FINALLY RESOLVED THROUGH MEDIATION AS PROVIDED IN PARAGRAPH 23A ABOVE, THE PARTIES IRREVOCABLY SUBMIT THEMSELVES TO THE JURISDICTION OF THE STATE COURTS OF THE JURISDICTION IN WHICH FRANCHISOR THEN MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS AND THE FEDERAL DISTRICT COURT FOR SUCH JURISDICTION AND HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. FRANCHISOR AND FRANCHISEE AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON THEM IN ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY TEXAS OR FEDERAL LAW. FRANCHISOR AND FRANCHISEE FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE THE JURISDICTION IN WHICH FRANCHISOR THEN MAINTAINS ITS PRINCIPAL PLACE OF BUSINESS.

C. GOVERNING LAW. EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.) OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE WILL BE GOVERNED BY AND INTERPRETED AND CONSTRUED UNDER TEXAS LAW (EXCEPT FOR DELAWARE CONFLICT OF LAW RULES).

D. PARTIES' ACKNOWLEDGMENTS. FRANCHISOR AND FRANCHISEE ACKNOWLEDGE THAT THE AGREEMENTS REGARDING APPLICABLE STATE LAW AND FORUM SET FORTH ABOVE PROVIDE EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT. FRANCHISOR AND FRANCHISEE FURTHER ACKNOWLEDGE THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.

E. WAIVER OF PUNITIVE DAMAGES. EXCEPT WITH RESPECT TO FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR PURSUANT TO PARAGRAPH 18 AND CLAIMS FRANCHISOR BRING AGAINST FRANCHISEE FOR FRANCHISEE'S UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, FRANCHISOR AND FRANCHISEE AND FRANCHISEE'S PRINCIPALS WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN FRANCHISOR AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

F. LIMITATIONS OF CLAIM. EXCEPT FOR CLAIMS FRANCHISOR BRINGS WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO INDEMNIFY FRANCHISOR PURSUANT TO PARAGRAPH 18, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE PURSUANT TO THIS AGREEMENT WILL BE BARRED UNLESS AN ACTION IS COMMENCED WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE ACT OR

EVENT GIVING RISE TO THE CLAIM OCCURRED, OR ONE (1) YEAR FROM THE DATE ON WHICH FRANCHISOR OR FRANCHISEE KNEW OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIMS, WHICHEVER OCCURS FIRST.

G. JURY WAIVER. FRANCHISOR AND FRANCHISEE HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE RELATIONSHIP CREATED BY THIS AGREEMENT, OR ANY OTHER AGREEMENTS BETWEEN FRANCHISOR AND FRANCHISEE OR FRANCHISOR'S AND FRANCHISEE'S RESPECTIVE AFFILIATES. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A TRIAL BY THE COURT.

H. Costs And Attorneys' Fees. If Franchisor incurs expenses in connection with Franchisee's failure to pay when due amounts owed to Franchisor, or to submit when due any reports, information or supporting records, or otherwise to comply with this Agreement, Franchisee must reimburse Franchisor for any of the costs and expenses which Franchisor incur, including, without limitation, accounting, attorneys', arbitrators', and related fees.

24. ACKNOWLEDGMENTS

A. Franchisee acknowledges that it has conducted an independent investigation of the System and the Center; (2) it recognizes that the business venture of developing, establishing, and operating the Center under the System involves business risks; and (3) the success of this venture, if any, will be largely dependent upon the ability of the Franchisee as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received any warranty, guarantee, claim, or other representation, express or implied, as to the potential volume, profits, costs, or success of the business venture contemplated by this Agreement.

B. Franchisee acknowledges that it has received, read, and understood this Agreement. Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Accordingly, any rule of law providing that ambiguities shall be construed against the drafting party shall be of no force and effect. Franchisee further acknowledges that nothing in this Agreement creates, or shall be deemed to have created, a fiduciary relationship between Franchisor and Franchisee.

C. This Agreement supersedes any and all other Agreements and representations respecting the Center and contains all of the terms of the parties with respect to the grant described herein.

D. Franchisee acknowledges that it received a copy of this Agreement and agreements relating hereto, if any, with all of the blank lines therein filled in, prior to the date on which this Agreement was executed, and with sufficient time within which to review the Agreement, with advisors of its choosing. Franchisee further acknowledges that it received the Franchise Disclosure Document required by the Federal Trade Commission's Franchise Rule at least fourteen (14) days prior to the date on which this Agreement was executed.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Agreement in duplicate as of the date first above written.

FRANCHISEE:

_____,
a/an _____

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

FRANCHISOR:

All Tune Franchising, LLC,
a Texas limited liability company

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

EXHIBIT A

OWNERS' GUARANTY AND ASSUMPTION AGREEMENT

This Guaranty and Assumption Agreement ("**Guaranty**") is given this _____ day of 20__, by the undersigned in connection with the Franchise Agreement dated _____, 20__ between All Tune Franchising, LLC ("**Franchisor**") and _____ ("**Franchisee**").

In consideration of, and as an inducement to, the execution of the Franchise Agreement by Franchisor, each of the undersigned and any other parties who sign counterparts of this Guaranty (individually, "**Guarantor**" and collectively, "**Guarantors**") hereby personally and unconditionally guarantee to Franchisor and its successors and assigns that Franchisee will punctually perform its obligations and pay all amounts due under the Franchise Agreement, including, without limitation, amounts due for initial franchise fees, royalties, brand building fund contributions, and purchases of equipment, materials, and supplies.

Each Guarantor waives:

- (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; and
- (ii) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; and
- (iii) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; and
- (iv) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- (v) all rights to payments and claims for reimbursement or subrogation which he or she may have against Franchisee arising as a result of his or her execution of and performance under this Guaranty (including by way of counterparts); and
- (vi) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

- (i) his or her direct and immediate liability under this Guaranty will be joint and several not only with Franchisee, but also among the Guarantors; and
- (ii) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; and
- (iii) such liability will not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person. This Guaranty is a guaranty of payment, not of collection; and
- (iv) such liability will not be diminished, relieved, or otherwise affected by any subsequent rider or amendment to the Franchise Agreement or by any extension of time, credit, or other indulgence that 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 will in any way modify or amend this Guaranty, which will be continuing and irrevocable throughout the term of the Franchise Agreement and for so long thereafter as there are any monies or obligations owing by Franchisee to Franchisor under the Franchise Agreement; and
- (v) Franchisee's written acknowledgment, accepted in writing by Franchisor, or the judgment of any court or arbitration panel of competent jurisdiction establishing the amount due from Franchisee will be conclusive and binding on the undersigned as Guarantors.

Each Guarantor also makes all of the covenants, representations, warranties and agreements of the Franchisee set forth in the Franchise Agreement and is obligated to perform thereunder, including, without

limitation, under Paragraphs 9, 13, 15, 16, 18, and 23 (which include, among other things, the mediation of disputes). THESE INCLUDE A NUMBER OF PROVISIONS THAT MAY AFFECT THE LEGAL RIGHTS OF THE UNDERSIGNED, INCLUDING A WAIVER OF JURY TRIAL, WAIVER OF PUNITIVE OR EXEMPLARY DAMAGES, AND LIMITATIONS ON WHEN CLAIMS MAY BE RAISED.

If Franchisor is required to enforce this Guaranty in an administrative, judicial, or arbitration proceeding, if Franchisor prevails, Franchisor will be entitled to reimbursement of its costs and expenses, including, but not limited to, legal and accounting fees and costs, administrative, arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of an administrative, judicial, or arbitration proceeding, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, Guarantors will reimburse Franchisor for any of the above-listed costs and expenses incurred by it.

IN WITNESS WHEREOF, each Guarantor has hereunto affixed his signature on the same day and year as the Franchise Agreement was executed.

GUARANTORS

Name: _____

Name: _____

Name: _____

Name: _____

EXHIBIT B

CONFIDENTIALITY AND NONCOMPETITION / NONSOLICITATION AGREEMENT

This Agreement is made and entered into this ____ day of _____, 20__, between _____ (“**Franchisee**”) and _____ (“**Covenantor**” or “**you**”) in connection with a franchise agreement between All Tune Franchising, LLC (“**Franchisor**”) and Franchisee dated _____, 20__ (“**Franchise Agreement**”). Initially capitalized terms used, but not defined in this Agreement, have the meanings given to them in the Franchise Agreement.

RECITALS

Franchisor has the right to use and license the use of a System for the establishment and operation of All Tune Centers.

The System is identified by certain Marks including, the marks "ALL TUNE" and “ALL TUNE TOTAL CAR CARE” and includes certain Confidential Information which provides economic advantages to Franchisor and licensed users of the System.

Franchisor has granted Franchisee the limited right to operate All Tune Centers pursuant to the Franchise Agreement.

You are employed by or associated with Franchisee, and it will be necessary for you to have access to some or all of the Confidential Information.

Franchisor and Franchisee have agreed on the importance of restricting the use, access, and dissemination of the Confidential Information, and Franchisee therefore has agreed to obtain from you a written agreement protecting the Confidential Information and further protecting the System against unfair competition.

You acknowledge that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises, and covenants made by you herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

AGREEMENT

Confidentiality Agreement

1. You shall, at all times, maintain the confidentiality of the Confidential Information and shall use such Confidential Information only in the course of your employment by or association with Franchisee in connection with the operation of the All Tune Center under the Franchise Agreement.

2. You shall not at any time make copies of any documents or compilations containing some or all of the Confidential Information without Franchisor’s express written permission.

3. You shall not at any time disclose or permit the disclosure of the Confidential Information except to Franchisee’s other authorized employees and only to the limited extent necessary to train or assist such other employees in the operation of the Center.

4. You shall surrender any material containing some or all of the Confidential Information to Franchisee or Franchisor, upon request, or upon termination of your employment by or association with Franchisee.

5. You shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the System.

6. You acknowledge that Franchisee is provided with access to Manuals for limited purposes only and remain Franchisor’s property. You agree that no Manuals may be reproduced, in whole or in part, without Franchisor’s written consent.

Covenants Not to Compete

In order to protect the goodwill of the System, and in consideration for the disclosure of the Confidential Information to you, you agree that, during the term of your association with or employment by Franchisee, and for a period of one year following the earlier of (i) the termination thereof, or (ii) the termination, expiration, or transfer of Franchisee's interest in the Franchise Agreement, you will not, without Franchisor's prior written consent or as permitted under other valid Franchise Agreements for All Tune Centers between Franchisee or its Affiliates and Franchisor:

- a. Directly or indirectly divert, or attempt to divert any business opportunity or customer of All Tune Centers to any competitor;
- b. Directly or indirectly, for yourself or through, on behalf of, or in conjunction with any other person, persons, partnership, corporation, limited liability company, or other association or entity, own, maintain, operate, engage in or have any financial or beneficial interest in, advise, assist or make loans to, competitive business which is, or is intended to be, located (i) at the Center location, or (ii) within the Protected Area, or (iii) within a 10-mile radius of the Center location; and or (iv) within a 10-mile radius of any All Tune Center then in existence or under construction;
- c. The time periods relating to the obligations set forth in this Agreement will be tolled during any period of noncompliance.

Franchisee's Undertaking

Franchisee agrees to make all commercially reasonable efforts to ensure that you act as required by this Agreement.

Miscellaneous

1. You agree that:
 - a. Each of the covenants herein contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill of the System or Franchisor's other business interests.
 - b. Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which Franchisor is a party, you agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.
 - c. In the event of a breach of this Agreement, Franchisor and Franchisee would be irreparably injured and without an adequate remedy at law and, therefore, upon any such breach or attempted breach of any provision hereof, you agree that Franchisor and/or the Franchisee shall be entitled, in addition to any other remedies which Franchisor or it may have at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.
2. You agree to pay all expenses (including court costs and reasonable attorneys' fees and costs) incurred by Franchisor and/or Franchisee in enforcing this Agreement.
3. Any failure by Franchisor or Franchisee to object to or take action with respect to any breach of any provision of this Agreement by you shall not operate or be construed as a waiver of or consent to that breach of any subsequent breach by you.
4. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO TEXAS CONFLICT OF LAW PRINCIPLES. YOU HEREBY IRREVOCABLY SUBMITS YOURSELF TO THE JURISDICTION OF THE STATE AND FEDERAL DISTRICT**

COURTS LOCATED IN THE STATE, COUNTY OR JUDICIAL DISTRICT IN WHICH FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED. YOU HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. YOU HEREBY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON YOU IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY TEXAS OR FEDERAL LAW. YOU FURTHER AGREE THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE THE COUNTY OR JUDICIAL DISTRICT IN WHICH FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION.

5. YOU AND FRANCHISEE HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND THE RELATIONSHIP CREATED BY THIS AGREEMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A TRIAL BY THE COURT.

6. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

7. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by facsimile or electronic mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other parties.

If directed to Franchisor, the notice shall be addressed to:

All Tune Franchising, LLC
5608 Parkcrest Drive, Suite 225
Austin, TX 78731
Attn: President

If directed to Franchisee, the notice shall be addressed to:

Attention:_____

If directed to Covenantor, the notice shall be addressed to:

Attention:_____

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of expedited delivery service on the next Business Day, or, in the case of or registered or certified mail, three Business Days after the date and time of mailing, or, in the case of facsimile or electronic mail, upon

transmission (provided confirmation is sent by expedited delivery service or registered or certified mail).

8. Franchisor and its successors and assigns are third-party beneficiaries of this Agreement, with the full and independent right, at their option and in their sole discretion, to enforce this Agreement. Franchisor's rights and remedies under this Agreement are fully assignable and transferable and shall inure to the benefit of Franchisor's Affiliates, successors, and assigns. Your obligations and those of the Franchisee may not be assigned without Franchisor's prior written consent.

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISEE:

COVENANTOR:

By: _____
[Name], [Title]

[Name], an Individual

EXHIBIT C

SELECTED KEY COMMERCIAL TERMS

#	Item	Details
1.	Designated Market	_____, as its boundaries exist as of the Effective Date.
2.	Center Location	The Center will be located at the following address: _____
3.	Protected Area	The geographic area [set forth in the attached map].
4.	Opening Date	_____, 20__.

EXHIBIT D

OWNERSHIP AND MANAGEMENT INFORMATION

1. The following is a list of all shareholders, partners, members, or other investors ("owners") owning a direct or indirect interest in Franchisee and a description of the nature of their interest:

NAME	OWNERSHIP INTEREST IN FRANCHISEE	NATURE OF INTEREST

2. The Owner Operating the Center is: _____

3. The Manager (if applicable) is: _____

EXHIBIT E

ELECTRONIC FUNDS TRANSFER AUTHORIZATION

This Electronic Funds Transfer Authorization Form authorizes **All Tune Franchising, LLC** ("Franchisor") to debit the bank account of the undersigned franchisee ("Franchisee") for payments as outlined in any agreement between the Franchisor and Franchisee.

Franchisee Information

Franchisee Name: _____
Business Name: _____
Franchise Location Address: _____
City, State, ZIP: _____
Phone: _____
Email: _____

Bank Account Information

Bank Name: _____
Bank Address: _____
City, State, ZIP: _____
Account Holder Name: _____
Bank Account Number: _____
Routing Number (ABA): _____
Account Type: ☐ Checking ☐ Savings

Authorization Details

By signing below, Franchisee authorizes **All Tune Franchising, LLC** to initiate debit entries to the bank account listed above for the following:

1. **Recurring Fees:** Any fees due to Franchisor under any applicable franchise agreement.
2. **Purchases:** Any authorized purchases made by Franchisee through Franchisor.
3. **Other Obligations:** Any additional fees or obligations as outlined in agreements between Franchisor and Franchisee.

This authorization will remain in effect until Franchisor receives written notice from Franchisee to cancel or modify the authorization. Franchisee must provide such notice at least **10 business days** before the next scheduled debit. Franchisee agrees to maintain sufficient funds in the authorized account to cover all authorized transactions.

Acknowledgment & Authorization

I acknowledge that I am an authorized signer on the above bank account, and I authorize All Tune Franchising, LLC to initiate ACH debits as outlined in this agreement.

Signature:

Franchisee Authorized Signer Name:

Title:

Date:

EXHIBIT F

LEASE ADDENDUM TERMS

(a) Landlord acknowledges that Tenant is a franchisee of All Tune Franchising, LLC, a Texas limited liability company (“we,” “us,” or “our”), and that the All Tune Center located at the Premises (“Center”) is operated under the All Tune Total Car Care franchise system, pursuant to a franchise agreement (“**Franchise Agreement**”) between Tenant and us. Landlord consents to Tenant’s use at the Premises of such marks and signs, decor items, color schemes, and related components of the All Tune Total Car Care system as we may prescribe for the Center. During the term of the Franchise Agreement, the Premises may be used only for the operation of the Center.

(b) Landlord agrees to furnish to us copies of any and all letters and notices sent to Tenant pertaining to the Lease and the Premises at the same time that such letters and notices are sent to Tenant. Without limiting the foregoing, in the event of any default by Tenant, Landlord shall give us written notice of such default. If Tenant has failed to cure such default at the expiration of the applicable cure period, Landlord shall give us further written notice of such failure (“**Franchisor Notice**”). Following our receipt of Franchisor Notice, we shall have the right (but not the obligation) to cure Tenant’s default before Landlord shall exercise any of Landlord’s remedies arising as a consequence of Tenant’s default. Any such cure shall be effected within 15 days following our receipt of Franchisor Notice. Any cure by us shall not be deemed to be an election to assume the terms, covenants, obligations, and conditions of the Lease.

(c) If we cure Tenant’s default, or if we notify Landlord that the Franchise Agreement has been terminated (which termination shall constitute a non-curable default pursuant to the Lease upon Landlord’s receipt of our notice thereof), Landlord agrees, upon our written request, to assign to us any and all rights that Landlord may have under the Lease to remove and evict Tenant from the Premises and shall cooperate with us in order to pursue such action to a conclusion.

(d) If we cure Tenant’s default or notify Landlord of the termination of the Franchise Agreement, we shall have the right and option, upon written notice to Landlord, to do the following:

1. Undertake to perform the terms, covenants, obligations and conditions of the Lease on behalf of the Tenant (notwithstanding any removal or eviction of Tenant) for a period not to exceed six months from the first date of any cure by us; or

2. At any time within or at the conclusion of such six-month period, assume the terms, covenants, obligations, and conditions of the Lease for the remainder of the term, together with any applicable renewal options. In such event, Landlord and we shall enter into an agreement to document such assumption. We are not a party to the Lease and shall have no liability under the Lease unless and until said Lease is assigned to, and assumed by, us as herein provided.

(e) If, during the six-month period set forth in section (d)(1) above or at any time after the assignment contemplated in section (d)(2), we shall notify Landlord that the franchise for the Center is being granted to another All Tune Center franchisee, Landlord shall permit the assignment of the Lease to said franchisee without the payment of any fee or other cost requirement, provided that said franchisee meets Landlord’s reasonable financial qualifications. Landlord shall not unreasonably withhold consent to such assignment. Thereafter, we shall be released from any and all further liabilities under the Lease. The parties agree to execute any commercially reasonable documents in furtherance of this section.

(f) Tenant will not assign the Lease or renew or extend the term thereof without the prior written consent of us, nor shall Landlord and Tenant amend or otherwise modify the Lease in any manner that could materially affect any of the foregoing requirements without our prior written consent.

(g) We shall have the right to enter the Premises to make any modification or alteration necessary to protect the All Tune Total Car Care system and marks or to cure any default under the Franchise Agreement or under the Lease, without being guilty of trespass or any other crime or tort. Landlord shall not be responsible for any expenses or damages arising from any such action by us. Tenant hereby releases, acquits, and discharges us and Landlord and our and Landlord’s respective subsidiaries,

Affiliates, successors, and assigns and the officers, directors, shareholders, partners, employees, agents, and representatives of each of them, from any and all claims, demands, accounts, actions, and causes of action, known or unknown, vested or contingent, which any of them may have, ever had, now has, or may hereafter have by reason of any event, transaction, or circumstance arising out of or relating to the exercise of our rights pursuant to the Addendum.

(h) All notices sent pursuant to this Addendum shall be sent in the manner set forth in the Lease, and delivery of such notices shall be effective as of the times provided for in the Lease. For purposes of notice under the Lease, our mailing address shall be All Tune Franchising, LLC, 5608 Parkcrest Drive, Suite 225, Austin, Texas 78731, Attention: President, which address may be changed by written notice to Landlord in the manner provided in the Lease.

STATE AMENDMENTS TO THE FRANCHISE AGREEMENT

AMENDMENT TO THE FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

The Franchise Agreement (“**Agreement**”) between the undersigned (“**Franchisee**”) and All Tune Franchising, LLC (“**Franchisor**”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (“**Amendment**”):

MARYLAND LAW MODIFICATIONS

1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD. ANN. CODE, BUS. REG., §§ 14-201 *et seq.* (2015 Repl. Vol.) (“**Law**”). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Law.
- b. Any acknowledgments or representations of the Franchisee made in the agreement which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Law.
- c. A Franchisee may bring a lawsuit in Maryland for claims arising under the Law.
- d. The limitation on the period of time mediation and/or litigation claims must be brought shall not act to reduce the three-year statute of limitations afforded a Franchisee for bringing a claim arising under the Law. Any claims arising under the Law must be brought within three years after the grant of the license.

2. Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement.

3. Section 24 of the Franchise Agreement is hereby deleted in its entirety. The acknowledgments in such Sections shall not apply to any franchisees and franchises that are subject to the state franchise registrations/disclosure laws in Maryland.

4. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

5. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the same day and year that the Agreement has been executed.

FRANCHISEE:

By: _____

Name: _____

Title: _____

FRANCHISOR:

ALL TUNE FRANCHISING, LLC

By: _____

Name: _____

Title: _____

EXHIBIT C

LIST OF CENTERS IN OPERATION

State	Address	Telephone	Owner
FL	12602 Pines Blvd Pembroke Pines, FL 33027	954-436-8863	Giacomo "Jack" Porrino
FL	6450 W. Commercial Blvd Tamarac, FL 33319	954-765-6885	Tarik J. "TJ" Andry
GA	500 Thornton Rd Suite 7-8 Lithia Springs, GA 30122	410-963-5252	Stuart Hanley
IA	941 Blairs Ferry Rd NE Cedar Rapids, IA 52402	319-550-3390	Russell Hotchkiss
IL	19560 Buranham Ave Lynwood, IL 60411	708-889-6454	Xavier Gaters
KS	13505 S. Mur Len Rd Suite 116 Olathe, KS 66062	913-764-9680	Scott Burnett
MD	8201 Ritchie Hwy Pasadena, MD 21122	410-544-6622	Edward Patrizio
PA	3698 E. Market St. York, PA 17402	717-757-0775	Tim Goelz
PA	850 Carlisle Rd York, PA 17404	223-232-4080	Steven Small
TN	1810 N. Broadway St Knoxville, TN 37917	865-847-7040	David Weismuller
TN	543 Memorial Blvd Murfreesboro, TN 37129	615-906-3615	Chris Etheridge
TX	12186 N. Mopac Expwy Austin, TX 78758	512-836-6724	Lewis Boehm
TX	5417 McPherson Rd Laredo, TX 78041	956-441-1741	Leonel Muriel
TX	600 E. William Cannon Dr Austin, TX 78745	512-243-8666	Vincent Urbanczyk

EXHIBIT D

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

Predecessor's Fiscal Year End (8/1/23 to 7/31/24)

State	Address	Telephone	Owner	Reason
OH	Pickerington, OH	614-577-9217	Ivan Salaberrios	Discontinued Operations
TX	Garland, TX	972-998-2516	Edward Markwardt	Terminated
TX	Pantego, TX	817-795-5601	Kianoosh Karimi	Non-Renewal
VA	Chesapeake, VA	757-819-7034	Tyrone Uzzle	Terminated

From 8/1/24 to 12/31/2024

State	Address	Telephone	Owner	Reason
MI	Detroit, MI	313-733-4550	Caleb Creer	Discontinued Operations
OH	Dayton, OH	937-222-7772	Bradley Jessmer	Non-Renewal
OH	Hilliard, OH	614-577-9217	Ivan Salaberrios	Discontinued Operations
PA	Harrisburg, PA	717-982-6051	Eric Roda Dakota Witmer	Discontinued Operations

EXHIBIT E

LIST OF FRANCHISEES WHO HAVE SIGNED A FRANCHISE AGREEMENT BUT HAVE NOT OPENED A CENTER

State	Address	Telephone	Owner
CO	Arapahoe County, CO	313-733-4550	Erns Dorlus
FL	Miami Dade or Broward County, FL	856-449-9476	William O'Hanlon
FL	St. Johns, FL	904-924-4871	David Leach
GA	Winnett County, GA	678-359-2049	Meka Oriental
NJ	Essex County, NJ	862-452-4596	Godday Ogbo
TX	5650 Cliffbrier San Antonio, TX 78250	210-775-2341	Veronica Bazan
TX	12186 N. Mopac Expwy Austin, TX 78758	512-4847171	J. Michael Lilley

EXHIBIT F

GENERAL RELEASE (TRANSFER)

FORM OF GENERAL RELEASE

[Current Form for Transfers and Renewals]

Release of Claims. Franchisee and its Owners and their respective assigns, heirs, representatives, agents, family members, and all other persons acting on their behalf or claiming under them (collectively referred to as the “Franchisee Related Parties”) irrevocably and unconditionally release and forever discharge Franchisor, its predecessors, subsidiaries, affiliates and their respective owners, officers, directors, agents, independent contractors, servants, employees, representatives, attorneys, successors and assigns and all persons acting by, through, under or in concert with any of them (collectively “Releasees”), from all actions, causes of action, suits, debts, liens, contracts, agreements, obligations, promises, liabilities, claims, rights, demands, damages, controversies, losses, costs, and expenses (including attorneys’ fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent (“Claim” or “Claims”), which they now have or claim to have or at any time heretofore have had or claimed to have against each or any of the Releasees, including, without limitation, any and all such Claims arising from, based upon or related to the Franchise Agreement, but excluding claims based on any representation that Franchisor made in the most recent Franchise Disclosure Document (including its exhibits and amendments) that Franchisor delivered to Franchisee or its representative in connection with the offer of the Franchise Agreement, subject to agreed-upon changes to the contract terms described in that Franchise Disclosure Document and reflected in the Franchise Agreement (including any riders or addenda signed at the same time as the Franchise Agreement).

[For California franchisees, add: Each of the Franchisee Related Parties expressly waives and relinquishes all rights and benefits which either may now have or in the future have under and by virtue of California Civil Code Section 1542. The parties do so understanding the significance and consequence of such specific waiver. Section 1542 provides that “[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.” For the purpose of implementing a general release and discharge as described in Section 1. above, the parties expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims described in Section 1. above which the parties do not know or suspect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims.]

Unknown Claims.

Franchisee acknowledges for itself and the Franchisee Related Parties that there is a risk that subsequent to the execution of this Agreement, it will discover, incur or suffer Claims which are unknown or unanticipated at the time this Agreement is executed, including, without limitation, unknown or unanticipated Claims which arose from, are based upon or are related to the Franchise Agreement or some part or aspect thereof, which if known by Franchisee on the date this Agreement is being executed may have materially affected its decision to execute this Agreement.

Franchisee acknowledges and agrees for itself and the Franchisee Related Parties that by reason of the release contained in Section 1 above, it is assuming the risk of such unknown and unanticipated Claims and agrees that its release of the Releasees contained in this Agreement applies thereto.

Covenant Not to Sue. Franchisee covenants and agrees for itself and for the Franchisee Related Parties not to bring or allow to be brought on behalf of itself or any Franchisee Related Party, any action, cause of action, suit or other proceeding of any kind, which has accrued or which may ever accrue, whether based in the Constitution, common law or statute, contract, tort, or in equity, for actual or punitive damages or other relief, against Franchisor and the Releasees arising out of, resulting from, or in any manner related to the matters referenced in Section 1.

No Assignment of Claims. Franchisee represents and warrants for itself and the Franchisee Related Parties that it has not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claims released under Section 1 of this Agreement and agrees to indemnify, defend and hold the Releasees harmless from and against any and all Claims, based on or arising out of any such assignment or transfer, or purported assignment or transfer, of any Claims, or any portion thereof or interest therein. Franchisee represents and warrants that since the date of the Franchise Agreement, there has been no assignment or transfer, and no purported assignment or transfer, to any person or entity of the Franchise, the Franchise Agreement, or any rights or interests therein or in the Franchisee.

Full and Independent Knowledge. Franchisee represents that it has been represented by an attorney in connection with the preparation and review of this Agreement, that it has specifically discussed with its attorney the meaning and effect of this Agreement and that it has carefully read and understands the scope and effect of each provision contained herein. Franchisee further represents that it does not rely and has not relied upon any representation or statement made by the Franchisor or, any of the Releasees or any of their representatives with regard to the subject matter, basis or effect of this Agreement.

Compromise. Franchisee agrees for itself and the Franchisee Related Parties that the releases contained herein are the result of a compromise and shall never at any time for any purpose be considered as an admission of liability or responsibility on the part of Franchisor or the Releasees regarding any matter.

General Provisions.

Entire Agreement. This Agreement, when fully executed, supersedes all previous negotiations, representations, and discussions by the parties hereto concerning the subject matter hereof and integrates the whole of all of their agreements and understandings concerning the subject matter hereof. No oral representations or undertakings concerning the subject matter hereof shall operate to amend, supersede, or replace any of the terms or conditions set forth herein.

Authority. By their signatures below, the parties hereto represent and warrant to each other that they have all necessary authority to enter into this Agreement. Each party hereto represents and warrants that the party is entering into this Agreement solely for the purposes and consideration set forth herein.

Counterpart Execution. This Agreement may be executed in multiple counterparts, each of which shall be fully effective as an original.

Survival. All covenants, representations, warranties, and agreements of the parties shall survive execution and delivery of this Agreement and shall continue until such time as all the obligations of the parties hereto shall have lapsed in accordance with their respective terms or shall have been discharged in full.

Further Assurance. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the intent of this Agreement.

Complete Defense. Franchisee acknowledges that this Agreement shall be a complete defense to any claim released under the terms of Section 1 of this Agreement and hereby consents to the entry of a temporary or permanent injunction to end the assertion of any such claim.

Attorneys' Fees. In the event that Franchisor institutes legal proceedings of any kind to enforce this Agreement, Franchisee agrees to pay all costs and expenses associated therewith, including, but not limited to, all attorneys' fees.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date indicated below.

FRANCHISOR:

All Tune Franchising, LLC,
a Texas limited liability company

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

FRANCHISEE:

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

OWNERS:

Date: _____

Date: _____

Date: _____

[See Additional Note:

- 1. Add signature blocks for any additional parties identified pursuant to Section 1]**

EXHIBIT G
MANUAL TABLE OF CONTENTS



Confidential Operations Manual

(208 Total Pages)

Introduction.....	1	(2 pages)
Opening Procedures	3	(29 pages)
Recruiting	32	(52 pages)
Operations.....	84	(60 pages)
Customer Relations.....	144	(26 pages)
Advertising.....	170	(26 pages)
Accounting	196	(13 pages)

EXHIBIT H

LIST OF STATE ADMINISTRATORS

EXHIBIT H

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a “franchise” in some or all of the following states, in accordance with the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA

Department of Financial Protection
and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013 2344
(213) 576-7500 / Toll Free: (866) 275-2677
Email: ASK.DFPI@dfpi.ca.gov
Website: <http://www.dfpi.ca.gov>

FLORIDA

Department of Agriculture and Consumer
Services
Mayo Building, 2nd Floor
Tallahassee, Florida 32399

HAWAII

Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Chief, Franchise Bureau
Attorney General's Office
500 South Second Street
Springfield, Illinois 62706

INDIANA

Securities Commissioner
Indiana Securities Division
302 West Washington Street
Room E 111
Indianapolis, Indiana 46204

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202 2020

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn.: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913

MINNESOTA

Franchise Examiner
Minnesota Department of Commerce
85 7th Place East
Suite 280
Saint Paul, Minnesota 55101

NEBRASKA

Nebraska Department of Banking and Finance
Bureau of Securities
Financial Institutions Division
1526 K Street, Suite 300
Lincoln, Nebraska 68508

NEW YORK

Assistant Attorney General
New York Department of Law
Investment Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005

NORTH DAKOTA

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor
Bismarck, North Dakota 58505-0510

OREGON

Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310

RHODE ISLAND

Securities Division
Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex - Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Franchise Administrator
Department of Labor and Regulation
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

TEXAS

Statutory Document Section
Secretary of State
P.O. Box 12887
Austin, Texas 78711

UTAH

Director
Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
P.O. Box 45804
Salt Lake City, Utah 84145

VIRGINIA

State Corporation Commission
Division of Securities
and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219

WASHINGTON

Department of Financial Institutions
Securities Division
PO Box 41200
Olympia, WA 98504-1200

WISCONSIN

Franchise Administrator
Division of Securities
Department of Financial Institutions
201 West Washington Avenue, Suite 300
Madison, Wisconsin 53703

EXHIBIT I
AGENTS FOR SERVICE OF PROCESS

EXHIBIT I

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

Department of Financial Protection
and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013-1105
(213) 576-7500 / Toll Free: (866) 275-2677
Email: ASK.DFPI@dfpi.ca.gov
Website: <http://www.dfpi.ca.gov>

HAWAII

Commissioner of Securities
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

INDIANA

Secretary of State
201 State House
200 West Washington
Indianapolis, Indiana 46204

MARYLAND

Maryland Securities Commissioner
Maryland Division of Securities
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN

Michigan Department of Commerce
Corporations and Securities Bureau
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933

MINNESOTA

Commissioner of Commerce
85 7th Place East
Suite 280
Saint Paul, Minnesota 55101

NEW YORK

Secretary of State of
The State of New York
99 Washington Avenue
Albany, New York 12231

NORTH CAROLINA

Secretary of State of North Carolina
2 South Salisbury Street
Raleigh, North Carolina 27603

NORTH DAKOTA

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – 5th Floor
Bismarck, North Dakota 58505-0510

OREGON

Director
Department of Consumer and
Business Services
Division of Finance and
Corporate Securities
Labor and Industries Building
Salem, Oregon 97301

RHODE ISLAND

Director
Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex - Building 69-1
Cranston, Rhode Island 02920

SOUTH DAKOTA

Director
Department of Labor and Regulation
Division of Insurance
Securities Regulation
124 Euclid, Suite 104
Pierre, South Dakota 57501

VIRGINIA

Clerk of the State
Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

WASHINGTON

Director of Financial Institutions
Securities Division
150 Israel Rd. S.W.
Tumwater, Washington 98501

WISCONSIN

Commissioner of Securities
Wisconsin Securities Commission
201 West Washington Avenue, Suite 300
Madison, Wisconsin 53703

EXHIBIT J

STATE-SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

**ADDENDUM TO ALL TUNE FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

1. Item 5 is amended to state that based upon franchisor's financial condition, the Maryland Securities Commissioner requires that franchisor defer the payment of the initial franchise fee and all other initial payments until all of franchisor's material pre-opening obligations have been satisfied and until franchisee opens for business and is operating.
2. The Summary column for Item 17.v., "Choice of Forum," is amended as follows:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law ("Law"). Except for any rights a franchisee has under the Law to bring suit in Maryland for claims arising under the Law, mediation of disputes which are subject to mediation will be held at our corporate headquarters. Except as otherwise required by the Law, venue for all proceedings arising under the Franchise Agreement is the state, county, or judicial district where our principal place of business is located, unless otherwise brought by us.
3. Item 17.c., "Requirements for franchisee to renew or extend" and Item 17.m. "Conditions for franchisor's approval of transfer" are amended by the addition of the following:

The Code of Maryland Regulations COMAR 02.02.08.16L., states that a general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law. This may affect the enforceability of certain provisions in the Franchise Agreement relating to renewal, sale, assignment, or transfer of the Franchise Agreements.
4. Item 17 is amended to add the following note at the end of that Item:

If the Franchise Agreement contains a limitations of claims provision, such provision will not act to reduce the three-year statute of limitations period afforded a franchisee under Section 14-227(e) of the Maryland Franchise Registration and Disclosure Law ("Law") for claims arising under the Law.
5. The following is added as the last paragraph of Item 17:

A provision in the Franchise Agreement which terminates the agreement upon your bankruptcy may not be enforceable under Title 11, United States Code Section 101.
6. 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.

Each provision of this addendum is effective only to the extent that the jurisdictional requirements of the laws described above, with respect to each provision of the law, are met independent of this addendum. This addendum will have no force or effect if such jurisdictional requirements are not met.

EXHIBIT K

STATE EFFECTIVE DATE SUMMARY PAGE

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
Maryland	[Pending]

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT L
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 All Tune Franchising, LLC ("All Tune") offers you a franchise, All Tune must provide this disclosure document to you 14 calendar days before you sign a binding agreement with us, or make a payment to us, in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state laws in (a) Connecticut and Michigan require us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, (b) New York requires us to provide you the 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, the franchisor or an affiliate in connection with the proposed franchise sale, and (c) Iowa and Maine require us to provide you the disclosure document at the earlier of the first personal meeting or 14 days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If All Tune does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of Federal and State Law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to your state administrator or state agency as listed on Attachment A to this disclosure document.

The name(s), principal business address and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
John G. Jordan	5608 Parkcrest Drive, Suite 225, Austin, TX 78731	(512) 994-1500
Nancy N. Brown	5608 Parkcrest Drive, Suite 225, Austin, TX 78731	(512) 994-1500

Issuance Date: July 9, 2025, as amended September 11, 2025

I received a disclosure document July 9, 2025, as amended September 11, 2025. The Franchise Disclosure Document included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	List of Centers in Operation
Exhibit D	List of Franchisees Who Have Left the System
Exhibit E	List of Franchisees Who Have Signed a Franchise Agreement But Have Not Opened a Center
Exhibit F	General Release (Transfer)
Exhibit G	Manual Table of Contents
Exhibit H	List of State Administrators
Exhibit I	Agents for Service of Process
Exhibit J	State-Specific Addenda to Franchise Disclosure Document
Exhibit K	State Effective Dates
Exhibit L	Receipts

Dated: _____

Individually and as an Officer of the company designated below or a company to be formed and designated below on formation

Printed Name

of _____
(a) _____ Corporation)
(a) _____ Partnership)
(a) _____ Limited Liability Company)

[Keep this page for your records]

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 All Tune Franchising, LLC ("All Tune") offers you a franchise, All Tune must provide this disclosure document to you 14 calendar days before you sign a binding agreement with us, or make a payment to us, in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state laws in (a) Connecticut and Michigan require us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, (b) New York requires us to provide you the 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, the franchisor or an affiliate in connection with the proposed franchise sale, and (c) Iowa and Maine require us to provide you the disclosure document at the earlier of the first personal meeting or 14 days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If All Tune does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of Federal and State Law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to your state administrator or state agency as listed on Attachment A to this disclosure document.

The name(s), principal business address and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
John G. Jordan	5608 Parkcrest Drive, Suite 225, Austin, TX 78731	(512) 994-1500
Nancy N. Brown	5608 Parkcrest Drive, Suite 225, Austin, TX 78731	(512) 994-1500

Issuance Date: July 9, 2025, as amended September 11, 2025

I received a disclosure document July 9, 2025, as amended September 11, 2025. The Franchise Disclosure Document included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	List of Centers in Operation
Exhibit D	List of Franchisees Who Have Left the System
Exhibit E	List of Franchisees Who Have Signed a Franchise Agreement But Have Not Opened a Center
Exhibit F	General Release (Transfer)
Exhibit G	Manual Table of Contents
Exhibit H	List of State Administrators
Exhibit I	Agents for Service of Process
Exhibit J	State-Specific Addenda to Franchise Disclosure Document
Exhibit K	State Effective Dates
Exhibit L	Receipts

Dated: _____

Individually and as an Officer of the company designated below or a company to be formed and designated below on formation

Printed Name

of _____
(a) _____ Corporation)
(a) _____ Partnership)
(a) _____ Limited Liability Company)

[Sign and Return This Page]