



## FRANCHISE DISCLOSURE DOCUMENT

G-FORCE Franchise Group LLC  
A New Hampshire Limited Liability Company  
13 Columbia Drive, Suite 19  
Amherst, New Hampshire 03031  
Tel: (844) 464-3672  
info@GoGForce.com  
www.gogforce.com

The franchise that we offer is exclusively available to honorably discharged U.S. military veterans, active duty and active guard or reserve military service members for a business that provides parking lot striping, pavement marking and asphalt maintenance, epoxy floor marking, membranes and sealing, surface grinding, shot blasting, paint removal, and repair services and products using our system under the G-FORCE marks (each, a “Franchised Business” or a “G-FORCE Business”).

The total investment necessary to begin operation of a G-FORCE Business under a franchise agreement ranges from \$47,750 to \$153,250. This includes an initial franchise fee that ranges from \$20,000 to \$57,500 that must be paid to the franchisor or its affiliate.

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

You may wish to receive your disclosure document in another form that is more convenient for you. To discuss the availability of disclosures in different forms, contact John Child, G-FORCE Franchise Group LLC, 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031 and (844) 464-3672.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire 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-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: March 22, 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
<b>How much can I earn?</b>	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 F and G.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business</b>	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only G-FORCE business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a G-FORCE franchisee?</b>	Item 20 or Exhibits F and G list current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 A.

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 New Hampshire. 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 New Hampshire than in your own state.
2. **Financial Condition.** The franchisor's financial condition as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
3. **Mandatory Minimum Payments.** You must make minimum royalty payments, regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise and loss of your investment.

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



## NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

The Michigan Franchise Law states in Sec. 445.1527, Sec. 27 that each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (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 five 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 six 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 sub-franchisor.
  - (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.

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

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

Any questions regarding this notice should be directed to:

State of Michigan  
Department of Attorney General  
CONSUMER PROTECTION DIVISION  
Attention: Antitrust & Franchise  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48909  
Telephone Number: (517) 373-7117

G-FORCE®  
FRANCHISE DISCLOSURE DOCUMENT

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

G-FORCE Franchise Group LLC, the franchisor of the G-FORCE franchise is referred to in this franchise disclosure document (the “Disclosure Document”) as “we”, “us” or “our” as the context requires. A franchisee is referred to in this Disclosure Document as “you” and “your” as the context requires. If you are a corporation, partnership, or other legal entity (a “Corporate Entity”), our Franchise Agreement will also apply to your individual owners, shareholders, members, officers, directors, and other principals.

**The Franchisor**

We are a limited liability company established under New Hampshire law on June 16, 2017. Our business address is 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031. We conduct business under our corporate name G-FORCE Franchise Group LLC and under the G-FORCE trade name. We also conduct business under the FIELD OPS trade name. Our business is operating the G-FORCE and FIELD OPS franchise systems and granting franchises to third parties like you to develop and operate a G-FORCE or FIELD OPS Business. We began offering G-FORCE franchises as of February 5, 2018, and began offering FIELD OPS franchises as of December 2021. FIELD OPS franchises are offered under a separate disclosure document. Other than as discussed above, we are not in any other business, we have not conducted business in any other line of business, and we have not offered or sold franchises in any other line of business. Although we have never operated a business similar to the Franchised Businesses offered, our President John S. Child previously owned and managed businesses similar to the Franchised Business. Our President John S. Child was the owner, operator and President of Black Dawg Sealcoat LLC, a pavement maintenance business, Yellow Dawg Striping LLC, a parking lot striping business, and Black Dawg Franchise Group LLC, the franchisor of Black Dawg Sealcoat and Yellow Dawg Striping franchises from 2005 through 2012. Other than as disclosed above, we do not have any predecessors and we do not have any parent companies. Our registered agents for service of process are disclosed in Exhibit B of this Disclosure Document.

**The Franchised Business**

We have developed and presently license a system (the “System”) for the operation of a business that provides services including, but not limited to, parking lot striping (our primary service), pavement marking services, surface marking services, warehouse floor markings, floor coatings, parking lot sign installation, thermoplastic markings, wheel stop installation, pressure washing, parking lot sweeping, asphalt maintenance, asphalt sealcoating, asphalt crack sealing, asphalt repairs, paving, shot blasting, surface grinding, paint removal, concrete membranes, concrete sealing (the “System Services and Products”). The System is presently identified by the G-FORCE trademark, the G-FORCE logo and such other tradenames, trademarks, service-marks, logotypes, and commercial symbols as we may designate, modify, and adopt from time to time for use in the System and as same may or may not be registered with the United States Patent and Trademark Office (collectively referred to as the “Licensed Marks”).

The System features the prominent display of our Licensed Marks and trade dress in the establishment and operation of the Franchised Business. We refer to businesses in our System as “G-FORCE Businesses” and we refer to the G-FORCE Business that you will develop and operate as either “your G-FORCE Business” or the “Franchised Business”. You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E (the “Franchise Agreement”) to develop and operate the Franchised Business within an operating territory and in conformity with the requirements of our System. The System includes System Services and Products that we currently designate and that we may modify, add to, or discontinue from time to time, and our proprietary specifications, methods and procedures for the preparation, service, marketing and sale of System Services and Products by the Franchised Business. The System also features and requires, as designated by us, your exclusive use of certain equipment, materials, and supplies designated by us (collectively, the “System Equipment and Supplies”). On an on-going basis,

you are required to purchase the System Equipment and Supplies through us, our affiliates, or our designated approved suppliers. The System also requires that you operate the Franchised Business in conformity with the specifications, procedures, criteria, and requirements that we designate in our confidential operations manual and other proprietary manuals that we may designate and loan to you and, as we may, from time to time, supplement and modify the operations manual and other manuals (collectively, the “Manuals”).

If permitted by law, you may administratively operate the Franchised Business from your home in a home office. We do not require that you lease a commercial office for the operations of the Franchise Business but, if you elect to do so, the commercial office must be located within your Operating Territory, be approved by us, and conform to our standards and specifications. If you elect to lease a commercial office, in this Disclosure Document we refer to your commercial office space as your “Administrative Office.”

### **Franchise Agreement**

You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E to develop and operate the Franchised Business within an operating territory and in conformity with the requirements of our System. At the time of signing the Franchise Agreement we will designate a geographic area comprising your operating territory (See, Item 12 of this Disclosure Document for additional information on the operating territory) and your rights in the System will be limited to offering and providing our approved System Services and Products within your operating territory and using only our System Equipment and Supplies.

### **Our Affiliates**

#### **Veteran Franchise Group LLC**

Our affiliate, Veteran Franchise Group LLC, dba Veteran Service Brands, is a New Hampshire limited liability company organized on September 20, 2021. This affiliate maintains a principal business address at 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031. This affiliate assists with recruitment of new franchisees along with business development for us.

#### **MACH ONE Franchise Group LLC**

Our affiliate, MACH ONE Franchise Group LLC, is a New Hampshire limited liability company organized on May 24, 2021. This affiliate maintains a principal business address at 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031. This affiliate does not provide products or services to franchisees. This affiliate has operated the MACH ONE franchise system since October 2021.

#### **PAINT CORPS Franchise Group LLC**

Our affiliate, PAINT CORPS Franchise Group LLC, is a New Hampshire limited liability company organized on November 1, 2021. This affiliate maintains a principal business address at 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031. This affiliate does not provide products or services to franchisees. This affiliate has operated the PAINT CORPS franchise system since October 2021.

### **Market and Competition**

The general market for the services and products offered by the Franchised Business includes businesses that maintain or own parking facilities. The market for parking lot striping, and pavement marking services is highly competitive and well developed. You will be competing with other businesses that offer pavement marking services, parking lot striping services and other marking services such as warehouse striping, athletic field marking, and paving services. Our services and products, depending on the location of your operating territory may be seasonal in nature. The services provided by the Franchised Business are provided outdoors and are dependent on favorable weather conditions and seasonal issues. Depending on the geographic location of your operating territory, your Franchised Business may be seasonal.

### **Industry Specific Laws**

Many states and local jurisdictions have laws, rules, and regulations that may apply to the Franchised Business, including federal, state, and local rules and regulations related to health and safety requirements directly related to the services provided by your G-FORCE Business. Certain health and safety risks are associated with the performance of the services of a G-FORCE Business, including, but not limited to, the handling of equipment and hand tools, the operation of equipment that generates high temperatures and pressures and the use of certain chemicals and materials. It is your sole responsibility to assume all risks and institute personnel safety procedures associated with your G-FORCE Business.

You must evaluate and you must obtain the necessary licenses, certification, permits and approval necessary to establish and operate a G-FORCE Business as certain states and/or jurisdictions may require special licensing and/or certifications. You must investigate all of these laws. You must check your state, county and local jurisdiction about these rules and regulations, and you should consult with your own legal advisor before buying a G-FORCE Business.

You will also be subject to federal and state laws and regulations that apply to businesses generally, including rules and regulations involving employment practices, wage and hour laws, immigration, and employment laws. You must review federal minimum wage and overtime laws, as well as similar laws within your state to ensure compliance with labor and wage laws currently in existence and those that may later be adopted. You should consult with your attorney concerning these and other local laws, rules and regulations that may affect the operation of the Franchised Business.

## **ITEM 2** **BUSINESS EXPERIENCE**

### **John S. Child, President**

John Child is our founder and President, and he has served in this role since our formation on June 16, 2017. Mr. Child has been the co-founder and President of Paint On the Ground Inc. dba G-FORCE Parking Lot Striping of SoCal since February of 2024 and continues to this date. Mr. Child has been the co-founder and Vice President of PAINT CORPS Franchise Group LLC since November of 2021 and continues to this date. Mr. Child has been the co-founder and Vice President of MACH ONE Franchise Group LLC since May of 2021 and continues to this date. Mr. Child has been the co-founder of Veteran Franchise Group LLC dba Veteran Service Brands since October of 2021 and continues to this date. From June 2017 to December 2019, Mr. Child was President of Captain Jack Consulting, LLC, where he managed the operations of this affiliate's G-FORCE company unit. That business was sold and converted to a franchise in 2019. From 1989 to April 2021, Mr. Child served as a pilot for Delta Air Lines.

### **Jason Sperry, Chief Operations Officer**

Jason Sperry is our Chief Operations Officer and has served in this role since January 2, 2024. From June 2004 until the present, Mr. Sperry has served as an active duty Marine in the United States Marine Corps. in Camp Lejeune North Carolina.

### **Vishal Munusami, Director of Training**

Vishal Munusami was our very first franchisee, operating G-FORCE Parking Lot Striping of Tampa since September 2018. From December 2021 and continuing to date, Mr. Munusami was the owner of a MACH ONE franchise in Tampa, Florida. Initial franchisee training will be accomplished in Tampa, Florida by Mr. Munusami.

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Rachel Pitts, Vice President of Operations

Rachel Pitts is our Vice President of Operations and has served in this role since April 2022. From June 2021 to April 2023, Mrs. Pitts served as a Client Success Manager for Victory as a remote employee at Fort Leonard Wood, Missouri. Mrs. Pitts served as the Program Director for the United States Marine Corps at Marine Corps Air Station, Yuma, Arizona, from July 2019 to June 2021.

John Kling, Vice President of Business Development

John Kling is our Vice President of Business Development and National Accounts and has served in this role since September 1, 2022. Mr. Kling owned Edwards Appraisal Group, a real estate appraisal company, from July 2018 until he sold the business in September of 2022.

Craig Laquerre, Consultant

Craig Laquerre is the Co-Owner of Paint On the Ground Inc. dba G-FORCE Parking Lot Striping of SoCal since February of 2024. Mr. Laquerre is the Owner of Braden Parking Services Inc., which manages G-FORCE Parking Lot Striping of SoCal since February of 2024. Mr. Laquerre has served as the co-founder and Vice President of PAINT CORPS Franchise Group LLC since November of 2021. Mr. Laquerre has been the co-founder and Vice President of MACH ONE Franchise Group LLC since May of 2021. Mr. Laquerre has served as the co-founder of Veteran Franchise Group LLC dba Veteran Service Brands since October of 2021. Mr. Laquerre, the sole owner of Braden Consulting LLC, has been our consultant and franchise sales representative since July 2020. From May 2011 through June 2020, Mr. Laquerre owned and operated Yellow Dawg Striping of West Central Florida, and from January 2014 to June 2020, Mr. Laquerre owned and operated Jet-Black Sealcoating of Tampa Bay.

**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 FEES**

When you sign a Franchise Agreement you must pay to us a non-refundable (the “Initial Franchise Fee”). The Initial Franchise Fee is \$20,000 for a geographic operating territory that includes a population of approximately 750,000 to 1,500,000 individuals (a “Standard Operating Territory”). The Initial Franchise Fee is fully earned by us upon payment in a lump sum and represents consideration for an operating territory as referenced in Item 12 of this Disclosure Document. In certain limited markets, subject to our discretion, if you purchase a Standard Operating Territory, at the time of signing your Franchise Agreement, you may add up to three additional zones of approximately 750,000 individuals (each a “Zone”) for an additional initial franchise fee of \$10,000 per Zone. If you sign a Franchise Agreement for a Standard Operating Territory that has been supplemented by three Zones and you wish to increase the size of your operating territory by adding additional individuals, you may, subject to market type, availability, and our discretion, increase your operating territory by up to an additional 500,000 individuals. If you increase your operating territory in accordance with the foregoing, your Initial Franchise Fee will be increased by 1.5 cents for each additional individual added to and located within your operating territory at the time you sign the Franchise Agreement. The method we use to calculate the Initial Franchise Fee is uniform for all franchises we offer through this Disclosure Document.

Below is a breakdown of all Initial Franchise Fee options:

Territory Type	Initial Franchise Fee
Standard Operating Territory	\$20,000
Standard Operating Territory Plus One Additional Zone	\$30,000
Standard Operating Territory Plus Two Additional Zone	\$40,000
Standard Operating Territory Plus Three Additional Zone	\$50,000
Standard Operating Territory Plus Three Additional Zones and 500,000 additional individuals	\$57,500

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**ITEM 6**  
**OTHER FEES**

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty (Notes 2 and 3)	<p>7% of Gross Sales of \$0 to \$499,999, 6% of Gross Sales of \$500,000 to \$999,999, 5% of Gross Sales of \$1,000,000 and greater, per calendar year</p> <p>Subject to minimum royalty requirements</p>	Due monthly on the 10 <sup>th</sup> of each month and, if applicable, the supplemental royalty fee is due on January 30 <sup>th</sup> of each applicable year	<p>This payment will be debited automatically from your business bank through ACH. This fee is not refundable.</p> <p>The monthly Royalty Fee is subject to minimum monthly Royalty Fee requirements that vary depending on the type and size of your operating territory (effective after the first year of operation). If the amount of the monthly Royalty Fees that you pay to us during a calendar year is less than the aggregate of your minimum monthly royalty requirements, then you must pay to us a supplemental royalty fee on January 30<sup>th</sup> following each calendar year in which a supplemental royalty fee became due. See Notes 2 and 3.</p>
Brand Development Fund (Note 4)	0.5% of Gross Sales during months 7 to 12; 1% of Gross Sales during months 13 to 18; 1.5% of Gross Sales during months 19 to 24; and 2% of Gross Sales beginning in month 25 and thereafter; not to exceed \$10,000 each calendar year.	Due monthly on the 10 <sup>th</sup> of each month	This fee is waived the first 6 months after you sign a franchise agreement. This payment will be debited automatically from your business bank through ACH. See, Note 4.
Local Marketing (Note 5)	4% of monthly Gross Sales, but not less than \$12,000 per year.	As incurred	You must spend 4% of your Gross Sales on pre-approved marketing within your Operating Territory, but not less than \$12,000 per year if your Operating Territory is a Standard Territory.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Technology Support (Note 6)	Currently a monthly fee of \$395 per month for months 3-12, \$495 per month for months 13-24, thereafter based on usage, but not more than \$750 per month	Due monthly on the 10 <sup>th</sup> of each month	This payment will be debited automatically from your business bank through ACH. See, Note 6. This fee is not charged during the first two months.
Toll Free Number Support and Call Forwarding (Note 7)	Depends on System usage, but not to exceed \$50 per month	Due monthly on the 10 <sup>th</sup> of each month	This payment will be debited automatically from your business bank through ACH. See, Note 7.
Answering Service (Note 8)	As determined by us and varies depending on call volume. Currently up to \$600 per month during the first three months	When invoiced	This payment will be debited automatically from your business bank through ACH. See, Note 8.
Customer Service and Refunds (Note 9)	Varies under the circumstances	On demand	This payment will be debited automatically from your business bank through ACH. See, Note 9.
National Account Administration (Note 10)	Up to 15% of Gross Sales, but not less than \$100 per invoice	When invoiced	If Franchisor's affiliate or parent company serves as a point of contact and/or billing source for the National Account, Franchisee shall pay a fee in an amount of up to 15% of the Gross Sales that Franchisee receives or is entitled to receive from the National Account, and not less than \$100 per invoice furnished to the National Account. The National Account Administration Fee shall be in addition to all other fees that Franchisee is required to pay.
Contact Center (Note 11)	Up to the greater of 0.5% of Gross Sales or \$500 per month	Due monthly on the 10 <sup>th</sup> of each month	We have not implemented a Contact Center and do not presently charge a Contact Center Fee, but reserve the right to do so in the future.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Social Media Management (Note 12)	Up to \$200 per month, not currently assessed	Due monthly on the 10 <sup>th</sup> of each month	This payment will be debited automatically from your business bank through ACH.
Remedial Quality Control Inspection Fee	\$600 per day plus travel and lodging	On demand	If customer complaints are not timely resolved this fee is charged if we elect to conduct a quality control inspection. You must also reimburse us for our expenses including travel and accommodations.
Initial Training for Additional Employees	Our then current training fee, plus expenses, our current fee is \$600 per person per day	On demand	Under our pre-opening initial training program, we will train you or your Managing Owner and one of your designated managers at no additional charge. If you request that we provide our initial training program to additional managers, either before or after the opening of the Franchised Business, you must pay our then current training fee. Initial training is conducted at facilities that we designate, and you must pay for all other expenses of your trainees, including salary, travel, and accommodations.
Operational Assistance / Supplemental On-Site Training	Our then current daily rate per trainer, plus expenses. There is a two days minimum for assistance. Our current daily trainer rate is \$600 per day plus travel and lodging	On demand	Following participation in our initial training program and the opening of the Franchised Business, if you request that we provide training or assistance on-site at your within your Operating Territory, you must pay our then current fee for each trainer. You must also reimburse us for our trainer(s) expenses including travel and accommodations.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Annual System Conference Fee (Note 13)	\$750 per Annual System Conference, beginning with second Annual System Conference	On demand, prior to conference	This payment will be debited automatically from your business bank through ACH. This fee will not be charged for the first Annual System Conference, so long as you attend. If you do not attend an Annual System Conference, we will charge you an Annual System Conference Attendance Fee in the amount of \$1,000 for your first missed Annual System Conference and \$1,200 for any additional missed Annual System Conferences. See, Note 12.
Royalty Payment Late Charge	\$150 per occurrence	On demand	Applies to past due payments of royalty fees.
Royalty Reporting Charge	\$50 for the first and second late submittals within any calendar year; (b) \$100 for the third and fourth late submittals within any calendar year; (c) \$150 for the fifth and sixth late submittals within any calendar year; and (d) \$200 for each late submittal over and above the sixth late submittal within any calendar year.	On demand	If you fail to timely submit to us a complete and accurate royalty report due monthly on the 10th of each month for the preceding accounting month, you will be required to pay a royalty reporting charge.
Financial Reporting Late Charge	\$100 per occurrence	On demand	If you fail to timely submit to us your unaudited quarterly profit and loss statement and balance sheet within 60 days of the end of each calendar year quarter, you will be required to pay a fee of \$100.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Interest Charges	The lesser of 18% per annum or the maximum legal rate allowable by the State in which your Franchised Business is located	On demand	Applies to past due payments of royalty fees, brand development fund fees, advertising fund fees and all other fees, charges, interest, and payments due to us from you. Interest begins to accrue on the date that any payment is due from you to us.
Review and Audit	Actual costs	On receipt of invoice	You must pay to us the costs that we incur in reviewing and auditing your records if the review and/or audit performed by us results in a finding that you failed to comply with the terms of your Franchise Agreement. These fees include the actual costs that we incur including fees for accountants, attorneys, administrative staff, travel, meals, and lodging expenses.
Transfer	\$15,000	Prior to the date of transfer	All transfers are subject to our approval and require the transferee's eligibility as a veteran and satisfaction of our training requirements.
Renewal	\$5,000	Upon signing renewal Franchise Agreement	If we approve renewal of your Franchise Agreement, at the time of renewal, you will be required to sign our then current Franchise Agreement and pay the renewal fee.
Collection Costs and Attorney Fees	Amount incurred by us to collect unpaid royalty fees and other fees or sums due from you to us	On demand	Includes fees and expenses incurred by us, including legal demands and litigation, related to your breach of the Franchise Agreement, including attorney fees, deposition expenses, expert witness fees, accounting fees and filing fees.
NSF Check Fee of Failed Electronic Fund Transfer	5% of amount or \$50, whichever is greater, or maximum fee allowed by law	On demand	Applies to payment of Royalty Fees and Advertising Contributions and any other payments to us.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Non-Compliance	Amount of fees, costs and/or expenses that we incur in connection with your non-performance of your obligations under the Franchise Agreement. Includes attorneys' fees	Within 14 days of our invoice	You must pay to us and reimburse us for all costs, fees, and expenses that we incur as a result of or in connection with your breach of the Franchise Agreement. This includes legal, mediation, and arbitration fees, expenses, and costs that we incur and legal fees that we incur with outside legal counsel and costs associated with services and work performed by our own in-house legal staff.
Supplier Review	Our actual costs to review a supplier suggested by you	Within 14 days of invoice	As determined by us, in our reasonable business judgment. We may require your submission of samples and specifications.

Explanatory Notes to Item 6  
“Other Fees”

Note 1: Type of Fee / Fees Payable – The above table describes fees and payments that you must pay to us or our affiliates, or which we or our affiliates may impose or collect on behalf of a third party. All fees are recurring, payable to us, and are not refundable unless otherwise noted. All fees payable to us shall be payable subject to our specification and instruction, including, our election to have all fees automatically drafted from your business bank account or automatically debited or charged to your business bank account.

You will be required to sign an ACH Authorization Form (Franchise Agreement, Exhibit 7) permitting us to electronically debit your designated bank account for payment of all fees payable to us (other than the Initial Franchise Fee) as well as any amount owed to us or our affiliated for goods or services. You must deposit all Gross Sales of your G-FORCE Business into the designated bank accounts that are subject to our ACH authorization. You must install and use, at your expense, the pre-authorized payment, point of sale, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your G-FORCE Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

Note 2: Royalty Fees and Supplemental Royalty Fees – You must pay to us a continuing royalty fee (the “Royalty Fee”). The continuing Royalty Fee is a monthly fee based on a percentage (the “Royalty Rate”) of the monthly Gross Sales (defined below) of the Franchised Business and is subject to a monthly minimum Royalty Fee requirement (the “Monthly Minimum Royalty Fee Requirement”). When calculating the Royalty Fee applicable to your monthly Gross Sales we apply the applicable Royalty Rate which is determined by the Franchised Businesses’ then current level of calendar year annual Gross Sales. The applicable Royalty Rate is then applied to the Gross Sales for the applicable month to determine your monthly Royalty Fee.

The applicable Royalty Rate, and the Royalty Fee that you will be required to pay to us, will be as follows: for Gross Sales of \$0.00 to \$499,999, the Royalty Fee will be 7% of such Gross Sales; for Gross Sales of

\$500,000 to \$999,999 the Royalty Fee will be 6% of such Gross Sales; for Gross Sales of \$1,000,000 and greater, the Royalty Fee will be 5% of such Gross Sales. The foregoing Gross Sales data relates exclusively and only to the determination of the applicable Royalty Rate in calculating and determining monthly Royalty Fees and is not a financial performance representation or sales projection of any kind.

If any federal, state or local tax other than an income tax is imposed on the Royalty Fee or Supplemental Royalty Fee which we cannot directly and, dollar for dollar, offset against taxes required to be paid under any applicable federal or state laws, you must compensate us in the manner prescribed by us so that the net amount or net effective rate received by us is not less than that which has been established by the Franchise Agreement and which was due to us on the effective date of the Franchise Agreement.

In calculating and determining the applicable Royalty Rate, Gross Sales cannot be combined between multiple G-FORCE Businesses and the Gross Sales for each respective calendar year do not and shall not carry-over into any subsequent calendar year. The Gross Sales levels achieved by your Franchised Business in any calendar year do not and shall not carry-over or be included as Gross Sales for any subsequent calendar year. At the beginning of each calendar year throughout the Term of this Agreement, the Royalty Rate will reset to 7%.

On an annual calendar year basis, if the aggregate amount of the monthly Royalty Fees paid by you during the calendar year does not equal or exceed the aggregate of your Monthly Minimum Royalty Fee Requirements during the calendar year, then you must pay to us the difference as a supplemental royalty fee (the "Supplemental Royalty Fee"). The Supplemental Royalty Fee is calculated as the difference between the aggregate amount of the Monthly Minimum Royalty Fee Requirements applicable to the particular calendar year, less the aggregate amount of the monthly Royalty Fees that you paid to us during the calendar year.

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Monthly Minimum Royalty Fee Requirements			
Months	Standard Operating Territory	Standard Operating Territory + One Zone	Standard Operating Territory + Two or More Zones
Months 1 through 12*	\$0 per month	\$0 per month	\$0 per month
Months 13 through 24	\$700 per month	\$1,000 per month	\$1,300 per month
Months 25 through 36	\$900 per month	\$1,200 per month	\$1,500 per month
Months 37 through 48	\$1,100 per month	\$1,400 per month	\$1,700 per month
Months 48 and after	\$1,300 per month	\$1,600 per month	\$1,900 per month
<p>Each month is counted commencing on the first day of the month following the effective date of your Franchise Agreement such that “Month 1” is the first full month following the date of signing the Franchise Agreement.</p> <p>If you enter into a Renewal Franchise Agreement with us, the Minimum Monthly Royalty Fee Requirement in the Renewal Franchise Agreement will not be less than the amount shown for “Months 48 and after” in the table above and will be the highest monthly charge for the Minimum Monthly Royalty Fee as defined in the Renewal Franchise Agreement.</p> <p>*The Minimum Monthly Royalty Fee Requirements are not imposed during the first 12 months after the Effective Date of your Franchise Agreement. However, you are still responsible for all Royalty Fees incurred by you during the first 12 months after the Effective Date of your Franchise Agreement.</p>			

**Note 3: Gross Sales** – “Gross Sales” means the total dollar sales from all business and customers of your G-FORCE Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by you in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by you or any other person or Corporate Entity from business conducted or which started in, on, from or through your G-FORCE Business and/or your operating territory, whether such business is conducted in compliance with or in violation of the terms of the Franchise Agreement. Gross Sales include the total gross amount of revenues and sales from whatever source derived from and/or derived by you (including any person and/or Corporate Entity acting on your behalf) from business conducted within and/or outside your operating territory that is related to your G-FORCE Business and/or a competitive business located and/or operated within your operating territory, outside your operating territory, and/or otherwise. Gross Sales do not include sales or use taxes collected by you.

**Note 4: Brand Development Fund** – You must pay to us a continuing brand development fund fee (the “Brand Development Fund Fee”). The Brand Development Fund Fee is 0.5% of your Gross Sales during months 7 to 12 of operations; 1% of your Gross Sales during months 13 to 18 of operations; 1.5% of your Gross Sales during months 19 to 24 of operations; and 2% of your Gross Sales beginning in month 25 of operations and continuing thereafter. The total Brand Development Fund Fee that we collect from you will not exceed \$10,000 each calendar year. The Brand Development Fund Fee will not be charged for the first six months of the term of the Franchise Agreement.

**Note 5: Local Marketing** – On an ongoing calendar year basis, you must spend not less than 4% of your yearly Gross Sales on the local marketing of your Business within your Operating Territory and in accordance with our standards and specifications, but not less than \$12,000 per calendar year if your Operating Territory is a Standard Territory.



Note 6: Technology Support Fee – The continuing monthly technology support fee is an administrative fee used to support our technology suite which includes QuickBooks Online, our custom franchise quoting program, our franchise support systems, maintenance of two System email accounts, administrative maintenance of a webpage on the System website dedicated to your G-FORCE Business, and other technology that we designate (the “Technology Support Fee”). Currently, the Technology Support Fee is \$395 per month beginning the third month after the Effective Date of your Franchise Agreement through the 12<sup>th</sup> month after the Effective Date of your Franchise Agreement and \$495 per month beginning the 13<sup>th</sup> month after the Effective Date of your Franchise Agreement through the 24<sup>th</sup> month after the Effective Date of your Franchise Agreement. Beginning in the 25<sup>th</sup> month after the Effective Date of your Franchise Agreement, the Technology Support Fee is based on usage, but will not exceed \$750 per month. The Technology Support Fee is not charged during the initial two months following the execution of your Franchise Agreement but is subject to change if our costs increase or in our Reasonable Business Judgment. We reserve the right to increase the Technology Support Fee at any time provided that the Technology Support Fee will not exceed \$750 per month.

Note 7: Toll Free Number Support and Call Forwarding – The continuing monthly fee covers the cost of services associated with call forwarding and messaging of toll free number. We reserve the right to adjust this fee related to any direct increases in the fees charged to us by service providers. Currently, we allocate the costs we incur for our toll free number equally among all franchisees in the System. This fee is not charged during the initial two months following the opening of your G-FORCE Business.

Note 8: Answering Service – You will be required to engage the services of an answering service if we detect a pattern of missed calls to your Franchised Business. These costs will vary, depending upon call volume, and will be up to \$600 per month during the first three months. We reserve the right to adjust this fee related to any direct increases in the fees charged to us by service providers.

Note 9: Customer Service and Refunds – This fee will be based on the costs incurred by us, including refunds and/or credits that we may undertake on behalf of a customer that was not satisfied with the services or products provided by your G-FORCE Business. You must guarantee your services to your customers. If we determine that your customer is entitled to reimbursement of fees paid to you, we may reimburse your customer directly. You must reimburse us for the amounts that we reimburse your customer.

Note 10: National Accounts Administration Fee – If Franchisor or Franchisor’s affiliate, parent company or designee serves as a point of contact and/or billing source for a National Account, Franchisee shall pay to such party a fee for the administration and/or services provided in connection with the National Account (“National Account Administration Fee”). The National Account Administration Fee shall not exceed 15% of the Gross Sales that Franchisee receives or is entitled to receive from the National Account, and in no event shall be less than \$100 per invoice furnished to the National Account. The National Account Administration Fee shall be in addition to all other fees that Franchisee is required to pay.

Note 11: Contact Center Fee - If we institute a contact center (“Contact Center”) for the purpose of customer engagement, new customer inquiries, scheduling estimates and service visits, responding to customer service issues, and or other customer-related functions, you must pay to us a fee in connection with such Contact Center (“Contact Center Fee”). The Contact Center Fee will not exceed the greater of \$500 per month or 0.5% of your Gross Sales. Currently, we do not have a Contact Center and have not instituted a Contact Center Fee, although we reserve the right to do so at any time in the future.

Note 12: Social Media Management – We may, in the future, institute a social media marketing program where we manage or control some or all of your social media marketing. If we do, you will be required to pay us a fee (the “Social Media Management Fee”) to defray our costs in doing so, provided that the Social

Media Management Fee will not exceed \$200 per month. We are not obligated to institute a social media marketing program.

**Note 13: Annual System Conference** – If we establish a franchisee annual conference (“Annual System Conference”) you or your Managing Owner must attend the conference on the dates and at the location that we designate. You will be responsible for all travel, lodging, food, automobile rental expenses and employee wages that you incur in connection with your attendance. We will not charge you an Annual System Conference Attendance Fee for your first Annual System Conference, so long as you attend. Thereafter, you will be required to pay us \$750 for each Annual System Conference that you attend. If you do not attend an Annual System Conference, we will charge you an Annual System Conference Attendance Fee in the amount of \$1,000 for your first missed Annual System Conference and \$1,500 for any additional missed Annual System Conferences.

## **ITEM 7**

### **ESTIMATED INITIAL INVESTMENT**

#### **YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure (Note 1)	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 2)	\$20,000 - \$57,500	Lump sum	When you sign the Franchise Agreement	Us
Equipment Trailer and Initial Striping Equipment (Note 3)	\$11,000 - \$45,000	As billed	As incurred	Approved third party suppliers, subject to our specifications
Computer, Software and System (Note 4)	\$450 - \$1,950	As billed	As incurred	Approved third party suppliers, subject to our specifications
Initial Inventory (Note 5)	\$0 - \$1,000	As billed	Before opening	Approved third party suppliers, subject to our specifications
Storage, Mailbox Rental and/or Lease Deposits (Note 6)	\$0 - \$800	Lump sum	Varies	Third party storage facility or landlord
Insurance Deposits and Premiums (Note 7)	\$1,000 - \$4,000	As billed	Varies	Insurance companies
Travel and Lodging for Initial and Advanced Training (Note 8)	\$500 - \$2,000	As incurred	Before opening	Third party

Professional Fees (Note 9)	\$0 - \$1,800	As billed	Before opening	Third parties, including attorneys, bookkeepers, accountants, and architects
Security Deposits, Utility Deposits, Business Licenses (Note 10)	\$150 - \$1,000	Lump sum	Before opening	Government authorities
Printing, Stationery, Office Supplies and Uniforms (Note 11)	\$650 - \$1,200	As billed	Before opening	Third party
Commercial Vehicle (Note 12)	\$0 - \$5,000	As billed	Before opening	Third party automobile leasing company, manufacturer and/or dealer but subject to our specifications and approval
Commercial Vehicle Wrap (Note 12)	\$5,000 - \$9,500	Lump Sum	Before opening	Approved third party suppliers, subject to our specifications and approval
Sightline Airfield Marking Certification (Note 13)	\$1,000 - \$2,500	As incurred	Within 2 Years	Approved third party supplier
Additional Funds – Initial Period of Three Months (Note 14)	\$8,000 - \$20,000	As incurred	Before opening	Us, approved vendors, employees, and other providers of services and/or goods necessary for the operation of the Franchised Business
TOTAL	\$47,750 - \$153,250			

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Explanatory Notes to Item 7  
“Your Estimated Initial Investment”

Note 1: About Your Estimated Initial Investment – All fees are non-refundable. We do not offer financing for any part of the initial investment or your initial fees.

Note 2: Initial Franchise Fee – The Initial Franchise Fee for a G-FORCE Business under a Franchise Agreement is \$20,000 for a Standard Operating Territory. If we agree to allow you to supplement and increase the size of your Standard Operating Territory, the amount of the Initial Franchise Fee will be increased by \$10,000 for each additional Zone that you add to your Standard Operating Territory. We must approve of the addition of a Zone or Zones to your Standard Operating Territory at the time of signing the Franchise Agreement and you cannot add more than three additional Zones to a Standard Operating Territory. All fees paid to us for your initial franchise fee are non-refundable. There are no refunds under any other circumstances, including if you breach the Franchise Agreement and we terminate the Franchise Agreement. We do not finance any portion of your initial fees. The low end of this estimate is for a G-FORCE Business with a Standard Operating Territory with no additional Zones. The high end of this estimate is for a G-FORCE Business with a Standard Operating Territory, three additional Zones, and 500,000 additional individuals added to your operating territory at the rate of 1.5 cents per each additional individual.

Note 3: Equipment Trailer and Initial Line Striping Equipment – The lower estimate is for a Standard Territory basic equipment package including trailer, one premium Graco Line Striping Laser-Guided machine and a Line Striper’s starter kit of tools and basic stencil package. The low estimate of \$11,000 also assumes that you will be leasing the equipment and trailer and represents approximate equipment and trailer lease payments for the first six months of operation. The high estimate of \$45,000 assumes an upgrade of the equipment package to include two premium Graco Line Striping machines with advanced electronics and laser technologies, one light duty Graco striping machine (no computer or laser), one Graco Heavy Duty ride-on attachment, plus a Line Striper’s starter kit of tools and stencils, and you will be purchasing this equipment along with the trailer instead of leasing it. Depending on your particular lease terms, your lender, and your credit, your monthly lease payments may vary greatly. This estimate is for the most basic trailer and equipment requirements when starting the Franchised Business. Stencil expenses will continue to accumulate for the first several years and beyond, due to the lack of standardization within the industry. You should expect that you will need to add additional Line Striping machines, trailers, trucks, and other equipment to increase capacity and improve efficiencies of your Franchised Business. This initial equipment package and other equipment may be purchased or leased through a variety of dealers and lenders. These costs are non-refundable but purchased equipment may be resold on the secondary market.

Note 4: Computer, Software and System – You will require at least one office computer with high-speed internet access. We also require that you obtain and use an iPhone to be used solely in connection with your Franchised Business. Your computer and iPhone need not be new but must meet our standards. You may already own an office computer. The lower estimate assumes that you already own an office computer but assumes that you will have to purchase an iPhone.

Note 5: Initial Inventory – You must purchase your initial opening inventory of traffic paints from our approved and designated suppliers. This estimate is only for your initial supply and will vary in relation to the initial volume of business conducted by your Franchise Business. There are no minimum purchase requirements prior to opening.

Note 6: Storage, Mailbox Rental and/or Lease Deposit – There is no requirement to purchase or lease real estate in connection with the ownership and operation of the Franchised Business and, if permitted by law, we recommend that you manage and operate your G-FORCE Business from your home, however, Google

may not recognize your home address for Google Business Listing purposes. This may require you to rent a dedicated office mailbox or shared office space. If you elect to operate the Franchised Business from a commercial office the facility that you select and lease as your Administrative Office, the office should be in a lower rent commercial district (not Class “A” office space) and should permit the management and administrative operation of the Franchised Business. The cost of real estate varies considerably based on the local real estate market and the size and location of the property that you elect to purchase or lease. We do not include in this estimate the costs associated with leasing an Administrative Office as this is optional and at your discretion. An office space is not required, therefore the lower estimate of \$0 is included.

You will need to make accommodations for the storage of your equipment trailer and equipment. If you do not have access to storage for your trailer and equipment, you will need to lease storage space such as at a self-storage facility. This estimate is limited to approximately three months of self-storage facility fees for the storage of your trailer and equipment. This estimate does not include an estimate for lease payments related to a commercial office and assumes that you will be administratively operating the Franchised Business from your home.

Note 7: Insurance Deposits and Premiums – You are required to maintain certain insurance respecting the operations of your G-FORCE Business. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. The cost of your insurance coverage will be based on factors outside of our control. The amount charged for insurance coverage may be significantly more or less than our estimate. This estimate is for the cost of an initial deposit in order to obtain the minimum required insurance. You should check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based on the area in which your G-FORCE Business will be located, your experience with the insurance carrier, the loss experience of the carrier and other factors beyond our control. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 8: Travel and Lodging – Prior to opening your G-FORCE Business you must complete our pre-opening training program. We do not charge a fee for our pre-opening initial training; however, you will incur travel and lodging costs associated with attending our pre-opening training program. You are responsible for the travel, food, and lodging expenses that you and your participating managers will incur when you attend our training program and the salary and benefit costs of your attendees. Costs vary due to distances from your location to our training facility and the quality of the food and lodging you choose. Other factors include seasonal variations in the price of travel and lodging expenses, general economic conditions, and your persistence in obtaining the best prices available.

This estimate is for the cost for you or your Managing Owner and one designated manager (two individuals in total) to attend the initial training program held in Tampa, Florida. We do not charge tuition for training you or your designated Managing Owner and one of your designated managers. You will be responsible for all costs associated with attending the initial training program for you and your staff. The duration of the training program is 32 hours over a period of four days. This estimate does not include the cost of labor. Should we choose to conduct training at your location, you will be responsible for all travel, lodging, meals, and incidental expenses of our instructor(s).

Advanced Training occurs between three and nine months after initial training or, in our discretion, following our annual conference. This training will reinforce initial training basics and introduce more advanced techniques to improve quality and efficiency. At least one representative from your franchised business must attend this two-day course.

Note 9: Professional Fees – These estimates are for costs associated with the engagement of professionals such as attorneys and accountants to advise you prior to the signing of your Franchise Agreement and to

assist with the start-up of your G-FORCE Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity and this Disclosure Document. It is also advisable to consult these professionals to review any lease and other contracts that you will enter into as part of the development and operation of the Franchised Business. Although we recommend you seek assistance with this Disclosure Document, it is not required therefore, the lower estimate of \$0 is included. The high end of this estimate also includes the cost of a bookkeeper for three months at the rate of \$100 per month. We do not require a bookkeeper within your first three months of operation. However, a bookkeeper is recommended. We require you to use a bookkeeper after your sixth month of operations unless we determine, in our sole discretion, that you can perform bookkeeping tasks adequately and without the need of a bookkeeper. If you utilize the service of a bookkeeper, the amounts paid to the bookkeeper will likely increase as the Franchised Business grows.

Note 10: Security Deposits, Utility Deposits and Business Licenses – You must apply for, obtain, and maintain all required permits and licenses necessary to operate the Franchised Business. The licenses will vary depending on local, municipal, county and state regulations. All licensing fees are paid directly to the governmental authorities when incurred and are due prior to opening the Franchised Business. This estimate does not include lease, or other deposits associated with any office facility. If permitted by local law, we recommend that you operate the Franchised Business from your home. If you elect to lease a commercial office facility as your Administrative Office you will incur significantly higher costs and expenses associated with a lease, lease security and pre-paid deposits for utilities.

Note 11: Printing, Stationery, Office Supplies and Uniforms – This estimate is primarily for printing a start-up supply of stationery, business cards, hats, polo shirts and job signs bearing the Licensed Marks and a supply of office materials. This estimate also includes an initial supply of branded hats and polo shirts.

Note 12: Commercial Vehicle and Vehicle Wrap – This estimate is for the first six months' costs of acquiring one vehicle to our specifications to pull the equipment trailer. You may already own a suitable pickup truck; therefore, the lower estimate of \$0 is included (Note: Your truck need not be new but must meet our high standards of appearance; we alone approve the type of vehicle which may be used). If you do not already own a suitable truck, we recommend leasing and the costs listed in this line item are only for the first six months of your lease. Your credit score, lender lease terms and rates, mileage options and manufacturer promotions will affect your monthly costs. Also, you will be required to incur fees and charges for fuel and vehicle cleaning and maintenance. On-going fuel charges and vehicle maintenance charges are not included in this estimate. Your vehicle, whether owned or leased, must be affixed with a vehicle wrap displaying the Licensed Marks to our specifications. You may only operate your G-FORCE Business from branded and wrapped vehicles that we designate and approve. While certain half-ton trucks may be acceptable,  $\frac{3}{4}$  ton trucks will be much better suited for pulling a loaded trailer.

Note 13: Sightline Airfield Marking Certification – Within two years after you begin operation, you must attend the Sightline Airfield Marking training symposium and must obtain a certification in airfield marking. This estimate is for the cost of the symposium as well as travel expenses for one person.

Note 14: Additional Funds – You will need additional capital to support on-going businesses expenses, including business expenses such as payroll, inventory, marketing, rent and utilities. In making this estimate we have not considered and do not estimate sales revenue that you may or may not generate. It is extremely common for new businesses to generate negative cash flow. This estimate is only to cover on-going expenses during the initial start-up phase of the Franchised Business comprised of the first three months following the opening of your G-FORCE Business. This is only an estimate, and we cannot assure you that you will not incur additional expenses during the initial start-up phase or that you will not require additional capital (not included in this estimate) beyond the three month initial start-up phase. There is no assurance

that additional working capital will not be necessary during this start-up phase or after. We have relied on our industry experiences in making this estimate.

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You may only offer and sell the System Services and Products that we designate, and you may only utilize those products, supplies, equipment, ingredients, and services that we authorize and designate in writing. To ensure that our standards and specifications of quality, service and System development are maintained, you must operate your G-FORCE Business in strict conformity with the Franchise Agreement and the methods, standards, specifications, and sources of supply that we designate and prescribe in the Manuals.

#### **Source Restricted Purchases and Leases – Generally**

We require that you purchase or lease certain source restricted goods and services for the development and operation of your G-FORCE Business. Source restricted goods and services are goods and services that must meet our specifications and/or must be purchased from an approved or designated supplier. We may designate a supplier (which may include us or our affiliates) as the exclusive supplier for the System. Our specifications and list of approved and designated suppliers is contained in our Manuals. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, amendments and updates to our Manuals, verbal, and other forms of communication. We formulate and modify our standards and specifications for products and services based on our industry experience and our management decisions as to the overall operation and expansion of the System. If we have previously approved a supplier, and their standards fall below our designated standards, we will revoke our approval. We will notify you in writing of us revoking our approval.

#### **Suppliers and Supplier Criteria**

We may designate ourselves and our affiliates as exclusive suppliers of source restricted goods and services. We may designate ourselves or a third party as exclusive supplier irrespective of the existence of competing suppliers. If there is no designated supplier for a particular item, you will purchase all products, supplies and services from suppliers who meet our specifications and standards. Currently we are not the only exclusive supplier of any particular product or service. Currently no officer owns an interest in any supplier.

If you want to purchase or lease a source restricted item from a supplier that has not been previously approved or designated by us in writing, you must send us a written request for approval and submit additional information that we may request. We will charge you a supplier review and testing fee and we may request that you send us samples from the supplier for testing and documentation from the supplier for evaluation. At the request from you, we will provide our criteria for approving suppliers. We may also require, subject to our discretion, that we be allowed to inspect the supplier's facilities. We will notify you of our approval or disapproval within a reasonable time (not to exceed 60 days) after we receive your written request for approval and all additional information and samples that we may request. We may, in our discretion, withhold our approval. When evaluating the approval of a particular supplier, among other things, we consider: whether the supplier can demonstrate to our reasonable satisfaction the ability to meet our standards, specifications and production requirements, the suppliers quality control, whether or not we are the exclusive supplier of the particular item, whether or not our affiliate or affiliates are the exclusive supplier of the particular item, and whether or not the suppliers approval, in our sole determination, will allow us to advance the overall interests of the System.

We estimate that your purchase of goods and services from suppliers according to our specifications, including your purchase of goods or services from our designated exclusive suppliers, to represent approximately 90% of your total purchases and leases in establishing the Franchised Business and

approximately 65% of the on-going operating expenses of your Franchised Business. Currently, neither us nor our affiliates are approved suppliers of the source restricted goods and services identified below. Currently no officer of ours owns an interest in any of our designated suppliers.

As described below in more detail, we currently require that you purchase or lease the following source restricted goods and services: System Equipment and Supplies; Signage; Computer Equipment; Service Vehicles; Branded Items and Marketing Materials; and Insurance.

1. System Equipment and Supplies – Your G-FORCE Business must maintain an initial and ongoing inventory of System Equipment and Supplies. You must purchase the System Equipment and Supplies from us, our affiliates, or our designated suppliers.

2. Signage – The signage for your G-FORCE Business must meet our standards and specifications and must be purchased from our designated suppliers.

3. Computer Equipment – You are required to utilize QuickBooks Online, our custom quoting program, our custom online training program, and other email marketing and customer relationship management systems that we designate (included in your monthly Technology Support Fee). You must possess a laptop and/or desktop computer (PC or Mac) to run these programs. At our election, the data and information related to your G-FORCE Business may be maintained on a cloud based server or servers hosted by us or as otherwise designated by us. You must also obtain and use an iPhone solely dedicated to your Franchised Business.

4. Contact Center Services – We may designate ourselves or another vendor as the exclusive supplier of the Contact Center Services that you are required to use. Our Contact Center will include phone based communications and other forms of customer engagement focused on new customer inquiries, scheduling estimates and service visits, and responding to customer service issues. We reserve the right to change vendors of the Contact Center Services. The Contact Center Fee is discussed more fully in Item 6.

5. Service Vehicles – You must lease or purchase the service vehicles for your G-FORCE Business from the suppliers that we designate. The vehicle must meet our standards and specifications. The vehicle(s) must be designated as a commercial vehicle(s) for use by the Franchised Business. The vehicle must be wrapped with our approved branding and wrap. You may only operate your G-FORCE Business from service vehicles that meet our specifications and approved wrap. While certain half-ton trucks may be suitable,  $\frac{3}{4}$  ton trucks are much better suited for pulling a loaded trailer.

6. Branded Items and Marketing Materials – All materials bearing the Licensed Marks (including, but not limited to, stationary, business cards, brochures, apparel, signs and displays) must meet our standards and specifications and must be purchased from either of us directly or our designated suppliers. All of your marketing materials must comply with our standards and specifications and must be approved by us before you use them. You may market your G-FORCE Business through approved digital media and social media platforms provided that you do so in accordance with our digital media and social media policies. You must purchase all branded marketing materials from either us or our designated approved suppliers. We may require that you exclusively use, at your cost, our designated supplier for social and digital media marketing services and exclusively use, at your cost, our social media platforms, vendors, and marketing channels.

7. Insurance – You must obtain the insurance coverage that we require from time to time as presently disclosed in the Manuals and as we may modify. All insurance policies required under your Franchise Agreement and as set forth in the Franchise Agreement must be written by a responsible carrier, reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives, and independent contractors as additional insureds. The



insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. All such coverage shall be on an occurrence basis and shall provide for waivers of subrogation. A certificate of insurance must be furnished by you to use at the earlier of 90 days after the Effective Date of the Franchise Agreement or prior to the commencement of our initial training program.

Insurance coverage must be at least as comprehensive as the minimum requirements set forth in the chart below and in the Franchise Agreement (Franchise Agreement, Article 8). You must consult your carrier representative to determine the level of coverage necessary for the Franchised Business. Higher exposures may require higher limits.

### Insurance Requirements

Such policy or policies shall be written by an insurance company rated A-minus or better, in Class VII or higher, by Best Insurance Ratings Service in accordance with standards and specifications set forth in the Manual, and shall include, at a minimum, the following initial minimum coverage:

- (a) Commercial General Liability Insurance, including coverage for products-completed operations, contractual liability, personal and advertising injury, fire damage, medical expenses, having a combined single limit for bodily injury and property damage of \$500,000 per occurrence and \$1,000,000 in the aggregate (except for fire damage and medical expense coverage, which may have different limits of not less than \$500,000 for one fire and \$5,000 for one person, respectively);
- (b) Commercial Automobile Liability Insurance for any owned, hired, and non-owned vehicles used in connection with the operation of the Business, including vehicles identified with Marks, with bodily injury and property damage limits of no less than \$500,000 combined single limit, or, in the alternative, split limits of no less than \$500,000 per person and \$1,000,000 per accident for bodily injury and \$500,000 per occurrence for property damage;
- (c) Commercial Umbrella Liability coverage in an amount of not less than \$1,000,000 per occurrence and \$1,000,000 aggregate;
- (d) For any non-home based office, Special Form property insurance, including theft and flood coverage (when applicable), written at replacement cost value covering the building, improvements, furniture, fixtures, equipment, and inventory. Coverage shall be written in a value which will cover not less than 80% of the replacement cost of the building and 100% of the replacement cost of the contents of the building;
- (e) Statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which your G-FORCE Business is located, including statutory workers' compensation limits and employers' liability limits of at least \$1,000,000; and
- (f) All other insurance that we require in the Manuals or that is required by law or by the lease or sublease for your G-FORCE Business.

Certain customers may demand higher coverages at additional costs to you. You will have the option to secure these coverages. If you choose not to meet customer's demands, we reserve the right to allow another System franchisee with coverage that meets the customer's demand to service that customer.

### Purchase Agreements and Cooperatives

We may, in our discretion, negotiate purchase agreements, including price terms, with designated suppliers for source restricted goods and services on behalf of the System. We may establish preferred vendor programs with suppliers on behalf of some or all of the G-FORCE Businesses under the System and, in doing so, we may limit the number of approved vendors and/or suppliers that you may purchase from, and we may designate one vendor as your sole supplier. Presently, our designated supplier for paint is Sherwin-Williams. Presently, there are no purchasing or distribution cooperatives that you must join.

#### **Our Right to Receive Compensation and Our Revenue from Source Restricted Purchases**

We and/or our affiliates may receive rebates, payments and other material benefits from suppliers based on franchisee purchases and we reserve the right to institute and expand rebate programs in the future. During the fiscal year ending December 31, 2024, we earned \$10,000 in rebates from Sherwin-Williams, which was applied to the Brand Development Fund or used to defray the costs of our annual conference. This represents 0.57% of our total revenues of \$1,746,550 for 2024.

### **ITEM 9 FRANCHISEE'S OBLIGATIONS**

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

Obligation	Article(s) in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	2.A	7 and 11
b. Pre-opening purchases and leases	3 and 8	7 and 8
c. Site development and other pre-opening requirements	3, 4, 7.F, 7.G, 7.I, 7.J, 8 and 9.B	6, 7 and 11
d. Initial and ongoing training	4 and 7.J	11
e. Opening	2, 3, 4 and 9.B	11
f. Fees	3, 4.A, 5, 9, 12, 13, 14, 15, 16 and 18.N.	5, 6 and 7
g. Compliance with standards and policies/manual	3, 4, 7 8, 9 and 12	8 and 11
h. Trademarks and proprietary information	6, 7 and 11	13 and 14
i. Restrictions on products and services offered	3, 4.C, 7.F, 7.G. 7.H, 7.I, 7.J and 8	8, 11 and 16
j. Warranty and customer service requirements	7	16
k. Territorial development and sales quotas	2	Item 12

Obligation	Article(s) in Agreement	Disclosure Document Item
l. Ongoing product and service purchases	3, 4.C, 5 and 7	8
m. Maintenance, appearance and remodeling requirements	7	7 and 17
n. Insurance	8	7 and 8
o. Advertising	3.F, 4.C, 7.I, 9 and 11	6 and 11
p. Indemnification	10	6
q. Owner's participation, management, staffing	4, 6, and 7	11 and 15
r. Records and reports	5 and 12	6
s. Inspections and Audits	13	6 and 11
t. Transfer	14	17
u. Renewal	15	17
v. Post-termination obligations	6, 17 and 18	17
w. Non-Competition Covenants	6 and 17 and 18	17
x. Dispute Resolution	18.F and 18.G	17
y. Other: Individual guarantee of franchisee obligations	2.C, 6, 14.C and 14.E	9

## **ITEM 10**

### **FINANCING**

We do not offer direct financing. We do not guarantee any note, lease, or other obligation on your behalf. Financing may be available through third party vendors.

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**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**

1. Grant of Franchise – We will grant to you the right to operate the Franchised Business within a designated operating territory. (Franchise Agreement, Article 2);
2. Manuals – We will loan you a copy of our confidential and proprietary Manuals. You must operate the Franchised Business in accordance with the Manuals and all applicable laws, rules, and regulations. At all times, we reserve the right to supplement, modify and update the Manuals. (Franchise Agreement, Article 4.C). The operations manual as of the Issuance Date of this Disclosure Document currently consists of 23 pages and the table of contents to the operations manual is attached as Exhibit C to this Disclosure Document (Franchise Agreement, Article 4). Major subjects contained in the operations manual consist of establishing, developing, marketing, and operating the Franchised Business;
3. Site Review, Approval and Operating Territory – At the time of signing your Franchise Agreement you will have selected, and we will have approved of the Operating Territory within which you will operate the Franchised Business. The office facility from which you will operate the Franchised Business must be located within your Operating Territory. If permitted by law, you may administratively operate the Franchised Business from your home in a home office. Although there is no specified time limit for us to review the proposed site of your Administrative Office, we will do so within a reasonably expedient time period if same is not selected prior to the execution of your Franchise Agreement.
4. Approved Suppliers and Distributors – We will provide you with a list of our approved suppliers and distributors (to the extent that we have designated them), either as part of the Manuals or otherwise in writing. (Franchise Agreement, Articles 3 and 4);
5. Signs, Equipment, Furniture, and Fixtures – We will provide you with a list of our approved signage, equipment, furniture, and fixtures (to the extent that we have designated them), either as part of the Manuals or otherwise in writing and we will review and approve, in our discretion, your proposed signage, equipment, furniture and fixtures. We do not provide assistance in delivering or installing signs, equipment, furniture, or fixtures. (Franchise Agreement, Articles 3 and 4);
6. Website and Digital Media – We will identify and locate your G-FORCE Business on our website. You may not utilize any websites, web based media or digital media unless expressly approved by us in writing. We strictly control how you may or may not use websites and digital media and you must assign all website media and digital media accounts to us. (Franchise Agreement, Articles 3.F and 9);
7. Initial Training – Not less than 15 days prior to the opening of your G-FORCE Business you or your Managing Owner and up to one management level employee or Owner must attend and complete our initial training program. We will provide you (and up to one of your designated managers) with training in accordance with our initial training program. (Franchise Agreement, Article 4). Our current training program is to be attended by you, or if you are a Corporate Entity, your Managing Owner and one Operating Manager at our training facility located in Tampa, Florida. The training program takes place over an approximate four day period and is described below in this Item 11 in more detail; and

8. Advanced Training – We require that you attend and complete Advanced Training between three and nine months after completing Initial Training, or following our annual conference, in our discretion. At least one representative must attend Advanced Training on behalf. Advanced training will be conducted over a period of approximately two to three days. This training will focus on reinforcement of current knowledge and introduction of more advanced techniques and processes to improve quality and efficiency.

### **Site Selection**

If permitted by law, you may administratively operate the Franchised Business from your home in a home office. Alternatively, you may operate the Franchised Business from a commercial Administrative Office located within your Operating Territory. Generally, we do not own or lease the real property that will serve as your Administrative Office, and you are responsible for all costs and expenses in locating and evaluating proposed sites for your Administrative Office. Before you enter into a lease or other agreement for your Administrative Office you must obtain our approval. We will provide you with site selection guidelines. Your Administrative Office must be located within your Operating Territory at a site that we approve.

Although there is no specified time limit for us to review the proposed site for your Administrative Office, we will do so within a reasonable time period, not exceeding 30 days of our receipt of your written request for our review of a proposed site and your submission to us of the information and documentation that we may request concerning the proposed site. In determining whether to approve or disapprove a proposed site for your Administrative Office, factors that we take into consideration include: (a) characteristics of the proposed site; and (b) the location of your proposed site relative to your overall Operating Territory and proximity to other.

If you elect to establish an Administrative Office and not operate the Franchised Business from your home, you must secure an Administrative Office not less than 60 days of the signing of your Franchise Agreement at a location and office that we approve (Franchise Agreement, Article 3.A). If you do not meet this requirement for any reason, including our disapproval of a proposed business location, we may terminate your Franchise Agreement without refunding any fees to you or, in the alternative, you may elect to operate the Franchised Business from your home. It is your obligation to consult with government agencies, architects, and legal professionals to evaluate and determine that your Administrative Office permits the establishment and operation of the Franchised Business and that you possess the necessary licenses and authority to operate a business that offers and provides the System Services and Products. If you elect to administratively operate the Franchised Business from your home, it is your obligation to consult with government agencies, and legal professionals to evaluate and determine that you are legally permitted to do so (Franchise Agreement, Articles 2, 3, 7 and 16).

### **Time to Open**

You may not open the Franchised Business until you have completed our initial training requirements, obtained the necessary licensing and authorization from state and regulatory agencies within your Operating Territory, obtained and provided us with written proof of the required insurance, and, if you are not operating the Franchised Business from your home, have timely secured an Administrative Office that we approved.

We estimate that the length of time between the signing of your Franchise Agreement and opening your G-FORCE Business to be approximately 30 days to 60 days. Factors that may affect this estimated time period include: (a) the time it takes to purchase or lease the required equipment including, but not limited to, a wrapped and branded truck approved by us and the equipment trailer and line striping machine that we designate; (b) length of time undertaken by you to complete our initial training program to our satisfaction; (c) negotiating and obtaining a suitable lease for your Administrative Office, if you elect to operate the Franchised Business from an office outside your home; (d) obtain third party lender financing, if necessary; a (e) obtaining the necessary licenses for the operation of your G-FORCE Business. You must open your

G-FORCE Business within 120 days from the effective date of your Franchise Agreement, otherwise we may terminate your Franchise Agreement without refunding any fees to you. (Franchise Agreement, Article 3.C).

### **Post-Opening Obligations**

1. Supplemental Training – We may provide, in our discretion, supplemental training on-site within your Operating Territory. You will be required to pay our then current supplemental training fee, which is currently \$600 per on-site trainer per day, plus travel expenses, meals and accommodation expenses incurred by us. (Franchise Agreement, Article 4.A.);

2. Initial Training for Replacement Operating Manager(s) – Your Operating Manager must complete, to our satisfaction, our initial training program. We will offer and make available to your replacement Operating Manager our initial training program which must be completed to our satisfaction. The initial training program will be provided by us at the facilities that we designate that, presently, is comprised of our G-FORCE Franchised Business located in Tampa, Florida. You will be required to pay our then current supplemental training fee for replacement Operating Manager, which is currently \$600 per manager per day for each replacement manager attending our initial training. You will also be responsible for all costs incurred by your managers in attending our initial training (Franchise Agreement, Articles 4.A. and 4.C.);

3. Communication of Operating Standards – We may establish, update and provide you with consultations and communications as to the standards, procedures and System requirements as to the operation of your G-FORCE Business including, but not limited to, System Services and Products, System Equipment and Supplies, marketing and promotion standards, and as we may, in our discretion, designate, modify, supplement and amend from time to time and, as set forth in the Manuals which we may, in our discretion, modify from time to time. (Franchise Agreement, Articles 4.B. and 4.C.);

4. Marketing Standards and Approval – We may establish, update, and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing materials and mediums that you may utilize. We will respond to your request respecting the communication of our approval or disapproval of marketing materials and mediums that may be requested by you for use in the marketing and promotion of the Franchised Business. We maintain full discretion as to the marketing standards and the marketing materials and media that you may use in the marketing and promotion of the Franchised Business (Franchise Agreement, Article 4.B.);

5. Approved Vendors – We will provide the names and addresses of approved vendors and suppliers for the System Services and Products and the System Equipment and Supplies. (Franchise Agreement, Articles 4.B. and 4.C.);

6. Annual System Conference – We may, in our discretion, coordinate an Annual System Conference to be attended by franchisees of the System who are in good standing. We will not charge you an Annual System Conference Attendance Fee for your first Annual System Conference, so long as you attend. Thereafter, you will be required to pay us a \$750 Annual System Conference Attendance Fee for each Annual System Conference that you attend. If you do not attend an Annual System Conference, we will charge you an Annual System Conference Attendance Fee in the amount of \$1,000 for your first missed Annual System Conference and \$1,500 for any additional missed Annual System Conferences. You will be responsible for all travel and accommodation expenses associated with your attendance at the Annual System Conference. (Franchise Agreement, Article 4.B.);

7. Administration of Marketing Funds – We may administer and manage System-wide marketing funds comprised of a Brand Development Fund. (Franchise Agreement, Articles 9.A. and 9.G.);

8. Hiring and Training of Employees – We do not provide assistance with the hiring and training of your employees. You will be directly responsible for the management and supervision of your employees. For the protection of the System, you must ensure that all employees wear and maintain the proper uniforms with our approved System branded apparel and uniforms including, but not limited to the apparel and uniforms comprising System Equipment and Supplies. You must monitor and ensure that all System Equipment and Supplies and System Services and Products are prepared, maintained, and served in accordance with the System standards and Manuals; and

9. Pricing – You will exclusively determine the prices that you charge for the System Services and Products served and sold by your G-FORCE Business. However, we may suggest pricing levels that we recommend.

## **Advertising**

1. Generally – All advertising, marketing, marketing materials and all marketing mediums used by you in the marketing and promotion of your G-FORCE Business must be pre-approved by us in writing and conform to our standards and specifications. You may only utilize those advertising and marketing materials and mediums that we designate and approve in writing. In our discretion, we may make available to you approved marketing templates comprised of pre-approved ads, ad copy and digital media that you may utilize at your own expense. If you wish to utilize marketing materials and/or marketing mediums that are not currently approved by us in writing, you may submit a written request requesting permission and we will approve or disapprove of your request within 15 days of your submission of the written request and sample marketing materials. We are not required to spend any amount on your behalf on advertising in your operating territory. (Franchise Agreement, Article 9);

2. Local Marketing – You are not authorized to engage in any marketing unless we pre-approve such marketing. (Franchise Agreement, Article 9.B). You are required to engage in local marketing (primarily Google Ads) and you are required to commit and spend an amount equal to 4% of your yearly Gross Sales on your local marketing efforts each calendar year but, in no event, except outlined below, on an annual basis, shall you spend less than \$12,000 per calendar year in local marketing if your Operating Territory is a Standard Territory. These amounts may be deducted by the amount spent on your Technology Support Fee above the amount required in Year 2 and beyond as we anticipate our SEO and PPC efforts will reduce overall required advertising spend needed to achieve satisfactory results. Once annual Gross Sales reach \$400,000, the minimum advertising requirements listed above may be reduced by mutual agreement. We will make available to you and provide you with access to our approved brochures, displays, presentations and marketing campaigns (in the form of a source document) that you may utilize. In those instances where we provide you with access to our marketing campaigns, we provide you with the source designs and design specifications. However, you will incur the direct costs associated with duplicating and utilizing such marketing campaigns and in having such campaigns printed, distributed and/or placed with media sources. (Franchise Agreement, Article 9);

3. Digital Media and Website – All digital media and marketing must be approved by us. We will designate for your Operating Territory information about your G-FORCE Business on the [www.gogforce.com](http://www.gogforce.com) webpage or such other websites as we may designate for the System. (Franchise Agreement, Article 9);

4. Brand Development Fund – We may control and administer a brand development fund (the “Brand Development Fund”) (Franchise Agreement, Article 9.A). As disclosed in Item 6 of this Disclosure Document, you must pay to us 0.5% of your Gross Sales during months 7 to 12 of operations; 1% of your Gross Sales during months 13 to 18 of operations; 1.5% of your Gross Sales during months 19 to 24 of operations; and 2% of your Gross Sales beginning in month 25 of operations and continuing thereafter. The total Brand Development Fund Fee that we collect from you will not exceed \$10,000 each calendar year. The Brand Development Fund Fee will not be charged for the first 6 months of the term of the Franchise

Agreement. We may use the Brand Development Fund for trade shows, national account outreach, market studies, research, service development, product development, testing, research studies, technology development, advertising and public relations studies or services, creative production and printing of advertising and marketing materials, advertising copy and commercials, tracking costs, agency fees, administrative costs, which may include reimbursement for direct administrative and personnel costs associated with advertising, promotion and public relations, and any other costs associated with the development, marketing and testing of advertising, marketing and public relations materials, and the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our discretion, to be in the best interest of the franchisees and the System. The Brand Development Fund will be required to maintain unaudited financial records detailing its expenditures and will make available to you (no more frequently than one time in any 12-month period) an unaudited accounting of how the monies contributed to the Brand Development Fund were spent each year. We are not required to segregate the Brand Development Fund from our general operating funds, and we are not a fiduciary or trustee of the Brand Development Fund. The Brand Development Fund may or may not be used to directly promote your G-FORCE Business or the marketing area in which your G-FORCE Business will be located. (Franchise Agreement, Article 9.A). We may utilize the Brand Development Fund to develop and test various media and technologies for potential utilization and/or improvement of the operations of G-FORCE Businesses and the marketing of G-FORCE Businesses. These technology developments and/or improvements may relate, among other things, to our website and to the interaction and potential enhancement of web offerings that may or may not be implemented on behalf of G-FORCE Businesses. You may or may not directly benefit from these technology developments and improvements. We do not have an obligation to conduct advertising for the franchise system. You will not contribute to this fund until the beginning of your second year of operations. (Franchise Agreement, Article 9.A).

We may use the Brand Development Fund to compensate ourselves for administrative fees associated with managing the Brand Development Fund and for our internal employee salaries, contractor salaries, expenses and overhead associated with or reasonably allocated to managing the activities of the Brand Development Fund and performing services on behalf of the Brand Development Fund including, but not limited to, directing, developing, and managing media of the Brand Development Fund. We will not directly utilize the Brand Development Fund to directly solicit the sale of G-FORCE Businesses, however the advertising, marketing and brand development materials developed (including the System website) may contain basic information as to the availability of G-FORCE Business franchises for sale and contact information for franchise inquiries. The Brand Development Fund will not be charged for the first 12 months of the term of the Franchise Agreement. During 2024, we collected \$169,101 towards the Brand Development Fund. Of this amount, we spent 100% towards brand promotion. We spent an additional \$76,000 towards national accounts outreach. There were no remaining amounts from the Brand Development Fund rolled over into 2025.

5. Regional Advertising Cooperatives – We have not established and, presently, do not require your participation in any local or regional advertising cooperative; and

6. Advertising Council – We have not established an advertising council but reserve the right to do so in the future. Presently, you are not required to participate in any Advertising Council. (Franchise Agreement, Article 9.A).

### **Computer System**

You must purchase or lease a computer if you do not have a computer which meets the following specifications. Currently we do not require our franchisees to use any specific brand of computer hardware as long as it is a PC or Mac. The cost of a computer varies widely but we estimate you may purchase a suitable computer for between \$0 and \$1,500. You will need internet access and a cellular smart phone to



facilitate communications between you, your customers and us. We currently require that you purchase an iPhone to be used solely in connection with the Franchised Business. You may have to upgrade your computer and software systems in the future, the cost of which cannot be accurately determined at this time. There are no contractual limits on your frequency and cost to maintain upgrade and update the computer system within your Franchised Business. You are responsible for all maintenance, repairs and upgrades to your computer systems, the cost of which cannot be accurately determined at this time. We reserve the right to remotely access your records to monitor your productivity on your computer and we have no limitations on our ability to do so. We will have independent access to all of the information and data that is electronically collected and stored on your point of sale system and, as such, will have access to all data related to the sales, inventory, and financial performance of your franchised business. There are no contractual limitations on our right to access your point of sale system. There are no contractual limitations on us for maintenance, repairs, updates, and upgrades to your computer system.

### **Initial Training**

If this is your first G-FORCE Business, we will provide initial training for you (or if you are a Corporate Entity, your Managing Owner) plus up to one designated manager. Either you or your Managing Owner must successfully complete the initial training program to our satisfaction no later than 15 days prior to the opening of your G-FORCE Business. The initial training program takes place over an approximate four day period. If more than two individuals attend initial training, you will be charged an additional fee per additional persons attending initial training and additional days may be required. Although we provide you (or your Managing Owner if you are a Corporate Entity) plus your general manager with initial training at no additional fee or charge, you will be responsible for all travel, lodging, food, automobile rental expenses and employee wages that you incur in connection with your attendance and participation in our initial training and advanced programs and the attendance and participation of your designated managers in our initial and advanced training programs. (Franchise Agreement, [Article 4](#)). Currently, we provide our initial training program no less frequently than quarterly and on an as-needed basis.

### **TRAINING PROGRAM**

The following chart summarizes the subjects covered in our initial training program:

Subject	Classroom Training (Hours)	On the Job Training (Hours)	Location
Introduction to G-FORCE	1	0	Tampa, Florida
Understanding the Industry	1	0	Tampa, Florida
Computer and QuickBooks	2	0	Tampa, Florida
Estimating and Sales	0	4	Tampa, Florida
Parking Lot Layout	1	2	Tampa, Florida
Basics of Machine Operation and Cleaning	0	2	Tampa, Florida
Basic Line Striping Techniques	0	8	Tampa, Florida
Advanced Line Striping Techniques	0	6	Tampa, FL
Subtotal Hours	5	22	

Subject	Classroom Training (Hours)	On the Job Training (Hours)	Location
Total Hours	27		

Instructional materials that will be utilized in the initial training process include live instruction, online courses, handouts, and the Manuals. All training will be conducted under the direction and supervision of our president and founder, Jack Child. Mr. Child has 12 years of experience in managing and operating a parking lot striping and pavement maintenance business. On the job service training will be conducted by Vishal Munusami. Training will be conducted in Tampa, Florida. In addition to initial training, you will also be required to participate in our Advanced Training Program that takes place between three and nine months after Initial Training or, in our discretion, following our annual conference. You must complete and satisfy all other training programs that we may establish respecting the operation of your G-FORCE Business. (Franchise Agreement, Articles 4 and 7.J).

## **ITEM 12** **TERRITORY**

### **Designated Operating Territory**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, during the term of the Franchise Agreement, provided that you are not in default of your obligations to us or our affiliates and, except as to the Reserved Rights identified below, neither us nor our affiliates will establish or operate, or franchise any third party to establish or operate, a G-FORCE Business using the Licensed Marks and System within your designated operating territory (your “Operating Territory”). You may only operate the Franchised Business within your designated Operating Territory.

The scope and size of your Operating Territory will vary depending on local factors and whether or not, at the time of signing your Franchise Agreement, your designated Operating Territory qualifies as a Standard Operating Territory or a Standard Operating Territory that has been supplemented with the purchase of up to three additional Zones. A Standard Operating Territory consists of a geographic area that includes a population of approximately 750,000 to 1,500,000 individuals. Subject to availability, our approval and your payment of additional Initial Franchise Fees identified in Item 5 of this Disclosure Document, one, two, or three additional Zones may be added to your Standard Operating Territory at the time of signing your Franchise Agreement. Each Zone will be comprised of an additional geographic area that includes a population of approximately 750,000 individuals. If you sign a Franchise Agreement for a Standard Operating Territory that has been supplemented by three Zones and you wish to increase the size of your operating territory by adding additional individuals, you may, subject to market type, availability, and our discretion, increase your operating territory by up to an additional 500,000 individuals. If you increase your operating territory in accordance with the foregoing, your Initial Franchise Fee will be increased by 1.5 cents for each additional individual added to and located within your operating territory at the time you sign the Franchise Agreement. Our determination as to the approximate population within your Operating Territory will be based on U.S. Census Bureau data or other publicly available data that we believe to be more reliable. Our determination as to the population within your Operating Territory will be made at the time of signing your Franchise Agreement and will be based on raw data and without regard to demographics or other qualifying factors.

We will not alter the size of your Operating Territory without your written consent. We will not decrease the size of your Operating Territory if the population within your Operating Territory increases. We will not increase the size of your Operating Territory if the population within your Operating Territory

decreases. The continuation of your Operating Territory is not dependent on the achievement of a certain sales volume, market penetration or other contingency other than your continued compliance with and satisfaction of the terms and conditions of your Franchise Agreement. The Franchise Agreement does not grant you options, rights of first refusal or similar rights for your acquisition of additional franchises within your Operating Territory or any contiguous areas.

### **Territory Rules**

You must operate your G-FORCE Business and provide the System Services and Products of your G-FORCE Business exclusively within your Operating Territory. The marketing of your G-FORCE Business must be targeted to your Operating Territory, and you are not permitted to directly solicit customers outside of your Operating Territory. Provided that you do not engage in any Direct Solicitation of customers outside of your Operating Territory or within the Operating Territory of another G-FORCE Business, you may provide, subject to our written approval, System Services and Products within an Open Area, subject to the following definitions, rules, and limited circumstances:

- (a) You cannot engage in any Direct Solicitations outside of your Operating Territory. The term “Direct Solicitation” refers to and means “communications and/or contacts occurring through in person contact, telephone, mail, e-mail, direct mail, distributed print media, digital media and/or other forms of marketing directed toward customers, potential customers or referral sources of a G-FORCE Business”;
- (b) You cannot provide System Services and Products in the designated territory or Operating Territory of another G-FORCE Business (an “Assigned Area”);
- (c) An “Open Area” is a geographic area that is not an Assigned Area;
- (d) You must obtain our written approval, in each instance, before providing System Services and Products to a customer in an Open Area; and
- (e) Once an Open Area becomes an Assigned Area you will no longer be authorized to provide System Services and Products to any customers within the Open Area and you must turn over to us, for our benefit or the benefit of another G-FORCE Business franchisee, all information and records related to customers in the Open Area.

### **Reserved Rights**

We and our affiliates reserve to ourselves the exclusive right on any and all terms and conditions that we deem advisable and, without any compensation or consideration to you (Franchise Agreement, Article 2.D), to engage in the following activities (our “Reserved Rights”): (a) operate and grant to others the right to develop and operate G-FORCE Businesses and Franchised G-FORCE Businesses using the System and Licensed Marks at locations outside your Operating Territory as we deem appropriate and irrespective of the proximity to your Operating Territory; (b) acquire, merge with or otherwise affiliate with one or more businesses of any kind, including businesses that offer and sell products and services that are the same as, or similar to, the Franchised Business, and after such acquisition, merger or affiliation to own and operate, franchise, and/or license others to own and operate and to continue to own and operate such businesses of any kind, even if such businesses offer and sell products and services that are the same as or similar to a the Franchised Business (but not utilizing the Licensed Marks) within your Operating Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that offer and sell products and services that are the same as or similar to the Franchised Business, even if such business or businesses presently or, in the future, own and operate, franchise and/or license others to own and operate businesses that offer and sell products and services that are the same as or similar to the Franchised Business (but not utilizing the Licensed Marks) within your Operating Territory; (d) use the

Licensed Marks and System to offer, sell, and provide the Approved Products and Services offered and sold by the Franchised Business or products and services similar to the Approved Products and Services offered and sold by the Franchised Business on behalf of regional and/or national customer accounts (such as retail chain stores and other customers that maintain facilities and/or operations throughout a regional or nationally) (referred to as “National Accounts”) within or outside your Operating Territory; and (f) use the Licensed Marks and System and to license others to use the Licensed Marks and System, to engage in all other activities not expressly prohibited by the Franchise Agreement. Certain customers may demand higher insurance coverages at additional costs to you. You will have the option to secure these coverages. If you choose not to meet customer’s demands, we reserve the right to allow another System franchisees with coverage that meets the customer’s demand to service that customer.

### **National Accounts**

Although part of our Reserved Rights relate to providing System Services and Products to National Accounts located within your Operating Territory, if we, our affiliate, or parent company enters into a contract with a National Account to provide System Services and Products within your Operating Territory, provided that you are in compliance with your Franchise Agreement and provided that we believe you possess the requisite service capacity, we will give you the opportunity to perform and provide System Services and Products (at the rates negotiated and agreed to by us with the National Account) as to that portion of the project located within your Operating Territory and relative to your performance capability as determined by us. We do not require that you provide System Services and Products on behalf of any National Accounts unless you agree to do so after we provide you with information as to the relevant project scope and pricing. Should you decline to perform this work, we reserve the option to assign this work to another G-FORCE Franchisee or any other sub-contractor of our choosing. You will receive no compensation for any work performed under these circumstances. In some situations, we, our affiliates, or parents may serve as a point of contact and/or billing source for a National Account. In the event this occurs, you must pay us, our affiliate or parent company a fee for the administration of the National Account (“National Account Administration Fee”). The National Account Administration Fee shall not exceed 15% of the Gross Sales that you receive or are entitled to receive from the National Account, and in no event shall be less than \$100 per invoice furnished to the National Account.

### **Additional Disclosures**

We do not grant to you any right to share in the proceeds received by us, our affiliates or any third party from the activities outlined in the preceding paragraph as to our Reserved Rights including, soliciting, or conducting business under our Reserved Rights within your Operating Territory. We will not unreasonably withhold our approval of your request to relocate your Administrative Office provided that it is relocated within your Operating Territory and otherwise meets our System standards. In evaluating your relocation request we will evaluate your compliance with your Franchise Agreement, your prior operational history, the location of other Administrative Office and Operating Territories, our expansion plans, your Operating Territory, demographics, and other factors that, at the time of your request, are relevant to us.

We do not have plans to operate or franchise a business under trademarks different from the Licensed Marks that sells or will sell goods or services similar to those that will be offered by you through the Franchised Business. We do have plans to use the Licensed Marks and System to market and sell other services and products that do not include the System Services and Products through a separate company and through a separate franchise offering.



## **ITEM 13** **TRADEMARKS**

You will be granted a license to use the “G-FORCE” trademark and those other marks that we designate. We reserve the right to supplement and modify the marks that you may or may not use in connection with

the operations of your G-FORCE Business. You may only use the Licensed Marks in the manner authorized by us in writing and pursuant to the terms of the Franchise Agreement. You may not use the Licensed Marks in the name of your corporation or other Corporate Entity that you may establish in connection with the operations of your G-FORCE Business.

Principal Trademarks Registered with the United States Patent and Trademark Office

The following trademarks are a part of our System and, unless otherwise designated by us, will be used by you in the operations of the Franchised Business, and are registered with the United States Patent and Trademark Office (“USPTO”). As to the Licensed Marks identified below, all required affidavits have been filed with the USPTO.

Mark	Registration Number with USPTO	Registration Type	Registration Date
G-FORCE (Word Mark)	5488035	Principal	June 5, 2018 (first renewal filed June 5, 2023)
	5488036	Principal	June 5, 2018 (first renewal filed June 5, 2023)
We’ve Earned Our Stripes... Let Us Earn Yours	7120591	Principal	July 25, 2023
Air Ops	7184861	Principal	October 3, 2023
	7311740	Principal	February 20, 2024

Principal Trademarks Not Registered with the USPTO

The following principal trademarks identified in the schedule below are a part of the Licensed Marks, our System, and will be used by you in the operations of your G-FORCE Business but are not registered with the USPTO. As to each of these principal trademarks:

We do not have a federal registration for each of these principal trademarks. Therefore, the trademarks identified below do not have many legal benefits and rights that are afforded to federally registered trademarks. If our right to use the trademarks (identified below) is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Mark	Serial Number for Registration Application Filed with USPTO Application	Application Type	Application Date
Parking Lot Nation	97925033	1B	May 8, 2023

Bollard Brigade	98173505	1B	September 11, 2023
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There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator in any state or any court, no pending infringement, opposition, or cancellation proceedings; and no pending litigation involving the Licensed Marks. We know of no superior rights or infringing uses that could materially affect your use of the Licensed Marks or other related rights in any state.

You are required to provide us with written notice of all claims that you may become aware of concerning the Licensed Marks including your use of the Licensed Marks and/or a claim associated with a third party's use of a trademark that is identical or confusingly similar to the Licensed Marks. We maintain the exclusive discretion to take any and all actions or, to refrain from any action, that we believe to be appropriate in response to any trademark infringement, challenge, or claim. We possess the sole right to exclusively control any and all litigation, legal proceedings, administrative proceedings and/or settlement(s) concerning any actual or alleged infringement, challenge or claim relating to the Licensed Marks. You must sign all documents, instruments and agreements and undertake the actions that we, with the advice of our legal counsel, determine to be necessary or advisable respecting the protection and/or maintenance of our interests in the Licensed Marks in any legal proceeding, administrative proceeding or as may be otherwise determined by us. As to the foregoing, we will reimburse you for the reasonable out-of-pocket administrative expenses that you incur and pay in complying with our written instructions.

We will protect your right to use the Licensed Marks and to protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that your use of the Licensed Marks is in accordance with the Franchise Agreement, the Manuals, and is consistent with our instructions and the license granted to you. We will indemnify you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks complies with the terms of your Franchise Agreement, the Manuals, our written instructions to you and, you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain.

If any third party establishes, to our satisfaction and in our discretion that its rights to the Licensed Marks are, for any legal reason, superior to any of our rights or of a nature that we believe, in our discretion, that it is advisable to discontinue and/or modify the Licensed Marks, then we will modify and/or replace the Licensed Marks and you must use the substitutions, replacements and/or variations of and/or to the Licensed Marks and use the those trademarks, service marks, logos and trade names designated by us. In such event, our sole liability and obligation will be to reimburse you for the direct out-of-pocket costs of complying with this obligation, which you must document to our satisfaction, including, by way of example, alterations in signage and replacement of marketing materials.

#### **ITEM 14**

#### **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

We do not own any patents. We have copyrighted or may copyright advertising materials and design specifications, our Manuals and other written materials and items. We will provide you with notice if you must modify or discontinue utilizing the copyrighted works, but we do not offer you any rights, including any right to compensation, if we require you to discontinue or modify any of these copyrighted materials

or any copyrighted or patented items that we may develop for the System in the future. We have not applied to the United States Copyright Office to register these copyrights. We have not applied to the USPTO for the issuance of any patents.

You must keep as confidential our Manuals, supplements to the Manuals and any other manuals or written materials (including those materials made available to you in electronic format or as part of an online or cloud based network that is a part of the System or designated by the System) used in connection with the Franchised Business. The Manuals contain information about our System, System Services and Products, System Equipment and Supplies, proprietary products, marketing systems, and, among other things, confidential methods of operation. We consider the information a trade secret and extremely confidential. You must use all reasonable means to keep this information confidential and prevent any unauthorized copy, duplication, record, reproduction, or access to this information. You must also require your employees to sign confidentiality agreements that will require them to keep confidential, both during and after their employment, all information designated by us as confidential. You must immediately inform us if you learn of any unauthorized use, infringement, or challenge to the copyrighted materials, and/or proprietary or confidential information, including, but not limited to, our Manuals. We will take any and all actions (or refrain from same) that we determine, in our discretion, to be appropriate. We may control any action we choose to bring. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright or patent. If any third party establishes to our satisfaction, in our discretion, that its right to these materials is superior, then you must modify or discontinue your use of these materials in accordance with our written instructions.

#### **ITEM 15**

#### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

You, or if you are a Corporate Entity, your managing shareholder, member and/or partner, will be personally responsible for the management and overall supervision of your G-FORCE Business (the “Managing Owner”). Your Managing Owner must complete, to our satisfaction, our initial training program and must be approved by us. While we recommend that your Managing Owner personally participate in the day-to-day management and on-site supervision and operations of your G-FORCE Business, you may hire an operating manager to supervise and manage the day-to-day on-site operations of your G-FORCE Business provided that your operating manager: (a) meets all of our minimum standards and criteria for managers; (b) completes, to our satisfaction, our initial training program; and (c) signs our confidentiality agreements (an “Operating Manager”). We do not require that your Operating Manager own any equity interest in the franchise. At all times, your G-FORCE Business must be managed and supervised on-site by either a Managing Owner or Operating Manager. If you own and operate multiple G-FORCE Businesses, then each G-FORCE Business must be managed and supervised on-site by an Operating Manager.

You and, if you are Corporate Entity, each of your members, shareholders and/or partners (collectively, “Owners”), must personally guarantee all of your obligations to us under the Franchise Agreement. Each Owner must personally guarantee your obligations to us under the Franchise Agreement. You and each Owner must also promise in writing that, among other things, during the term of the Franchise Agreement you will not participate in any business that in any way competes with the Franchised Business, and that for two years after the expiration of termination of the Franchise Agreement (with said period being tolled during any periods of non-compliance), you will not participate in any competitive business located within and/or servicing customers located within your Operating Territory and a 25 mile radius surrounding your Operating Territory. Further you will not participate in any competitive business located within and/or servicing customers located within a 25 mile radius of any other G-FORCE Business and/or the operating territory of any other Franchised Business. Your managers and all other employees and agents with access to our confidential information will be required to sign a confidentiality agreement.

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

You may only sell the System Services and Products as specified in the Manuals or otherwise approved by us in writing and you may only sell the products and services required by us. We can change the products and services that you must offer. There is no limitation on our right to change the products and services offered sold by G-FORCE Businesses. You are not limited to whom you may sell products and services of your G-FORCE Business, provided you do so exclusively within your Operating Territory and as otherwise required by us and in compliance with the standards we determine for the System.

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

**THE FRANCHISE RELATIONSHIP**

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

Provision	Articles in Franchise Agreement	Summary
a. Length of the franchise term	Article 2.B.	The term is seven years.
b. Renewal or extension of the term	Article 15	If you meet our conditions for renewal, you may renew your franchise for one additional seven year term.
c. Requirements for franchisee to renew or extend	Article 15	You must: not be in default of the Franchise Agreement; have complied with all material terms and conditions of your current Franchise Agreement; your Owners must be in compliance with and not have violated their agreements with us; give us 180 days prior written notice of your request to renew the Franchise Agreement; sign our then current form of Franchise Agreement and related agreements; sign a general release; pay a renewal fee; pay all monetary obligations owed to us; upgrade the facility for your Administrative Office. Upon renewal, the then current form of Franchise Agreement that you will be required to sign may contain terms and conditions materially different from those in your previous Franchise Agreement.
d. Termination by franchisee	Article 16.B.	You may terminate the Franchise Agreement only if you are in compliance with the Franchise Agreement and we fail to cure a material breach of the Franchise Agreement within 30 days or, if the breach cannot be cured within 30 days, then within such period of time that is reasonable to cure the breach.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with “cause”	Article 16.A.	We can terminate if you are in default of the terms of the Franchise Agreement.

Provision	Articles in Franchise Agreement	Summary
g. “Cause” defined-curable defaults	Article 16.A(3)	You will have 30 days to cure a default where you: fail to timely lease a location that we approve for your G-FORCE Business; fail to timely develop your G-FORCE Business; fail to timely open your G-FORCE Business; your development and/or operation of your G-FORCE Business violates federal, state or local laws, unless such violation poses a threat to public health or safety; fail to maintain insurance coverage that we require; fail to comply with our standards, systems or specifications as we may designate or as otherwise designated in the Manuals; refuse or fail to pay a supplier or vendor without legal justification; fail to operate your G-FORCE Business in conformity with our System or otherwise violate the Franchise Agreement, except as to events of default that are not curable. You have 10 days to cure a failure to pay fees due to us or an affiliate of ours.
h. “Cause” defined-non-curable defaults	Articles 6.A(1) and 16.A(2)	The following defaults cannot be cured where: you are deemed insolvent; you make an assignment for the benefit of creditors; admit in writing your inability to pay debts; you are adjudicated bankrupt or insolvent; you file a voluntary bankruptcy petition; a voluntary bankruptcy petition is filed against you and you fail to file a motion to vacate or dismiss the petition within 60 days of its filing; you seek or acquiesce to the appointment of a trustee or receiver; a court orders the appointment of a trustee or receiver over the Franchised Business; execution is levied against the Franchised Business; a final judgment is entered against the Franchised Business and is not satisfied within 30 days; you are dissolved; a lawsuit or action is commenced against the Franchised Business to foreclose on a lien on equipment of the Franchised Business and such action is not dismissed after 60 days; real or personal property used by the Franchised Business is sold or levied by a sheriff or other law enforcement officer; you abandon or fail to continuously own and operate the Franchised Business; on three or more occasions during the term of the Franchise Agreement you fail to timely submit records and/or reports to us; on three or more occasions during the term of the Franchise Agreement you fail to timely pay fees and/or other financial sums due to us; the Franchisee’s Disclosure Questionnaire contains material omissions and/or misstatements; you attempt to transfer the Franchise Agreement and/or the assets of the Franchised Business without our prior written consent; you misuse, divulge or communicate to any unauthorized

Provision	Articles in Franchise Agreement	Summary
		third party the confidential information and/or the contents of the Manuals; you engage in conduct that materially impairs our Licensed Marks or System and/or the goodwill and reputation of our Licensed Marks or System; you or an Owner are convicted of a felony or plead guilty or nolo contendere to a felony; you or an Owner engaged in dishonest or unethical conduct that, in our judgment, results in embarrassment to us, our G-FORCE Businesses and/or the System; you underreport your gross sales and/or financial performance resulting in, in any instance, the underpayment, by 5% or more, of royalties and/or other fees due from you to us; you use equipment and/or supplies not approved by us; you fail to timely complete our training programs as designated by us and as determined in our discretion; engage in conduct and/or operations of the Franchised Business that poses an immediate threat or danger to public health or safety; you lose the right to occupy the facility and approved location of the Franchised Business; you fail to comply with Anti-Terrorism laws.
i. Franchisee's obligations on termination/non-renewal	Articles 6 and 17	You must: pay all sums that you owe to us under the Franchise Agreement and all other agreements with us; cease owning and operating the Franchised Business; cease representing yourself as a franchisee of ours; permanently cease using and/or accessing the System, the Licensed Marks, our confidential information, the Manuals, and the System Equipment and Supplies; return the Manuals and all confidential information to us in the original form provided to you and document the destruction of all electronic files related to same; completely de-identify the location and/or facility associated with the Franchised Business; as requested by us, transfer to us all data, telephone listings, digital media, accounts, web listings and websites associated with the Franchised Business; and abide by the post-termination non-competition covenants and restrictions.
j. Assignment of the contract by franchisor	Articles 14.A.	No restriction on our right to assign.

Provision	Articles in Franchise Agreement	Summary
k. “Transfer” by franchisee-definition	Articles 14.B.	A transfer means and includes, whether voluntary or involuntary, conditional or unconditional, direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.
l. Franchisor’s approval of transfer by franchisee	Articles 14.B.	Transfers require our prior written consent, which may be granted or withheld in our discretion.
m. Conditions for franchisor’s approval of transfer	Article 14.C.	For approval of your transfer, you must provide us with 30 days prior written notice of the proposed transfer; you and your Owners must not have defaulted in your obligations under the Franchise Agreement and all other agreements with us; you and your Owners must be in compliance with your obligations under the Franchise Agreement and all other agreements with us; the transferee must agree to be bound by all of the terms and provisions of the Franchise Agreement; the transferee’s owners must personally guarantee all of the terms and provisions of the Franchise Agreement; you and your Owners must sign a general release in favor of us; the assets of the Franchised Business must be transferred to the transferee; the transferee and the transferee’s owners and managers, at the transferee’s expense must complete our training programs; we waive our right of first refusal; and we approve of the transfer and transferee in writing and subject to our discretion; you pay the Transfer Fee.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Article 14.F.	We have the right to match any offer to purchase your G-FORCE Business or the Corporate Entity operating your G-FORCE Business.
o. Franchisor’s option to purchase franchisee’s business	Not applicable	Not applicable.

Provision	Articles in Franchise Agreement	Summary
p. Death or disability of franchisee	Article 14.D.	<p>If you are an individual, within 30 days of the death or permanent disability of Franchisee, your executor and/or legal representative must appoint an Operating Manager approved by us and within 60 days of such appointment the Operating Manager must complete, to our satisfaction, our initial training program. Within 12 months of the date of death or disability, the Franchise Agreement must be transferred to a transferee approved by us and otherwise transferred in accordance with the terms of the Franchise Agreement.</p> <p>If the franchisee is a Corporate Entity, within 30 days of the death or permanent disability of your Managing Owner, if there are other Owners, must appoint a replacement Operating Manager approved by us and within 60 days of such appointment the replacement Operating Manager must complete, to our satisfaction, our initial training program.</p>
q. Non-competition covenants during the term of the franchise	Article 6	No involvement in any competitive business and must comply with confidentiality, non-disclosure, and non-solicitation covenants.
r. Non-competition covenants after the franchise are terminated or expires	Article 6 and 17.E	No involvement, ownership, or interest whatsoever for two years in any competing business in: your Operating Territory; a 25 mile radius surrounding your Operating Territory; the Operating Territory of any other G-FORCE Business; and you must comply with confidentiality, non-disclosure, and non-solicitation covenants.
s. Modification of the agreement	Article 18.L.	Requires writing signed by you and us, except for unilateral changes that we may make to the Manuals or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion.
t. Integration/merger clauses	Article 18.M.	Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits, and amendments.

Provision	Articles in Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	Article 18.G.	Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation in Hillsborough County, New Hampshire and, if mediation is unsuccessful, then to binding arbitration in Hillsborough County, New Hampshire (Subject to applicable state law).
v. Choice of forum	Article 18.G.	All mediation, arbitration and, if applicable, litigation proceedings must be conducted in, or closest to, Hillsborough County, New Hampshire (Subject to applicable state law).
w. Choice of law	Article 18.F.	New Hampshire law will govern (except as otherwise disclosed in <u>Exhibit H</u> to this Disclosure Document). Subject to state law.

## **ITEM 18**

### **PUBLIC FIGURES**

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

## **ITEM 19**

### **FINANCIAL PERFORMANCE REPRESENTATIONS**

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

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 John Child, G-FORCE Franchise Group LLC at 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031 and (844) 464-3672, the Federal Trade Commission, and the appropriate state regulatory agencies.

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

**TABLE NO. 1**  
**SYSTEM WIDE OUTLET SUMMARY**  
**FOR YEARS 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	30	40	+10
	2023	40	42	+2
	2024	42	45	+3
Company Owned	2022	0	0	0
	2023	0	0	0
	2024	0	1	+1
Total Outlets	2022	30	40	+10
	2023	40	42	+2
	2024	40	43	+1

**TABLE NO. 2**  
**TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS**  
**(OTHER THAN THE FRANCHISOR)**  
**FOR YEARS 2022 to 2024**

State	Year	Number of Transfers
Arizona	2022	1
	2023	0
	2024	0
Florida	2022	1
	2023	0
	2024	0
Totals	2022	2
	2023	0
	2024	0

**TABLE NO. 3**  
**STATUS OF FRANCHISED OWNED OUTLETS**  
**FOR YEARS 2022 to 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Alabama	2022	1	1	1	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Arizona	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Colorado	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	1	0
	2024	0	1	0	0	0	0	1
Delaware	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Florida	2022	2	2	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Georgia	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Hawaii	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Illinois	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Indiana	2022	1	0	0	0	0	0	1



	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Kansas	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Kentucky	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Louisiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Michigan	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Mississippi	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
New Hampshire	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New Jersey	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	1	0	0	0	0
New York	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
North Carolina	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Ohio	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3

	2024	3	0	0	0	0	0	3
Oklahoma	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Pennsylvania	2022	2	2	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Rhode Island	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
South Carolina	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Tennessee	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Texas	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Washington	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Washington DC	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

Totals	2022	30	12	2	0	0	0	40
	2023	40	3	0	0	0	1	42
	2024	42	4	1	0	0	0	45

**TABLE NO. 4**  
**STATUS OF COMPANY OWNED OUTLETS**  
**FOR YEARS 2022 to 2024**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired by Franchisor	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Totals	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1

**TABLE NO. 5**  
**PROJECTED OPENINGS**  
**AS OF DECEMBER 31, 2024**

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Colorado	0	1	0
Idaho	0	1	0
Maine	0	1	0
Michigan	0	1	0
New Jersey	1	0	0
New Mexico	0	1	0
New York	0	1	0
Totals	1	6	0

Notes to Tables:

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

During the last three fiscal years, some current or former franchisees have signed confidentiality clauses with us that restrict them from discussing with you their experiences as a franchisee in our franchise system. We know of no franchisee organizations that are associated with our System and that utilize our Licensed Marks or the G-FORCE trade name as part of the franchisee organization's name.

Exhibit F to this Disclosure Document contains a list of our then current franchisees as of the end of the Issuance Date of this Disclosure Document.

Exhibit G to this Disclosure Document contains a list of franchisees that had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document.

## **ITEM 21**

### **FINANCIAL STATEMENTS**

Attached as Exhibit D are our full audited financial statements as of December 31, 2022, December 31, 2023, and December 31, 2024. We were established on June 16, 2017, and our fiscal year ends on December 31.

## **ITEM 22**

### **CONTRACTS**

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

#### **Exhibits to this Disclosure Document**

Exhibit <u>E</u>	Franchise Agreement
Exhibit <u>H</u>	State Specific Addendum

#### **Schedules and Exhibits to the Franchise Agreement**

Schedule <u>1</u>	Operating Territory Acknowledgement
Schedule <u>2</u>	Operating Territory Type, Franchise Fee, and Operations Center Location Acknowledgment
Schedule <u>3</u>	Statement of Franchisee's Owners
Exhibit <u>1</u>	Franchise Owner Agreement and Guaranty
Exhibit <u>2</u>	Joinder Agreement
Exhibit <u>3</u>	Confidentiality Agreement
Exhibit <u>4</u>	Administrative Office and Operating Territory Acknowledgment
Exhibit <u>5</u>	Assignment of Telephone Numbers and Digital Media Accounts
Exhibit <u>6</u>	General Release
Exhibit <u>7</u>	ACH Authorization Form and Credit Card Authorization Form

Individual state law may supersede the provisions contained in your Franchise Agreement respecting the requirement that you execute a general release as a condition to assignment, sale, or transfer. See, the state specific addenda contained in Exhibit H of this Disclosure Document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**ITEM 23**  
**RECEIPTS**

Two copies of a detachable receipt in Exhibit K are located at the very end of this Disclosure Document. Please sign one copy of the receipt and return it to us at the following address John Child, G-FORCE Franchise Group LLC, 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031. The duplicate is for your records.

[THE DISCLOSURE DOCUMENT ENDS HERE]



FRANCHISE DISCLOSURE DOCUMENT

**EXHIBIT A**  
STATE ADMINISTRATORS

## LIST OF STATE ADMINISTRATORS

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### **California**

Department of Financial Protection and Innovation  
320 West 4th Street Suite 750  
Los Angeles, CA 90013

2101 Arena Boulevard  
Sacramento, CA 95834  
1-866-275-2677

### **Connecticut**

Connecticut Banking Commissioner  
Department of Banking  
Securities & Business Investments Division  
260 Constitution Plaza  
Hartford, CT 06103

### **Florida**

Division of Consumer Services  
Attn: Business Opportunities  
2005 Apalachee Parkway  
Tallahassee, FL 32399

### **Hawaii**

Commissioner of Securities  
Dept of Commerce & Consumer Affairs  
Business Registration Division  
335 Merchant St, Room 203  
Honolulu, HI 96813

### **Illinois**

Office of the Attorney General  
Franchise Bureau  
500 South Second Street  
Springfield, IL 62706

### **Indiana**

Indiana Secretary of State  
Indiana Securities Division  
Franchise Section  
302 W. Washington Street Room E-111  
Indianapolis, IN 46204

### **Kentucky**

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

### **Maine**

Department of Professional and Financial  
Regulations  
Bureau of Banking  
Securities Division  
121 Statehouse Station  
Augusta, ME 04333

### **Maryland**

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

### **Michigan**

Michigan Department of the Attorney General  
Consumer Protection Division  
Antitrust and Franchise Unit  
670 Law Building  
PO Box 30213  
Lansing, MI 48909

### **Minnesota**

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

### **Nebraska**

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

### **New York**

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, NY 10005  
212-416-8222

### **North Carolina**

Secretary of State  
Securities Division  
300 North Salisbury Street, Suite 100  
Raleigh, NC 27603

### **North Dakota**

Securities Department  
600 East Boulevard Avenue, State Capitol  
Fourteenth Floor Dept 414  
Bismarck, ND 58505-0510  
Phone 701-328-4712

## **LIST OF STATE ADMINISTRATORS (CONTINUED)**

---

### **Rhode Island**

Department of Business Registration  
Division of Securities  
233 Richmond Street Suite 232  
Providence, RI 02903

### **South Carolina**

Office of the Secretary of State  
1205 Pendleton Street  
Edgar Brown Building, Suite 525  
Columbia, SC 29201

### **South Dakota**

Franchise Office  
Division of Securities  
910 E. Sioux Avenue  
Pierre, SD 57501

### **Texas**

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

### **Utah**

Utah Department of Commerce  
Division of Consumer Protection  
160 East Three Hundred South  
PO Box 146704  
Salt Lake City, UT 84114

### **Virginia**

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 E. Main Street, 9th Floor  
Richmond, VA 23219

### **Washington**

Department of Financial Institutions  
Securities Division  
PO Box 9033  
Olympia, WA 98507  
360-902-8700

### **Wisconsin**

Franchise Office  
Wisconsin Securities Commission  
PO Box 1768  
Madison, WI 53701

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FRANCHISE DISCLOSURE DOCUMENT

**EXHIBIT B**

AGENTS FOR SERVICE OF PROCESS

**AGENTS FOR SERVICE OF PROCESS**

G-FORCE Franchise Group LLC,  
13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031  
Attn: John Child

---

**California**

Department of Financial Protection and Innovation  
320 West 4th Street Suite 750  
Los Angeles, CA 90013

2101 Arena Boulevard  
Sacramento, CA 95834  
1-866-275-2677

**Connecticut**

Banking Commissioner  
Department of Banking  
Securities and Business Investment Division  
260 Constitution Plaza  
Hartford, CT 06103

**Hawaii**

Commissioner of Securities  
Dept of Commerce & Consumer Affairs  
Business Registration Division  
335 Merchant Street, Suite 203  
Honolulu, HI 96813

**Illinois**

Illinois Attorney General  
500 South Second Street  
Springfield, IL 62706

**Maryland**

Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, MD 21202

**Michigan**

Michigan Department of Commerce  
Corporation and Securities Bureau  
6546 Mercantile Way  
Lansing, MI 48910

**Minnesota**

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

**New York**

Secretary of the State of New York  
99 Washington Avenue  
Albany, NY 12231

**North Dakota**

North Dakota Securities Department  
Securities Commissioner  
600 East Boulevard Avenue, State Capitol  
Fifth Floor, Dept 414  
Bismarck, ND 58505  
Phone 701-328-4712

**Rhode Island**

Director of Department of Business Regulation  
233 Richmond Street, Suite 232  
Providence, RI 02903

**South Dakota**

Director, Division of Securities  
Department of Commerce and Regulation  
445 East Capitol Avenue  
Pierre, SD 57501

**Virginia**

Clerk of the State Corporation Commission  
1300 East Main Street, 1<sup>st</sup> Floor  
Richmond, VA 23219

**Washington**

Securities Administrator  
Washington Department of Financial  
Institutions  
150 Israel Road SW  
Tumwater, WA 98501

**Wisconsin**

Wisconsin Commissioner of Securities  
345 W Washington Avenue  
Madison, WI 53703

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**G-FORCE™**

FRANCHISE DISCLOSURE DOCUMENT

**EXHIBIT C**

OPERATIONS MANUAL TABLE OF CONTENTS

G-FORCE FRANCHISE GROUP LLC  
OPERATIONS MANUAL TABLE OF CONTENTS

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**G-FORCE™**

FRANCHISE DISCLOSURE DOCUMENT

**EXHIBIT D**  
FINANCIAL STATEMENTS



CONSENT

Penchansky & CO., PLLC, hereby consents to the use of the Franchise Disclosure Document issued by G-Force Franchise Group, LLC, our independent auditors report dated March 10, 2025, relating to the audited financial statements of G-Force Franchise Group, LLC as of and for the year ending December 31, 2024.

Adam M. Lord, CPA, CNAP  
Partner  
Penchansky & Co., PLLC  
Certified Public Accountants  
Manchester, New Hampshire

March 19, 2025

INSIGHT, INTEGRITY, EXCELLENCE

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1650 Elm Street Suite 302 • Manchester, NH 03101 • Tel 603.647.2400 • Fax 603.647.6495 • [www.penchansky.com](http://www.penchansky.com)

***G-FORCE FRANCHISE GROUP, LLC***

***Audited Financial Statements***

***For The Years Ending  
December 31, 2024 and 2023***



## G-FORCE FRANCHISE GROUP, LLC

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**Penchansky & Co. PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Member of  
**G-FORCE FRANCHISE GROUP, LLC**  
Manchester, New Hampshire

### Opinion

We have audited the accompanying financial statements of G-FORCE Franchise Group, LLC (a New Hampshire limited liability company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income and member equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of G-FORCE Franchise Group, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 G-FORCE Franchise Group, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about G-FORCE Franchise Group, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**INSIGHT, INTEGRITY, EXCELLENCE**

### 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of G-FORCE Franchise Group, 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 G-FORCE Franchise Group, 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.

*Penchansky & Co., PLLC*

Penchansky & Co., PLLC  
Certified Public Accountants  
Manchester, New Hampshire

March 10, 2025

**G-FORCE FRANCHISE GROUP, LLC**  
**Balance Sheets**  
**As of December 31,**

**ASSETS**

	<u>2024</u>	<u>2023</u>
<b><u>Current Assets:</u></b>		
Cash	\$ 481,767	\$ 307,096
Current Portion of Accounts Receivable:		
Operating	33,831	39,156
Technology Services	199,539	163,549
Phone Services	13,684	12,620
Royalties	65,560	58,490
Receivable - Other	26,815	20,200
Prepaid Insurance	11,519	9,185
Prepaid Expenses	3,308	17,101
	<u>836,023</u>	<u>627,397</u>
Total Current Assets		
	<u>836,023</u>	<u>627,397</u>
<b><u>Property and Equipment</u></b>		
Furniture and Fixture	22,056	11,736
Less: Accumulated Depreciation	<u>(12,808)</u>	<u>(141)</u>
	<u>9,248</u>	<u>11,595</u>
Net Property and Equipment		
	<u>9,248</u>	<u>11,595</u>
<b><u>Non-current Assets:</u></b>		
Website Development, Net of		
Accumulated Amortization	288	864
Accounts Receivable (Less Current Portion):		
Technology Services	717,559	697,055
Phone Services	33,380	39,420
	<u>751,227</u>	<u>737,339</u>
Total Non-current Assets		
	<u>751,227</u>	<u>737,339</u>
<b>Total Assets</b>	<b>\$ <u>1,596,498</u></b>	<b>\$ <u>1,376,331</u></b>

-Continued on next page



**Penchansky & Co. PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Balance Sheets**  
**As of December 31,**

**LIABILITIES AND MEMBER EQUITY**

<b><u>Current Liabilities:</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Accounts Payable	\$ 19,564	\$ 0
Accrued Expenses	26,411	51,814
Accrued Payroll	5,017	10,535
Current Portion Contract Obligations:		
Franchisee Support	140,900	113,723
Technology Services	197,770	161,770
Phone Services	12,320	11,520
<b>Total Current Liabilities</b>	<b><u>401,982</u></b>	<b><u>349,362</u></b>
 <b><u>Non-current Liabilities:</u></b>		
Contract Obligation (Less Current Portion):		
Franchisee Support	260,978	223,252
Technology Services	719,990	697,055
Phone Services	33,400	39,420
<b>Total Non-current Liabilities</b>	<b><u>1,014,368</u></b>	<b><u>959,727</u></b>
<b>Total Liabilities</b>	<b><u>1,416,350</u></b>	<b><u>1,309,089</u></b>
 <b><u>Member Equity:</u></b>		
Member Equity	180,148	67,242
<b>Total Member Equity</b>	<b><u>180,148</u></b>	<b><u>67,242</u></b>
<b>Total Liabilities and Member Equity</b>	<b><u>\$ 1,596,498</u></b>	<b><u>\$ 1,376,331</u></b>



**Penchansky & Co. PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Income and Member Equity**  
**For The Years Ending December 31,**

	<u>2024</u>	<u>%</u>	<u>2023</u>	<u>%</u>
<b><u>Revenues:</u></b>				
Franchise Fee	\$ 155,771	9.0	\$ 165,574	13.1
Royalties	925,491	53.6	694,547	55.0
Support Fee	209,975	12.2	145,165	11.5
Training Fee	49,250	2.9	0	0
Brand Development	169,101	9.8	108,419	8.6
Reimbursements	133,172	7.7	0	0
Services	8,360	0.5	102,461	8.1
Marketing Support	75,000	4.3	45,500	3.6
Total Revenues	1,726,120	100.0	1,261,666	100.0
Less: Military Discounts	(2,754)	(0.2)	(14,802)	(1.2)
Total Net Revenues	1,723,366	99.8	1,246,864	98.8
<b><u>Operating Expenses:</u></b>				
Wages	352,532	20.4	234,102	18.6
Payroll Taxes	30,425	1.8	19,468	1.5
Employee Benefits	16,205	0.9	2,970	0
Advertising	354,782	20.6	223,509	17.7
Brand Development	183,118	10.6	39,051	3.1
Professional Fees	110,252	6.4	118,374	9.4
Tech Software	168,753	9.8	0	0
Commissions Expense	56,327	3.3	55,081	4.4
Travel	51,299	3.0	27,719	2.2
Office Supplies	39,657	2.3	117,758	9.3
Office Expense	32,447	1.9	41,301	3.3
Insurance	18,876	1.1	16,782	1.3
Training	15,787	0.9	60,032	4.8
Meals and Entertainment	12,914	0.7	9,368	0.7
Depreciation	12,668	0.7	141	0
Telephone Expense	6,028	0	6,744	0.5
State Tax Paid	3,176	0.2	1,763	0.1
Bank Charges	998	0.1	1,003	0.1
Repairs and Maintenance	707	0.0	3,315	0
Amortization	576	0	576	0.0
Dues and Subscriptions	0	0	945	0.1
Total Operating Expenses	\$ 1,467,527	85.0	\$ 980,002	77.7



**Penchansky & Co. PLLC**

**CERTIFIED PUBLIC ACCOUNTANTS**

*See Notes and Independent Auditor's Report*

*-Continued on next page -*

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Income and Member Equity**  
**For The Years Ending December 31,**

	<u>2024</u>	<u>%</u>	<u>2023</u>	<u>%</u>
Net Income (Loss) before Other Income and (Expenses)	\$ <u>255,839</u>	<u>14.8</u>	\$ <u>266,862</u>	<u>21.2</u>
<b><u>Other Income and (Expenses):</u></b>				
Interest Income	224	0.0	1,091	0.1
Other Income	<u>45,697</u>	<u>2.6</u>	<u>12,935</u>	<u>1.0</u>
Total Other Income and (Expenses)	<u>45,921</u>	<u>2.7</u>	<u>14,026</u>	<u>1.1</u>
Net Income (Loss)	301,760	<u>17.5</u>	280,888	<u>22.3</u>
Member Equity, Beginning of Period	67,242		(109,014)	
Member Distributions	<u>(188,854)</u>		<u>(104,632)</u>	
Member Equity, End of Period	\$ <u><u>180,148</u></u>		\$ <u><u>67,242</u></u>	



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**CERTIFIED PUBLIC ACCOUNTANTS** *See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Cash Flows**  
**For The Years Ended December 31,**

	<u>2024</u>	<u>2023</u>
<b><u>Cash Flows from Operating Activities:</u></b>		
Net Income (Loss)	\$ 301,760	\$ 280,888
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Amortization	576	576
Depreciation	12,668	141
(Increase) Decrease in Accounts Receivable:		
Operating	5,325	(33,831)
Technology Services	(56,494)	(101,554)
Phone Services	4,976	(240)
Royalties	(7,070)	(22,525)
(Increase) Decrease in Receivable - Other	(6,615)	0
(Increase) Decrease in Prepaid Insurance	(2,334)	(1,601)
(Increase) Decrease in Prepaid Expenses	13,793	31,866
Increase (Decrease) in Accounts Payable	19,565	0
Increase (Decrease) in Accrued Expenses	(25,404)	34,492
Increase (Decrease) in Accrued Payroll	(5,518)	5,990
Increase (Decrease) in Current Portion Contract Obligations		
Franchisee Support	64,903	(5,375)
Technology Services	58,935	99,775
Phone Services	(5,220)	(860)
Total Adjustments	<u>72,086</u>	<u>6,854</u>
Net Cash Provided (Used) by Operating Activities	<u>373,846</u>	<u>287,742</u>
<b><u>Cash Flows from Investing Activities:</u></b>		
Purchase of Furniture and Fixture	<u>(10,321)</u>	<u>(11,737)</u>
Net Cash Provided (Used) by Investing Activities	<u>(10,321)</u>	<u>(11,737)</u>
<b><u>Cash Flows from Financing Activities:</u></b>		
Member Distributions	<u>(188,854)</u>	<u>(104,632)</u>
Net Cash Provided (Used) by Financing Activities	<u>(188,854)</u>	<u>(104,632)</u>
Net Increase (Decrease) in Cash and Equivalents	174,671	171,373
Cash, Beginning of Period	<u>307,096</u>	<u>135,723</u>
Cash, End of Period	<u>\$ 481,767</u>	<u>\$ 307,096</u>

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**Penchansky & Co. PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*See Notes and Independent Auditor's Report*



**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Cash Flows**  
**For The Years Ended December 31,**

	<u>2024</u>	<u>2023</u>
<b><u>Supplemental Cash Flow Disclosures:</u></b>		
<b>Cash Paid During the Period for:</b>		
Interest	\$ <u>0</u>	\$ <u>0</u>
State Taxes	\$ <u>0</u>	\$ <u>1,763</u>



**Penchansky & Co. PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2024 and 2023**

**NOTE 1 – Nature of Business:**

G-FORCE Franchise Group, LLC (the “Company”) is a Limited Liability Company formed in the State of New Hampshire. The Company operates as a veteran focused franchisor, providing support services for franchisees for expert parking lot striping, pavement marking, sign installation and other services.

**NOTE 2 – Summary of Significant Accounting Policies:**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned and expenses are recorded when incurred.

**Use of Estimates in Preparation of Financial Statements**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

**Revenue Recognition**

Revenue is realized or realizable and earned when persuasive evidence of a performance obligation has been satisfied. The Company records revenue from initial franchise fees, royalties on franchisee sales, and service fees for continuing support, and recognizes this revenue over the term of the contract with the franchisee, beginning at commencement of the contract.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers highly liquid debt instruments with maturity of three months or less to be cash equivalents. At December 31, 2024 and 2023, the Company had no cash equivalents.

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. In evaluating the collectability of individual receivable balances, the Company considers many factors, including the age of the balance, the customer’s payment history and payments term. If needed, management provides for probable uncollectible amounts through an allowance for doubtful accounts.

**Property, Plant & Equipment**

Property, plant and equipment are recorded at cost. Repairs and maintenance and small equipment purchases are charged to expense when incurred. Expenditures that significantly increase assets’ values or extend useful lives are capitalized. Depreciation expense is calculated using the straight line method over the useful lives as follows:

**Advertising**

The Company expenses advertising costs as incurred. For the years ending December 31, 2024 and 2023, advertising costs were \$354,782, and \$223,509.

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2024 and 2023**

**NOTE 2 – Summary of Significant Accounting Policies - continued:**

**Income Tax Matters**

The Company is a Limited Liability Company (LLC), which operates as a proprietorship for federal and state income purposes. Since a proprietorship is not a taxable entity for federal tax purposes, no federal income tax expense has been recorded in these financial statements. The Company, however, is still liable for state taxes.

The Company's evaluation on December 31, 2024 revealed no uncertain tax positions that would have a material effect on the financial statements. The Company's state tax returns are subject to possible examination by the taxing authorities. For state purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

**Contract Liability**

The FASB issued Accounting Standards Update (ASU) No. 2014-19, *Revenue from Contracts with Customers*, (Topic 606). This update supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle.

**Leases**

The FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases*, (Topic 842). This update requires lessees to recognize a liability associated with obligations to make payments under the terms of the arrangement in addition to a right-of-use asset representing the lessee's right to use, or control the use of the given asset assumed under the lease. The Company has evaluated its transactions and determined there were no leases.

**NOTE 3 – Franchising:**

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise agreements require the franchisee to pay an initial, non-recurring fee ranging from \$5,000 to \$25,000 for a standard operating territory and \$5,000 for a partial operating territory. The franchisee will then, and continue, to pay monthly, non-refundable royalty fees equal to a percentage of the franchisee's monthly gross sales. Subject to the Company's approval and franchisee's satisfaction of certain renewal conditions, and payment of a renewal fee, a franchisee may renew its agreement upon its expiration for one additional seven (7) year term. Direct costs of sales and servicing of franchise and license agreements are charged to general and administrative expenses as incurred.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including ongoing support, web page and advertising support, hosting of email, training and other administrative items. The Company recognizes initial fees as revenue when substantially all initial services required by the franchise agreement is performed, which is generally upon opening franchise business to the public. Continuing fees are recognized as a contract liability, and are recognized over the course of the contract as the services are earned, with an appropriate provision for estimated uncollectible amounts charged to general and administrative expense. The Company recognizes renewal fees in income when a renewal agreement becomes effective.

Franchise fees included in revenues for the periods ended December 31, 2024 and 2023 were \$155,771, and \$165,574, respectively.

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2024 and 2023**

**NOTE 4 – Contract Receivables:**

The Company has a discount policy that is made available to the first of 20 franchises sold, where the franchisee will receive a discount on the franchise fee. As this reduction is amortized over the first seven years of the contract, the performance obligations of the franchisor are greater than what is recognized, therefore, creating a contract asset. The Organization will also receive payments for technology services and royalties in accordance with the franchise agreement.

As of December 31, 2024, the balance of the contract assets consisted of:

<u>Contract Receivables</u>	<u>Amount</u>
Phone Services	47,064
Technology Services	<u>917,098</u>
<b>Total Contract Receivables</b>	<b>\$ <u>964,162</u></b>

As of December 31, 2023, the balance of the contract assets consisted of:

<u>Contract Receivables</u>	<u>Amount</u>
Phone Services	52,040
Technology Services	<u>860,604</u>
<b>Total Contract Receivables</b>	<b>\$ <u>912,644</u></b>

**NOTE 5 – Contract Obligations:**

The Company has a fee agreement to provide support services to franchisors for ongoing operations, technology and phone support that extends for seven years. In connection with this agreement, the Company has a contract liability, which is being amortized on a straight-line basis over the seven year term of the contract.

As of December 31, 2024, the balance of the liability consisted of:

<u>Contact Obligations</u>	<u>Amount</u>
Franchisee Support	\$ 401,878
Technology Services	917,760
Phone Services	<u>45,720</u>
<b>Total Contract Obligations</b>	<b>\$ <u>1,365,358</u></b>

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2024 and 2023**

**NOTE 5 – Contract Obligations - continued:**

As of December 31, 2023, the balance of the liability consisted of:

<u>Contact Obligations</u>	<u>Amount</u>
Franchisee Support	\$ 336,975
Technology Services	858,825
Phone Services	<u>50,940</u>
<b>Total Contract Obligations</b>	<b>\$ <u>1,246,740</u></b>

**NOTE 6 – Concentrations:**

**Cash**

The Company maintains cash balances that at times may exceed the Federal Deposit Insurance Corporation's (FDIC) insured limit of \$250,000.

**Accounts Receivable**

The Company has 3 customers with accounts receivable balances representing 82% of the total accounts receivable balance as of December 31, 2024. The Company had 2 customers with accounts receivable balances representing 41% of the total accounts receivable balance as of December 31, 2023.

**NOTE 7 – Retirement Plan:**

The Company implemented a 401(k) retirement plan for full time employees with an employer 5% match for those employee's that were able participate. Total employer contribution for the years ending December 31, 2024 and 2023 was \$16,205 and \$2,970, respectively.

**NOTE 8 – Subsequent Events:**

The Company evaluated subsequent events thru March 10, 2025, which is the date the financial statements were available to be released. Management has determined that there are no events which meet the requirement for disclosure.



CONSENT

Penchansky & Co. PLLC, Certified Public Accountants, consents to the use in the Franchise Disclosure Document issued by G-Force Franchise Group, LLC., on February 28, 2024, of our report dated February 17, 2024, relating to the financial statements of Franchisor for the period ending December 31, 2023.

X Penchansky & Co., PLLC

Penchansky & Co., PLLC  
Certified Public Accountants  
Manchester, NH 03101

INSIGHT, INTEGRITY, EXCELLENCE

***G-FORCE FRANCHISE GROUP, LLC***

***Audited Financial Statements***

***For The Years Ending  
December 31, 2023 and 2022***

## G-FORCE FRANCHISE GROUP, LLC

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**Penchansky & Co. PLLC**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Member of  
**G-FORCE FRANCHISE GROUP, LLC**  
Manchester, New Hampshire

### **Opinion**

We have audited the accompanying financial statements of G-FORCE Franchise Group, LLC (a New Hampshire limited liability company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and member equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of G-FORCE Franchise Group, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 G-FORCE Franchise Group, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about G-FORCE Franchise Group, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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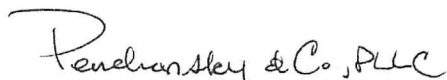
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of G-FORCE Franchise Group, 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 G-FORCE Franchise Group, 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.

  
Penchansky & Co., PLLC  
Certified Public Accountants  
Manchester, New Hampshire

February 17, 2024

**G-FORCE FRANCHISE GROUP, LLC**

**Balance Sheets  
As of December 31,**

**ASSETS**

	<u>2023</u>	<u>2022</u>
<b><u>Current Assets:</u></b>		
Cash	\$ 307,096	\$ 135,723
Current Portion of Accounts Receivable:		
Operating	39,156	5,325
Technology Services	163,549	123,590
Phone Services	12,620	10,080
Royalties	58,490	35,965
Receivable - Other	20,200	20,200
Prepaid Insurance	9,185	7,584
Prepaid Expenses	17,101	48,967
Total Current Assets	<u>627,397</u>	<u>387,434</u>
<b><u>Property and Equipment</u></b>		
Furniture and Fixture	11,736	0
Less: Accumulated Depreciation	<u>(141)</u>	<u>0</u>
Net Property and Equipment	<u>11,595</u>	<u>0</u>
<b><u>Non-current Assets:</u></b>		
Website Development, Net of Accumulated Amortization	864	1,440
Accounts Receivable (Less Current Portion):		
Technology Services	697,055	635,460
Phone Services	<u>39,420</u>	<u>41,720</u>
Total Non-current Assets	<u>737,339</u>	<u>678,620</u>
Total Assets	<u>\$ 1,376,331</u>	<u>\$ 1,066,054</u>

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*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**

**Balance Sheets**

**As of December 31,**

**LIABILITIES AND MEMBER EQUITY**

<b><u>Current Liabilities:</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
Accrued Expenses	\$ 51,814	\$ 17,323
Accrued Payroll	10,535	4,545
Current Portion Contract Obligations:		
Franchisee Support	113,723	111,075
Technology Services	161,770	123,590
Phone Services	11,520	10,080
Total Current Liabilities	<u>349,362</u>	<u>266,613</u>
<b><u>Non-current Liabilities:</u></b>		
Contract Obligation (Less Current Portion):		
Franchisee Support	223,252	231,275
Technology Services	697,055	635,460
Phone Services	39,420	41,720
Total Non-current Liabilities	<u>959,727</u>	<u>908,455</u>
Total Liabilities	<u>1,309,089</u>	<u>1,175,068</u>
<b><u>Member Equity:</u></b>		
Member Equity	<u>67,242</u>	<u>(109,014)</u>
Total Member Equity	<u>67,242</u>	<u>(109,014)</u>
Total Liabilities and Member Equity	\$ <u><u>1,376,331</u></u>	\$ <u><u>1,066,054</u></u>

*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Income and Member Equity**  
**For The Years Ending December 31,**

	<u>2023</u>	<u>%</u>	<u>2022</u>	<u>%</u>
<b><u>Revenues:</u></b>				
Franchise Fee	\$ 165,573	13.1	\$ 154,298	18.7
Royalties	694,546	55.0	496,972	60.2
Support Fee	145,165	11.5	94,680	11.5
Brand Development	108,419	8.6	79,754	9.7
Services	102,461	8.1	0	0
Marketing Support	45,500	3.6	0	0
	<u>1,261,664</u>	<u>100.0</u>	<u>825,704</u>	<u>100.0</u>
Total Revenues				
Less: Military Discounts	(14,800)	(1.2)	(27,250)	(3.3)
	<u>1,246,864</u>	<u>98.8</u>	<u>798,454</u>	<u>96.7</u>
Total Net Revenues				
<b><u>Operating Expenses:</u></b>				
Wages	234,102	18.6	110,083	13.3
Payroll Taxes	19,468	1.5	9,354	1.1
Employee Benefits	2,970	0.2	0	0
Advertising	223,509	17.7	104,298	12.6
Professional Fees	118,374	9.4	85,784	10.4
Office Supplies	117,758	9.3	70,201	8.5
Training	60,032	4.8	29,979	3.6
Commissions Expense	55,081	4.4	56,050	6.8
Office Expense	41,301	3.3	24,414	3.0
Brand Development	39,051	3.1	35,851	4.3
Travel	27,719	2.2	31,644	3.8
Insurance	16,782	1.3	11,270	1.4
Meals and Entertainment	9,368	0.7	20,917	2.5
Telephone Expense	6,744	0.5	3,836	0.5
Repairs and Maintenance	3,315	0.3	0	0
State Tax Paid	1,763	0.1	600	0.1
Bank Charges	1,003	0.1	343	0.0
Dues and Subscriptions	945	0.1	980	0.1
Amortization	576	0.0	960	0.1
Depreciation	141	0.0	0	0
Bad Debt	0	0	3,087	0.4
	<u>980,002</u>	<u>77.7</u>	<u>599,651</u>	<u>72.6</u>
Total Operating Expenses	\$		\$	

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See Notes and Independent Auditor's Report

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Income and Member Equity**  
**For The Years Ending December 31,**

	<u>2023</u>	<u>%</u>	<u>2022</u>	<u>%</u>
Net Income (Loss) before Other Income and (Expenses)	\$ <u>266,862</u>	<u>21.2</u>	\$ <u>198,803</u>	<u>24.1</u>
<b><u>Other Income and (Expenses):</u></b>				
Interest Income	1,091	0.1	817	0.1
Interest Paid	0	0	(808)	(0.1)
Other Income	<u>12,935</u>	<u>1.0</u>	<u>3,556</u>	<u>0.4</u>
Total Other Income and (Expenses)	<u>14,026</u>	<u>1.1</u>	<u>3,565</u>	<u>0.4</u>
Net Income (Loss)	280,888	<u>22.3</u>	202,368	<u>24.5</u>
Member Equity, Beginning of Period	(109,014)		(102,083)	
Member Contributions	0		135,552	
Member Distributions	<u>(104,632)</u>		<u>(344,851)</u>	
Member Equity, End of Period	\$ <u><u>67,242</u></u>		\$ <u><u>(109,014)</u></u>	

*See Notes and Independent Auditor's Report*

**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Cash Flows**  
**For The Years Ended December 31,**

	<u>2023</u>	<u>2022</u>
<b><u>Cash Flows from Operating Activities:</u></b>		
Net Income (Loss)	\$ 280,888	\$ 202,368
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Amortization	576	960
Depreciation	141	0
(Increase) Decrease in Accounts Receivable:		
Operating	(33,831)	(408)
Technology Services	(101,554)	(223,850)
Phone Services	(240)	(11,460)
Royalties	(22,525)	13,737
(Increase) Decrease in Receivable - Other	0	(20,200)
(Increase) Decrease in Prepaid Insurance	(1,601)	(3,057)
(Increase) Decrease in Prepaid Expenses	31,866	(48,967)
Increase (Decrease) in Accrued Expenses	34,491	13,371
Increase (Decrease) in Accrued Payroll	5,990	4,545
Increase (Decrease) in Current Portion Contract Liabilities		
Franchisee Support	(5,375)	56,950
Technology Services	99,775	225,780
Phone Services	(860)	11,460
Total Adjustments	<u>6,853</u>	<u>18,861</u>
Net Cash Provided (Used) by Operating Activities	<u>287,741</u>	<u>221,229</u>
<b><u>Cash Flows from Investing Activities:</u></b>		
Purchase of Furniture and Fixture	<u>(11,736)</u>	<u>0</u>
Net Cash Provided (Used) by Investing Activities	<u>(11,736)</u>	<u>0</u>
<b><u>Cash Flows from Financing Activities:</u></b>		
Payments on EIDL Loan	0	(10,000)
Member Distributions	(104,632)	(344,851)
Member Contributions	<u>0</u>	<u>135,552</u>
Net Cash Provided (Used) by Financing Activities	<u>(104,632)</u>	<u>(219,299)</u>
Net Increase (Decrease) in Cash and Equivalents	171,373	1,930
Cash, Beginning of Period	<u>135,723</u>	<u>133,793</u>
Cash, End of Period	<u>\$ 307,096</u>	<u>\$ 135,723</u>

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**G-FORCE FRANCHISE GROUP, LLC**  
**Statements of Cash Flows**  
**For The Years Ended December 31,**

	<u>2023</u>	<u>2022</u>
<b><u>Supplemental Cash Flow Disclosures:</u></b>		
<b>Cash Paid During the Period for:</b>		
Interest	\$ <u>0</u>	\$ <u>808</u>
State Taxes	\$ <u>1,763</u>	\$ <u>600</u>



**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2023 and 2022**

**NOTE 1 – Nature of Business:**

G-FORCE Franchise Group, LLC (the “Company”) is a Limited Liability Company formed in the State of New Hampshire. The Company operates as a veteran focused franchisor, providing support services for franchisees for expert parking lot striping, pavement marking, sign installation and other services.

**NOTE 2 – Summary of Significant Accounting Policies:**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America. Revenues are recorded when earned and expenses are recorded when incurred.

**Use of Estimates in Preparation of Financial Statements**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

**Revenue Recognition**

Revenue is realized or realizable and earned when persuasive evidence of a performance obligation has been satisfied. The Company records revenue from initial franchise fees, royalties on franchisee sales, and service fees for continuing support, and recognizes this revenue over the term of the contract with the franchisee, beginning at commencement of the contract.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers highly liquid debt instruments with maturity of three months or less to be cash equivalents. At December 31, 2023 and 2022, the Company had no cash equivalents.

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. In evaluating the collectability of individual receivable balances, the Company considers many factors, including the age of the balance, the customer’s payment history and payments term. If needed, management provides for probable uncollectible amounts through an allowance for doubtful accounts.

*-Continued on next page-*

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2023 and 2022**

**NOTE 2 – Summary of Significant Accounting Policies - continued:**

**Property, Plant & Equipment**

Property, plant and equipment are recorded at cost. Repairs and maintenance and small equipment purchases are charged to expense when incurred. Expenditures that significantly increase assets' values or extend useful lives are capitalized. Depreciation expense is calculated using the straight line method over the useful lives as follows:

**Advertising**

The Company expenses advertising costs as incurred. For the years ending December 31, 2023 and 2022, advertising costs were \$223,509, and \$104,298.

**Income Tax Matters**

The Company is a Limited Liability Company (LLC), which operates as a proprietorship for federal and state income purposes. Since a proprietorship is not a taxable entity for federal tax purposes, no federal income tax expense has been recorded in these financial statements. The Company, however, is still liable for state taxes.

The Company's evaluation on December 31, 2023 revealed no uncertain tax positions that would have a material effect on the financial statements. The Company's state tax returns are subject to possible examination by the taxing authorities. For state purposes, the tax returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

**Contract Liability**

The FASB issued Accounting Standards Update (ASU) No. 2014-19, *Revenue from Contracts with Customers*, (Topic 606). This update supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle.

**Leases**

The FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases*, (Topic 842). This update requires lessees to recognize a liability associated with obligations to make payments under the terms of the arrangement in addition to a right-of-use asset representing the lessee's right to use, or control the use of the given asset assumed under the lease. The Company has evaluated its transactions and determined there were no leases.

*-Continued on next page-*

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2023 and 2022**

**NOTE 3 – Franchising:**

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise agreements require the franchisee to pay an initial, non-recurring fee ranging from \$5,000 to \$25,000 for a standard operating territory and \$5,000 for a partial operating territory. The franchisee will then, and continue, to pay monthly, non-refundable royalty fees equal to a percentage of the franchisee's monthly gross sales. Subject to the Company's approval and franchisee's satisfaction of certain renewal conditions, and payment of a renewal fee, a franchisee may renew its agreement upon its expiration for one additional seven (7) year term. Direct costs of sales and servicing of franchise and license agreements are charged to general and administrative expenses as incurred.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including ongoing support, web page and advertising support, hosting of email, training and other administrative items. The Company recognizes initial fees as revenue when substantially all initial services required by the franchise agreement is performed, which is generally upon opening franchise business to the public. Continuing fees are recognized as a contract liability, and are recognized over the course of the contract as the services are earned, with an appropriate provision for estimated uncollectible amounts charged to general and administrative expense. The Company recognizes renewal fees in income when a renewal agreement becomes effective.

Franchise fees included in revenues for the periods ended December 31, 2023 and 2022 were \$165,573, and \$154,298, respectively.

**NOTE 4 – Contract Liability:**

The Company has a fee agreement to provide support services to franchisors for ongoing operations, technology and phone support that extends for seven years. In connection with this agreement, the Company has a contract liability, which is being amortized on a straight-line basis over the seven year term of the contract.

As of December 31, 2023, the balance of the liability consisted of:

<u>Contact Obligation</u>	<u>Amount</u>
Franchisee Support	\$ 336,975
Technology Services	858,825
Phone Services	<u>50,940</u>
<b>Total Contract Obligation</b>	<b>\$ <u>1,246,740</u></b>

*-Continued on next page-*

**G-FORCE FRANCHISE GROUP, LLC**  
**Notes to the Financial Statements**  
**For The Years Ending December 31, 2023 and 2022**

**NOTE 4 – Contract Liability - continued:**

As of December 31, 2022, the balance of the liability consisted of:

<u>Contact Obligation</u>	<u>Amount</u>
Franchisee Support	\$ 342,350
Technology Services	759,050
Phone Services	<u>51,800</u>
<b>Total Contract Obligation</b>	<b>\$ <u>1,153,200</u></b>

**NOTE 5 – Concentrations:**

The Company maintains cash balances that at times may exceed the Federal Deposit Insurance Corporation's (FDIC) insured limit of \$250,000.

**NOTE 6 – Retirement Plan:**

The Company implemented a 401(k) retirement plan for full time employees with an employer 5% match for those employee's that were able participate. Total employer contribution for the years ending December 31, 2023 and 2022 was \$2,970 and \$0, respectively.

**NOTE 7 – Subsequent Events:**

The Company evaluated subsequent events thru February 17, 2024, which is the date the financial statements were available to be released. Management has determined that there are no events which meet the requirement for disclosure.



FRANCHISE DISCLOSURE DOCUMENT

**EXHIBIT E**  
FRANCHISE AGREEMENT



G-FORCE Franchise Group LLC

## G-FORCE FRANCHISE AGREEMENT

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Franchisee Name

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This Agreement and the Schedules and Exhibits attached hereto are subject to the copyright of The Internicola Law Firm, PC.

## G-FORCE FRANCHISE AGREEMENT

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## Schedules and Exhibits

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Schedule 3	Statement of Franchisee’s Owners
Exhibit 1	Franchise Owner Agreement and Guaranty
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Exhibit 3	Confidentiality Agreement
Exhibit 4	Administrative Office and Operating Territory Acknowledgment
Exhibit 5	Assignment of Telephone Numbers and Digital Media Accounts
Exhibit 6	General Release
Exhibit 7	ACH Authorization Form and Credit Card Authorization

## G-FORCE FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is entered into on \_\_\_\_\_, 202\_\_ (“Effective Date”), by and between G-FORCE Franchise Group LLC, a New Hampshire limited liability company with a principal place of business located at 13 Columbia Drive, Suite 19, Amherst, New Hampshire 03031, (the “Franchisor”) and \_\_\_\_\_ (the “Franchisee”).

### RECITALS

WHEREAS, Franchisor has developed a distinctive and proprietary system (the “System”) for the establishment, development and operation of a business that offers, sells and provides services including, but not limited to, parking lot striping (our primary service), pavement marking services, surface marking services, warehouse floor markings, floor coatings, parking lot sign installation, thermoplastic markings, wheel stop installation, pressure washing, parking lot sweeping, asphalt maintenance, asphalt sealcoating, asphalt crack sealing, asphalt repairs, paving, shot blasting, surface grinding, paint removal, concrete membranes, concrete sealing, and epoxy markings (the “System Services and Products”) under the Licensed Marks (defined below) (each, a “Franchised Business”, or “G-FORCE Business”);

WHEREAS, the System and, therefore, each G-FORCE Business, is identified by the Licensed Marks and distinctive trade dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which Franchisor may modify from time to time; and

WHEREAS, Franchisee desires to obtain the non-exclusive license and right to use the System in the development and operation of a G-FORCE Business within a designated operating territory and pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties do hereby agree, as follows:

### ARTICLE 1 DEFINITIONS

Supplementing the terms and definitions contained in the foregoing “Recitals”:

“**Accounting Period**” is the period of time selected and determined by Franchisor for the required measurement and reporting of financial information and payment of financial obligations by Franchisee. The applicable measurement period will be determined by Franchisor from time to time with respect to Franchisee’s obligations to report financial information and data to Franchisor (including Gross Sales) and Franchisee’s payment of all fees, including, but not limited to, Royalty Fees, Advertising Contributions, Technology Support Fees, and other on-going fees. The “Accounting Period” shall be a monthly period commencing not later than the earlier of the (a) Scheduled Business Commencement Date, or (b) the Actual Business Commencement Date of the Franchised Business and shall continue each and every month thereafter throughout the Term of this Agreement.

“**Actual Business Commencement Date**” refers to and means the first day of the month immediately following Franchisee’s completion of Franchisor’s initial Training Program as said Training Program is designated and determined by Franchisor.

**“Administrative Office(s)”** refers to and means the fixed administrative offices and/or facilities from which G-FORCE Businesses may be established, operated, and managed. An Administrative Office is a commercial office facility from which Franchisee manages the administrative and back-end operations of the Franchised Business. If Franchisee elects to conduct the administrative operations of the Franchised Business from a home office, Franchisee may do so as long as same is permitted by applicable laws and regulations and, in such event, reference in this Agreement to the term “Administrative Office” shall also refer to Franchisee’s home office.

**“Advertising Contributions”** refers to and means any and all obligations of Franchisee to contribute to or pay fees to Franchisor, Franchisor’s affiliate and/or designees as set forth in this Agreement including, but not limited to, the Brand Development Fund Fee (Article 9.A).

**“Ancillary Agreements”** refers to and means, individually and collectively, each and every agreement between: (a) Franchisor and Franchisee but, not including this Agreement; and (b) Franchisor and each of Franchisee’s Owners, whether individually and/or collectively. Without limitation to the foregoing, the term Ancillary Agreements includes the Franchise Owner Agreement and Guaranty, Joinder Agreement, Lease Agreement Rider, Collateral Assignment of Lease and the Assignment of Telephone Numbers and Digital Media Accounts, as said agreements, individually and/or collectively, may have been entered into between the foregoing parties.

**“Annual System Conference Attendance Fee”** shall have the meaning defined and set forth in Article 4.C of this Agreement.

**“Annual System Conference”** refers to and means a conference that may be established and organized by Franchisor for the purpose of facilitating networking among G-FORCE Business franchisees, and general education. Franchisor shall designate and determine whether or not an Annual System Conference shall occur and, if one is established in any particular year, the dates, content, and location of the Annual System Conference. The Annual System Conference shall be for a duration of not more than three consecutive days per calendar year. Franchisee is responsible for all costs and expenses associated with Franchisee’s travel to and attendance at the Annual System Conference.

**“Assigned Area”** refers to and means the operating area and areas or designated area and areas of current and future G-FORCE Businesses other than the Operating Territory of Franchisee’s G-FORCE Business. Franchisor shall exclusively determine Assigned Areas.

**“Assignment of Telephone Numbers and Digital Media Accounts”** refers to and means the Assignment of Telephone Numbers and Digital Media Accounts agreement attached to this Agreement as Exhibit 5.

**“Brand Development Fund”** shall have the meaning defined and set forth in Article 9.A of this Agreement.

**“Brand Development Fund Fee”** shall have the meaning defined and set forth in Article 9.A of this Agreement.

**“Business Management System”** refers to and means the software, internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually or collectively designated by Franchisor, in Franchisor’s Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business. Franchisor reserves the right to modify and designate alternative Business Management Systems as Franchisor determines in Franchisor’s Reasonable Business Judgment. Without limitation to the foregoing, the Business

Management System may include: (a) multiple point of sale systems installed and maintained on-site at your Administrative Office; (b) portable tablet and/or computer systems utilized on-site when providing services to customers of the Franchised Business; (c) web based, private server based, network based and/or cloud based customer ordering systems, processing systems, production systems and/or service delivery systems; and (d) customer membership and rewards systems. The Business Management System or systems may, in whole or in part, include and utilize internet, intra-net and cloud based and accessed applications, software, databases and/or systems that require Franchisee to access such systems and information through the internet or a private network and that stores the data and information relating to the Franchised Business on off-site servers through accounts and/or servers controlled by Franchisor. At all times, Franchisor shall possess direct live access and storage-based access to the Business Management System for the Franchised Business and to Franchisee's Business Management System Data.

**"Business Management System Data"** refers to and means the forms, data, tools, customer information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by Franchisor or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

**"Competitive Business"** refers to and means any business that is the same as or similar to a G-FORCE Business including, but not limited to, any business that offers and/or provides services and/or products relating to parking lot striping, pavement marking services, surface marking services, asphalt maintenance, asphalt sealcoating, asphalt crack sealing, asphalt repairs, concrete membranes, concrete sealing, shot blasting, paint removal, epoxy floor markings, paving, and/or parking lot sign installation.

**"Complaint Event"** shall have the meaning defined and set forth in Article 5.D. of this Agreement.

**"Confidential Information"** refers to and means all of Franchisor's and/or Franchisor's affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of this Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of G-FORCE Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by G-FORCE Businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of G-FORCE Businesses; (d) customer lists and information related to G-FORCE Businesses and the Franchised Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

**"Confidentiality Agreement"** refers to and means the form of "Confidentiality Agreement" attached to this Agreement as Exhibit 3.

**"Contact Center"** means any and all organized communication systems and methods approved by Franchisor by which an individual (referred to as a "prospective customer") attempts to contact and/or communicate with a Franchisor designated corporate representative, a System customer service representative, and/or a G-FORCE Businesses. Franchisor, at Franchisor's election and determination, maintains sole discretion to manage, control and coordinate all Contact Center communications, including initial communications, on-going communications and responsive communications for purposes that, at Franchisor's discretion, may include: (a) receiving and responding to telephone calls from prospective customers; (b) receiving and responding to telephone calls from prospective customers attempting to

contact a System representative, (c) receiving and responding to telephone calls, emails, web chats, web contacts, lead generation source contacts and other contacts that Franchisee may receive from prospective customers, current customers and former customers of the Franchised Business; (d) to individually and/or collectively process, schedule, reschedule, book and/or monitor estimate appointments with customers and prospective customers of the Franchised Business; (e) to individually and/or collectively process, schedule, reschedule, book and/or monitor service appointments with customers and prospective customers of the Franchised Business; and/or (f) to individually and/or collectively process and respond complaints and/or additional inquiries from customers or prospective customers of the Franchised Business.

**“Contact Center Fee”** shall have the meaning defined and set forth in Article 5.I. of this Agreement.

**“Contact Center Services”** means any and all services offered and provided by Franchisor and/or required by Franchisor in connection with Franchisor’s management and operation of Contact Center. Franchisor, in Franchisor’s Reasonable Business Judgement and at Franchisor’s discretion shall determine, from time to time, the services that may or may not be included in the Contact Center Services and what activities and actions may be delegated to franchisees and/or may be required to be performed directly by each respective Franchisee at each Franchisee’s sole cost and expense separate and apart from the Contact Center Fees. Franchisee agrees that under no circumstance is Franchisor responsible for the conversion of customers or potential customers for the Franchised Business and in no event does Franchisor represent nor warranty revenue and/or converted customers that will or may be derived as a result of the Contact Center Services.

**“Controlling Interest”** shall exist for the following individuals, Owners, partners and/or entities: (a) (If Franchisee is a corporation) a controlling interest shall exist for such shareholders and Owners of the voting shares of stock of Franchisee as (i) shall permit voting control of Franchisee on any issue and/or (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (b) (If Franchisee is a general partnership) a controlling interest shall exist for such partners and Owners that possess a managing partnership interest or such percentage of the general partnership interests in Franchisee as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination, or entity from blocking voting control on any issue or exercising any veto power; (c) (If Franchisee is a limited partnership) a controlling interest shall exist for such partners and Owners that possess a general partnership interest; and (d) (If Franchisee is a limited liability company) a controlling interest shall exist for such members and Owners that possess a percentage of the membership interests as (i) shall permit determination of the outcome on any issue, and (ii) shall prevent any other person, group, combination or entity from blocking voting control on any issue or exercising any veto power.

**“Copyrights”** refers to and means all works and materials for which Franchisor or any affiliate of Franchisor has secured common law or registered copyright protection, and Franchisor utilizes and/or allows G-FORCE Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a G-FORCE Business, whether as of the Effective Date of this Agreement or any time in the future.

**“Corporate Entity”** refers to and means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

**“Customer Guarantee Program”** refers to and means those customer guarantee programs and policies designated by Franchisor and that must be communicated, implemented, and honored by Franchisee in all dealings and transactions between Franchisee and Franchisee’s customers and potential customers. Without limitation to the foregoing, Franchisee acknowledges and agrees that, at a minimum, a part of the Customer Guarantee Program is the obligation of Franchisee to offer and honor a one year guarantee as to all of Franchisee’s customers as to the quality and workmanship of the products and services provided by

Franchisee and shall include repairs, replacements, the re-performance of services to correct any and/all defects in workmanship and/or quality of materials and/or as may be designated and determined by Franchisor, in Franchisor's Reasonable Business Judgment, the refund of all monies paid by the customer. Franchisee shall be exclusively responsible for all costs and expenses associated with the Customer Guarantee Program and all customer guarantees.

**"Customer Service Fee and Refund Fee"** shall have the meaning defined and set forth in Article 5.D. of this Agreement.

**"Customer Vouchers"** refers to and means any and all gift cards, vouchers, receipts, cards, and other evidence of a pre-paid purchase transaction (for goods and/or services and whether in electronic form, printed form, card or otherwise) concerning a G-FORCE Business.

**"Digital Media"** refers to and means any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, and YouTube and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to, G-FORCE Businesses, the Franchised Business, the Licensed Marks, the System and/or Franchisor. Digital Media further includes the System Website, web pages and website subdomains (including those related to, associated with and/or a part of the System Website) associated with and/or related to the Franchised Business and all web pages, blog posts, videos, articles, social media accounts and pages, website directory pages, information, sub-domains, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

**"Direct Solicitation"** refers to and means "communications and/or contacts occurring through in person contact, telephone, mail, electronic mail, direct mail, distributed print media, Digital Media, Marketing Media, Media Distribution and/or marketing directed toward customers, potential customers, or referral sources of a G-FORCE Business.

**"Due Date"** shall have the meaning defined and set forth in Article 5.B. of this Agreement.

**"Effective Date"** shall be the date set forth, defined, and referred to in the first paragraph of this Agreement.

**"Franchise Owner Agreement and Guaranty"** refers to and means the form of agreement attached to this Agreement as Exhibit 1. The Franchise Owner Agreement and Guaranty is an agreement and guarantee individually, jointly, and severally entered into by the Owners of Franchisee.

**"Franchised Business"** refers to and means the G-FORCE Business that Franchisee shall develop and is required to establish, maintain, and operate as part of the System and in accordance with the terms, conditions and obligations set forth in this Agreement and the Operations Manual. Without limitation to the foregoing, the Franchised Business shall be exclusively established, maintained, owned, and operated by Franchisee within Franchisee's designated Operating Territory and in accordance with the terms of this Agreement.

**"Franchisee's Administrative Office"** refers to and means the Administrative Office from which Franchisee establishes, operates, and manages the Franchised Business. Franchisee's Administrative Office must be located within Franchisee's Operating Territory, must be approved by Franchisor and shall, further, have the meaning defined and set forth in Article 2.A. of this Agreement. Franchisee's Administrative

Office must be located within the Operating Territory at a location and facility approved, in writing, by Franchisor, in Franchisor's Reasonable Business Judgment.

**"Franchisor's Reasonable Business Judgment"** refers to, means and relates to any and all decisions, actions and choices made by Franchisor concerning or relating to this Agreement, the System, G-FORCE Businesses and the Franchised Business where Franchisor undertakes or makes such decision with the intention of benefitting or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining operating territory markets, minimizing potential customer confusion as to the location of G-FORCE Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. Franchisee agrees that when a decision, determination, action and/or choice is made by Franchisor in Franchisor's Reasonable Business Judgment that such decision, determination, action, or choice made by Franchisor shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee agrees that in connection with any decision, determination, action and/or choice made by Franchisor in Franchisor's Reasonable Business Judgment that: (a) Franchisor possesses a legitimate interest in seeking to maximize Franchisor's profits; (b) Franchisor shall not be required to consider Franchisee's individual economic or business interests as compared to the overall System; and (c) should Franchisor economically benefit from such decision, determination, action and/or choice that such economic benefit to Franchisor shall not be relevant to demonstrating that Franchisor did not exercise reasonable business judgment with regard to Franchisor's obligations under this Agreement and/or with regard to the System. Franchisee agrees that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee's or such third party's judgment for Franchisor's Reasonable Business Judgment. Franchisee further agrees that should Franchisee challenge Franchisor's Reasonable Business Judgment in any legal proceeding that Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that Franchisor failed to exercise Franchisor's Reasonable Business Judgment.

**"G-FORCE Business(s)"** shall have the meaning defined in the Recitals section of this Agreement and, without limitation to the Recitals section definition of "G-FORCE Businesses", shall further include, refer to and mean: every business and all businesses owned and/or operated by Franchisor, Franchisor's affiliates and/or authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

**"GAAP"** refers to and means United States Generally Accepted Accounting Principles.

**"Gross Sales"** refers to and means the total dollar sales from all business and customers of the Franchised Business and includes the total gross amount of revenues and sales from whatever source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by Franchisee in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by Franchisee or any other person or Corporate Entity from business conducted or which started in, on, from or through the Franchised Business and/or Operating Territory, whether such business is/was conducted in compliance with or in violation of the terms of this Agreement. Supplementing the foregoing, Gross Sales further includes the total gross amount of revenues and sales from whatever source derived from and/or derived by Franchisee (including any person and/or Corporate Entity acting on behalf of Franchisee) from business conducted within and/or outside the Operating Territory that is related to the Franchised Business and/or a Competitive Business located and/or operated within the Operating Territory, outside the Operating Territory, and/or otherwise (the foregoing does not constitute approval for Franchisee's operation of a Competitive Business and/or the operation of a G-FORCE Business outside of the Operating Territory). Gross Sales do not include sales or use taxes collected by Franchisee.

**“Immediate Family”** refers to and means the spouse of a person and any other member of the household of such person, including, without limitation, children of such person.

**“Inspection Event”** shall have the meaning defined and set forth in Article 5.D. of this Agreement.

**“Inspection Fee”** shall have the meaning defined and set forth in Article 5.D. of this Agreement.

**“IP Claim”** shall have the meaning defined and set forth in Article 11.E of this Agreement.

**“Joinder Agreement”** refers to and means the form “Joinder Agreement” attached to this Agreement as Exhibit 2.

**“Know-How”** refers to means Franchisor’s trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a G-FORCE Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

**“Licensed Marks”** refers to and means the trademarks, service marks, emblems and indicia of origin, including the “G-FORCE” trademark, the G-FORCE logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by Franchisor in connection with the identification of G-FORCE Businesses and the System Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by Franchisor in Franchisor’s Reasonable Business Judgment.

**“Managers”** refers to and means the Managing Owner plus all assistant managers of the Franchised Business and all other employees, independent contractors, consultants, directors, officers, and board members who may possess access to the Confidential Information.

**“Managing Owner”** refers to and means, if Franchisee is a partnership or Corporate Entity, the Managing Owner shall be the Owner responsible for the day-to-day oversight, management, and operation of the Franchised Business. The Managing Owner must possess and maintain an ownership and equity interest in the Franchisee such that said individual owns, holds and controls not less than 25% of the equity and ownership interests in Franchisee. At all times, the Managing Owner must manage the operations of the Franchised Business.

**“Marketing Media”** refers to and means all communications, whether written, oral, digital, or otherwise utilized for and/or designed for the purpose of marketing, advertising and/or promoting Franchisee’s G-FORCE Business including, but not limited to, Direct Solicitations, Web Based Media, Digital Media, social media, print publications, print mailers, email communications and public relations.

**“Media Distribution”** refers to and means methods, by any means, for the publication, transmission, dissemination, distribution and/or delivery of Marketing Media.

**“Monthly Minimum Royalty Fee Requirements”** shall have the meaning defined and set forth in Article 5.B. of this Agreement.

**“National Account Rules”** shall have the meaning defined and set forth in Article 3.K. of this Agreement.



**“National Account Administration Fee”** shall have the meaning defined and set forth in Article 5.H. of this Agreement.

**“National Accounts”** refers to and means customers or potential customers of the System Services and Products that possesses and/or maintains stores, outlets, shopping centers, venues, facilities and/or operations at multiple locations located throughout a region or the nation.

**“Non-Compliance Fee”** refers to and means a fee payable by Franchisee in an amount equal to the amount of fees, costs, and expenses that Franchisor incurs respecting the enforcement of Franchisor’s rights under this Agreement in response to a default by Franchisee and/or Franchisee’s breach of the terms or conditions of this Agreement. Said costs and expenses shall include any and all reasonable administrative fees, legal fees, mediation and mediator fees, arbitration and arbitrator fees, legal disbursements, mediation disbursements, arbitration disbursements, consultant fees, expert fees, accounting fees and filing fees. Recoverable legal fees also include legal fees and charges incurred by Franchisor with Franchisor’s outside legal counsel and the reasonable costs incurred by Franchisor as to Franchisor’s in-house legal staff.

**“Notice Period”** shall have the meaning defined and set forth in Article 16.A of this Agreement.

**“Open Area”** refers to a geographic territory and area that is not an Assigned Area.

**“Operating Manager”** refers to and means the Manager designated by Franchisee or Franchisee’s Managing Owner, that is charged with the obligation and responsibility to supervise and manage (on-site at Franchisee’s Administrative Office) the day-to-day operations of the Franchised Business. At all times, the Operating Manager must: (a) meet all of Franchisor’s minimum training and brand quality control standards and criteria for managers as may be set forth in the Operations Manual; (b) successfully complete Franchisor’s initial training program; (c) sign the Confidentiality Agreement; and (d) agree, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business.

**“Operating Territory”** refers to and means the territory identified and described in Schedule 1 attached to and made a part of this Agreement. Franchisor, in Franchisor’s Reasonable Business Judgment and discretion, shall determine the Operating Territory. Franchisor’s designation of Franchisee’s Operating Territory and whether or not Franchisee’s Operating Territory is a Standard Operating Territory, or a Standard Operating Territory that has been supplemented with an additional Zone or Zones, or with additional individuals, is set forth in Schedule “2” attached to and made a part of this Agreement.

**“Operations Manual”** refers to and means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of G-FORCE Businesses including, but not limited to, the policies, procedures and requirements for the development and operation of G-FORCE Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor’s Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor’s modification from time to time and based on Franchisor’s Reasonable Business Judgment, the Operations Manual shall, among other things, designate the System Services and Products that must be offered and provided by the Franchised Business and the G-FORCE Business Ingredients and Supplies that must be exclusively utilized by the G-FORCE Business. Only System Services and Products may be offered and sold by the Franchised Business. Only System Equipment and Supplies may be utilized by Franchisee in the operations of the Franchised Business.

**“Out of Territory Service”** refers to and means the provision of System Services and Products in an “Open Area” and in accordance with the Territory Rules.

**“Out of Territory Service Request”** refers to and means a written documentation that is prepared and submitted in accordance with Franchisor’s standards and specifications wherein Franchisee: (a) identifies the name and contact information of a prospective customer located in an Open Area that has requested the services of Franchisee’s G-FORCE Business; (b) identifies the date for the proposed services and/or products to be provided by the Franchised Business; and (c) requests Franchisor’s written notification either approving or disapproving Franchisee’s request to provide System Services and Products on behalf of the prospective Open Area customer.

**“Owner”** refers to and means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s). Franchisee’s Owners are identified in Schedule 3 to this Agreement. At all times Franchisee’s Owners must be United States military veterans honorably discharged from the United States Military.

**“Post-Term Restricted Period”** refers to and means the two year period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee Transfers this Agreement to another person or Corporate Entity. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the “Post-Term Restricted Period” means the 18 month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee Transfers this Agreement to another person or Corporate Entity.

**“Prohibited Activities”** shall have the meaning defined and set forth in Article 6.D. of this Agreement.

**“Published Content”** refers to and means any and all information, data, articles, blog posts, press releases, frequently asked questions, special offers, product information, service information, web posts, videos and other information relating to or concerning the Franchised Business, the System, or the Licensed Marks that is or was made available by Franchisee or Franchisee’s agents to the public in print or electronic media that is published, listed, made available, uploaded on, downloaded to or posted to Digital Media.

**“Renewal Fee”** shall have the meaning defined and set forth in Article 15.A. of this Agreement. The Renewal Fee is a fixed sum of \$5,000.

**“Renewal Term”** refers to and means the seven year period that commences on the expiration of the Term and continues, unless earlier terminated pursuant to the terms of the then applicable G-FORCE Business renewal Franchise Agreement, for the seven year period thereafter. The Renewal Term applies only if Franchisee is entitled to invoke and does invoke Franchisee’s renewal rights in accordance with the terms of this Agreement including, but not limited to, Article 15 of this Agreement and the applicable G-FORCE Business renewal Franchise Agreement.

**“Reserved Rights”** shall have the meaning defined and set forth in Article 2.D. of this Agreement.

**“Restricted Territory”** refers to and means the geographic area: (a) comprising Franchisee’s Operating Territory; (b) comprising a 25 mile radius surrounding Franchisee’s Operating Territory (or, if Franchisee is not granted or designated an operating territory, then a 25 mile radius surrounding Franchisee’s Administrative Office); (c) comprising each of the operating territories, respectively, of other G-FORCE

Businesses that are in operation or under development during all or any part of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the “Restricted Territory” means the geographic area within Franchisee’s Operating Territory plus a 25 mile radius surrounding Franchisee’s Operating Territory or, if Franchisee is not granted or designated an operating territory, then a 25 mile radius surrounding Franchisee’s Administrative Office.

“**Royalty Fee(s)**” shall have the meaning defined and set forth in Article 5.B. of this Agreement. If any federal, state or local tax other than an income tax is imposed upon the Royalty Fee paid by Franchisee to Franchisor which, Franchisor cannot directly and, dollar to dollar, offset against taxes required to be paid by Franchisor under any applicable federal or state laws, Franchisee must compensate Franchisor in the manner prescribed by Franchisor so that the net amount or net rate received by Franchisor is not less than that which has been established by this Agreement and which was due to Franchisor on the effective date of this Agreement.

“**Royalty Rate**” shall have the meaning defined and set forth in Article 5.B. of this Agreement.

“**Royalty Reporting Charge**” shall have the meaning defined and set forth in Article 12.B. of this Agreement.

“**Scheduled Business Commencement Date**” refers to and means the date that occurs 60 days following the Effective Date of this Agreement.

“**Service Vehicle(s)**” refers to and means the Franchisor approved commercial vehicle(s) to be acquired, maintained, and operated by G-FORCE Business franchisees in connection with the day-to-day operations of a G-FORCE Business. Franchisee’s Service Vehicle(s) must be dedicated to the day-to-day operations of the Franchised Business, must be approved by Franchisor, and must meet Franchisor’s specifications as to vehicle models, vehicle age, vehicle type, interior configuration and capability, signs, and exterior vehicle wrap.

“**Social Media Management Fee**” has the meaning defined and set forth in Article 5.C. of this Agreement.

“**Standard Operating Territory**” refers to and means an Operating Territory comprised of a geographic area that includes a population of approximately 750,000 to 1,500,000 people. Franchisor, in Franchisor’s Reasonable Business Judgment, maintains the sole and exclusive discretion as to what constitutes a Standard Operating Territory and the calculation of the approximate population located within a Standard Operating Territory. The determination as to the approximate population within a Standard Operating Territory is made by Franchisor as of the Effective Date of this Agreement based on U.S. Census Bureau data or other publicly available data that Franchisor believes to be more reliable. The population will be determined in the aggregate and calculated based on raw data and without regard to demographics or other qualifying factors and is not subject to future adjustment.

“**Supplemental Royalty Fee**” shall have the meaning defined and set forth in Article 5.B. of this Agreement.

“**Supplemental Training**” shall have the meaning defined and set forth in Article 4.A. of this Agreement.

“**Supplemental Training Fee**” shall have the meaning defined and set forth in Article 4.A. of this Agreement.

“**Supplier Evaluation Fee**” refers to and means the fee determined by Franchisor, in Franchisor’s

Reasonable Business Judgment, and based upon the fees and/or expenses incurred by Franchisor in connection with the evaluation of a request by Franchisee for Franchisor's consideration and/or review of a potential supplier. Under no circumstance is Franchisor required to approve of suppliers requested by Franchisee.

**"System"** shall have the meaning defined in the "Recitals" section of this Agreement and is further supplemented, as follows: without limitation to the Recitals section of this Agreement and supplementing the definition and meaning of the term "System", System shall be defined to further include and mean: (a) the System Services and Products, System Equipment and Supplies and the services, procedures and systems that are designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by Franchisor in Franchisor's Reasonable Business Judgment.

**"System Equipment and Supplies"** refers to and means the equipment and supplies designated by Franchisor as required for use in connection with Franchisee's G-FORCE Business and the System Services and Products. Without limitation to the foregoing, the System Equipment and Supplies shall include G-FORCE branded, non-branded and third party branded equipment and supplies designated by Franchisor for use in the day-to-day operations of Franchisees G-FORCE Business including, among other things: line striping machines and tools, stencils, traffic paint, materials, signs and displays, uniforms, stationary, sales slips, receipts, customer notices and other forms and materials, designated by Franchisor in the Operations Manual and/or otherwise in writing and, as may be modified and supplemented by Franchisor from time to time in Franchisor's Reasonable Business Judgment. System Equipment and Supplies shall further include those products that Franchisor authorizes for sale to customers of Franchisee's G-FORCE Business.

**"System Services and Products"** shall have the meaning defined in the "Recitals" section of this Agreement and shall further refer to and mean those products and services that Franchisor authorizes for sale by G-FORCE Businesses. Franchisor shall exclusively designate and determine the System Services and Products and Franchisor, in Franchisor's Reasonable Business Judgment, may change, modify, reduce, or supplement the System Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that Franchisor may make from time to time and Franchisor's right to change and modify the System Services and Products, shall designate the System Services and Products that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the System Services and Products.

**"System Website"** refers to and means the web page and/or pages located on the world wide web at the [www.gogforce.com](http://www.gogforce.com) URL (uniform resource locator) and shall further include all webpages and subdomains (including those that are franchisee and/or geography specific) that are a part of [www.gogforce.com](http://www.gogforce.com), or as designated by Franchisor being associated with the URL of [www.gogforce.com](http://www.gogforce.com) and/or G-FORCE Businesses.

**"Technology Support Fee"** shall have the meaning defined and set forth in Article 5.C. of this Agreement and is supplemented, as follows: the Technology Support Fee is an administrative fee associated with defraying certain costs incurred by Franchisor in connection with the maintenance of the [www.gogforce.com](http://www.gogforce.com) website, subscription programs on your behalf (QuickBooks Online, our custom

quoting systems, online training programs, and franchise intranet), SEO and PPC management and other technology efforts on your behalf.

“**Term**” refers to and means the period of time set forth and defined in Article 2.B. of this Agreement and, the Renewal Term if Franchisee invokes Franchisee’s renewal rights in accordance with the terms of this Agreement.

“**Territory Rules**” shall have the meaning defined and set forth in Article 3.J. of this Agreement.

“**Trade Dress**” refers to and means the G-FORCE Business designs, images, marketing materials, packaging, branding and/or branding images which Franchisor authorizes and requires Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by Franchisor from time to time.

“**Training Program**” shall have the meaning defined and set forth in Article 4.A. of this Agreement.

“**Transfer**” refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.

“**Transfer Fee**” shall have the meaning defined in Article 14.C.(11) of this Agreement. The Transfer Fee is a fixed sum of \$15,000.

“**Zone**” refers to and means a geographic area that includes a population of approximately 750,000 people. Franchisor, in Franchisor’s Reasonable Business Judgment, maintains the sole and exclusive discretion in designating what constitutes a Zone and the calculation of the approximate population within a Zone. The determination as to the approximate population within a Zone is made by Franchisor as of the Effective Date of this Agreement based on U.S. Census Bureau data or other publicly data that Franchisor believes to be more reliable. The population will be determined in the aggregate and calculated based on raw data and without regard to demographics or other qualifying factors and is not subject to future adjustment.

## **ARTICLE 2**

### **GRANT OF FRANCHISE**

#### **2.A. GRANT OF FRANCHISE**

Franchisee has requested that Franchisor grant to Franchisee the non-exclusive license and right to develop, own and operate a G-FORCE Business within a specified territory. In reliance on the representations made by Franchisee and/or Franchisee’s Owners in any submitted application and during the application process and, subject to the terms and conditions of this Agreement, Franchisee’s request has been approved by Franchisor, subject to the following terms and conditions:

(1) During the Term of this Agreement and subject to the rights of Franchisor including, but not limited to, the Reserved Rights, Franchisor grants to Franchisee and Franchisee accepts, the non-exclusive license, right and obligation to develop and operate a G-FORCE Business within the Operating Territory;

(2) If, as of the Effective Date, Franchisee has selected a proposed Administrative Office that Franchisor approves as Franchisee's Administrative Office, then the location of Franchisee's Administrative Office shall be identified in Schedule 2 of this Agreement;

(3) If, as of the Effective Date, Franchisee has not selected a proposed Administrative Office location that is approved by Franchisor in Schedule 2 to this Agreement, and/or Schedule 2 to this Agreement is left incomplete as to the specific location of Franchisee's Administrative Office, if Franchisee has not otherwise elected and designated Franchisee's home as Franchisee's Administrative Office, Franchisee must locate, identify and secure an Administrative Office for the Franchised Business in accordance with the terms of this Agreement, including the requirement that Franchisee must obtain Franchisor's approval of Franchisee's Administrative Office. If, after the Effective Date, Franchisee proposes and Franchisor approves of Franchisee's proposed Administrative Office, such approval must be in writing and must be evidenced by Franchisor's execution of Exhibit 4 with a specific Administrative Office location designated and identified in Exhibit 4;

(4) Franchisee must manage the Franchised Business from Franchisee's Administrative Office located within Franchisee's Operating Territory;

(5) Franchisee may only operate the Franchised Business within Franchisee's Operating Territory and, without limitation to the foregoing, Franchisee may only offer and sell the System Services and Products within Franchisee's Operating Territory and in accordance with the requirements set forth in the Operations Manual;

(6) Except as otherwise provided in this Agreement including, but not limited to, the Reserved Rights, provided that, at all times Franchisee is and remains in compliance with all of the terms and provisions of this Agreement, during the Term of this Agreement, neither Franchisor nor any affiliate of Franchisor will establish or operate, or grant a franchise to any third party to operate, a G-FORCE Business using the Licensed Marks and System within Franchisee's Operating Territory (provided that an Operating Territory has been designated and approved by Franchisor in accordance with the terms of this Agreement); and

(7) The foregoing rights granted in this Article 2.A. are subject to and contingent upon each and every, term and condition of this Agreement, the rights of any prior user, and are non-exclusive and subordinate to the Reserved Rights.

## **2.B. TERM**

Unless sooner terminated pursuant to the terms of this Agreement, the term of this Agreement will be for a period of seven years, commencing as of the Effective Date (the "Term").

## **2.C. OWNERS AGREEMENT, INDIVIDUAL GUARANTEES, CONFIDENTIALITY AND RESTRICTIVE COVENANTS**

If Franchisee is, at any time, a Corporate Entity, Franchisee agrees that each shall execute, sign, and deliver to Franchisor the Franchise Owner Agreement and Guaranty attached to this Agreement as Exhibit 1 and, in doing so, among other things, will jointly and severally guarantee Franchisee's obligations and personally bind themselves to confidentiality and non-competition covenants and restrictions. Without limitation to and as a supplement to the foregoing, each Owner shall be bound by the provisions, obligations and responsibilities set forth in this Agreement by executing the Joinder Agreement attached to this Agreement as Exhibit 2.

## **2.D. RESERVATION OF RIGHTS**

Franchisor on behalf of itself, its affiliates and its assigns retains all rights, on any and all terms and conditions that Franchisor deems advisable and without any compensation or consideration to Franchisee

to engage in the following activities (the “Reserved Rights”): (a) operate and grant to others the right to operate a Franchised Business, G-FORCE Business and/or other businesses using the System and Licensed Marks at locations outside Franchisee’s Operating Territory; (b) acquire or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within Franchisee’s Operating Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within Franchisee’s Operating Territory; (d) use the Licensed Marks and System to offer, sell, and provide System Services and Products or products and services similar to the Approved Products and Services offered and sold by the Franchised Business on behalf of and to National Accounts within or outside Franchisee’s Operating Territory; and (e) use the Licensed Marks and System and to license others to use the Licensed Marks and System, to engage in all other activities not expressly prohibited by the Franchise Agreement.

## **2.E. MODIFICATION OF SYSTEM**

Franchisor, in Franchisor’s Reasonable Business Judgment, reserves the right, at all times, to supplement, modify, alter and/or amend the System including any and/or all components of the System. Franchisee shall promptly comply with all such modifications to the System whether such modification results in the addition, subtraction, modification and/or enhancement to any and/or all components of the System. Franchisor shall provide Franchisee with a reasonable time period to comply with any change or modification to the System which shall be communicated to Franchisee by Franchisor including, but not limited to, communication through the Operations Manual. Franchisor’s modifications to the System shall not materially alter Franchisee’s fundamental rights under this Agreement.

## **2.F. OWNERSHIP OF CORPORATE ENTITY**

If Franchisee is at any time a Corporate Entity, Franchisee represents that the information contained in Schedule 3 to this Agreement is true and accurate.

# **ARTICLE 3** **FRANCHISEE’S DEVELOPMENT, COMMENCEMENT** **AND OPERATION OF THE FRANCHISED BUSINESS**

## **3.A. COMMENCEMENT OF THE FRANCHISED BUSINESS**

Franchisee must develop and open the Franchised Business to the public and, commence the day-to-day operations of the Franchised Business, on or before the Scheduled Business Commencement Date. Notwithstanding the foregoing, Franchisee agrees that prior to opening and commencing the operations of the Franchised Business, Franchisee must, as determined by Franchisor: (a) be in compliance with the terms and conditions of this Agreement; (b) have satisfied the pre-opening obligations designated by Franchisor in the Operations Manual; (c) have completed and satisfied the training obligations designated by Franchisor; (d) have secured an Administrative Office within 60 days of the Effective Date of this Agreement at an office that has been approved by Franchisor; and (e) obtained Franchisor’s written consent to open the Franchised Business. Notwithstanding anything contained herein to the contrary, if Franchisee elects to conduct the administrative operations of the Franchised Business from a home office, Franchisee may do so as long as same is permitted by applicable laws and regulations.

## **3.B. OPERATIONS OF THE FRANCHISED BUSINESS**

At all times, Franchisee’s G-FORCE Business shall: (a) be exclusively operated from an approved

Administrative Office located within the Operating Territory; (b) exclusively offer, sell and provide the System Services and Products; (c) ensure that the System Services and Products are only offered and provided by Franchisee through employees and/or Owners that have, to Franchisor's satisfaction, completed the training requirements and Training Programs required by Franchisor; (d) exclusively utilize, maintain and stock in inventory the System Equipment and Supplies in such quantities and as designated by Franchisor; (e) exclusively purchase the System Equipment and Supplies from the supplier and/or suppliers, vendor and/or vendors approved by Franchisor and designated by Franchisor, in Franchisor's Reasonable Business Judgment; (f) be exclusively managed and operated by Franchisee or, if Franchisee is a Corporate Entity, Franchisee's Managing Owner; (g) exclusively provide the System Services using Franchisor designated Service Vehicles and using System Equipment and Supplies; and (h) be operated in conformity with the Operations Manual as such Operations Manual exists as of the Effective Date of this Agreement and as the Operations Manual may be modified and supplemented from time to time in the future by Franchisor, in Franchisor's Reasonable Business Judgment.

### **3.C. FRANCHISEE'S HOME OFFICE OR ADMINISTRATIVE OFFICE**

At all times Franchisee must operate the Franchised Business from an Administrative Office that conforms to Franchisor's standards and specifications and such other requirements as set forth in the Operations Manual. Franchisee must obtain Franchisor's written approval of the location of Franchisee's Administrative Office. If permitted by applicable laws, rules and regulations including, but not limited to, local zoning laws and regulations (to be independently verified by Franchisee) Franchisee may designate Franchisee's personal residence as Franchisee's Administrative Office provided that such residence is located within the Operating Territory. Otherwise, Franchisee must develop Franchisee's Administrative Office from a commercial location located within the Operating Territory. As applicable, Franchisor will furnish Franchisee with Franchisor's then current preliminary plans and specifications for an Administrative Office.

Franchisee shall develop, operate and manage the Franchised Business from an Administrative Office, that: (a) was identified and evaluated by Franchisee; (b) complies with the terms and conditions of this Agreement; (c) satisfies and meets Franchisor's standards and specifications; (d) is timely presented by Franchisee to Franchisor for approval as Franchisee's proposed Administrative Office; (e) is approved by Franchisor as Franchisee's Administrative Office; (f) is timely secured by Franchisee within 120 days of the Effective Date of this Agreement, as evidenced by a binding lease with a duration equal to the full Term of this Agreement; (g) is and, at all times, shall be exclusively dedicated to the operation of the Franchised Business; and (h) otherwise meets the terms and conditions of this Agreement and Franchisor's standards and specifications.

Franchisee will not lease, purchase, or otherwise acquire a proposed Administrative Office until such information as Franchisor may require as to the proposed Administrative Office has been provided to Franchisor by Franchisee and, Franchisor has approved the location in accordance with the terms and conditions of this Agreement. Franchisor shall respond to Franchisee's request for approval of a proposed Administrative Office within a reasonable time period but not exceeding 30 days following Franchisor's receipt, from Franchisee, of complete written information about Franchisee's proposed Administrative Office. If Franchisor rejects or disapproves Franchisee's proposed Administrative Office, Franchisee must nevertheless identify and obtain Franchisor's approval of a proposed Administrative Office within the time requirements set forth in this Agreement. Franchisor's disapproval of a proposed Administrative Office shall not serve as a basis to extend any deadline or requirement set forth in this Agreement.

Franchisor's approval of Franchisee's proposed Administrative Office is not and does not constitute a representation or warranty by Franchisor of any kind other than that Franchisor does not object to or disapprove of Franchisee's proposed Administrative Office. No provision of this Agreement shall be construed or interpreted to impose an obligation on Franchisor to locate an Administrative Office for the



Franchised Business, to assist Franchisee in the selection of a suitable Administrative Office for the Franchised Business or to provide assistance to the Franchisee in the purchase or lease of an Administrative Office.

### **3.D. FURNITURE, FIXTURES, EQUIPMENT AND SIGNS**

If applicable and provided that Franchisee's designated Administrative Office is not Franchisee's home, Franchisee agrees to use in the construction and operation of Franchisee's Administrative Office only those types of construction and decorating materials, fixtures, equipment, furniture, and signs that Franchisor has approved or designated in the Operations Manual for the Franchised Business as meeting Franchisor's specifications and standards for appearance, function, and performance. Franchisee shall purchase approved or designated types of construction and decorating materials, fixtures, equipment, furniture, and signs including, but not limited to, System Equipment and Supplies, only from suppliers approved or designated by Franchisor (which may include Franchisor and/or its affiliates) from time to time in writing and/or in the Operations Manual.

### **3.E. ON-GOING PURCHASE OF EQUIPMENT AND SUPPLIES**

At all times during the Term of this Agreement and in connection with the day-to-day operations of the Franchised Business, Franchisee shall exclusively utilize the System Equipment and Supplies and Franchisee shall exclusively purchase the System Equipment and Supplies from the supplier and/or suppliers and vendor and/or vendors designated by Franchisor from time to time. Franchisee expressly acknowledges and agrees that control over the nature, quality, branding and source of the System Equipment and Supplies is critical to the System and that irrespective of the availability of substitute products, supplies, equipment and/or sources of supply, Franchisee shall only utilize the System Equipment and Supplies as designated by Franchisor and only from those suppliers designated and approved by Franchisor. Franchisee further acknowledges and agrees that in many instances Franchisor and/or Franchisor's affiliates may be and/or may become the sole and exclusive supplier of the System Equipment and Supplies.

### **3.F. SERVICE VEHICLES**

Franchisee agrees that significant to the operations of the Franchised Business, the System Services and Products, the marketing of the Franchised Business and the overall goodwill of the System is Franchisee's exclusive and mandatory use of Service Vehicles designated by Franchisor and subject to Franchisor's standards and specifications. Without limitation to the requirements set forth in Articles 3.A. and 3.B. of this Agreement, at all times during the Term of this Agreement and in connection with the day-to-day operations of the Franchised Business, Franchisee shall acquire, utilize, maintain, register, insure (as a commercial vehicle) and operate no less than one branded and wrapped authorized Service Vehicle (including a service trailer as authorized and specified by Franchisor). Franchisee specifically acknowledges and agrees that Franchisee shall not and is not authorized to provide System Services and Products unless such services are conducted from, provided from and/or delivered from an authorized Service Vehicle that meets Franchisor's standards and specifications.

### **3.G. BUSINESS MANAGEMENT SYSTEM**

At all times, Franchisee shall exclusively utilize the Business Management System(s) designated by Franchisor, in Franchisor's Reasonable Business Judgment, and as may be modified, supplemented, or replaced by Franchisor from time to time. Franchisee cannot substitute or replace the Business Management System in favor of any substitutes or other systems. To the extent that the Business Management System is hosted, maintained, licensed, or operated by third party suppliers Franchisee shall purchase, license, and maintain such Business Management System and/or systems from such third party suppliers designated by Franchisor and subject to Franchisor's standards and specifications. To the extent that the Business Management System(s) designated is/are internet or cloud-based systems with accounts and data (including accounts and data associated with the Franchised Business) stored off-site Franchisor, in Franchisor's

Reasonable Business Judgment, may require that Franchisee's license, utilization and use of the Business Management System occur through accounts registered to Franchisor, controlled by Franchisor, or licensed through Franchisor. To the extent that the Business Management System(s) is/are stored locally on computer systems maintained by Franchisee, then Franchisee shall provide Franchisor with internet and complete remote access to such systems. Franchisor may be and/or become the exclusive supplier and/or reseller of the Business Management System.

Franchisee shall be responsible for initial costs for the hardware required for continued and mandatory access and utilization of the Business Management System. Franchisor shall provide training and the ongoing fees for the Business Management System shall be included in the then current Technology Support Fee. Franchisee must complete training, purchase, and license the Business Management System(s) no later than 15 days prior to the earlier of the Actual Business Commencement Date or the Scheduled Business Commencement Date.

Supplementing and without limitation to the foregoing, Franchisee acknowledges that the Business Management System will contain proprietary and confidential information owned by Franchisor and related to the System, and that:

(1) Franchisee shall utilize the Business Management System exclusively for the operations of the Franchised Business and in accordance with the terms of this Agreement and Franchisor's standards and specifications as set forth in the Operations Manual;

(2) All rights in and to the Business Management System are non-transferable and non-assignable to Franchisee and shall be utilized by Franchisee subject to the terms and conditions of this Agreement, Business Management System licenses that Franchisor may approve of and otherwise as determined by Franchisor in Franchisor's Reasonable Business Judgment;

(3) As between Franchisee and Franchisor, Franchisor is and shall be the exclusive owner of the Business Management System Data, except that Franchisee shall store and maintain such data in accordance with all applicable local, state, and federal privacy, data collection and solicitation laws. Among other things, upon expiration or termination of this Agreement for any reason, Franchisee shall preserve and maintain the Business Management System data for the purpose of transferring such data to Franchisor;

(4) At all times, Franchisee shall provide and permit Franchisor to maintain direct and independent access to the Business Management System and the Business Management System Data and to duplicate and evaluate data the Business Management System Data If applicable, upon Franchisor's request, Franchisee shall electronically transfer and transmit to Franchisor all Business Management System Data;

(5) When instructed by Franchisor, Franchisee shall upgrade, replace, and modify the Business Management System;

(6) Franchisee shall promptly disclose to Franchisor all ideas and suggestions for modifications or enhancements to the Business Management System, to the configuration and templates associated with the Business Management System and that Franchisor shall have the right to use such ideas and suggestions and that Franchisee shall not receive or obtain any ownership rights or interests in any modifications or enhancements to the Business Management System;

(7) Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, Franchisee shall not permit nor allow any third party to access, utilize, or duplicate the Business Management System or the Business Management System Data without Franchisor's prior written consent;

(8) Franchisee shall keep and maintain the Business Management System and the Business Management System Data as secret and confidential, and Franchisee shall maintain security precautions to maintain the confidentiality and secrecy of the Business Management and to prevent the unauthorized access or use;

(9) Management Software System and all information, data and templates stored, entered and/or maintained thereon as confidential, as containing trade secrets of Franchisor that we have entrusted to Franchisee in confidence to use only as Franchisor authorizes; and

(10) In no event shall Franchisor be liable to Franchisee for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to Franchisee's use or, Franchisee's inability to use, the Business Management System even if Franchisor has been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

### **3.H. DIGITAL MEDIA, SYSTEM WEBSITE AND TELEPHONE NUMBERS**

Franchisee acknowledges the significance of Digital Media to the System and necessity for Franchisor's control over Digital Media. Between Franchisor and Franchisee, Franchisor is the absolute owner of the Digital Media, and nothing contained in this Agreement grants to Franchisee any ownership interest in or to the Digital Media. Franchisee shall not utilize, access or open accounts regarding or related to Digital Media unless expressly approved by Franchisor in writing which approval Franchisor may withhold, condition or limit as determined by Franchisor in Franchisor's Reasonable Business Judgment and which approval, if given, shall be limited to the marketing and promotion of the Franchised Business in accordance with Franchisor's standards and specifications. Upon expiration or termination of this Agreement for any reason, any prior authorization by Franchisor as to Franchisee's right to utilize the Digital Media and/or otherwise as to any rights of Franchisee in or to the Digital Media shall be automatically terminate and, at Franchisor's election, the right to any and all accounts and/or sites (if any) associated with Digital Media utilized by Franchisee shall be transferred to Franchisor. Under no circumstance shall Franchisee utilize the Digital Media for purposes of anything considered of a political or religious nature, or with the effect of libeling or disparaging another nor shall Franchisee violate any copyrights – as to such actions as between Franchisee and any third party, Franchisee is exclusively responsible for disparagement, libel and/or copyright infringement if Franchisee published and/or caused such content to be published.

Franchisee agrees that Digital Media and/or Published Content, if permitted by Franchisor, must be approved by Franchisor prior to publication or use in any form. Digital Media and Published Content that is approved by Franchisor or that otherwise is acceptable to Franchisor as meeting Franchisor's standards shall, at Franchisor's discretion, be owned by Franchisor. As between Franchisor and Franchisee, any and all interest and right in or to the Digital Media and/or Published Content shall, at all times, be and is the exclusive property of Franchisor both during the Term of this Agreement and upon the expiration or termination of this Agreement. Franchisee agrees that the System Website and all improvements and modifications made to the System Website, Digital Media, and Published Content is and shall be the exclusive property of Franchisor. During the Term of this Agreement and subject to Franchisee's compliance with the terms and conditions of this Agreement, the System Website, shall include information related to the Franchised Business as shall be determined and designated by Franchisor in Franchisor's Reasonable Business Judgment.

Franchisee agrees that in the event of the termination of this Agreement, for any reason, that the accounts related to all telephone numbers associated with the Franchised Business and all rights in and to the telephone numbers associated with the Franchised Business, shall, at Franchisor's election, be transferred to Franchisor.

Without limitation to the foregoing, Franchisee shall, upon the request of Franchisor, execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 5. Upon the request of Franchisor, Franchisee shall execute, update, and/or re-execute the Assignment of Telephone Numbers and Digital Media agreement upon the request of Franchisor. As between Franchisor and all third parties, Franchisee does hereby represent and acknowledge that such third party is authorized to rely on the Assignment of Telephone Numbers and Digital Media agreement, irrespective of any dispute and/or controversy between Franchisor and Franchisee and irrespective of any contrary instructions of Franchisee.

### **3.I. RELOCATION OF FRANCHISEE'S ADMINISTRATIVE OFFICE**

Franchisee shall not relocate Franchisee's Administrative Office to a facility or location located outside the Operating Territory. To the extent that Franchisee wishes to relocate Franchisee's Administrative Office to a suitable commercial facility located within the Operating Territory then Franchisee must obtain Franchisor's prior written consent which shall not be unreasonably withheld provided that Franchisee is in compliance with the terms and conditions of this Agreement and provided that the new location and/or facility meets Franchisor's then current standards and specifications.

### **3.J. OUT OF TERRITORY SERVICE**

The license and rights granted to Franchisee in this Agreement are limited to, among other things, the Operating Territory, the grant of franchise rights set forth in Article 2.A. of this Agreement, and the reservation of rights set forth in Article 2.D. of this Agreement. Subject to the existence of an Open Area and Franchisee's compliance with following rules and requirements ("Territory Rules"), Franchisee may provide the System Services and Products on behalf of customers located within an Open Area:

#### Territory Rules

(1) Franchisee must conduct the operations of the Franchised Business from within Franchisee's Operating Territory and Franchisee must provide the System Services and Products on behalf of customers located within Franchisee's Operating Territory. The marketing of the Franchised Business must be targeted to Franchisee's Operating Territory and, at all times, must conform and comply with, among other things, the restrictions set forth in Article 9.F of this Agreement;

(2) Provided that Franchisee: (i) does not engage in any Direct Solicitation of customers or potential customers outside of Franchisee's Operating Territory or within the Operating Territory of another G-FORCE Business, (ii) Franchisee does not otherwise violate the restrictions set forth in Article 9.F of this Agreement, and (iii) In each instance Franchisee provides Franchisor with an Out of Territory Service Request that, in writing, is approved by Franchisor, Franchisee's G-FORCE Business may, on a non-exclusive basis, provide System Services and Products to a customer within an Open Area. Franchisee acknowledges and agrees that Franchisee must obtain Franchisor's approval in each, and every instance and that Franchisor may reject or disapprove of Franchisee's Out of Territory Service Request in Franchisor's Reasonable Business Judgment; and

(3) Once an Open Area becomes an Assigned Area, Franchisee shall cease communicating with customers previously serviced by Franchisee in the Open Area and Franchisee shall turn over to Franchisor (for the benefit of another G-FORCE Business) all information and records related to the System Services and Products provided within the Open Area.

Nothing contained in this Article 3.I. shall expand either the non-exclusive franchise rights granted to franchisee in Article 2 of this Agreement or, Franchisee's Operating Territory and, in the event of any

inconsistency or conflict between the terms of this Article 3.J. and Article 2, Article 2 shall take precedence and govern.

### **3.K. NATIONAL ACCOUNTS**

The license and rights granted to Franchisee in this Agreement are limited to, among other things, the Operating Territory, the grant of franchise rights set forth in Article 2.A. of this Agreement, and the reservation of rights set forth in Article 2.D. of this Agreement. Subject to the following terms and conditions and, Franchisee's compliance with same (hereinafter the "National Account Rules"), Franchisee may provide System Services and Products on behalf of or to a National Account location within Franchisee's Operating Territory:

#### National Account Rules

- (1) Franchisee must be in compliance with the terms and conditions of this Agreement;
- (2) If Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee possesses the operational capacity and experience sufficient for performing the services on behalf of the National Account, Franchisor shall submit to Franchisee a proposed work order (the "Work Order") to Franchisee disclosing that portion of the System Services and Products designated by Franchisor to be performed by Franchisee, the pricing related thereto, timing requirements, and other information determined to be relevant by Franchisor;
- (3) Franchisee shall have 10 days to evaluate the Work Order and determine whether or not Franchisee wishes to accept same; and
- (4) If Franchisee elects to accept the Work Order, Franchisee shall perform and comply with same. If Franchisee elects to reject the work order, Franchisee is under no obligation to perform same. If Franchisee fails to respond in writing within 10 days where Franchisee either accepts or rejects the Work Order, Franchisee shall be deemed to have rejected the Work Order.
- (5) Franchisee shall pay all National Account Administration Fees to Franchisor or Franchisor's affiliate or parent company as may be required.

Franchisee acknowledges and agrees that if Franchisor, in Franchisor's Reasonable Business Judgment, determines that Franchisee does not possess the requisite capacity, skills and/or resources to provide System Services and Products in connection with the National Account, that Franchisor may elect to not submit a Work Order to Franchisee and either Franchisor, Franchisor's affiliates, and/or other System franchisee's may be selected to provide System Services and Products on behalf of a National Account located within Franchisee's Operating Territory.

### **3.L. CONTACT CENTER AND CONTACT CENTER SERVICES**

Franchisee agrees that Franchisor, in Franchisor's Reasonable Business Judgment and sole discretion, may implement and require that Franchisee, at Franchisee's sole cost and expense, participate in utilizing the Contact Center and Contact Center Services designated by Franchisor and as may be modified by Franchisor from time to time. Franchisee agrees that a core and critical component to all G-FORCE Businesses and the Franchised Business relates to and includes communications with customers and prospective customers, the scheduling and rescheduling of estimate appointments, the scheduling and rescheduling of service visits, responding to customer complaints and other customer communications. Franchisee agrees that Franchisee shall exclusively adopt and utilize only those Contact Centers that may be designated and approved by Franchisor and that Franchisee shall exclusively adopt and utilize only those Contact Center Services designated by Franchisor of which Franchisor, and/or Franchisor's affiliates or

designees may be the sole and exclusive supplier. Franchisee shall pay for all costs and expenses charged to Franchisee for Contact Center Services. Fees for Contact Center Services shall, in Franchisor's Reasonable Business Judgment, be exclusively determined by Franchisor in accordance with the terms of Article 5.I of this Agreement or as otherwise authorized by this Agreement. If Franchisor institutes as Contact Center, Franchisee's participation and use of the Contact Center is mandatory and Franchisee's payment of Contact Center Fees is mandatory.

## **ARTICLE 4**

### **TRAINING AND OPERATING ASSISTANCE**

#### **4.A. INITIAL TRAINING, SUPPLEMENTAL TRAINING AND SYSTEM-WIDE TRAINING**

(1) Within 15 days of the earlier of the Scheduled Business Commencement Date or the Actual Business Commencement Date, Franchisee's Managing Owner and one manager must complete, to Franchisor's satisfaction, Franchisor's initial training program (the "Training Program").

Franchisor will provide Franchisee (comprised of Franchisee's Managing Owner, and one designated manager) with Franchisor's Training Program. If Franchisee would like more than two individuals to attend the initial Training Program, subject to Franchisor's approval, Franchisee shall pay to Franchisor an additional fee of \$600 per additional person attending Initial Training. Prior to opening and commencing the operations of the Franchised Business, the Managing Owner, and other personnel as designated or determined by Franchisor, must attend, and successfully complete the Training Program designated by Franchisor. The training will include classroom and on-the-job instruction at a location or facility designated by Franchisor. Following completion of the initial Training Program, Franchisee shall be responsible for the ongoing training of Franchisee's employees, staff, and all other employees of the Franchised Business. Said on-going training must conform to Franchisor's standards and specifications. The Training Program shall be structured, configured, and established by Franchisor from time to time. The Training Program may be structured so that it is offered and completed by Franchisee in various phases which may require participation in interactive Webinar type sessions and on-site training at the training site designated by the Franchisor.

(2) Franchisee (or, if Franchisee is a Corporate Entity, Franchisee's Managing Owner) and Manager, at Franchisee's sole cost and expense, must attend and successfully complete all refresher training courses or system-wide training courses, additional training programs and seminars as Franchisor periodically may designate or offer in Franchisor's Reasonable Business Judgment. Franchisor provides instructors and training materials for those programs and seminars, but Franchisor reserves the right to assess Franchisee reasonable charges for such training. Franchisee is responsible for all expenses Franchisee and Franchisee's employee incurs in connection with attendance and participation in these programs and seminars, including, without limitation, the cost of transportation, lodging, meals and any salaries and other wages.

(3) Franchisee shall pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, lodging, food, automobile rental, travel costs and all other expenses for those persons who, on behalf of Franchisee, attend and participate in the Training Program. If the Training Program is provided at the Franchised Business by a representative of Franchisor (provided that Franchisor, in Franchisor's sole discretion, elects to do so), then the Franchisee will pay for the reasonable travel costs, lodging, food, automobile rental and other expenses incurred by Franchisor's representative in connection with such training.

(4) Subject to Franchisor's approval and agreement, Franchisor may offer supplemental training to Franchisee at Franchisee's Administrative Office (hereinafter referred to as "Supplemental Training"). Franchisor, in Franchisor's Reasonable Business Judgment, reserves the right to reject or approve of any request by Franchisee for Supplemental Training. If Franchisor does agree to offer and provide

Supplemental Training, Franchisee shall pay to Franchisor a supplemental training fee at the rate of \$600 per on-site trainer per day plus reimbursement of the travel and hotel accommodation expenses that Franchisor's trainers reasonably incur (the "Supplemental Training Fee"). Franchisee agrees that if Franchisee is in breach of this Agreement due to the operations of the Franchised Business, Franchisor may require that Franchisee participate in and pay for Supplemental Training.

(5) If the Franchised Business experiences turnover, each newly hired Manager must, prior to being able to work in the Franchised Business complete, at Franchisee's expense, Franchisor's initial Training Program at a location and facility designated by Franchisor. In connection with such training, if training occurs (subject to Franchisor's discretion) at a G-FORCE Administrative Office designated by Franchisor, Franchisee shall pay to Franchisor a training fee of \$600 per Manager, per day for each Manager attending Franchisor's Training Program. Notwithstanding the foregoing, Franchisor, in Franchisor's sole discretion, may treat such training as Supplemental Training and provide the Training Program on-site at Franchisee's Administrative Office wherein Franchisee shall pay to franchisor the fees and reimburse Franchisor of the expenses set forth in Article 4.A.(4), above.

(6) Franchisor, in Franchisor's Reasonable Business Judgment, must approve of all individuals attending and participating in the Training Program and all Supplemental Training programs. All participants in the Training Program must qualify as either an Owner or Operating Manager and, prior to training, among other things, must have executed the Franchise Owner Agreement and Guaranty or the Confidentiality Agreement, respectively.

#### **4.B. ADVANCED TRAINING AND SIGHTLINE AMT TRAINING**

Approximately three to nine months after completing the Training Program, or following Franchisor's annual conference, in Franchisor's discretion, at least one representative who has been through the Training Program must attend Advanced Training. If we do not require Advanced Training after our annual conference, Advanced Training shall take place at a location that we determine, in our sole discretion. The goal of Franchisor's Advanced Training is to introduce highly advanced techniques to improve operational efficiency and overall quality. Franchisee is responsible for travel and expenses including employee expenses if applicable. Advanced Training will be conducted over a period of approximately two to three days.

Within two years after Franchisee begins operations, Franchisee, Franchisee's Operating Manager, or another employee of Franchisee approved by Franchisor, must attend the Sightline Airfield Marking training symposium and must obtain a certification in airfield marking.

#### **4.C. OPERATING ASSISTANCE**

From time to time and as determined by Franchisor in Franchisor's Reasonable Business Judgment, Franchisor may advise Franchisee of those applicable standards, procedures, and System requirements in connection with Franchisee's operation of the Franchised Business. Operating assistance may, as determined by Franchisor, in Franchisor's sole discretion, consist of:

(1) Establishing and communicating to franchisee operating procedures, improvements to the System and modifications to the System in connection with the Franchisee's operation of the Franchised Business, the System Services and Products, equipment to be purchased and utilized by Franchisee and those systems and procedures to be utilized by Franchisee in connection with Franchisee's training of service employees and Franchisee's marketing and promotion of the Franchised Business;

(2) Establishing and communicating additional and/or modified System Services and Products that may be authorized for G-FORCE Businesses;

- (3) Modifying the System Services and Products authorized for G-FORCE Businesses;
- (4) Establishing and communicating marketing and promotion standards and base campaigns that are authorized for use by franchisees in connection with the operation and promotion of G-FORCE Businesses;
- (5) Establishing and communicating advertising and promotional programs and standards for use by franchisees in connection with the operation and promotion of G-FORCE Businesses;
- (6) Approving or disapproving of Franchisee request to utilize marketing and promotion materials and media not previously authorized by Franchisor;
- (7) Establishing and communicating administrative and general operating procedures for use by franchisees in connection with the operation of G-FORCE Businesses;
- (8) Establishing, updating, revising, and communicating a list(s) of approved suppliers of products, supplies, equipment, software systems and marketing related services including, but not limited to the System Equipment and Supplies, as Franchisor deems appropriate and as may be otherwise designated by Franchisor in Franchisor's Reasonable Business Judgment;
- (9) Coordinating an Annual System Conference for System franchisees that are in good standing with Franchisor. Franchisee shall be responsible for all expenses of its personnel attending the annual meeting including travel, meals, and lodging. If Franchisee fails to attend an Annual System Conference, Franchisee must pay Franchisor a fee ("Annual System Conference Attendance Fee") in the amount of \$1,000 for the first missed Annual System Conference. If Franchisee fails to attend additional Annual System Conferences, Franchisee must pay Franchisor an Annual System Conference Attendance Fee in the amount of \$1,200 for each additional missed Annual System Conference; and
- (10) Establish and communicate guidance to Franchisee in the form of the Operations Manual and as Franchisor, in Franchisor's sole discretion, deems appropriate in the form bulletins or other written materials, telephonic consultations and/or consultations at the offices of Franchisor.

#### **4.D. OPERATIONS MANUAL**

Franchisor shall loan to Franchisee during the term of the franchise one copy (in digital format or in print, as determined by Franchisor) of the Operations Manual. The Operations Manual contains mandatory and suggested specifications, standards, and operating procedures that Franchisor prescribes for G-FORCE Businesses and information relative to other obligations of Franchisee. Franchisee must operate the Franchised Business in accordance with the specifications and requirements set forth in the Operations Manual and as same may be modified, supplemented and/or changed by Franchisor from time to time. Franchisor has the right to add to, and otherwise modify, the Operations Manual to reflect changes in the System Services and Products, G-FORCE Business System Equipment and Supplies, specifications, standards, and operating procedures of a G-FORCE Business. Franchisee must keep its copy of the Operations Manual current and in a secure location at Franchisee's Administrative Office. If the Operations Manual is provided to Franchisee in electronic format, Franchisee shall not permit third party access to the Operations Manual. The master copy of the Operations Manual that Franchisor maintains at Franchisor's principal office controls if there is a dispute relative to the contents of the Operations Manual. Franchisee shall have a reasonable period of time to implement the changes in the System required by changes to the Operations Manual. Franchisor shall give Franchisee written notice of the changes required and the period of time within which the changes must be implemented by Franchisee. Without limitation to the foregoing, Franchisee may only offer and sell the System Services and Products and utilize the System Equipment and Supplies as designated by Franchisor, in Franchisor's Reasonable Business Judgment, in the Operations Manual and in accordance with the terms, specifications and requirements set forth in the Operations



Manual and as Franchisor may supplement and modify the Operations Manual from time to time or as Franchisor may otherwise designate in writing.

## ARTICLE 5

### FEEES

#### **5.A. INITIAL FRANCHISE FEE**

Upon execution of this Agreement Franchisee shall pay to Franchisor a non-recurring initial franchisee fee (the “Initial Franchise Fee”) of \$20,000 for a Standard Operating Territory. If, at the time of executing this Agreement, Franchisee elects to increase the size of Franchisee’s Standard Operating Territory and Franchisor, in Franchisor’s Reasonable Business Judgment, approves of Franchisee’s request, then the Initial Franchise Fee for Franchisee’s Standard Operating Territory shall be increased by \$10,000 for each additional Zone added to Franchisee’s Standard Operating Territory. If, at the time of signing this Agreement, Franchisee’s Operating Territory will consist of a Standard Operating Territory plus three Zones, and Franchisee wishes to add additional individuals to Franchisee’s Operating Territory, Franchisee may, subject to market type, availability, and Franchisor’s discretion, increase Franchisee’s Operating Territory by up to an additional 500,000 individuals. If Franchisee increases Franchisee’s Operating Territory by adding additional individuals, Franchisee’s Initial Franchise Fee will be increased by 1.5 cents for each additional individual added.

Classification of Franchisee’s Operating Territory as a Standard Operating Territory, or a Standard Operating Territory that has been supplemented by additional Zones or a Standard Operating Territory with three Zones that has been supplemented by individuals, and, the corresponding Initial Franchise Fee, is set forth in Schedule “2” attached to this Agreement. The Initial Franchise Fee is fully earned by Franchisor upon execution of this Agreement and is not refundable.

#### **5.B. ROYALTY FEES AND SUPPLEMENTAL ROYALTY FEES**

Royalty Fees: Throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable royalty fee (the “Royalty Fee”) in an amount equal to 7% of Franchisee’s Gross Sales from \$0 to \$499,999, 6% of Franchisee’s Gross Sales from \$500,000 to \$999,999, and 5% of Franchisee’s Gross Sales of \$1,000,000 and greater (the “Royalty Rate”) during each calendar year. Gross Sales levels achieved by the Franchised Business in any calendar year do not and shall not carry-over or be included as Gross Sales for any subsequent calendar year. At the beginning of each calendar year throughout the Term of this Agreement, the Royalty Rate will reset to 7%. During any Renewal Term, the Royalty Fee in any Renewal Franchise Agreement shall be determined by Franchisor but shall not be less than the Royalty Fee and Royalty Rate set forth in this Agreement.

In calculating and determining the applicable Royalty Rate, Gross Sales cannot be combined between multiple G-FORCE Businesses. At the beginning of each calendar year throughout the Term of this Agreement, the Royalty Rate will reset to 7%. Franchisee’s Royalty Fee obligations are unconditional and are not subject to any contingencies.

In addition to Franchisee’s Royalty Fee obligations, on an annual calendar year basis throughout the Term of this Agreement, if the aggregate amount of the monthly Royalty Fees paid by Franchisee during the respective calendar year do not, in aggregate, equal or exceed the aggregate of Franchisee’s Monthly Minimum Royalty Fee Requirements (defined below) applicable to the months comprising the respective calendar year, then Franchisee must pay to Franchisor the difference as a supplemental royalty fee (the “Supplemental Royalty Fee”). In calculating and determining the Supplemental Royalty Fee, the following Monthly Minimum Royalty Fee Requirements (the “Monthly Minimum Royalty Fee Requirements”) shall be applicable and are imposed on Franchisee:

Monthly Minimum Royalty Fee Requirements			
Months	Standard Operating Territory	Standard Operating Territory + One Zone	Standard Operating Territory + Two or More Zones
Months 1 through 12 *	\$0 per month	\$0 per month	\$0 per month
Months 13 through 24	\$700 per month	\$1,000 per month	\$1,300 per month
Months 25 through 36	\$900 per month	\$1,200 per month	\$1,500 per month
Months 37 through 48	\$1,100 per month	\$1,400 per month	\$1,700 per month
Months 48 and after	\$1,300 per month	\$1,600 per month	\$1,900 per month
<p>Each month is counted commencing on the first day of the month following the effective date of your Franchise Agreement such that “Month 1” is the first full month following the date of signing the Franchise Agreement.</p> <p>If Franchisee enters into a Renewal Franchise Agreement with Franchisor, the Minimum Monthly Royalty Fee Requirement in the Renewal Franchise Agreement will be the highest Minimum Monthly Royalty Fee as defined in the Renewal Franchise Agreement, and not less than the amount shown for “Months 48 and after” in the table above.</p> <p>*The Minimum Monthly Royalty Fee Requirements are not imposed during the first 12 months after the Effective Date of the Franchise Agreement. However, Franchisee must still pay all Royalty Fees incurred during the first 12 months after the Effective Date of the Franchise Agreement.</p>			

The Supplemental Royalty Fee is calculated as the difference between the aggregate amount of the Monthly Minimum Royalty Fee Requirements applicable to the particular calendar year, less the aggregate amount of the monthly Royalty Fees that Franchisee paid to Franchisor during the respective calendar year. The Supplemental Royalty Fee is payable and due by Franchisee to Franchisor on or before January 30<sup>th</sup> of each year for the preceding calendar year in which a Supplemental Royalty Fee accrued and/or became due.

The Royalty Fee and, if applicable, the Supplemental Royalty Fees are on-going and are payable in cash. Calculation of the on-going Royalty Fee to be paid monthly (or based on such other Accounting Period designated by Franchisor) shall be on-going based on the Gross Sales for the previous monthly Accounting Period for each and every month throughout the Term of this Agreement. Calculation of the on-going Supplemental Royalty Fee to be paid annually shall be on-going based on a comparison of the Royalty Fees paid by Franchisee in the prior calendar year and Franchisee’s Monthly Minimum Royalty Fee Requirements for the prior calendar year. Royalty Fee payments will be paid monthly and sent by ACH, credit card or debit card, and/or electronic funds transfer, due on the 10th of each monthly Accounting Period (for the preceding month and each month thereafter throughout the entire Term of this Agreement) or such other specific day of the month that Franchisor designates from time to time or for such other period that Franchisor may designate (the “Due Date”) (the term Due Date is further defined in [Article 1](#) of this Agreement). Supplemental Royalty Fee payments will be paid annually and sent by ACH, credit card or debit card, and/or electronic funds transfer, due on January 30<sup>th</sup> of each year for the preceding calendar year.

Upon the request of Franchisor and in no event not later than 30 days prior to the earlier of the Actual Business Commencement Date or the Scheduled Business Commencement Date, Franchisee shall execute Franchisor’s designated ACH Authorization Form and such other authorization agreements, in the form proscribed by Franchisor, for preauthorized payment of Royalty Fee payments, and other amounts due from Franchisee under this Agreement, by electronic transfer of funds from Franchisee’s bank account to the bank account that Franchisor designates. As of the Effective Date, Franchisor’s current ACH Authorization

and Credit Card Authorization Forms that must be executed and complied with by Franchisee is attached hereto as Exhibit 7. Franchisor may require Franchisee to pay the Royalty Fees and other amounts due under this Agreement by means other than ACH and/or automatic debit whenever Franchisor deems appropriate, and Franchisee agrees to comply with Franchisor's payment instructions.

#### **5.C. TECHNOLOGY SUPPORT FEE, TOLL FREE NUMBER SUPPORT FEE, ANSWERING SERVICE FEES AND SOCIAL MEDIA MANAGEMENT FEE**

Beginning on the two month anniversary of the Effective Date and due thereafter throughout the Term of this Agreement, Franchisee shall pay to Franchisor a continuing monthly non-refundable Technology Support Fee. Franchisor, in Franchisor's Reasonable Business Judgment, possesses the right, at any and all times throughout the Term, to implement and charge Franchisee a monthly Technology Support Fee. The Technology Support Fee is \$395 per month beginning the third month after the Effective Date through the 12<sup>th</sup> month after the Effective Date and \$495 per month beginning the 13<sup>th</sup> month after the Effective Date through the 24<sup>th</sup> month after the Effective Date. Beginning in the 25<sup>th</sup> month after the Effective Date, the Technology Fee is based on usage, but will not exceed \$750 per month. Franchisor may increase the Technology Support Fee at any time, as determined by Franchisor in Franchisor's Reasonable Business Judgment, provided that the Technology Support Fee will not exceed \$750 per month. The Technology Support Fee shall be paid to Franchisor each and every month on the Due Date, except that the Technology Support Fee will not be charged for the first two months of the first year of the Term.

In addition to the foregoing, Franchisee shall also pay to Franchisor a continuing monthly non-refundable fee associated with the costs incurred by Franchisor in connection with the maintenance of a toll free number and call forwarding of the toll free number (the "Toll Free Number Support Fee"). The Toll Free Number Support Fee is subject to Franchisor's Reasonable Business Judgment, but will not exceed \$50 per month. The Toll Free Number Support Fee will not be charged for the first two months of Year 1.

Franchisee shall pay to Franchisor, Franchisor's affiliates, or Franchisor's designees a continuing monthly answering service fee which covers the cost of engaging an answering service if Franchisor believes, in Franchisor's Reasonable Business Judgment, that there is a pattern of missed calls to Franchisee's Franchised Business.

If Franchisor institutes a social media program to manage or control some or all of Franchisee's social media marketing, Franchisee will be required to pay Franchisor a fee (the "Social Media Management Fee") to defray Franchisor's costs in doing so, provided that the Social Media Management Fee will not exceed \$200 per month. Franchisor is not obligated to institute a social media marketing program or manage Franchisee's social media.

#### **5.D. CUSTOMER SERVICE, QUALITY CONTROL, AND CUSTOMER GUARANTEE PROGRAM FEES**

Franchisee agrees that Franchisor's determination of quality control, customer refund and customer guarantee policies and procedures is critical to the reputation and goodwill of the System. If a customer of Franchisee complains about the products and/or services provided by Franchisee and if Franchisor, in Franchisor's Reasonable Business Judgment, determines that the customer complaint appears to be legitimate and has not been adequately addressed (a "Complaint Event") then Franchisor, at Franchisor's election, may conduct an inspection of the services provided by Franchisee and/or the products sold (an "Inspection Event"). Upon the occurrence of an Inspection Event Franchisee shall pay to Franchisor a fee equal to and comprised of (a) \$600 per day for each day (whether the inspection takes five minutes or 24 hours) that Franchisor conducts an inspection, (b) plus Franchisor's reasonable travel expenses including hotel accommodations (hereinafter the "Inspection Fee"). The Inspection Fee shall be paid immediately, on-demand of Franchisor and irrespective of the outcome of the inspection.

In addition to the Inspection Fee, Franchisee shall reimburse Franchisor for all fees and expenses incurred by Franchisor in connection with Franchisor's resolution of a Complaint Event including, but not limited to, Franchisor's refund of fees paid by the customer to Franchisee, undertake costs and expenses associated with remedial measures and corrective action undertaken at the direction of Franchisor, and/or perform services and/or issue a refund under a Customer Guarantee Program that Franchisee has failed to honor (hereinafter referred to as "Customer Service Fee and Refund Fee"). Franchisee agrees that customer service is critical, and that Franchisor possesses the discretion as to whether or not Franchisor elects to issue a refund, undertake remedial measures and/or honor a Customer Guarantee Program that Franchisee has failed to honor and, in such event, Franchisee shall pay to Franchisor the Customer Service Fees and Refunds immediately on demand of Franchisor.

#### **5.E. INTEREST, COLLECTION COSTS AND ATTORNEY FEES**

All unpaid obligations under this Agreement (of any nature) shall automatically bear interest from the date due until paid at the lesser of: (a) 12% per annum, or (b) the maximum rate allowed by applicable law. However, if such past due obligation remains unpaid for more than 30 days, then the amount of the unpaid and past due obligation will bear simple interest at the lesser of 18% simple interest per annum or the maximum legal rate allowable by applicable law. Furthermore, the Franchisee will pay Franchisor for any and all costs incurred by Franchisor in the collection of such unpaid and past due obligations including, but not limited to, reasonable attorney's fees. Additionally, if Franchisee's bank account possesses insufficient funds and/or fails to process a payment related to any fee due to Franchisor, Franchisor may charge the greater of either (i) 5% of the amount; (ii) \$50 for each instance; or (iii) the maximum amount allowed by law.

Franchisee acknowledges that this Article 5.E. does not constitute Franchisor's agreement to accept payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Franchised Business. Further, Franchisee acknowledges that Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided in Article 16.

#### **5.F. APPLICATION OF PAYMENTS**

Franchisor has sole discretion to apply any payments received from Franchisee or to offset any indebtedness of Franchisee to Franchisor to any past due indebtedness of Franchisee for Royalty Fees, Advertising Contributions, purchases from Franchisor or its affiliates, interest, or any other indebtedness of Franchisee to Franchisor or its affiliates.

#### **5.G. WITHHOLDING PAYMENTS UNLAWFUL**

Franchisee agrees that under no circumstance is Franchisee entitled to withhold payments due to Franchisor under this Agreement. Among other things and without limitation to the foregoing, Franchisee expressly agrees that any claim by Franchisee as to the alleged non-performance of Franchisor's obligations shall not permit and/or entitle Franchisee to withhold payments due Franchisor under this Agreement.

#### **5.H. NATIONAL ACCOUNT ADMINISTRATION FEE**

In the event a National Account requires Franchisor to serve as a point of contact and/or billing source, Franchisee shall pay to Franchisor a fee for Franchisor's administration of the National Account ("National Account Administration Fee"). The National Account Administration Fee shall not exceed 15% of the Gross Sales that Franchisee receives or is entitled to receive from the National Account, and in no event shall be less than \$100 per invoice furnished to the National Account. The National Account Administration Fee shall be in addition to all other fees that Franchisee is required to pay.

## **5.I. CONTACT CENTER FEES**

If Franchisor institutes a Contact Center, Franchisor may, in its Reasonable Business Judgment, require Franchisee to pay it or Franchisor's affiliates, or designees, a continuing monthly non-refundable fee in an amount equal to the greater of: (i) 0.5% of Franchisee's monthly Gross Sales or (ii) \$500 per month (the "Contact Center Fee"). Franchisee agrees that Franchisor shall determine the Contact Center Fee in Franchisor's Reasonable Business Judgment and that Franchisor may modify the Contact Center Fee from time to time provided that the Contact Center Fee shall not exceed (i) 0.5% of Franchisee's monthly Gross Sales or (ii) \$500 per month. Franchisor shall, in Franchisor's Reasonable Business Judgment, determine the services that may or may not be included in the Contact Center Services and the services that are included in the Contact Center Fees. The Contact Center Fees shall be calculated on a monthly basis for each respective monthly Accounting Period and shall be payable on the Due Date for each respective month.

## **ARTICLE 6**

### **FRANCHISEE'S AND FRANCHISEE'S OWNERS RESTRICTIVE COVENANTS AND OBLIGATIONS**

#### **6.A. NECESSITY FOR RESTRICTIVE COVENANTS**

Franchisee agrees that only through the course of entering into this Agreement is Franchisee being provided with access to the System, Franchisor's training, use of the Licensed Marks and access to the Operations Manual and Confidential Information. Franchisee agrees that competition by Franchisee, Owners and Immediate Family Members could jeopardize the entire System and cause irreparable harm to Franchisor and franchisees of G-FORCE Businesses. Accordingly, Franchisee and Franchisee's Owners agree to comply with the restrictive covenants set forth in this Article 6 and throughout this Agreement.

#### **6.B. RESTRICTIVE COVENANTS: KNOW-HOW**

Franchisee agrees that Franchisee: (a) shall not use the Know-How in any business or capacity other than the operation of the Franchised Business pursuant to this Agreement; (b) shall maintain the confidentiality of the Know-How at all times; (c) shall not make unauthorized copies of documents containing any Know-How; (d) shall take all reasonable steps that Franchisor requires from time to time to prevent unauthorized use or disclosure of the Know-How; and (e) shall stop using the Know-How immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and that Franchisee's Owners shall each execute and deliver to Franchisor the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1 and (b) Franchisee's directors, officers, employees and agents where disclosure of the Know-How was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and delivered to Franchisor the Confidentiality Agreement in the form attached to this Agreement as Exhibit 3.

#### **6.C. RESTRICTIVE COVENANTS: CONFIDENTIAL INFORMATION**

Franchisee agrees that Franchisee: (a) shall not use the Confidential Information in any business or capacity other than the G-FORCE Business operated by Franchisee; (b) shall maintain the confidentiality of the Confidential Information at all times; (c) shall not make unauthorized copies of documents containing any Confidential Information; (d) shall take such reasonable steps as Franchisor may ask of Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (e) shall stop using the Confidential Information immediately upon the expiration, termination or Transfer of this Agreement. Franchisee agrees that the foregoing covenants and obligations shall also apply to: (a) Franchisee's Owners and that Franchisee's Owners shall each execute and deliver to Franchisor the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1; and (b) Franchisee's directors, officers, employees and agents where disclosure of the Confidential Information was necessary for the operations of the Franchised Business and where such director, officer, employee

and/or agent previously executed and delivered to Franchisor the Confidentiality Agreement in the form attached to this Agreement as Exhibit 3.

**6.D. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND IN-TERM NON-COMPETITION OBLIGATIONS**

Franchisee agrees that during the Term of this Agreement, Franchisee shall not engage in the following activities (the “Prohibited Activities”): (a) owning and/or having any legal or equitable interest (whether as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) diverting or attempting to divert any business or customers from Franchisor (or one of Franchisor’s affiliates or franchisees); and/or (d) inducing any customer or client of Franchisor (or of one of Franchisor’s affiliates or franchisees) or of Franchisee to any other person or business that is not a G-FORCE Business. Franchisee acknowledges that if Franchisee were to engage in the Prohibited Activities that such actions would be unfair, would constitute unfair competition and would cause harm to Franchisor, the System, and other G-FORCE Business Franchisees. Franchisee agrees that the foregoing covenants and obligations shall also apply to Franchisee’s Owners and that Franchisee’s Owners shall each execute and deliver to Franchisor the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

**6.E. RESTRICTIVE COVENANTS: UNFAIR COMPETITION AND POST-TERMINATION NON-COMPETITION OBLIGATIONS**

Franchisee agrees that during the Post-Term Restricted Period Franchisee will not engage in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers/clients who are located within the Restricted Territory. If Franchisee is engaged in any Prohibited Activities during the Post-Term Restricted Period, Franchisee agrees that Franchisee’s Post-Term Restricted Period will be extended by the period of time during which Franchisee was engaging in the Prohibited Activity (any such extension of time will not be construed as a waiver of Franchisee’s breach or otherwise impair any of Franchisor’s rights or remedies relating to Franchisee’s breach). Franchisee agrees that the foregoing covenants and obligations shall also apply to Franchisee’s Owners and that Franchisee’s Owners shall each execute and deliver to Franchisor the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Franchisee agrees that this restriction is fair and reasonable and that if Franchisee did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm Franchisor and the System.

**6.F. IMMEDIATE FAMILY MEMBERS, FRIENDS, OR OTHER ASSOCIATES**

Franchisee acknowledges, agrees, and represents that should Franchisee circumvent the restrictive covenants and obligations due to Franchisor under this Article 6 by disclosing Confidential Information and Know-How to an immediate family member (*i.e.*, parent, sibling, child, or grandchild) or other close friend or business associate that Franchisor will, and the System will be irreparably harmed. Franchisee acknowledges that if Franchisee or one of Franchisee’s Owners did disclose the Know-How to an immediate family member and the immediate family member of Franchisee or an Owner used the Confidential Information or Know-How to engage in activities that, for Franchisee, qualify as Prohibited Activities as defined above, that Franchisor and the System will be irreparably harmed. Franchisee agrees that as between Franchisee and Franchisor that Franchisee and Franchisee’s Owners are in a better position to know if Franchisee permitted and/or provided an immediate family member with access to the Confidential Information and/or Know-How. Therefore, Franchisee agrees that Franchisee will be presumed to have violated the terms of this Agreement and, in particular, the restrictive covenants and

obligations set forth in this Article 6 if any member of Franchisee's immediate family or the immediate family of an Owner or close friend or associate of an Owner (a) engages in any Prohibited Activities during any period of time during which Franchisee is prohibited from engaging in the Prohibited Activities or (b) uses or discloses the Confidential Information and/or Know-How. However, Franchisee may rebut this presumption by providing evidence conclusively demonstrating that neither Franchisee nor Franchisee's Owner(s) did disclose the Confidential Information and Know-How nor permitted disclosure of the Confidential Information or Know-How to the family member of Franchisee or Franchisee's Owners. Franchisee agrees that the foregoing covenants, obligations, representations, and burden of proof shall also apply to Franchisee's Owners and that Franchisee's Owners shall each execute and deliver to Franchisor the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1.

#### **6.G. REASONABLENESS OF RESTRICTIVE COVENANTS AND OBLIGATIONS**

Franchisee agrees that: (a) the terms of this Article 6 are reasonable both in time and in scope of geographic area; and (b) Franchisee has sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Article 6. **Franchisee hereby waives any right to challenge the terms of this Article 6 as being overly broad, unreasonable, or otherwise unenforceable.** Although Franchisee and Franchisor both believe that the restrictive covenants and obligations of this Article 6 to be reasonable in terms of scope, duration and geographic area, Franchisor may at any time unilaterally modify the terms of this Article 6 (provided that such modification is in writing and signed by Franchisor) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Post-Term Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon Franchisee under this Article 6 to ensure that the terms and covenants are enforceable under applicable law.

#### **6.H. BREACH OF RESTRICTIVE COVENANTS AND OBLIGATIONS**

Franchisee agrees that Franchisee's failure and/or Franchisee's Owner(s) failure to comply with the restrictive covenants and obligations set forth in this Article 6 will cause irreparable harm to Franchisor and/or other G-FORCE Business franchisees for which there is no adequate remedy at law. Therefore, Franchisee agrees that any violation of these Article 6 covenants and obligations by either Franchisee and/or any Owner(s) will entitle Franchisor to injunctive relief. Franchisee agrees that Franchisor may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of Franchisee, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the Franchisee and Franchisor agree that the amount of the bond shall not exceed \$1,000. Franchisor's remedies under this Article 6.H. are not exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages.

#### **6.I. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND CUSTOMER INFORMATION**

Franchisee agrees that with regard to the Franchised Business all customer lists and their contents and information represent Confidential Information and constitute an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term of this Agreement and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee and Franchisee's affiliates, Owners, agents, and employees relating to the development and operation of G-FORCE Businesses. Franchisee hereby assigns to Franchisor and Franchisee agrees to procure from Franchisee's Owners, affiliates, and employees' assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 6.I. Franchisor shall have no obligation to make any lump sum or on-going payments to Franchisee

or Franchisee's Owners, affiliates, or employees with respect to any such idea, concept, method, technique, or product. Franchisee agrees that Franchisee will not use, nor will Franchisee allow any other person or entity to use any such concept, method, or product without obtaining Franchisor's prior written approval.

## **ARTICLE 7**

### **OPERATING STANDARDS**

#### **7.A. OPERATIONS AND MAINTENANCE OF BRAND STANDARDS**

At all times, Franchisee and the Franchised Business shall, as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and, as may be modified by Franchisor from time to time: (a) exclusively offer and sell the System Services and Products; (b) exclusively purchase and utilize the System Equipment and Supplies; (c) maintain a complete and updated inventory and supply of System Equipment and Supplies; (d) maintain, update, replenish and replace Franchisee's System Equipment and Supplies; (e) maintain, update, replenish and recondition Franchisee's Administrative Office if Franchisee's Administrative Office is located outside of Franchisee's home; and (f) maintain Franchisee's Service Vehicles and System Equipment and Supplies in a clean and safe condition and in conformity with the brand standards related to the Licensed Marks and System.

#### **7.B. MAINTENANCE, UPDATES AND UPGRADES**

At all times, Franchisee shall update, upgrade, maintain, replenish, replace, and recondition Franchisee's System Equipment and Supplies, Service Vehicle(s), and, if applicable, Franchisee's Administrative Office as specified by Franchisor in the Operations Manual and/or otherwise in writing, in Franchisor's Reasonable Business Judgment, and as modified by Franchisor from time to time. Notwithstanding the foregoing, Franchisee expressly agrees that the foregoing obligations relate to brand standards and specifications associated with the Licensed Marks and the System Services and Products and that, at all times, Franchisee is and shall exclusively remain responsible for conditions involving the safety of customers and employees in connection with the operations of the Franchised Business.

#### **7.C. DAMAGE CAUSED BY CASUALTY**

If Franchisee's Administrative Office, Service Vehicle(s) and/or System Equipment and Supplies is and/or are damaged or destroyed by fire or any other casualty, Franchisee must, as soon as practicable but in no event later than one month after such casualty, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue until completion of the repairs or reconstruction, in order to restore Franchisee's Administrative Office, Service Vehicle(s) and System Equipment and Supplies, as applicable, to its original condition before casualty.

#### **7.D. ALTERATIONS TO THE FRANCHISEE'S ADMINISTRATIVE OFFICE, SERVICE VEHICLES, AND FRANCHISEE'S EQUIPMENT AND SUPPLIES**

Franchisee shall not make any material alterations to Franchisee's System Equipment and Supplies, Franchisee's Service Vehicles or, Franchisee's Administrative Office, System Equipment and Supplies, or Service Vehicles.

#### **7.E. UNIFORM IMAGE, STANDARDS, SPECIFICATIONS, PRODUCT PREPARATION, SERVICE DELIVERY AND PRODUCT REQUIREMENTS**

To ensure that the highest degree of uniformity, quality and service is maintained (as determined by Franchisor in Franchisor's Reasonable Business Judgment), Franchisee must use Franchisee's best efforts to operate the Franchised Business in strict conformity with the methods, standards and specifications of Franchisor as set forth in the Operations Manual and as Franchisor may, in Franchisor's Reasonable Business Judgment, otherwise prescribe in writing and modify from time to time.

Supplementing and without limitation to the foregoing, Franchisee agrees that Franchisee, in strict conformity with the methods, standards and specifications of Franchisor as set forth in the Operations



Manual and as Franchisor may, in Franchisor's Reasonable Business Judgment, otherwise prescribe in writing and modify from time to time, shall:

- (1) Exclusively offer and sell the System Services and Products;
- (2) Exclusively utilize the System Equipment and Supplies and only those methods, procedures, production systems, and delivery systems as designated by Franchisor;
- (3) Exclusively utilize the System Equipment and Supplies, equipment, supplies, materials, uniforms, and forms as designated by Franchisor;
- (4) Exclusively utilize packaging, signs, goods, uniforms, and other materials displaying the Licensed Marks as designated by Franchisor, and obtain such items from suppliers designated by Franchisor;
- (5) Provide prompt, courteous, and efficient service to customers;
- (6) Maintain ordinary and regular business hours as required by Franchisor;
- (7) Adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct in dealing with customers and suppliers of the Franchised Business;
- (8) Conduct all advertising and promotion of the Franchised Business in strict compliance with Franchisor's standards and specifications and to the highest standards of ethical advertising;
- (9) Refrain from any business or advertising practice that may be injurious to the goodwill associated with Franchisor, G-FORCE Businesses, the System, and the Licensed Marks;
- (10) Not deviate from the standards that Franchisor sets for the operation of the Franchised Business;
- (11) Promptly respond (defined as same business day, no later than four hours after inquiry, accounting for non-business hours) to all customer and potential customer inquiries and complaints to achieve high levels of customer satisfaction and reviews;
- (12) Honor and implement refund policies established by Franchisor from time to time in Franchisor's Reasonable Business Judgment;
- (13) Honor, implement and offer Customer Vouchers as authorized and designated by Franchisor;
- (14) Maintain and display at visible locations (including Franchisee's Service Vehicles and Administrative Office – if Franchisee's Administrative Office is located outside of Franchisee's home) designated by Franchisor displays and signs informing customers and the public that you are an "*Independent Franchised Operator of G-FORCE Franchise Group LLC*", or such other signage as designated by Franchisor;
- (15) Adopt, implement, and abide by the System and all changes made to the System (as designated by Franchisor in Franchisor's Reasonable Business Judgment) including, without limitation, the System Services and Products and the System Equipment and Supplies;
- (16) Maintain a fully trained competent staff capable of rendering courteous quality service;

- (17) Ensure that all of Franchisee's employees wear uniforms designated by Franchisor and adhere to Franchisor's brand standards;
- (18) Not promote any other businesses at the Franchised Business, and/or from Franchisee's Administrative Office or Franchisee's Service Vehicle(s);
- (19) Comply with all laws applicable to the operation of the Franchised Business, including, without limitation, all health laws, wage and hour laws, labor department, workers compensation and unemployment laws and rules;
- (20) Comply with all statutes and rules regarding the maintenance and security of customer information, customer data, customer privacy, credit card transactions and other financial obligations involving customers of the Franchised Business;
- (21) Stock, maintain and replenish System Equipment and Supplies in such supply as to realize, service and promote the Franchised Business to its full potential;
- (22) Exclusively use, at all times, only those supplies, products, equipment, software systems, business management systems, customer relationship management systems (whether hard drive based, networked, or cloud based) and supplies designated by Franchisor including, without limitation, the System Equipment and Supplies, the System Services and Products, and the Business Management System, and purchase same exclusively from Franchisor and/or Franchisor's designated suppliers;
- (23) Ensure that all services and products sold by the Franchised Business are limited to the System Services and Products;
- (24) Permit Franchisor or Franchisor's agents, at any reasonable time, to inspect Franchisee's Administrative Office (if Franchisee's Administrative Office is located outside of Franchisee's home) and test, sample, and evaluate the services and products provided by the Franchised Business to evaluate whether or not same meet and comply with Franchisor's standards and specifications;
- (25) Designate and maintain an Operating Manager who, in addition to the Managing Owner, (a) completed Franchisor's initial Training Program, (b) works on-site at Franchisee's Administrative Office, (c) signed and duly executed the Confidentiality Agreement, and (d) consistently demonstrates his or her ability to satisfy the performance requirements of the System related to confidentiality, brand protection, the purchase, maintenance, and utilization of the System Equipment and Supplies, and service standards respecting the System Services and Products;
- (26) Install and maintain in connection with the operations of the Franchised Business, all equipment, supplies, and systems, as designated by Franchisor including, without limitation, point of sale systems, the Business Management System, computer systems, security systems, System Equipment and Supplies, and telecommunications equipment designated by Franchisor, and provide and permit Franchisor to maintain, direct and independent access to such systems and monitor the Franchised Business;
- (27) Implement and maintain, at Franchisee's expense, a bookkeeping, accounting, and record keeping system conforming to the requirements and formats Franchisor prescribes;
- (28) Grant and give full and complete on demand and continuous instantaneous access to Franchisee's business and financial records including, without limitation, Franchisee's estimating and invoicing systems, the Business Management System utilized by Franchisee, and Franchisee's Business Management System Data; and

(29) Maintain and honor customer service and customer satisfaction programs designated by Franchisor including, but not limited to, Franchisor's designated Customer Guarantee Program.

#### **7.F. APPROVED SERVICES, PRODUCTS, EQUIPMENT AND SUPPLIERS**

Franchisee agrees that, among other things, the products and services to be offered and sold by the Franchised Business, the supplies, suppliers and equipment utilized by the Franchised Business, the methods for monitoring customer satisfaction and, the methods for marketing and promoting the Franchised Business must conform to Franchisor's System standards and specifications as determined by Franchisor, in Franchisor's Reasonable Business Judgment, as designated by Franchisor in the Operations Manual and/or as otherwise designated by Franchisor in writing and, as modified by Franchisor from time to time. Without limitation to the foregoing, Franchisee agrees that:

(1) The Franchised Business shall exclusively offer to the public the System Services and Products to customers located within Franchisee's Operating Territory;

(2) The Franchised Business will exclusively: (a) offer and serve the System Services and Products; (b) provide the System Services and Products in accordance with the System's standards and specifications; (c) exclusively purchase and utilize System Equipment and Supplies from Franchisor or Franchisor's designated suppliers; (d) exclusively purchase and utilize equipment, supplies, promotional materials, point of sale systems and Business Management System(s) designated by Franchisor and subject to Franchisor's specifications; (e) purchase displays, point of sale displays, uniforms, supplies, marketing materials and promotional materials (including but not limited to System Equipment and Supplies) as designated by Franchisor and only from Franchisor or Franchisor's approved supplier(s); and (f) purchase from distributors and other suppliers approved by Franchisor all other materials, goods, and supplies (including but not limited to System Equipment and Supplies) used in preparing, offering, selling, promoting, and serving the System Services and Products;

(3) Franchisor has and will periodically approve suppliers and distributors of the equipment, materials, supplies, and products (including but not limited to System Equipment and Supplies and Service Vehicles) that meet Franchisor's standards, specifications, and requirements including, without limitation, standards, specifications, and requirements relating to the equipment and supplies to be utilized by the Franchised Business;

(4) Franchisor, in Franchisor's Reasonable Business Judgment, may, from time to time, modify the list of approved brands, suppliers and distributors of System Equipment and Supplies, Service Vehicles, and approved equipment, supplies and services to be utilized by the Franchised Business and Franchisee shall, after receipt in writing of such modification, not reorder any brand and/or purchase from any supplier or distributor that is no longer designated or approved by Franchisor;

(5) Franchisor reserves the right to designate, from time to time, a single supplier and/or distributor for any services, products, equipment, supplies, or materials including, but not limited to, the System Equipment and Supplies and Service Vehicles and to require Franchisee to use such a designated supplier exclusively, which exclusive designated supplier and/or distributor may be Franchisor and/or Franchisor's affiliates. Franchisor and its affiliates may receive payments from suppliers and/or distributors on account of such supplier's or distributor's dealings with Franchisee and other franchisees and may use all amounts so received without restriction and for any purpose Franchisor and its affiliates deem appropriate; and

(6) If Franchisee proposes or requests that Franchisor consider the approval of products, services, equipment, supplies, suppliers and/or distributors for use in the Franchised Business where such products, services, equipment, supplies, suppliers and/or distributors are not presently, at the time of Franchisee's

request, approved for use in the System: (a) Franchisee must provide Franchisor with a written request where Franchisee specifies the product, service, equipment, supply, supplier and/or distributor, the reason for Franchisee's request; (b) Shall timely submit to Franchisor such information, reports, specifications, and samples as Franchisor, in Franchisor's Reasonable Business Judgment requests; and (c) Shall pay to Franchisor a Supplier Evaluation Fee per requested product, service, equipment, supply, supplier and/or distributor to be considered including, but not limited to, the Supplier Evaluation Fees that Franchisor, in Franchisor's Reasonable Business Judgment, establishes and assesses based on, among other things, the administrative costs and time associated with evaluating, assessing and testing the proposed product, service, equipment, supply, supplier and/or distributor including, but not limited to Franchisor's internal employees and independent third parties engaged and/or retained by Franchisor for evaluation and testing. The foregoing fees and payments shall be paid by Franchisee to Franchisor within 14 days of the date of Franchisor's invoice. Upon Franchisee's compliance with the foregoing, within 60 days of the completion of all inspections and evaluations, Franchisor shall notify Franchisee of Franchisor's approval or disapproval which shall be determined by Franchisor in Franchisor's Reasonable Business Judgment. Under no circumstance shall the foregoing be construed as implying that Franchisor is required to approve alternative suppliers.

#### **7.G. MARKET RESEARCH AND TESTING**

Franchisor may conduct market research and testing to evaluate, modify, test and/or sample the services, products, equipment, and supplies authorized by Franchisor and to determine consumer trends and the viability of certain services and products. Franchisee agrees to participate in Franchisor's market research programs that may be conducted by Franchisor in its discretion, by test marketing services and/or products from the Franchised Business. Franchisee agrees to provide Franchisor with timely reports and other relevant information regarding such market research. Franchisee agrees to purchase a reasonable quantity of the tested products and effectively promote and make a reasonable effort to sell the products and/or services.

#### **7.H. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES**

(1) Franchisee shall secure and maintain in full force all required licenses, permits and certificates relating to the operation of the Franchised Business, and Franchisee must operate the Franchised Business in full compliance with all applicable laws, ordinances, codes, and regulations.

(2) Franchisee must immediately notify Franchisor in writing of any of the following concerning Franchisee, the Franchised Business, Franchisee's Administrative Office and/or Franchisee's Service Vehicle(s): (a) any cause of action, claim, lawsuit, proceeding, and investigation; (b) issuance of any order, writ, injunction, award, and/or decree by any court, agency, or other governmental entity; and (c) any notice of violation of any law, ordinance, code, permit, or regulation.

(3) All advertising and promotion by Franchisee must be completely factual and conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business practice, advertising practice, or personal conduct that may be injurious to Franchisor, the System, G-FORCE Businesses, and the Licensed Marks. Franchisor, in Franchisor's sole discretion, shall possess, among other things, the unilateral right to reject any and all advertising relating to the Franchised Business, Franchisor, the System, G-FORCE Businesses and/or using the Licensed Marks.

(4) Franchisee and Owners agree to comply with, and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee and each Owner certify, represent, and warrant that Franchisee's or any Owner's property or interests is not subject to being "blocked" under any of the Anti-Terrorism Laws, and Franchisee and each Owner are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee further certifies that Franchisee and each Owner are not listed on the Annex to Executive Order 13244 (the Annex is available at <http://www.treasury.gov>) and will not become so listed, hire any person so listed, or have

dealings with any person so listed. Franchisee agrees to immediately notify Franchisor if Franchisee or any Owner become so listed. "Anti-Terrorism Laws" refers to and means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing, or in any way relating to, terrorist acts and acts of war. If Franchisee, an Owner, or Franchisee's employees violate any of the Anti-Terrorism Laws and/or become listed on the Annex to Executive Order 13244, then Franchisor may terminate this Agreement immediately without prior notice to Franchisee.

#### **7.I. MANAGEMENT OF THE FRANCHISED BUSINESS**

(1) Franchisee agrees that critical to the success of the Franchised Business is the active, continuing, and substantial personal involvement and hands-on supervision of Franchisee's Managing Owner. At all times, Franchisee's G-FORCE Business must be under the active, continuing, and substantial personal involvement and hands-on supervision of Franchisee's Managing Owner. The Managing Owner must at all times be actively involved in the operation of the Franchised Business unless Franchisee delegates management functions to an authorized Operating Manager who, among other things, satisfactorily completed Franchisor's Initial Training Program and has otherwise meet the criteria and conditions for qualification as an Operating Manager. If the Operating Manager is a family member of Franchisee and/or an Owner, then the Operating Manager must also sign and agree to be bound by the terms of the Franchise Owner Agreement and Guaranty.

(2) Franchisee must, at all times, faithfully, honestly, and diligently perform its obligations hereunder, and continuously exert its best efforts to promote and enhance the business of the Franchised Business and the goodwill of the Licensed Marks.

(3) If, at any time, the Franchised Business is not being managed by a Managing Owner or Operating Manager who satisfactorily completed the Training Program, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of the Franchised Business for and on behalf of Franchisee. Franchisor's appointment of a manager of the Franchised Business does not relieve Franchisee of its obligations or constitute a waiver of Franchisor's right to terminate the Franchise pursuant to Article 16. Franchisor is not liable for any debts, losses, costs, or expenses incurred in the operations of the Franchised Business or to any creditor of Franchisee for any products, materials, supplies, or services purchased by the Franchised Business while it is managed by Franchisor's appointed manager. Franchisor has the right to charge a reasonable fee for management services and to cease to provide management services at any time.

(4) Franchisee will at all times maintain sufficient working capital to fulfill its obligations under this Agreement.

### **ARTICLE 8** **INSURANCE**

Franchisee must procure and maintain in full force at all times during the Term of this Agreement, at Franchisee's sole expense, on a primary rather than a participatory basis with Franchisor, an insurance policy or policies protecting Franchisee as named insured and naming, as additional insureds, Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of Franchisor against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Franchised Business. The policy or policies must be written by a responsible carrier or carriers with an AM Best Rating of at least A-, VII and reasonably acceptable to Franchisor.

The currently required insurance policies, insurance coverage requirements, and insurance coverage amounts are designated and set forth in the Operations Manual. Franchisor may, in Franchisor's Reasonable Business Judgment, periodically change the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Notwithstanding the immediately foregoing sentence, Franchisor shall not increase such minimum coverage more than once every two years. All public liability and property damages policies must contain a provision that Franchisor is entitled to recover under these policies on any loss occasioned to Franchisor, Franchisor's affiliates, Franchisor's successors and assigns, and the officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees of Franchisor by reason of the negligence of Franchisee and/or Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, and employees.

Certain customers may demand higher coverages at additional costs to Franchisee. Franchisee will have the option to secure these coverages. If Franchisee chooses not to meet customer's demands, Franchisor reserves the right to allow another Franchisee(s) with coverage that meets the customer's demand to service that customer.

By the earlier of 90 days after the Effective Date or prior to the commencement of the Training Program, Franchisee must deliver, or cause to be delivered, to Franchisor a copy of the certificates of insurance demonstrating Franchisee's compliance with this Article 8. All insurance policies required must expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of a material alteration to, or cancellation of, any insurance policy Franchisee is required to maintain in accordance with this Agreement.

In the event Franchisee fails, for any reason, to procure or maintain the insurance required by this Agreement, then Franchisor has the right and authority (but not the obligation) to immediately to procure insurance and charge all costs, fees, and expenses associated with same to Franchisee, which such charges, together with a reasonable administrative fee for Franchisor's expenses in so acting, shall be immediately payable by Franchisee to Franchisor upon demand. The foregoing remedies are in addition to any other remedies Franchisor may have under this Agreement, at law, or in equity.

## **ARTICLE 9**

### **BRAND DEVELOPMENT AND MARKETING**

#### **9.A. BRAND DEVELOPMENT FUND**

Franchisor currently administers a brand development fund (the "Brand Development Fund"). The following will apply to the Brand Development Fund at all times throughout the Term:

(1) Franchisee will pay, on the Due Date, a mandatory continuing fee to the Brand Development Fund in an amount equal to .5% of Franchisee's Gross Sales during months 7 to 12 after the Effective Date, 1% of Franchisee's Gross Sales during months 13 to 18 after the Effective Date; 1.5% of Franchisee's Gross Sales during months 19 to 24 after the Effective Date, and 2% of Franchisee's Gross Sales beginning in month 25 after the Effective Date and continuing thereafter (the "Brand Development Fund Fee"). The total Brand Development Fund Fee that Franchisor collects from Franchisee will not exceed \$10,000 each calendar year. Franchisee will not be required to make any contribution to the Brand Development Fund during the first six months following the Effective Date. If Franchisee signs a Renewal Franchise Agreement with Franchisor, the Brand Development Fee will not be less than the highest Brand Development Fund Fee charged as set forth above;

(2) Franchisor will provide Franchisee with written notice of the percentage of Gross Sales that Franchisee is required to contribute to the Brand Development Fund. Upon such written notice to Franchisee, the percentage of Gross Sales to be paid by Franchisee to the Brand Development Fund will be applicable for each and every monthly Accounting Period thereafter during the Term until otherwise designated by Franchisor in writing. The Brand Development Fund Fee shall be paid to Franchisor on the Due Date and in accordance with the payment terms and method set forth in Article 5.B for the payment of Royalty Fees;

(3) Franchisor, in Franchisor's Reasonable Business Judgment, shall direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Development Fund, with sole discretion over the strategic direction, creative concepts, materials, and endorsements used by the Brand Development Fund, and the geographic, market, and media placement and allocation thereof. Without limiting the foregoing, the Brand Development Fund may also be utilized for evaluation and monitoring of the Business Management Systems, maintenance and upgrades to the System Website, and development of Digital Media;

(4) Franchisee agrees that the purpose of the advertising, media, marketing, and activities financed by the Brand Development Fund is and shall be for the general enhancement of the System brand as associated with the Licensed Marks and general public brand recognition and awareness of the Licensed Marks. The Brand Development Fund will not be utilized to directly or indirectly market or promote the Franchised Business or, unless otherwise directed by Franchisor, in Franchisor's Reasonable Business Judgment, pay for media placements that may benefit or include any media market that includes Franchisee's Administrative Office or Operating Territory;

(5) Franchisee agrees that the Brand Development Fund may be used to pay various costs and expenses of Franchisor for such reasonable company salaries, contractor salaries, wages, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration, activities and/or the brand awareness goals of the Brand Development Fund including expenses incurred by Franchisor for trade shows, national account outreach, advertising, marketing, product and service testing, product and service development, maintenance, evaluation and monitoring of the Business Management Systems, upgrades to the System Website, development of Digital Media and creative development that is internally administered or prepared by Franchisor and other marketing activities made by Franchisor, provided, however, that salary expenses for Franchisor's personnel paid by the Brand Development Fund shall be commensurate with the amount of that time spent by such personnel on Brand Development Fund matters. Franchisor shall not use contributions to the Brand Development Fund to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration and activities of the Brand Development Fund and creation or conduct of its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the Brand Development Fund. Franchisor may spend in a fiscal year an amount greater or less than the aggregate contributions of all G-FORCE Businesses to the Brand Development Fund in that year;

(6) Franchisee agrees to participate in all advertising, marketing, promotions, research, and public relations programs instituted by the Brand Development Fund;

(7) Franchisee and Franchisor acknowledge and agree that (a) the Brand Development Fund is not a trust, (b) Franchisor is not a trustee or fiduciary of the Brand Development Fund, and (c) Franchisor may deposit and maintain any and all funds of the Brand Development Fund Fee in Franchisor's general accounts. Brand Development Fund Fees are not required to be segregated from other assets or accounts of Franchisor. The Brand Development Fund is not required to expend Brand Development Fund Fees in the year that they are collected, and the Brand Development Fund may borrow from Franchisor or other lenders at standard commercial interest rates to cover deficits of the Brand Development Fund, and Franchisor may cause the

Brand Development Fund to invest any surplus for future use by the Brand Development Fund. All interest earned on monies contributed to the Brand Development Fund will be used to pay costs of the Brand Development Fund before other assets of the Brand Development Fund are expended. A summary statement of monies collected, and costs incurred by the Brand Development Fund for Franchisor's immediately preceding fiscal year shall be made available to Franchisee upon Franchisee's written request. Franchisor will have the right to cause the Brand Development Fund to be incorporated or operated through an entity separate from Franchisor at such time as Franchisor deems appropriate, and such successor entity shall have all rights and duties of Franchisor pursuant to this Article 9.A(8);

(8) Although Franchisor will endeavor to utilize the Brand Development Fund to develop national accounts, advertising and marketing materials and programs, Franchisor undertakes no obligation to ensure that expenditures by the Brand Development Fund in or affecting any geographic area are proportionate or equivalent to the contributions to the Brand Development Fund by G-FORCE Businesses operating in that geographic area or that any G-FORCE Businesses will benefit directly or in proportion to its contribution to the Brand Development Fund from the development of advertising and marketing materials. Franchisor may use the Brand Development Fund to promote or benefit any type of G-FORCE Businesses in the System. Franchisor may use the Brand Development Fund to promote or benefit G-FORCE Businesses located within a particular region of the United States. Franchisee agrees that Franchisee's failure to derive any such benefit will not serve as a basis for a reduction or elimination of its obligation to contribute to the Brand Development Fund. Franchisee agrees that the failure (whether with or without Franchisor's permission) of any other franchisee to make the appropriate amount of contributions to the Brand Development Fund shall not in any way release Franchisee from or reduce Franchisee's obligations under this Article 9, such obligations being separate and independent obligations of Franchisee under this Agreement. Except as expressly provided in this Article 9, Franchisor assumes no direct or indirect liability, responsibility, or obligation to Franchisee with respect to the maintenance, direction, and/or administration of the Brand Development Fund; and

(9) Franchisor, in Franchisor's Reasonable Business Judgment, may establish a council to provide guidance respecting the administration of the Brand Development Fund and marketing matters concerning the Brand Development Fund. The council shall only serve in an advisory capacity and Franchisor shall select members of the council which may be comprised of employees of Franchisor, Franchisor, franchisees of the System and third parties.

## **9.B. FRANCHISEE LOCAL MARKETING**

Franchisee must spend on a yearly basis an amount not less than 4% of Franchisee's yearly Gross Sales on local marketing, including public relations, in the Operating Territory (or Franchisee's market if an Operating Territory was not designated) each monthly Accounting Period. On or before the first Friday of each month (or such other dates as may be specified by Franchisor), Franchisee must provide Franchisor with an accurate accounting of Franchisee's local marketing expenditures, public relations, and marketing activities during the immediately preceding monthly Accounting Period. Franchisee agrees to provide to Franchisor such other periodic reports and records of such local marketing as may be requested by Franchisor. Without limitation to the foregoing, in no event, except as outlined below, on an annual calendar year basis, shall Franchisee spend less than \$12,000 per calendar year in local marketing. Additionally, once annual Gross Sales reach \$400,000, the amount spent on advertising may be reduced by mutual consent. The long term plan is for repeat customers, referrals, and Search Engine Optimization efforts that produce superior organic search results will dramatically reduce the need for ad spend in later years.

If the Franchisee's expenditures for local marketing activities do not aggregate the required percentage of Franchisee's Gross Sales annually and/or the fixed minimum requirements (whichever imposes a higher obligation as to marketing expenditures), Franchisee must contribute the deficiency on local marketing as directed by Franchisor. Franchisee agrees that all local marketing and other marketing efforts of Franchisee



must be pre-approved, in writing by Franchisor. Franchisor reserves all rights to reject any and all marketing efforts requested by Franchisee. Franchisee agrees that:

(1) Franchisee shall provide Franchisor with monthly reports documenting Franchisee's advertising initiatives (which must be approved by Franchisor and consistent with Franchisor's standards and specifications) and expenditures, including Profit and Loss Statements, advertising return on investment calculations and other documentation as Franchisor may request to evaluate Franchisee's local marketing and local marketing expenditures. Franchisee agrees that all of Franchisee's marketing efforts must be focused on media and marketing directed toward Franchisee's Operating Territory (primarily Google Ad Pay Per Click Programs and Direct Mail pieces created by Franchisor for Franchisee's benefit), and Franchisee shall not direct Franchisee's marketing and promotion efforts with the purpose of soliciting and/or attracting customers from outside of Franchisee's Operating Territory;

(2) Prior to the opening of the Franchised Business, Franchisee shall submit to Franchisor, Franchisee's grand opening marketing plan for review and approval by Franchisor. Franchisee shall only utilize those portions of its grand opening marketing approved by Franchisor. Franchisee will provide Franchisor a written accounting of Franchisee's expenditures for grand opening marketing within 30 days prior to the anticipated grand opening of the Franchised Business; and

(3) At all times, Franchisee hereby grants to Franchisor the right, without compensation to Franchisee, to use Franchisee's name, address, photograph, videos, biographical information, and financial information related to the performance of the Franchised Business in any publication, social media post, advertisements or other marketing materials related to the System, Franchisee's operation of the Franchised Business, or Franchisor's sale of G- FORCE Business franchises.

#### **9.C. REQUIRED FRANCHISOR APPROVAL OF ALL MARKETING**

All marketing and promotion of the Franchised Business and all marketing media utilized by Franchisee in the marketing and/or promotion of the Franchised Business must be professional and must conform to Franchisor's standards and specifications as set forth in the Operations Manual or as otherwise directed by Franchisor in writing. Before Franchisee uses any local marketing and promotional materials and/or media not prepared by or previously approved by Franchisor in writing, Franchisee shall submit samples of such materials to Franchisor for approval, which shall be at the discretion of Franchisor, in Franchisor's Reasonable Business Judgment. Provided that Franchisee has satisfied the notification requirements set forth in this Agreement, if Franchisor does not notify Franchisee that Franchisor disapproves the materials within 15 days from the date Franchisor receives the materials, then Franchisee may commence using the materials. However, Franchisor may still disapprove such materials by notice to Franchisee, and Franchisee must then cease using such materials upon receipt of such notice. Franchisee must not use any advertising or promotional materials that Franchisor has disapproved.

#### **9.D. WAIVERS OR DEFERRALS**

On written request from Franchisee with reasons supporting such request, Franchisor may, at Franchisor's sole discretion and on conditions Franchisor deems appropriate, temporarily waive, or defer the obligations of Franchisee under the Brand Development Fund. In no event shall such waiver or deferral extend beyond six months. However, at the end of any waiver or deferral period, Franchisee may resubmit a request for waiver or deferral of its obligations under the Brand Development Fund. Under no circumstance shall Franchisor be under any obligation to grant any waiver or deferral. Franchisor may reject Franchisee's request for a waiver or deferral based on any reason or no reason at all.

#### **9.E. DIGITAL MEDIA AND WEBSITE PROHIBITIONS**

Franchisee agrees that Franchisee's use of Digital Media shall be subject to and require Franchisor's express

written consent which shall and may be withheld by Franchisor for any or no reason at all. Without limitation to the foregoing, Franchisee possesses no right or authority to utilize Digital Media and Franchisee agrees that Franchisor reserves all rights respecting the marketing, sale and distribution of System Services and Products through Digital Media. Franchisee agrees that all Digital Media and Digital Media accounts associated with and/or relating to the Franchised Business and/or the System shall, upon demand of Franchisor, be transferred to Franchisor. Upon execution of this Agreement and any and all future dates demanded by Franchisor, Franchisee shall execute and deliver to Franchisor the Assignment of Telephone Numbers and Digital Media Accounts Agreement attached to this Agreement as Exhibit 5. Franchisee agree that the foregoing shall not be interpreted or construed as permitting Franchisee to establish, designate, utilize and/or otherwise establish accounts as to Digital Media respecting and/or concerning the Franchised Business and/or the System.

#### **9.F. NO MARKETING OUTSIDE FRANCHISEE'S OPERATING TERRITORY**

Franchisee agrees that Franchisee's marketing and Marketing Media must be directed toward Franchisee's Operating Territory and that under no circumstance shall Franchisee cause, authorize or engage in any Media Distribution to customers, potential customers and/or customer referral sources outside of Franchisee's Operating Territory, unless: (a) such Media Distribution is a joint distribution with other G-FORCE Businesses and is authorized by Franchisor in writing; and (b) Franchisor, in Franchisor's Reasonable Business Judgment, otherwise agrees to same in writing.

### **ARTICLE 10** **RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION**

#### **10.A. INDEPENDENT CONTRACTORS**

Franchisor and Franchisee acknowledge and agree that this Agreement does not create a fiduciary relationship between Franchisor and Franchisee, Franchisor and Franchisee are independent contractors, and nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint ventures, partner, employee, or servant of the other for any purpose. The parties' relationship is strictly a Franchisor and Franchisee relationship.

Franchisee agrees that Franchisee is the sole employer of the employees of the Franchised Business. Franchisee has the sole right to select, hire and discharge Franchisee's employees. Franchisee is responsible for all decisions regarding hiring, firing, training, supervising, disciplining, scheduling, and paying wages to, and withholding and paying taxes for Franchisee's employees. Franchisee, each Owner, and Franchisee's officers, directors, manager, agents, representatives, independent contractors, and employees shall not be construed, considered, or represented as Franchisor's employees, representatives, or agents. Franchisee agrees that there is no joint employer relationship between Franchisor and Franchisee or Franchisee's employees. Franchisee's compliance with all federal, state, and local labor laws rules and regulations shall be exclusively determined and managed by Franchisee. To the extent that the Operations Manual includes information, specifications, procedures, criteria and/or requirements as to employees of the Franchised Business, such requirements shall be interpreted exclusively for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the System, and to ensure System uniformity requirements and standards concerning the System Services and Products, and under no circumstance shall same relate to the employer-employee relationship. As to the foregoing issue of "joint employer" and the non-existence thereof, in the event of any inconsistency or conflict between this Agreement and the Operations Manual, the terms of this Agreement shall take precedence and govern.

Franchisee must conspicuously identify itself at the premises of the Franchised Business and in all dealings with customers, lessors, contractors, suppliers, public officials, and others as the owner of a G-FORCE

Business under a franchise from Franchisor, and Franchisee must place other notices of independent ownership on signs, forms, stationery, advertising, and other materials as Franchisor requires.

Franchisee must not employ any Licensed Mark in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation. Franchisee must not employ any Licensed Mark in a manner that is likely to result in liability of Franchisor for any indebtedness, action, inaction, or obligation of Franchisee.

Franchisor and Franchisee shall not make any express or implied agreements, guaranties, or representations, or incur any debt, in the name, or on behalf, of the other. Franchisor and Franchisee shall not represent that their relationship is anything other than franchisor and franchisee. Franchisor and Franchisee shall not be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized. Franchisor shall not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, whether or not caused by Franchisee's negligent, willful act or failure to act.

Franchisor shall have no liability for any sales, use, excise, gross receipts, property, or other taxes, whether levied upon Franchisee, the Franchised Business, or its assets, or upon Franchisor in connection with sales made, services performed, or business conducted by Franchisee.

#### **10.B. INDEMNIFICATION BY FRANCHISEE**

Franchisee and each Owner shall indemnify, defend through counsel acceptable to Franchisor, and hold harmless Franchisor, Franchisor's affiliates, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisor Indemnified Parties") from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages arising out of, or relating to, Franchisee's Administrative Office, Franchisee's Administrative Office, and/or the Franchised Business (including, without limitation, the ownership and operation of the Franchised Business), unless such loss, expense, claim, cause of action, lawsuit, liability, tax, cost, demand, proceeding, or damage is solely due to Franchisor's gross negligence, and Franchisee shall pay all of the Franchisor Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisor Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisor Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses. At the expense and risk of Franchisee and each Owner, Franchisor may elect to assume (but is not obligated to undertake) the defense and/or settlement of any action, lawsuit, proceeding, claim, or demand. Such an election by Franchisor to assume its defense shall not diminish the obligation of Franchisee and each Owner to indemnify, defend and hold harmless Franchisor. Franchisee and each Owner acknowledge and agree that the terms of this Article 10.B shall survive the termination, expiration or Transfer of this Agreement.

Under no circumstances are the Franchisor Indemnified Parties required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any Owner. Franchisee and each of the Owners agree that Franchisor's failure to pursue recovery or mitigate loss in no way reduces the amounts recoverable from Franchisee or any Owner.

#### **10.C. INDEMNIFICATION BY FRANCHISOR**

Franchisor shall indemnify, defend, and hold harmless Franchisor and Franchisor's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisee Indemnified Parties") from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigations, hearings, and/or damages

solely arising out of, or solely relating to, Franchisor's gross negligence in the operation of Franchisee's G-FORCE Business that was the direct cause of any such loss, expense, liability or damage provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing, and Franchisor shall pay all of the Franchisee Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisee Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisee Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing. Franchisor agrees that the terms of this Article 10.C shall survive the termination, expiration or Transfer of this Agreement.

## **ARTICLE 11**

### **LICENSED MARKS AND SYSTEM; INNOVATIONS TO SYSTEM**

#### **11.A. OWNERSHIP AND GOODWILL**

Franchisee agrees that Franchisor is the owner of all right, title and interest in and to the Licensed Marks, the System, Web Based Media, Published Content, and the goodwill associated with the Licensed Marks and the System. Except as otherwise specifically provided in this Agreement, Franchisee agrees that Franchisee possesses no interest or right, whatsoever, in or to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System, and Franchisee's right to use the Licensed Marks and the System is derived solely from this Agreement. Any unauthorized use of the Licensed Marks and/or the System by Franchisee or any of Franchisee's affiliates shall constitute an infringement of the rights of Franchisor in and to the Licensed Marks and/or the System. Franchisee agrees that all usage of the Licensed Marks and/or the System by Franchisee, and all goodwill associated with the Licensed Marks and System, shall exclusively benefit Franchisor without granting any goodwill interests or rights to Franchisee except for Franchisee's non-exclusive interest and limited right to use the Licensed Marks and the System in the operation of the Franchised Business, subject to the terms and conditions of this Agreement. Franchisee shall not, at any time during the Term or after the expiration, termination or Transfer of this Agreement, contest the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System, and at no time shall Franchisee assist any other person in contesting the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System. Franchisee and each Owner shall not take any action that prejudices or interferes with the validity of Franchisor's rights with respect to Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System.

#### **11.B. USE OF THE LICENSED MARKS**

Franchisee agrees that the Licensed Marks shall be the sole identification of the Franchised Business. Franchisee must operate, advertise, and market the Franchised Business only under the Licensed Marks as designated and specified by Franchisor in Franchisor's Reasonable Business Judgment. Franchisee shall not use the Licensed Marks as part of its corporate or other legal name, and Franchisee shall not use the Licensed Marks with modifying words, terms, designs, or symbols, or in any modified form. Franchisee shall comply with Franchisor's instructions in filing and maintaining their requisite trade name or fictitious name registrations as may be required by applicable law.

#### **11.C. NOTIFICATION OF INFRINGEMENT AND CLAIMS**

Franchisee must notify Franchisor immediately in writing of any apparent infringement of, or challenge to, Franchisee's use of any Licensed Mark and/or the System or of any claim by any person claiming any rights

in any manner with respect to the Licensed Mark, the System, or any similar trade name, trademark or service mark of which Franchisee becomes aware. Franchisee must not communicate with any person other than Franchisor and its counsel in connection with any infringement, challenge, or claim by any third party to the Licensed Marks and/or the System. Franchisor and/or Franchisor's licensor shall possess sole and complete discretion, in Franchisor's Reasonable Business Judgment, to take any action and/or to refrain from taking action, Franchisor and/or Franchisor's licensor deems appropriate, including, without limitation, the right to exclusively control any litigation or administrative proceeding arising out of, or relating to, any infringement, challenge, claim or otherwise relating to any Licensed Mark and/or the System. Franchisee agrees to execute all documents, render assistance, and take all actions as may be necessary or advisable to protect and maintain the interests of Franchisor and/or Franchisor's licensor in any litigation or administrative proceeding or to otherwise protect and maintain, as directed by Franchisor, the interests of Franchisor and/or Franchisor's licensor in the Licensed Marks. Franchisor will reimburse Franchisee for reasonable direct expenses incurred by Franchisee in assisting Franchisor in any such litigation or administrative proceeding provided Franchisee timely notifies Franchisor of such litigation or administrative proceeding, and Franchisee complies with the written instructions of Franchisor respecting any such litigation or administrative proceeding.

#### **11.D. DISCONTINUANCE OF USE OF LICENSED MARKS**

Franchisee agrees that at any time should Franchisor determine, in Franchisor's sole discretion and based on Franchisor's Reasonable Business Judgment, that it is advisable for Franchisor, the System, and/or Franchisee to replace, modify, substitute, and/or discontinue use of any Licensed Marks, then Franchisee shall comply with Franchisor's determination and instructions as to the replacement, modification, substitution, and/or discontinuance of such Licensed Mark(s). Franchisee shall comply within the foregoing requirements within a reasonable time period after notice by Franchisor. If Franchisee is required to take action pursuant to instruction by Franchisor pursuant to this Article 11.D or, if Franchisee is otherwise required to replace, modify, substitute, and/or discontinue use of any Licensed Marks, the sole liability and obligation of Franchisor to Franchisee shall be to reimburse Franchisee for the reasonable and direct costs incurred by Franchisee in complying with this obligation, which Franchisee shall document to the satisfaction of Franchisor. Franchisor maintains the exclusive right, in Franchisor's Reasonable Business Judgment, to, in whole or in part, replace, modify, substitute and/or discontinue any and all features and/or components of the Licensed Marks and/or the System at any time.

#### **11.E. INDEMNIFICATION OF FRANCHISEE**

If Franchisee is sued in a legal proceeding or is threatened with legal action and/or a notice of infringement by a third party where the claims and/or causes of action directly relate to a third party claiming trademark infringement, unfair competition, and/or trademark dilution as a result of Franchisee's use of the Licensed Marks in accordance with the terms of this Agreement and the System (the "IP Claim"), then Franchisor shall indemnify Franchisee for the reasonable and direct costs incurred by Franchisee and/or a judgment entered against Franchisee, provided: (i) Franchisee immediately notified Franchisor of the IP Claim by a written notice sent to Franchisor via priority overnight courier; (ii) Franchisee provided and afforded Franchisor the absolute opportunity and right to defend against the IP Claim and to select and appoint legal counsel of Franchisor's choosing; and (iii) Franchisee utilized the Licensed Marks in accordance with the terms of this Agreement and the System. Franchisee agrees that time is of the essence with respect to notifying Franchisor of the IP Claim in accordance with this Agreement, including this Article 11.E.

#### **11.F. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND CUSTOMER INFORMATION**

Franchisee agrees that with regard to the Franchised Business, all customer lists, including the contents and information contained in all customer lists, constitute Confidential Information and an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term, and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee

shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee, any Owner, and/or Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees relating to the development and operation of G-FORCE Businesses and the System. Franchisee hereby assigns to Franchisor, and Franchisee agrees to procure an assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Article 11.F from each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants, and employees. Franchisor shall have no obligation to tender any lump sum payment, on-going payments, or any other consideration to Franchisee, any Owner, each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants, and employees with respect to any such idea, concept, method, technique, or product. Franchisee agrees that Franchisee shall not use, or allow any other person or entity to use, any such concept, method, technique, or product without obtaining Franchisor's prior written approval.

## **ARTICLE 12**

### **RECORDS AND REPORTS**

#### **12.A. MAINTENANCE AND PRESERVATION OF RECORDS**

Franchisee shall maintain during the Term and preserve for at least three years from the dates of their preparation, full, complete, and accurate books, records, and accounts from the Franchised Business. Such records shall be maintained and preserved in the form and manner by Franchisor in the Operations Manual or otherwise in writing.

#### **12.B REPORTING OBLIGATIONS**

Franchisee shall comply with the following reporting obligations:

(1) Franchisee shall submit to Franchisor, in the form Franchisor reasonably prescribes, an unaudited quarterly profit and loss statement and balance sheet for the Franchised Business within 60 days after the end of each calendar year quarter during the Term. If Franchisee fails to submit the profit and loss statement and balance sheet within the time period specified in this Article 12, Franchisor will assess a late fee in the amount of \$100 against Franchisee. Because Franchisor's administrative, incidental, and indirect costs, expenses and damages would be difficult, if not impossible to ascertain in the event such documentation is not timely tendered by Franchisee to Franchisor, the foregoing late charge was negotiated by the parties as liquidated damages and not a penalty. Payment of such late fee shall not constitute a cure of Franchisee's reporting obligations under this Article 12.B, and such payment shall not relieve Franchisee of its reporting obligations under this Agreement;

(2) Franchisee shall provide to Franchisor annual financial statements for Franchisee reviewed by an independent certified public accountant in accordance with GAAP within 90 days after the end of Franchisee's fiscal year. Franchisor reserves the right to require such financial statements to be audited by an independent certified public accountant satisfactory to Franchisor at Franchisee's cost and expense. The annual financial statements of Franchisee must reconcile Gross Sales per GAAP to Gross Sales per this Agreement;

(3) Franchisee shall provide to Franchisor, Franchisee's annual federal, state, and local tax returns as same are prepared and submitted to the applicable federal, state, and local entities. Said tax returns shall be submitted to Franchisor within 45 days of Franchisee or Franchisee's agent filing such returns with the applicable federal, state, and local entities; and

(4) Franchisee shall timely submit to Franchisor, any other forms, reports, royalty reports, records,

information, and data as Franchisor may reasonably request.

(5) Beginning six months after the earlier of your Actual Business Commencement Date or your Scheduled Business Commencement date, Franchisee must retain and pay for the services of a bookkeeper with respect to the Franchised Business. Franchisee must continue to retain and pay for the service of a bookkeeper throughout the Term of this Agreement and any Renewal Term unless, in Franchisor's sole discretion, Franchisor determines that Franchisee is capable of perform bookkeeping tasks adequately and without the need for a bookkeeper.

(6) Royalty reports are due on the 10<sup>th</sup> day of each month, or any other day of the month that may be designated by Franchisor. If Franchisee fails to submit to Franchisor complete and accurate royalty reports for the preceding month, on the date they are due, Franchisee will be required to pay Franchisor a charge (the "Royalty Reporting Charge") as follows: (a) \$50 for the first and second late submittals within any calendar year; (b) \$100 for the third and fourth late submittals within any calendar year; (c) \$150 for the fifth and sixth late submittals within any calendar year; and (d) \$200 for each late submittal over and above the sixth late submittal within any calendar year.

### **ARTICLE 13**

#### **INSPECTION AND AUDITS**

##### **13.A. FRANCHISOR'S RIGHT TO INSPECT ADMINISTRATIVE OFFICE, SERVICE VEHICLES AND SYSTEM EQUIPMENT AND SUPPLIES**

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to inspect Franchisee's Administrative Office, Service Vehicles and System Equipment and Supplies. Franchisee shall fully cooperate with representatives of Franchisor making any inspection and permit such representatives of Franchisor to take photographs, movies, or videotapes of Franchisee's Administrative Office, Service Vehicles, customer service visits and interview employees and customers of the Franchised Business, so long as Franchisee's ability to operate the Franchised Business is not materially and unreasonably impeded. Franchisee has the right to request and receive copies of all reports, transcripts, videotapes, recordings, photographs, and media made in the course of the inspection within 10 days after Franchisor's said request.

##### **13.B. FRANCHISOR'S RIGHT TO EXAMINE BOOKS AND RECORDS**

Franchisor has the right at any time during business hours, and without prior notice to Franchisee, to examine or audit, or cause to be examined or audited by a third party, the business records, cash control devices, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books, statements, and records of the Franchised Business and Franchisee. Franchisee shall maintain complete and accurate copies all such books, statements, records and supporting documents at all times at Franchisee's Administrative Office. Franchisee must fully cooperate with Franchisor, representatives of Franchisor, and third parties hired by Franchisor to conduct any such examination or audit. In the event Franchisor's examination of Franchisee's records reveals that Franchisee underreported any figure to Franchisor by more than 2%, then Franchisee shall reimburse to Franchisor, all of Franchisor's costs in connection with Franchisor's audit/examination.

### **ARTICLE 14**

#### **TRANSFER OF INTEREST**

##### **14.A. BY THE FRANCHISOR**

At all times, Franchisor possesses and maintains the sole, absolute and unilateral right to Transfer and/or assign Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, in whole and/or in part (for any purpose and in any form of transaction as may be designated and/or elected by

Franchisor, in Franchisor's sole discretion) to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee or any other party. Nothing contained in this Agreement shall prevent, prohibit, restrict, hinder, enjoin, or otherwise restrain Franchisor from selling, transferring, conveying, or assigning this Agreement and the Ancillary Agreements, and/or Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, to any person, entity, Corporate Entity or other third party. Franchisor has an unrestricted and unequivocal right to Transfer and/or assign any of its rights or obligations under this Agreement and the Ancillary Agreements, in whole or in part, in Franchisor's sole discretion. In the event Franchisor Transfers and/or assigns this Agreement and/or the Ancillary Agreements, and/or any or all of Franchisor's rights and obligations set forth in this Agreement and/or the Ancillary Agreements, to a person, an entity, Corporate Entity, or other third party, this Agreement and the Ancillary Agreements, shall survive, remain in full force and effect, and inure to the benefit of the purchaser, transferee, conveyee, and/or assignee of this Agreement and/or the Ancillary Agreements and/or Franchisor's rights and obligations under this Agreement and/or the Ancillary Agreements.

#### **14.B. FRANCHISEE MAY NOT TRANSFER WITHOUT FRANCHISOR APPROVAL**

Franchisee agrees, and, Franchisee represents and warrants that Franchisee's Owners understand and agree, that the rights and duties set forth in this Agreement are personal to Franchisee and each Owner. Therefore, Franchisee agrees that:

- (1) No ownership interest of any Owner in Franchisee may be Transferred without the prior written consent of Franchisor;
- (2) No obligations, rights, or interest of Franchisee in (a) this Agreement, (b) the lease or ownership interests in Franchisee's Administrative Office, (c) the Franchised Business, or (d) all or substantially all of the assets of the Franchised Business may be Transferred without the prior written consent of Franchisor. This restriction shall not prohibit Franchisee from granting a mortgage, charge, lien, or security interest in the assets of the Franchised Business or this Agreement for the exclusive purpose of securing financing for the initial development (occurring prior to the Actual Business Commencement Date) of the Franchised Business;
- (3) Without limitation to the foregoing, any Transfer by Franchisee respecting and/or relating to this Agreement and/or the Franchised Business and/or assets associated with the Franchised Business will require the prior written consent of Franchisor where such Transfer occurs by virtue of: (a) divorce or legal dissolution of marriage; (b) insolvency; (c) dissolution of a Corporate Entity; (d) last will and testament; (e) intestate succession; or (f) declaration of, or transfer in trust;
- (4) Any purported Transfer without the written consent of Franchisor, or otherwise in violation of this Agreement including, but not limited to this Article 14.B. shall constitute a breach of this Agreement and shall convey to the transferee no rights or interests in this Agreement; and
- (5) In the event of a Transfer of this Agreement that is approved by Franchisor, Franchisee shall not be relieved of Franchisee's obligations under this Agreement whether said obligations accrued and/or arose prior to and/or after the date of Transfer.

#### **14.C. CONDITIONS FOR APPROVAL OF TRANSFER**

Provided Franchisee and each Owner, respectively, are in substantial compliance with this Agreement and the Ancillary Agreements, and Franchisor does not elect to exercise Franchisor's right of first refusal as set forth in Article 14.F below, Franchisor shall not unreasonably withhold its approval of a Transfer by Franchisee or an Owner. The proposed transferee (including such assignee's owner(s) if the proposed transferee is a Corporate Entity) must be of good moral character, be an honorably discharged U.S. military



veteran (or active duty, active Guard, or active Reserve), have sufficient business experience, aptitude, and financial resources to own and operate a G-FORCE Business, and otherwise meet Franchisor's standards for franchisees as determined by Franchisor in its sole, but reasonable discretion. Furthermore, the proposed transferee and the proposed transferee's owners may not own or operate, or intend to own or operate, a Competitive Business. Franchisee agrees that Franchisor may condition approval of a Transfer upon Franchisee's satisfaction (either before, or contemporaneously with, the effective date of the Transfer) of the following:

(1) Franchisee must provide written notice to Franchisor of the proposed Transfer of this Agreement at least 30 days prior to the Transfer, and Franchisee must have also satisfied the obligations set forth in Article 14.F below;

(2) All accrued monetary obligations of Franchisee and all other outstanding obligations to Franchisor and/or Franchisor's affiliates under this Agreement and the Ancillary Agreements must be satisfied in a timely manner, and Franchisee must satisfy all trade, supplier, and vendor accounts and other debts, of whatever nature or kind, in a timely manner;

(3) Franchisee and each Owner must not be in default or material breach of this Agreement or the Ancillary Agreements;

(4) The transferee shall be bound by all terms and conditions of this Agreement, and each owner of the transferee shall personally execute the Franchise Owner Agreement and Guaranty in the form attached to this Agreement as Exhibit 1. Each owner of the transferee shall also be required to execute the Joinder Agreement in the form attached to this Agreement as Exhibit 2 and such further agreements designated by Franchisor whereby the proposed transferee assumes each and every obligation and responsibility of Franchisee as set forth in this Agreement;

(5) All obligations of Franchisee under this Agreement and the Ancillary Agreements shall be assumed by the transferee, each individual owner of transferee, in a manner satisfactory to Franchisor;

(6) Franchisee and each Owner must execute the General Release attached to this Agreement as Exhibit 6 releasing Franchisor, Franchisor's affiliates and Franchisor's past and present officers, directors, shareholders, members, partners, agents, representatives, independent contractors, servants, and employees, of any and all claims against Franchisor for matters arising on, or before, the effective date of the Transfer;

(7) If the proposed Transfer includes or entails the Transfer of this Agreement, substantially all of the assets of the Franchised Business, a controlling interest in Franchisee, or is one of a series of Transfers which in the aggregate Transfers substantially all of the assets of the Franchised Business or a controlling interest in Franchisee, then, at the election of Franchisor and upon notice from Franchisor to Franchisee, the transferee may be required to execute (and/or, upon Franchisee's request, shall cause all interested parties to execute) for a term ending on the expiration date of the original Term of this Agreement, the then current standard form Franchise Agreement offered to new franchisees of G-FORCE Businesses and any other agreements as Franchisor requires. Such agreements shall supersede this Agreement and its associated agreement in all respects, and the terms of Franchisor's then current agreements may differ from the terms in this Agreement, provided that such agreements shall provide for the same Royalty Fee, Advertising Contributions, and all other financial or monetary obligations established in this Agreement;

(8) The transferee, at its expense, must improve, modify, refurbish, renovate, remodel, and/or otherwise upgrade Franchisee's Administrative Office to conform to the then current standards and specifications of Franchisor, and the transferee must complete such improvements, modifications, refurbishments, renovations, remodeling, and/or upgrading within the time period Franchisor reasonably specifies;

(9) Franchisee and each Owner shall remain liable for all obligations to Franchisor set forth in this Agreement;

(10) At the transferee's expense, the transferee, and the transferee's Managing Owner, managers and/or any other applicable employees of transferee's G-FORCE Business must complete any training programs then in effect for franchisees of G-FORCE Businesses upon terms and conditions set forth in this Agreement or as Franchisor otherwise reasonably requires;

(11) Franchisee must pay the Transfer Fee to Franchisor;

(12) Franchisor's approval of the material terms and conditions of the Transfer, and Franchisor determines in Franchisor's Reasonable Business Judgment that the price and terms of payment are not so burdensome as to be detrimental to the future operations of the Franchised Business by the transferee;

(13) Transferee's employees, directors, officers, independent contractors, and agents who will have access to Confidential Information shall execute the Confidentiality Agreement attached hereto as Exhibit 3;

(14) Franchisee entering into an agreement with Franchisor agreeing to subordinate any obligations of transferee to make installment payments of the purchase price to Franchisee to the transferee's obligations to Franchisor, including, without limitation, transferee's obligations with respect to Royalty Fees and Advertising Contributions;

(15) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer indicates only that the transferee meets, or Franchisor waived, the criteria established by Franchisor for franchisees as of the time of such transfer, and Franchisor's approval thereof does not constitute a warranty or guaranty by Franchisor, express or implied, of the suitability of the terms of sale, successful operation, or profitability of the Franchised Business;

(16) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer at issue does not constitute Franchisor's approval of future or other Transfers or the waiver of the requirement that Franchisor must approve such future or other Transfers in accordance with this Agreement;

(17) The Transfer must be made in compliance with all applicable laws;

(18) The Transfer of the Franchised Business, the lease for Franchisee's Administrative Office (if applicable), and the assets of the Franchised Business shall be made only in conjunction with a Transfer of this Agreement, approved by Franchisor in accordance with and subject to this Article 14 and the terms and conditions of this Agreement;

(19) Franchisor's consent to a Transfer of any interest that is subject to the restrictions of this Agreement shall not constitute a waiver of any claims it may have against Franchisee or deemed a waiver of Franchisor's right to demand strict and exact compliance with this Agreement by the transferee; and

(20) The Transferee must meet Franchisor's then current standards and criteria for Franchisees including, but not limited to, the requirement that the Transferee or, if Transferee is a Corporate Entity, that Transferee's Owners are United States military veterans honorably discharged from the United States military.

#### **14.D. DEATH OR DISABILITY OF FRANCHISEE OR AN OWNER**

(1) If Franchisee is an individual and not a Corporate Entity, upon the death or permanent disability of

Franchisee, the executor, administrator, conservator, or other personal representative of Franchisee, must appoint a manager that meets the equivalent of an Operating Manager within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability. The appointed manager (as applicable) must serve and qualify as an Operating Manager and attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's G-FORCE Business is not being managed by a Franchisor approved Operating Manager (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's G-FORCE Business for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Operating Manager is able to assume the management and operation of Franchisee's G-FORCE Business. Franchisor's appointment of a manager for Franchisee's G-FORCE Business does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's G-FORCE Business may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's G-FORCE Business or to any creditor of Franchisee for any products, materials, supplies, or services purchased by Franchisee's G-FORCE Business. Franchisor has the right to charge a reasonable fee for such management services and may cease to provide management services at any time.

(2) If Franchisee is a Corporate Entity, upon the death or permanent disability of Franchisee's Managing Owner, the remaining Owners within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability must appoint a new Managing Owner that is approved by Franchisor. The appointed Managing Owner must attend and successfully complete the Training Program within 60 days of the appointment. If Franchisee's G-FORCE Business is not being managed by a Franchisor approved Managing Owner (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of Franchisee's G-FORCE Business for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Managing Owner is able to assume the management and operation of Franchisee's G-FORCE Business. Franchisor's appointment of a manager for Franchisee's G-FORCE Business does not relieve Franchisee of its obligations under this Agreement, including this Article 14.D., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Article 16, below. At all times, including while Franchisee's G-FORCE Business may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of Franchisee's G-FORCE Business or to any creditor of Franchisee for any products, materials, supplies, or services purchased by Franchisee's G-FORCE Business. Franchisor has the right to charge a reasonable fee for such management services and may cease to provide management services at any time. Notwithstanding the foregoing, if Franchisee is a Corporate Entity and the Managing Owner is the only Owner of Franchisee, then Article 14.D(1) shall apply as if the Managing Owner were the sole individual Franchisee.

(3) Upon the death of Franchisee or any Owner, the executor, administrator, conservator, or other personal representative of that deceased person must transfer his interest to a person Franchisor approves within a reasonable time, not to exceed 12 months from the date of death.

(4) If Franchisee is an individual, then in the event of the death or permanent disability of Franchisee, this Agreement may be Transferred to any designated person, heir, or beneficiary without the payment of the Transfer Fee. Notwithstanding the immediately foregoing sentence, the Transfer of this Agreement to such transferee of Franchisee shall be subject to the applicable terms and conditions of this Article 14, and the Transfer shall not be valid or effective until Franchisor has received the properly executed legal documents, which Franchisor's attorneys deem necessary to properly and legally document such Transfer of this Agreement. Furthermore, said transferee must agree to be unconditionally bound by the terms and conditions of this Agreement, personally guarantee the performance of Franchisee's obligations under this Agreement, and execute the Franchise Owner Agreement and Guaranty attached to this Agreement as

Exhibit 1 and the Joinder Agreement attached to this Agreement as Exhibit 2.

(5) Family members who are not U.S. Military veterans may continue to operate the business in honor of the disabled or deceased veteran but may not sell or transfer the business to anyone who does not meet our standards to qualify as a veteran-owned business.

#### **14.E. TRANSFER TO WHOLLY OWNED CORPORATE ENTITY**

In the event Franchisee is an individual/are individuals, this Agreement may be Transferred by Franchisee to a Corporate Entity (the “Assignee Corporate Entity”), provided that: (a) Franchisee has provided Franchisor with 30 days prior written notice of the proposed Assignment of this Agreement; (b) Franchisee (individually, jointly and severally as to each individual Franchisee) sign and be bound by the Franchise Owner Agreement and Guaranty attached to this Agreement as Exhibit 1 and the Joinder Agreement attached to this Agreement as Exhibit 2; (c) Franchisee has provided Franchisor with true and accurate copies of corporate formation documents related to the Assignee Corporate Entity and the ownership of the Assignee Corporate Entity and has further provided Franchisor with all additional documentation as Franchise may request concerning the proposed assignment and/or Assignee Corporate Entity; and (d) Franchisee is otherwise in compliance with the terms and conditions of this Agreement and any Ancillary Agreements. Franchisee agrees that an assignment to an Assignee Corporate Entity shall not relieve Franchisee of Franchisee’s individual obligations under this Agreement as such obligations existed between Franchisee and Franchisor prior to the date of any assignment to the Assignee Corporate Entity.

#### **14.F. FRANCHISOR’S RIGHT OF FIRST REFUSAL**

If Franchisee or an Owner desire to engage, in whole or in part, in a Transfer of Franchisee, this Agreement, Franchisee’s G-FORCE Business, Franchisee’s Administrative Office, and/or Franchisee’s Administrative Office, then Franchisee or such Owner (as applicable) must obtain a bona fide, signed written offer from the fully disclosed purchaser (the “Offer”) and submit an exact copy of the Offer to Franchisor. Franchisor shall have 30 days after receipt of the Offer to decide whether Franchisor will purchase the interest in Franchisee, Franchisee’s G-FORCE Business, Franchisee’s Administrative Office, and/or Franchisee’s Administrative Office for the same price and upon the same terms contained in the Offer (however, Franchisor may substitute cash for any form of payment proposed in the Offer). If Franchisor notifies Franchisee that Franchisor intends to purchase the interest within said 30 day period, Franchisee or Owner (as applicable) must sell the interest to Franchisor. Franchisor will have at least an additional 60 days to prepare for closing. Franchisor shall be entitled to receive from Franchisee or Owner (as applicable) all customary representations and warranties given by Franchisee or Owner (as applicable) as the seller of the assets and/or the ownership interest or, at Franchisor’s election, the representations and warranties contained in the offer. If Franchisor does not exercise its right of first refusal, Franchisee or Owner (as applicable) may complete the Transfer to the purchaser pursuant to and in accordance with the terms of the Offer, provided that separate and apart from this Article 14.F right of first refusal, Franchisee complies with the terms of this Article 14. However, if the sale to the purchaser is not completed within 120 days after delivery of the Offer to Franchisor, or there is a material change in the terms of the sale, Franchisor will again have the right of first refusal specified in this Article 14.F. Franchisor’s right of first refusal in this Article 14.F shall not apply to any Transfer pursuant to Article 14.E of this Agreement.

### **ARTICLE 15**

#### **RENEWAL OF FRANCHISE**

#### **15.A. FRANCHISEE’S RIGHT TO RENEW**

Subject to Franchisee’s satisfaction of the terms and conditions of this Article 15, Franchisee possesses the option to renew the franchise for Franchisee’s G-FORCE Business for one additional seven year Renewal Term, provided that:

- (1) Franchisee has complied with the terms and conditions of this Agreement and, without limitation to the foregoing, has operated Franchisee's G-FORCE Business in conformity with the System and has not otherwise breached this Agreement at any time;
- (2) Franchisee maintains possession of Franchisee's Administrative Office and/or a substitute thereof that is approved by Franchisor and located within the Operating Territory;
- (3) Franchisee agrees to update the condition, appearance, and functionality of Franchisee's Administrative Office and to otherwise modify Franchisee's Administrative Office in compliance with specifications and standards then applicable for new G-FORCE Businesses;
- (4) Franchisee pays the Renewal Fee; and
- (5) Franchisee complies with the terms and conditions of Article 15.

#### **15.B. NOTICE OF RENEWAL AND NON-RENEWAL**

Franchisee must give Franchisor written notice of Franchisee's election to renew this Agreement not less than 180 days before the end of the Term.

#### **15.C. RENEWAL FRANCHISE AGREEMENT**

Subject to the satisfaction of the conditions set forth in this Article 15, to renew the franchise license and to obtain the right to continue to operate the Franchised Business (a) Franchisor and Franchisee execute and become parties to Franchisor's then current Franchise Agreement and Franchisor's then current ancillary agreements that Franchisor then designates and customarily uses in the grant of franchises for G-FORCE Businesses at the time of renewal, and (b) each Owner must execute and become parties to an individual personal guarantee similar to the Franchise Owner Agreement and Guaranty attached hereto as Exhibit 1 and an agreement similar to the Joinder Agreement attached hereto as Exhibit 2. The terms of the renewal Franchise Agreement (the "Renewal Franchise Agreement") and ancillary agreements may differ from the terms of this Agreement and the Ancillary Agreements, including, without limitation, requiring higher advertising contributions and higher royalty fees. Franchisee, each Owner may be required to execute further documents, instruments, or agreements that Franchisor customarily requires in the grant of franchises for G-FORCE Businesses at the time of renewal. Failure by Franchisee and/or each Owner to execute the foregoing documents, instruments, and agreements within 30 days after delivery to Franchisee shall be deemed an election by Franchisee not to renew the franchise.

In the event there are any fees charged by Franchisor that have incrementally increased during the Term of this Agreement (including but not limited to the Technology Support Fee), the Renewal Franchise Agreement will include such fees at the highest rate allowed for those fees in the Renewal Franchise Agreement, but no less than the rate or charge that was in effect at the time this Agreement expired;

#### **15.D. CONDITIONS FOR RENEWAL**

In addition to the conditions and requirements stated above in this Article 15, each and every one of the following conditions and requirements must be satisfied by Franchisee before and at the time of renewal:

- (1) Franchisee, each Owner (as applicable) must not be in material default of any provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements; and Franchisee must have substantially and timely complied with all the terms and conditions of all agreements with Franchisor and Franchisor's affiliates;
- (2) Franchisee must have timely satisfied all monetary obligations owed by Franchisee to Franchisor and under this Agreement, the Ancillary Agreements, and any other agreement between Franchisee and any of

Franchisor's affiliates;

(3) Franchisee must present satisfactory, evidence that Franchisee has the right to remain in possession of Franchisee's Administrative Office or obtain Franchisor's approval for a new Administrative Office within the Operating Territory (if any) for the operation of the Franchisee's G-FORCE Business for the duration of the Renewal Term of this Agreement;

(4) Based upon an assessment of Franchisee's needs conducted by Franchisor prior to renewal, Franchisee must undertake such additional training, if any, as necessary to comply with Franchisor's then current training requirements; and

(5) Franchisee and the Owners must execute the general release, attached hereto as Exhibit 6 releasing Franchisor, its affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, including, without limitation, claims arising under this Agreement under federal, state, or local laws, rules, regulations, or orders. If precluded by law from giving a general release, Franchisee shall execute an estoppel statement.

## **ARTICLE 16**

### **DEFAULTS AND REMEDIES**

#### **16.A. TERMINATION BY FRANCHISOR**

(1) **Automatic Termination** – Franchisee shall be in default of this Agreement, and Franchisee's rights under this Agreement shall be automatically and immediately terminated, without notice to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, events, and/or circumstances:

(a) Franchisee becomes insolvent;

(b) Franchisee makes a general assignment for the benefit of creditors or takes any other similar action for the protection or benefit of creditors;

(c) Franchisee admits in writing Franchisee's inability to pay its debts as they mature;

(d) Franchisee gives notice to any governmental body or agency of insolvency, pending insolvency, suspension of operations and/or pending suspension of operations;

(e) Franchisee files a voluntary petition in bankruptcy;

(f) Franchisee is adjudicated bankrupt or insolvent;

(g) An involuntary petition in bankruptcy is filed against Franchisee;

(h) Franchisee files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief under any applicable federal and/or state law relative to bankruptcy, insolvency, or similar relief for debtors;

(i) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against Franchisee seeking any relief described in Article 16.A(1)(h), and (1) Franchisee acquiesces in the entry of such order, judgment or decree (the term "acquiesce" as used in this Article 16.A(1)(i) shall include, without limitation, Franchisee's failure to file a petition or motion to vacate or discharge any order, judgment or decree within 60 days after entry of such order, judgment or decree), or (2) such order, judgment or decree

shall remain for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;

(j) Franchisee seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee;

(k) A bill in equity or other proceeding for the appointment of any trustee, receiver, conservator, custodian or liquidator of Franchisee for Franchisee's business or any assets of Franchisee is filed and Franchisee consents to same;

(l) A court of competent jurisdiction appoints or orders any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee and such appointment or order remains for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;

(m) Franchisee initiates proceedings for a composition with creditors under any state or federal law or such a proceeding is initiated against Franchisee;

(n) This Agreement, or any of Franchisee's rights under this Agreement, is levied upon under any attachment or execution;

(o) Execution is levied upon or against Franchisee's business or any assets of Franchisee;

(p) A final judgment against Franchisee remains of record or unsatisfied for 30 days or more, unless an appeal and/or supersedeas bond is filed;

(q) Franchisee is dissolved;

(r) A cause of action or lawsuit to foreclose any lien or mortgage against Franchisee's Administrative Office if Franchisee is the fee simple owner of Franchisee's Administrative Office;

(s) A cause of action or lawsuit to foreclose any lien against equipment used in the operation of Franchisee's G-FORCE Business or located at Franchisee's Administrative Office is instituted against Franchisee and not dismissed within 60 days after the summons is served on Franchisee;

(t) Real or personal property of Franchisee utilized in the operation of Franchisee's G-FORCE Business is sold after levy thereupon by any sheriff, marshal, or other law enforcement officer;

(u) Upon termination by Franchisor pursuant to Article 16.A(2) of this Agreement; and/or

(v) Upon termination by Franchisor pursuant to Article 16.A(3) of this Agreement.

(2) **Automatic Termination Upon Written Notice** – Franchisee shall be in default of this Agreement and Franchisee's rights under this Agreement may be terminated by Franchisor, in Franchisor's sole discretion, upon written notice from Franchisor to Franchisee of any one of the following events and/or the occurrence of any one or more of the following actions, events and/or circumstances with such termination effective on the date of Franchisor's notice:

(a) Franchisee breaches a material term or provision of this Agreement or, if, pursuant to the terms of this Agreement Franchisee is permitted to cure such breach, Franchisee breaches a material term or provision of this Agreement and Franchisee fails to timely cure such breach pursuant to the terms of this Agreement;

(b) Franchisee abandons, surrenders and/or fails to continuously and actively operate Franchisee's G-

FORCE Business, unless prevented by casualty if such casualty is repaired or otherwise remedied in accordance with Article 7.D;

(c) Franchisee failing or refusing on more than three occasions during the Term to timely submit to Franchisor any records, reports, videotapes, recordings, books, accounts, statements, data, documentation, or other information in accordance with this Agreement;

(d) Franchisee fails or refuses on more than three occasions during the Term to timely pay when due the Royalty Fee, Advertising Contribution, and/or any other payment, fee, financial obligation, and/or monetary obligation payable to Franchisor pursuant to this Agreement;

(e) Franchisee materially misrepresents or omits information in any submitted application and during the application process, Franchisee maintains records, reports, books, accounts, statements, data, documentation or other information in accordance with this Agreement that are with misleading, fraudulent or inaccurate, or Franchisee provides Franchisor with records, reports, books, accounts, statements, data, documentation or other information in accordance with this Agreement that are with misleading, fraudulent or inaccurate;

(f) Franchisee attempts to Transfer, or any purported Transfer of, this Agreement or any of Franchisee's rights under this Agreement to a third party without Franchisor's prior written consent and/or otherwise not in accordance with this Agreement;

(g) Franchisee discloses, divulges, and/or communicates to any unauthorized person or entity the Operations Manual and/or any contents of, or any information contained in, the Operations Manual;

(h) Franchisee discloses, divulges, and/or communicates to any unauthorized person or entity any Confidential Information;

(i) Franchisee fails or refuses on more than three occasions to substantially comply with any of the requirements imposed by this Agreement or the Operations Manuals;

(j) Franchisee materially breaches, or is in material default of, this Agreement or engaging in any other activity that injures, harms, damages, or otherwise has a material adverse effect on Franchisor, the System, the Licensed Marks, G-FORCE Businesses, Franchisee's G-FORCE Business, and the goodwill, brand, and reputation associated therewith;

(k) Franchisee, an Owner (as applicable) breaches, or is in default of, any of the Ancillary Agreements, including, without limitation, the Franchise Owner Agreement and Guaranty attached hereto as Exhibit 1 and the Joinder Agreement attached hereto as Exhibit 2;

(l) Conviction of Franchisee and/or an Owner of a felony or Franchisee or an Owner pleading guilty or nolo contendere to a felony;

(m) Franchisee and/or an Owner engages in dishonest or unethical conduct that results, in Franchisor's Reasonable Business Judgment, in embarrassment to Franchisor, the System, the Licensed Marks, G-FORCE Businesses, Franchisee's G-FORCE Business, and the goodwill, brand, and reputation associated therewith;

(n) If any inspection of Franchisee's records, reports, books, accounts, statements, data, documentation, or other information discloses an understatement of payments payable to Franchisor under this Agreement of 5% or more, including, without limitation, payment of the Royalty Fee and/or the Advertising Contribution;



- (o) Franchisee uses products, and/or supplies not approved by Franchisor, including, without limitation, the System Equipment and Supplies and/or the System Services and Products;
  - (p) Franchisee fails to complete the Training Program to Franchisor's reasonable satisfaction;
  - (q) Franchisee engages in conduct which, in Franchisor's Reasonable Business Judgment, may adversely affect the goodwill of Franchisor, the System, the Licensed Marks, G-FORCE Businesses and/or Franchisee's G-FORCE Business;
  - (r) An immediate threat or danger to public health or safety resulting from the operation of Franchisee's G-FORCE Business;
  - (s) Franchisee loses the right or ability to occupy Franchisee's Administrative Office due to Franchisee's default of the underlying breach, material breach of the underlying lease, or Franchisee's failure to elect any option to renew the underlying lease;
  - (t) Franchisee and/or an Owner fails to comply with Anti-Terrorism Laws or become listed on the Annex to Executive Order 13244;
  - (u) Franchisee fails to: (1) immediately notify Franchisor of any known breach of the Confidentiality Agreement by any person or entity; (2) immediately notify Franchisor of facts and information that would cause a reasonable person to believe that a person or entity violated the Confidentiality Agreement and/or is in the process of violating the Confidentiality Agreement; and/or (3) take reasonable steps (including notice to Franchisor and Franchisee's consultation with Franchisee's legal counsel) to prevent any person or entity from violating the terms of the Confidentiality Agreement;
  - (v) Franchisee misappropriates, misuses, or makes any unauthorized use of the Licensed Marks, the Confidential Information, and/or the System, Franchisee materially impairs the goodwill associated with the Licensed Marks, and/or Franchisee applies for registration of the Licensed Marks anywhere in the world;
  - (w) Franchisee fails, refuses, and/or is unable to pay the Royalty Fee, Advertising Contribution, and/or any other payment, fee, financial obligation, and/or monetary obligation payable to Franchisor pursuant to this Agreement within 10 calendar days following written notice of same from Franchisor;
  - (x) Franchisee and/or Franchisee's affiliate fails, refuses, and/or is unable to pay any payment, fee, financial obligation, and/or monetary obligation payable to Franchisor and/or Franchisor's affiliates pursuant to this Agreement and/or any other agreement between or among Franchisor, Franchisor's affiliate, Franchisee and/or Franchisee's affiliate within 10 calendar days following written notice of same from Franchisor and/or Franchisor's affiliate; and/or
  - (y) Franchisee fails or refuses, without legal justification, on more than three occasions to timely pay any supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items for the use of, operation of, and/or associated with, Franchisee's G-FORCE Business, including, without limitation, the System Equipment and Supplies and/or the System Services and Products.
- (3) **Termination After Cure Period** – Franchisee shall be in default of this Agreement, and Franchisee's rights under this Agreement shall be terminated, upon 30 calendar days written notice (specifying the default of this Agreement and/or the actions, inactions, failures, circumstances, and/or events that must be cured by Franchisee) to Franchisee (the "Notice Period") upon the occurrence of any one or more of the following actions, inactions, events, and/or circumstances with such termination effective upon expiration

of the Notice Period, unless cured by Franchisee within the Notice Period:

- (a) Franchisee fails or refuses to comply with any term and condition of this Agreement or any other agreement between or among Franchisor, Franchisor's affiliates, Franchisee and/or Franchisee's affiliates;
- (b) Franchisee fails to develop, open, operate and maintain Franchisee's G-FORCE Business in accordance with this Agreement and throughout the Term;
- (c) Franchisee fails to develop, open, and operate Franchisee's G-FORCE Business on or before the Scheduled Business Commencement Date;
- (d) Franchisee operates Franchisee's G-FORCE Business in any manner that violates any federal, state, or local law, rule, regulation, ordinance, permit or code;
- (e) Franchisee fails to maintain, or suffers cancellation of, any insurance policy required under this Agreement;
- (f) Franchisee fails or refuses to comply with any specification, standard or operating procedure designated by Franchisor or otherwise set forth in the Operations Manual;
- (g) Franchisee fails or refuses, without legal justification, to pay any supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items for the use of, operation of, and/or associated with, Franchisee's G-FORCE Business, including, without limitation, the System Equipment and Supplies and/or the System Services and Products;
- (h) Franchisee fails or refuses, within 120 calendar days of the Effective Date to obtain and secure a signed lease agreement or fee simple ownership interest in a business location in accordance with this Agreement and, that is approved by Franchisor as Franchisee's Administrative Office; and/or
- (i) Franchisee fails to timely satisfy and pay all vendors, suppliers and/or contractors in connection with the development and/or construction of the G-FORCE Business.

The foregoing events of default set forth in this Article 16.A(3) shall exclude events of default that are otherwise governed by and/or events of default under Article 16.A(1) or Article 16.A(2). In the event of any inconsistency or conflict between the provisions of this Article 16.A(3) with Article 16.A(1), Article 16.A(1) shall take precedence and govern. In the event of any inconsistency or conflict between the provisions of this Article 16.A(3) with Article 16.A(2), Article 16.A(2) shall take precedence and govern.

(4) **Additional Termination Rights** – Franchisee agrees that Franchisee's strict and exact compliance with, and performance of, all the terms and conditions of this Agreement is necessary for the protection of Franchisor, the System, the Licensed Marks, G-FORCE Businesses, Franchisee's G-FORCE Business, and the goodwill, brand, and reputation associated therewith. Franchisee agrees that Franchisee's failure to strictly and exactly to comply and perform in accordance with each of the terms and conditions of this Agreement shall constitute a default under, and a material breach of, this Agreement. Accordingly, in addition to the actions, inactions, events, and/or circumstances specified as a default in Article 16.A(1) through Article 16.A(3) above or elsewhere in this Agreement, Franchisee's failure to perform and comply with each and every term and condition set forth in this Agreement shall constitute a default under this Agreement and a material breach of this Agreement. In the event of a default or material breach not otherwise specified as a default in Article 16.A(1) through Article 16.A(3) above or elsewhere in this Agreement (a "General Default"), then Franchisor shall notify Franchisee in writing of such General Default, and Franchisor will specify in such notice the default or material breach of this Agreement and/or

the actions, inactions, failures, circumstances, and/or events that must be cured by Franchisee. If Franchisee fails to remedy or cure such default within 30 days of such notice, or such longer period time as may be required by law, then Franchisor may terminate Franchisee's rights under this Agreement without further notice to Franchisee.

#### **16.B. TERMINATION BY FRANCHISEE**

If Franchisee and each Owner are in full compliance with each and every term and provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements, and Franchisor materially breaches Franchisor's substantive and material obligations set forth in this Agreement, Franchisee may terminate this Agreement in the event of the following:

- (1) Franchisor does not correct the material breach within 30 days after Franchisor's receipt of Franchisee's written notice of such material breach to Franchisor; or
- (2) In a case where Franchisor's material breach cannot reasonably be cured within 30 days, within 30 days of Franchisor's receipt of Franchisee's written notice of Franchisor's material breach, Franchisor shall be provided a reasonable time period to cure such material breach provided that Franchisor provides reasonable evidence to Franchisee of Franchisor's current, continuing and/or planned efforts to correct the material breach within a reasonable time.

In either case, Franchisee's termination of this Agreement shall not take effect until expiration of the 30 day period set forth above and or such reasonable time period as necessary to cure the material breach, and Franchisee delivers to Franchisor a separate written notice of termination. The termination date must be at least 10 days after Franchisor's receipt of Franchisee's notice of termination. Franchisee's termination of this Agreement for any reason other than as set forth in this and in compliance with this Article 16.B shall not constitute the termination of this Agreement and shall constitute a material breach of this Agreement by Franchisee.

To induce Franchisor to enter into this Agreement Franchisee, each Owner agrees that if Franchisee terminates this Agreement pursuant to this Article 16.B, that Franchisee and each Owner shall nevertheless comply with and be bound by all restrictions and the post-term obligations set forth in Articles 6 and 17 of this Agreement.

#### **16.C. FRANCHISOR'S OTHER REMEDIES**

Article 16.A sets forth actions, inactions, omissions, events, or circumstances that, among other things, constitute, in each instance and subject to any applicable cure period, if any, a default of this Agreement permitting Franchisor to, among other things, terminate this Agreement or resulting in the automatic termination of this Agreement. The grounds constituting a default under Article 16.A are in addition to any other grounds for default as may be otherwise set forth in the Franchise Agreement. If an event of default of this Agreement by Franchisee under Article 16.A or as otherwise set forth in this Agreement occurs, termination of this Agreement is not the sole or exclusive remedy of Franchisor and Franchisor's right of termination will be in addition to any other rights set forth in this Agreement or as otherwise available to Franchisor in law or equity.

Without limitation to the foregoing, if the termination of this Agreement as a result of a default or breach by Franchisee or by Franchisee's Owners or affiliates of any Ancillary Agreements occurs, Franchisor, in addition to any other rights and remedies available to Franchisor as set forth in this Agreement at law and in equity, will possess the following rights and remedies, each of which are not exclusive of the other and may be/are in conjunction with one another:

- (1) To void and terminate this Agreement, and thereafter to market, sell, transfer, convey and

assign the rights granted to Franchisee under this Agreement to any other person or entity in Franchisor's sole discretion and without compensation to Franchisee;

(2) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, all payments, fees, monetary obligations, financial obligations, interest, and charges due and owing to Franchisor from Franchisee pursuant to this Agreement, the Ancillary Agreements, or any other agreements between Franchisee and Franchisor, including, without limitation, Royalty Fees and Advertising Contributions with each payment and obligation to be accelerated and due immediately;

(3) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, lost revenues, profits, and fees including, without limitation, Royalty Fees, Brand Development Fund Fees, Advertising Contributions, and all other fees, revenues or expenses that would have been paid to Franchisor under the terms of this Agreement for a period of the lesser of (i) 36 months after the date of termination; or (ii) the number of months left in the Term of this Agreement, had a breach not occurred and had Franchisor not terminated this Agreement (the "Damages Period"). Franchisee acknowledges that in calculating the foregoing, it is fair and reasonable to use Franchisee's most recent calendar year Gross Sales divided by 12 to determine lost revenues and fees per month, and by assuming that such Gross Sales per month would have been earned in each month during the Damages Period. If, however, Franchisee's G-FORCE Business has been open and in operation for less than one calendar year, Franchisee acknowledges that it is fair and reasonable to use the average Gross Sales of all G-FORCE Businesses that were in operation during the full calendar year prior to the year in which this Agreement was terminated and to use such average Gross Sales for the purpose of calculating and determining Franchisor's lost revenues and fees during the Damages Period and, in doing so, by assuming that such Gross Sales would have been earned in each month throughout the Damages Period. Franchisee acknowledges that the foregoing is a form of liquidated damages that it is fair and reasonable;

(4) To hold Franchisee and Franchisee's Owners liable for all costs, fees, expenses, or damages incurred by Franchisor or suffered by Franchisor as a result of a breach or termination including, without limitation, the recovery of reasonable attorney fees and expenses including court costs, arbitration fees, mediation fees, arbitrator fees, mediator fees, depositions, and other related expenses;

(5) To enjoin, restrain, and otherwise prohibit Franchisee from operating Franchisee's G-FORCE Business or exercising any rights granted to Franchisee under this Agreement pursuant to a court order restraining order, injunction, or other means;

(6) Declaratory judgment that this Agreement and all rights granted to Franchisee under this Agreement are terminated, null and void; and

(7) All other remedies or rights available to Franchisor as otherwise set forth in the Agreement or as may be otherwise available by law or equity.

If a breach or default of this Agreement occurs, should Franchisor elect, at Franchisor's sole discretion, to not terminate this Agreement, such action will be without prejudice and without waiver of Franchisor's rights in the future. At all times and without prejudice to Franchisor's right to declare a default and, among other things, terminate this Agreement, Franchisor may (a) temporarily or permanently suspend any existing credit arrangements or accommodations previously extended to Franchisee or refrain from offering or making available to Franchisee any credit arrangements or accommodations that may be offered or made available to other System franchisees, (b) modify payment terms for approved products, supplies, or other

merchandise purchased by Franchisee which may include, without limitation, requiring cash on delivery, (c) disqualify Franchisee from being eligible for, or from participating in, special promotion programs, rebates, or rebate sharing that may be offered or made available to other System franchisees, or (d) refrain from providing or making available to Franchisee promotional materials or other materials developed by the Brand Development Fund or Advertising Cooperative.

If Franchisor does not pursue termination of this Agreement if a default or breach by Franchise occurs, or if Franchisor accepts any royalties, payments, contributions, funds, or other monetary sums from Franchisee, such actions do not constitute a waiver or acceptance of Franchisee's default or breach, and Franchisor reserves the right to pursue any additional remedies set forth in this Agreement at law or in equity. Franchisor's rights and remedies are cumulative, and no exercise or enforcement by Franchisor of any such right or remedy precludes the exercise or enforcement by Franchisor of any other right or remedy which Franchisor is entitled by law to enforce.

#### **16.D. GUARANTY**

The payment of all payments, amounts, fees, charges, and other financial obligations payable by Franchisee to Franchisor pursuant to this Agreement, and Franchisee's observance and performance of all terms and conditions of this Agreement, are guaranteed pursuant to The Franchise Owner Agreement and Guaranty attached to this Agreement as Exhibit 1.

#### **16.E. NOTICE OF LEGAL PROCEEDINGS AGAINST FRANCHISOR**

Franchisee shall give Franchisor advance written notice of Franchisee's intent to commence or otherwise institute any legal action or proceeding against Franchisor, specifying the basis for such proposed action, and Franchisee shall grant Franchisor 30 days from receipt of said notice to cure the alleged act upon which such legal action is to be based (hereinafter, the "30 Day Cure Notice"). Franchisee hereby expressly understands and agrees that the 30 Day Cure Notice is a strict condition precedent to Franchisee commencing, or otherwise instituting, legal action or proceeding against Franchisor for any reason whatsoever.

### **ARTICLE 17** **OBLIGATIONS UPON TERMINATION, EXPIRATION** **AND CONTINUING OBLIGATIONS**

#### **17.A. PAYMENT OF AMOUNTS OWED TO FRANCHISOR**

Without limitation as to any other Article or provision of this Agreement, upon expiration or termination of this Agreement for any reason, Franchisee shall immediately pay to Franchisor all sums and fees due from Franchisee to Franchisor under the terms of this Agreement including, but not limited to Royalty Fees and Advertising Contributions and all other sums and fees due from Franchisee to Franchisor and/or Franchisor affiliates and/or suppliers for products and services including, but not limited to, System Equipment and Supplies.

#### **17.B. CEASE OPERATIONS, USE OF SYSTEM AND PROTECTION OF THE SYSTEM**

Upon expiration, termination, or Transfer of this Agreement for any reason, Franchisee shall immediately:

- (1) Permanently cease to be a franchise owner of the G-FORCE Business that was the subject of this Agreement and cease to operate such G-FORCE Business under the System;
- (2) Directly or indirectly, hold itself out to any person or entity, or represent itself, as a present or former G-FORCE Business franchisee;
- (3) Permanently cease to use, in any manner: (a) the System including, without limitation, the Confidential

Information, the Licensed Marks, the Business Management System Data, and the Operations Manual; (b) any methods, procedures, or techniques associated with the System in which Franchisor possesses proprietary rights or that constitute Franchisor's trade secrets; (c) System Equipment and Supplies, including communicating with or ordering products from Franchisor's designated suppliers and vendors of System Equipment and Supplies; (d) the System Services and Products; and (e) any other advertising, marketing, media, and any other information, documents or things associated with Franchisor, the System, the Licensed Marks, G-FORCE Businesses, the Franchised Business, and Franchisee's former G-FORCE Business, including, without limitation, any confidential, proprietary methods, procedures, descriptions of products, techniques, trade secrets, proprietary marks, distinctive forms, slogans, symbols, signs, stationary, advertising material, articles, logos, devices, items and all other things, tangible or intangible, associated with Franchisor, the System, the Licensed Marks, and G-FORCE Businesses;

(4) Return to Franchisor the Operations Manual (including any and all parts, supplements, and copies of the Operations Manual), the Confidential Information (including without limitation the Business Management System Data and all customer lists and information), and all other confidential materials, equipment, software, information, and property owned by Franchisor and all copies thereof provided, however, that Franchisee may retain Franchisee's copies of this Agreement, correspondence between Franchisor and Franchisee, but not including Confidential Information that may be contained in or attached thereto, and other documents that Franchisee needs to retain pursuant to applicable law;

(5) Permanently cease accessing, immediately disconnect from, and discontinue using any and all digital media, intra-nets, cloud-based systems, and/or servers that store, maintain, and/or provide access to the Operations Manual, Confidential Information, and all other standards, specifications of Franchisor;

(6) Immediately notify Franchisor, in writing, of any and all locations where Franchisee may have maintained and/or stored digital files and/or media containing all or parts of the Operations Manual, any Confidential Information, and all other standards and specifications of Franchisor, immediately turn over such digital files and media to Franchisor, and follow Franchisor's instructions as to the destruction of such digital files and media;

(7) Except in the event an authorized transferee continues to operate Franchisee's former G-FORCE Business at Franchisee's Administrative Office subsequent to a Transfer, at Franchisee's sole cost and expense: (a) modify and alter Franchisee's former G-FORCE Business, Franchisee's former G-FORCE Administrative Office, and Franchisee's Administrative Office, as reasonably necessary or otherwise required by Franchisor, to ensure that Franchisee's Administrative Office has been completely de-identified and differentiated from its former appearance to prevent any confusion by the public as to the continued existence of a G-FORCE Business at your Administrative Office; (b) remove from Franchisee's Administrative Office all distinctive physical and structural features identifying a G-FORCE Business and all distinctive signs, trade dress and emblems associated with the System including, without limitation, signs, trade dress, and emblems bearing the Licensed Marks; and (c) make specific additional changes to Franchisee's Administrative Office as Franchisor reasonably requests for the purpose of completely de-identifying Franchisee's former G-FORCE Business. Franchisee shall immediately initiate the foregoing actions and complete such actions within the period of time designated by Franchisor, and Franchisee agrees that Franchisor and/or Franchisor's designated agents may enter the premises of Franchisee's Administrative Office at any time to make foregoing alterations at Franchisee's sole risk and expense. Franchisee further agrees that Franchisee's failure to timely make modifications and alterations to Franchisee's Administrative Office will cause irreparable injury to Franchisor, and Franchisee consents to the entry, at Franchisee's expense, of any ex-parte order by any court of competent jurisdiction authorizing Franchisor or its agents to take action, if Franchisor seeks such an order;

(8) Take all actions necessary and/or reasonably required to cancel all fictitious or assumed names or

equivalent registrations relating to the Licensed Marks;

(9) At no cost to Franchisor, take such action as may be determined by Franchisor to: (a) provide and assign to Franchisor the Business Management System, the Business Management System Data, and all customer lists, customer information, and customer data; and (b) transfer, disconnect, and/or otherwise assign, as directed by Franchisor, all telephone numbers, email addresses, yellow pages telephone directories, telephone directory type listings, Web Based Media listings, accounts and log-in information used in connection with Franchisee's former G-FORCE Business and/or otherwise associated with the System and/or the Licensed Marks, cancel Franchisee's interests in same as such cancellation may be directed by Franchisor, and effectuate, perform, honor, and comply with Franchisee's obligations under the Assignment of Telephone Numbers and Digital Media Accounts attached to this Agreement as Exhibit 5;

(10) Abide by, and comply with, the restrictive covenants and obligations set forth in this Agreement, including, without limitation, the restrictive covenants and obligations set forth in Article 6.B through Article 6.E of this Agreement; and

(11) Provide Franchisor, within 30 days of the expiration, termination, or Transfer of this Agreement, with written proof demonstrating that Franchisee has complied with the terms of this Article 17 and all other obligations under this Agreement that Franchisee must perform, abide by, and comply with, subsequent to the termination, expiration, or Transfer of this Agreement.

#### **17.C. CONTINUING OBLIGATIONS**

All obligations of Franchisor and Franchisee under this Agreement which expressly, or by their nature, survive, or are intended to survive, the expiration, termination, or Transfer of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination, expiration, or Transfer until such obligations are satisfied in full or, by the nature and/or terms, such obligation(s) expire.

Franchisee further agrees that in the event of a Transfer of this Agreement by Franchisee, whether or not such Transfer is authorized by Franchisor or made in violation of this Agreement, under no circumstance shall Franchisee be relieved of Franchisee's Obligations under this Agreement and under no circumstance shall each Owners be relieved of their respective guarantees, agreements, and obligations related to, or associated with, this Agreement, including, without limitation, the guarantees, agreements, and obligations set forth in the Franchise Owner Agreement and Guaranty attached to this Agreement as Exhibit 1 and the Joinder Agreement attached to this Agreement as Exhibit 2. The immediately foregoing shall not be interpreted or otherwise construed as constituting consent to any Transfer of this Agreement without the express written consent by Franchisor and Franchisee's compliance with this Agreement respecting any such Transfer.

### **ARTICLE 18**

#### **ENFORCEMENT AND CONSTRUCTION**

#### **18.A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS**

(1) Except as expressly provided to the contrary in this Agreement, Franchisor and Franchisee acknowledge and agree that each term and condition of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and condition of this Agreement are considered by the parties to be reasonable and intended to be enforceable, if any such term and condition of this Agreement is found by a court of competent jurisdiction, agency, or other governmental agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified, rewritten, interpreted, or "blue-lined" in any respect, then it will not be given effect and severed from this Agreement, and the remainder of this Agreement shall be

interpreted, construed, and enforced as if such term and condition was not included in this Agreement.

(2) If any applicable and binding law or rule requires a greater prior notice of the termination of this Agreement than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or operating procedure Franchisor prescribes is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and Franchisor has the right, in its sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally and separately articulated in, and made a part of, this Agreement as of the Effective Date and/or any specification, standard or operating procedure Franchisor prescribes, which may result from striking from any terms and conditions, specifications, standards, or operating procedures, and any portion or portions thereof, a court may hold to be unenforceable or from reducing the scope of any promise or covenant to the extent required to comply with a court order. Modifications to this Agreement shall be effective only in those jurisdictions in which such terms and conditions, specifications, standards, or operating procedures are found to be unenforceable, unless Franchisor elects to give them greater applicability, in which case, this Agreement shall be enforced as originally made in all other jurisdictions.

#### **18.B. WAIVER OF OBLIGATIONS**

No delay, waiver, omission, or forbearance on the part of Franchisor to enforce any term and condition of this Agreement or exercise any of Franchisor's rights, options, or powers under this Agreement constitutes a waiver by Franchisor to enforce any other term and condition of this Agreement or exercise any of Franchisor's other rights, options, or powers under this Agreement. No such delay, waiver, omission, or forbearance shall constitute a waiver by Franchisor to subsequently enforce such term and condition of this Agreement or subsequently exercise such right, option, or power. Acceptance by Franchisor of any payments, fees, charges, or other amount from Franchisee payable to Franchisor pursuant to this Agreement shall not constitute a waiver or acceptance of Franchisee's default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. Franchisor shall likewise not be deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or Franchisor's insistence upon Franchisee's strict compliance with Franchisee's obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor.

#### **18.C. FORCE MAJEURE**

If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God and/or labor strikes unassociated with Franchisee or Franchisor (collectively, "Force Majeure"), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the immediately foregoing sentence, any delay resulting from Force Majeure shall not excuse Franchisee's payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six months.



#### **18.D. SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF**

Nothing in this Agreement bars Franchisor's right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks, or the System. Without limitation to the rights set forth in Article 6 of this Agreement, Franchisee agrees that Franchisor may obtain such injunctive relief. Franchisee agrees that Franchisor will not be required to post a bond (other than as set forth in Article 6.H of this Agreement) to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). The remedies available to Franchisor under Article 6.H are not exclusive of one another and may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Without limitation to the foregoing Franchisee agrees that in the event of a breach of this Agreement by Franchisee respecting and/or concerning the System and/or the Licensed Marks shall cause irreparable harm to Franchisor, the System, and the Licensed Marks. The foregoing shall not be interpreted to invalidate the mediation and arbitration requirements set forth in Article 18.G of this Agreement and shall be consistent with same.

#### **18.E. RIGHTS OF PARTIES ARE CUMULATIVE**

The rights of Franchisor and Franchisee under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

#### **18.F. GOVERNING LAW**

EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *ET SEQ.*) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF New Hampshire, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF New Hampshire SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

#### **18.G. CHOICE OF LAW, NON-BINDING MEDIATION, BINDING ARBITRATION, AND CONSENT TO JURISDICTION**

(1) **Non-Binding Mediation** – Franchisee and Franchisor agree that before either party may bring any action, dispute and/or controversy arising from or related to this Agreement and/or the franchise relationship between Franchisor and Franchisee in arbitration, the parties must first mediate the dispute through non-binding mediation. Mediation shall be non-binding and shall be conducted by the American Arbitration Association (“AAA”) in accordance with the AAA’s then current rules for the mediation of commercial disputes. All mediation proceedings shall be conducted in Hillsborough County, New Hampshire or, if a mediator is not available in Hillsborough County, New Hampshire then at a suitable location selected by the mediator that is located closest to Hillsborough County, New Hampshire. Mediation shall be conducted by one mediator and if Franchisor and Franchisee cannot agree on a mediator then the mediator shall be selected by the AAA. Mediation shall be conducted within 45 days of the AAA’s designation and/or acknowledgment of the selected mediator or such longer period as may be agreed to between Franchisor and Franchisee in writing and signed by each respective party. Franchisor and Franchisee shall each be responsible for their own costs associated with mediation and Franchisor and

Franchisee shall each be responsible for and shall each pay 50% of the mediator's fee and the AAA's mediation fees.

Notwithstanding the preceding paragraph, Franchisor and Franchisee agree this Sub-Article 18.G.(1) and, thereby, the prerequisite requirement of non-binding mediation, shall not, at Franchisor's election, apply to: (a) any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement; and/or (b) claims by either Franchisor or Franchisee under this Agreement that relates to either Franchisor's or Franchisee's failure to pay fees or other monetary obligations due under this Agreement.

(2) **Arbitration** – Subject to the prerequisite requirements of non-binding mediation as set forth in Sub-Article 18.G.(1), and, except, at Franchisor's election, as to any claims or disputes related to or concerning a breach of this Agreement by Franchisee that, under the terms of this Agreement, may entitle Franchisor to the award of injunctive relief including, but not limited to, Franchisee's violation or purported violation of Article 6 of this Agreement, Franchisor and Franchisee agree that all disputes, controversies, and claims, arising from and/or related to this Agreement, the relationship between Franchisor and Franchisee, the System, and/or the validity of this Agreement and/or the Ancillary Agreements, shall be submitted, on demand of either Franchisor or Franchisee, to the AAA for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA's then current rules for commercial disputes, except as may be otherwise required in this Article 18.G. All arbitration proceedings shall be conducted in Hillsborough County, New Hampshire or, if suitable AAA facilities are not available in Hillsborough County, New Hampshire then at a suitable AAA location selected by the arbitrator that is located closest to Hillsborough County, New Hampshire.

In connection with binding arbitration, Franchisor and Franchisee further agree that:

- (a) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;
- (b) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;
- (c) The arbitrator shall render written findings of fact and conclusions of law;
- (d) Except as may be otherwise required and/or prohibited by this Agreement including, but not limited to Articles 18.I., 18.J., 18.N., 18.O., 18.R., 18.T., and 18.X. of this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys' fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be descriptive or invalid;
- (e) They shall each be bound to the limitation's periods set forth in Article 18.I. of this Agreement and that, in any arbitration proceeding, Franchisor and Franchisee must each timely submit, within the same arbitration proceeding, any claim that would constitute a compulsory counterclaim as such claims are defined and set forth under Rule 13 of the United States Federal Rules of Civil Procedure. Any claim that is not submitted or filed as required shall be forever barred;

(f) Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction;

(g) Arbitration and/or any arbitration award must be conducted in accordance with the terms of this Agreement including, but not limited to, the requirements set forth in this Article 18.

(3) **Consent to Jurisdiction and Venue** – Subject to the non-binding mediation and arbitration provisions set forth in this Article 18.G, Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within New Hampshire and within Hillsborough County or the county closest to Hillsborough County. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

#### **18.H. VARIANCES**

FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE UNDERSTANDS THAT IT HAS NO RIGHT TO OBJECT TO OR AUTOMATICALLY OBTAIN SUCH VARIANCES, AND ANY EXCEPTION OR CHANGE MUST BE APPROVED IN ADVANCE BY FRANCHISOR IN WRITING. FRANCHISEE UNDERSTANDS THAT EXISTING FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

#### **18.I. LIMITATIONS OF CLAIMS**

EXCEPT FOR CLAIMS BROUGHT BY FRANCHISOR WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO MAKE PAYMENTS TO FRANCHISOR PURSUANT TO THIS AGREEMENT, FRANCHISOR'S ENFORCEMENT OF THE RESTRICTIVE COVENANTS SET FORTH IN ARTICLE 6 OF THIS AGREEMENT, AND FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR IN ACCORDANCE WITH THIS AGREEMENT, ANY AND ALL CLAIMS AND/OR CAUSES OF ACTION ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN TWO YEARS FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

#### **18.J. WAIVER OF PUNITIVE DAMAGES**

FRANCHISOR AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EXCEPT AS OTHERWISE PROVIDED HEREIN, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT, PROVIDED THAT

SUCH WAIVER SHALL NOT APPLY TO ANY CLAIM: (A) ALLOWED BY FRANCHISOR OR FRANCHISEE FOR ATTORNEY'S FEES OR COSTS AND EXPENSES UNDER THIS AGREEMENT; AND/OR (B) FOR LOST PROFITS BY FRANCHISOR OR FRANCHISEE AND THE OWNERS UPON OR ARISING OUT OF THE TERMINATION OF THIS AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

**18.K. WAIVER OF JURY TRIAL**

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

**18.L. BINDING EFFECT**

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

**18.M. COMPLETE AGREEMENT**

This Agreement, the documents referred to in this Agreement and the Schedules and Exhibits to this Agreement, together with the Operations Manual, constitute the entire, full, and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Franchise Disclosure Document disclosed to Franchisee in connection with this Franchise Agreement.

**18.N. ATTORNEY FEES AND EXPENSES**

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring Franchisee's breach of this Agreement then Franchisor shall also be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation. Said fees, costs and expenses shall include, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees.

**18.O. WAIVER OF CLASS-ACTION: INDIVIDUAL DISPUTE RESOLUTION AND NO MULTI-PARTY ACTIONS**

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE G-FORCE BUSINESS FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND, THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

**18.P. ACCEPTANCE BY FRANCHISOR**

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

**18.Q. OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS**

Franchisor recommends that Franchisee have this Agreement and the Franchise Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement.

**18.R. NO PERSONAL LIABILITY BY FRANCHISOR'S EMPLOYEES, OFFICERS AND/OR AUTHORIZED AGENTS**

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers. The foregoing shall not be construed to imply that Franchisor and/or Franchisor's agents have made any oral promises as pursuant to Article 18.M of this Agreement, this written Agreement represents the sole Agreement between Franchisor and Franchisee.

**18.S. NON-UNIFORM AGREEMENTS**

Franchisee acknowledges that Franchisor makes no representations or warranties that all other agreements with G-FORCE Franchise Group LLC franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. Franchisee agrees that Franchisor may waive or modify comparable provisions of other Franchise Agreements to other System franchisees in a non-uniform manner.

**18.T NO RIGHT TO OFFSET**

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

**18.U. HEADINGS**

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of this Agreement.

**18.V. AUTHORITY TO EXECUTE AND BIND**

Each party acknowledges, warrants, and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement has been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

**18.W. COUNTERPARTS; ELECTRONIC SIGNATURES; MULTIPLE COPIES**

This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement, and the signature pages of which may be detached from the several counterparts and attached to a single copy of this Agreement to physically form a single document. Executed duplicates of this Agreement, if any, shall be deemed an original.

#### **18.X. JOINT AND SEVERAL LIABILITY**

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be deemed joint and several.

#### **18.Y. RECITALS**

The parties agree that the recitals and representations contained on the first page of this Agreement constitute a part of this Agreement and are incorporated into the terms of this Agreement.

### **ARTICLE 19** **NOTICES**

All written notices and reports permitted or required to be delivered by this Agreement or the Operations Manual shall be deemed so delivered, at the time delivered by hand, one business day after being placed in the hands of a national commercial courier service for overnight delivery (properly addressed and with tracking confirmation), or three business days after placed in the U.S. mail by registered or certified mail, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified. Reports requiring delivery shall be delivered by certified U.S. mail and/or electronically, as designated by Franchisor. The addresses for the parties set forth in the initial paragraph of this Agreement shall be used unless and until a different address has been designated by written notice to the other party. Any notice required under this Agreement shall not be deemed effective or given by Franchisee to Franchisor unless given in strict compliance with this Agreement.

In all cases where Franchisor's prior approval is required and no other method or timing for obtaining such approval is prescribed, Franchisee shall request such approval in writing, and Franchisor shall respond within 10 business days after receiving Franchisee's written request and all supporting documentation, provided if Franchisor does not respond, such request shall be deemed unapproved. Franchisor's consent to, or approval of, any act or request by Franchisee shall be effective only to the extent specifically stated, and Franchisor's consent or approval shall not be deemed to waive, or render unnecessary, consent or approval of any other subsequent similar act or request.

[SIGNATURE PAGE TO FOLLOW]

**IN WITNESS WHEREOF**, the parties have executed, sealed, and delivered this Agreement as of the Effective Date set forth in the first paragraph of this Agreement.

**Franchisor:**

G-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)



**G-FORCE™**

G-FORCE Franchise Agreement

SCHEDULE 1

OPERATING TERRITORY ACKNOWLEDGMENT

**Franchisee's Operating Territory** – Franchisor and Franchisee agree that “Franchisee’s Operating Territory”, as such term is identified and defined in the Franchise Agreement, including, but not limited to, Article 1 of the Franchise Agreement, is identified, as follows:

[For this Schedule to be Effective this Schedule Must be Completed and Signed by Franchisor. If left incomplete, then there shall be no Operating Territory]

The foregoing Operating Territory has been determined based on negotiations initiated by Franchisee and benefitting Franchisee. To the extent that the foregoing description of the Operating Territory includes and/or delineates geographic or political boundaries such determinations will be considered fixed as of the Effective Date of the Franchise Agreement and will not change for the purpose of this Agreement notwithstanding a change or reorganization to such boundaries or regions. All street boundaries, if any, will be deemed to end at the street center lines unless otherwise specified above.

**Franchisor:**

G-FORCEG-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)





**G-FORCE™**

**G-FORCE Franchise Agreement  
SCHEDULE 2**

**OPERATING TERRITORY TYPE, FRANCHISE FEE, AND  
ADMINISTRATIVE OFFICE LOCATION ACKNOWLEDGMENT**

**Type of Operating Territory** – Franchisee’s Operating Territory is a:

**[OPERATING TERRITORY TYPE]**

[Describe whether or not Franchisee’s Operating Territory is a Standard operating Territory, a Standard Operating Territory Plus One Zone, a Standard Operating Territory Plus Two Zones, or a Standard Operating Territory Plus Three Zones. If Franchisee’s Operating Territory includes additional individuals, describe the number of additional individuals included. If left incomplete the type of Franchisee’s Operating Territory shall be determined based on the Initial Franchise Fee]

**Initial Franchise Fee** - Franchisee’s Initial Franchise Fee is:

\$

**Administrative Office Location Acknowledgment** – If selected by Franchisee at the time of signing the Franchise Agreement and, if approved by Franchisor, the location for Franchisee’s Administrative Office shall be:

[If left incomplete or unknown at time of executing this Agreement, Franchisee acknowledges that Administrative Office, must be located Within Franchisees Operating Territory at a location approved by Franchisor in writing.

Franchisee acknowledges and represents that the foregoing determination as to Franchisee’s Operating Territory was based on negotiations initiated by Franchisee and for Franchisee’s benefit.

**Franchisor:**  
G-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

**G-FORCE™**

G-FORCE Franchise Agreement  
SCHEDULE 3  
STATEMENT OF FRANCHISEE'S OWNERS

If Franchisee is a Corporate Entity, Franchisee does hereby affirm and acknowledge that, as of the Effective Date:

1. The Following is a list of each Owner of Franchisee and, among other things, all shareholders, partners, members, and other investors in Franchisee, including all investors who own or hold a direct or indirect financial and/or equity interest in Franchisee:

Name	Address	Ownership Interest Percentage

2. The following Owner is hereby also designated by Franchisee as the "Managing Owner":

Name

**Franchisor:**  
G-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)



G-FORCE Franchise Agreement  
EXHIBIT 1  
FRANCHISE OWNER AGREEMENT AND GUARANTY



## FRANCHISE OWNER AGREEMENT AND GUARANTY

THIS FRANCHISE OWNER AGREEMENT AND INDIVIDUAL GUARANTY (the “Agreement”) is entered into by each of the undersigned owners of Franchisee (defined below) in favor of G-FORCE Franchise Group LLC, a New Hampshire limited liability company, and its successors and assigns (“us”, “our” or “we”), upon the terms and conditions set forth in this Agreement. Each signatory to this Agreement is referred to as “you”.

### Recitals and Representations

WHEREAS, Franchisee is [ ] (“Franchisee”);

WHEREAS, you acknowledge and agree that we have developed a distinctive and proprietary system (the “System”) for the establishment, development and operation of a business that offers, sells and provides services including, but not limited to, parking lot striping (our primary service), pavement marking services, surface marking services, warehouse floor markings, floor coatings, parking lot sign installation, thermoplastic markings, wheel stop installation, pressure washing, parking lot sweeping, asphalt maintenance, asphalt sealcoating, asphalt crack sealing, asphalt repairs, paving, shot blasting, surface grinding, paint removal, concrete membranes, concrete sealing, and epoxy markings (the “System Services and Products”) under the Licensed Marks (defined below) (each, a “G-FORCE Business”);

WHEREAS, Franchisee has entered into a G-FORCE Business Franchise Agreement (the “Franchise Agreement”) for the ownership, development, and operation of a G-FORCE Business (the “Franchised Business”);

WHEREAS, you have received and have thoroughly reviewed the completed Franchise Agreement, including Schedules and Exhibits attached to the Franchise Agreement;

WHEREAS, we have recommended that you thoroughly review the Franchise Agreement, this Agreement and all exhibits and schedules to the Franchise Agreement with a lawyer selected and hired by you;

WHEREAS, you represent to us that you are an Owner of Franchisee such that you own or control a legal, equitable or beneficial ownership or equity interest in Franchisee and/or otherwise meet the definition of an “Owner” as set forth in this Agreement;

WHEREAS, you acknowledge that this Agreement will apply to you individually, jointly, and severally with all others who sign this Agreement;

WHEREAS, you acknowledge that this Agreement personally obligates you to guarantee Franchisee’s obligations to us and obligates you to brand protection, confidentiality and non-competition restrictions and covenants and that you enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee; and

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WHEREAS, you acknowledge that we are relying on this Agreement and that without this Agreement we would not have entered into and/or would not be simultaneously entering into the Franchise Agreement with Franchisee.

NOW THEREFORE, to induce us to enter into the Franchise Agreement and as consideration to us for entering into the Franchise Agreement with Franchisee and other consideration, the receipt and sufficiency of which you acknowledge, you agree as follows:

## **1. Recitals and Representations.**

You agree that the foregoing Recitals and Representations are true and accurate and constitute a material part of this Agreement and are hereby incorporated into the main body of this Agreement.

## **2. Definitions.**

Supplementing the terms and definitions contained in the Recitals and Representations:

**“Business Management System”** refers to and means the software, internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as same may be individually or collectively designated by us, in our Reasonable Business Judgment, as being required for use by the Franchised Business, including, but not limited to, the day-to-day sales, ordering, operations and management of the Franchised Business.

**“Business Management System Data”** refers to and means the forms, data, tools, customer information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered (whether by us or Franchisee) into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by the Business Management System in connection with the management and operations of the Franchised Business.

**“Competitive Business”** refers to and means any business that is the same as or similar to a G-FORCE Business including, but not limited to, any business that offers and/or provides services and/or products relating to parking lot striping, pavement marking services, surface marking services, asphalt maintenance, asphalt sealcoating, asphalt crack sealing, asphalt repairs, concrete membranes, concrete sealing, shot blasting, paint removal, epoxy floor marking, paving, and/or parking lot sign installation.

**“Confidential Information”** refers to and means all of our and/or our affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of the Franchise Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of G-FORCE Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by G-FORCE Businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of G-FORCE Businesses; (d) customer lists and information related to G-FORCE Businesses and the Franchised Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

**“Copyrights”** refers to and means all works and materials for which we or any affiliate of ours has secured common law or registered copyright protection and we utilize and/or allow G-FORCE Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a G-FORCE Business, whether as of the Effective Date or any time in the future.

**“Digital Media”** refers to and means any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to G-FORCE Businesses, the Franchised Business, the Licensed Marks, the System and/or us. Digital Media further includes the System Website, web pages and website subdomains (including those related to, associated with and/or a part of the System Website) associated with and/or related to the Franchised Business and all web pages, blog posts, videos, articles, social media accounts and pages, website directory pages, information, sub-domains, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

**“Franchised Business”** refers to and means the G-FORCE Business to be developed, owned, and operated by Franchisee pursuant to the terms of the Franchise Agreement.

**“Franchisee’s Administrative Office”** refers to and means the G-FORCE Administrative Office from which Franchisee establishes, operates, and manages the Franchised Business.

**“Franchisee’s Operating Territory”** refers to and means the “Operating Territory” as such term is set forth and defined in the Franchise Agreement.

**“G-FORCE Business(s)”** shall have the meaning defined in the Recitals and Representations section of this Agreement and, without limitation to the Recitals and Representations section of this Agreement, the definition of “G-FORCE Businesses”, shall further include, refer to and mean: every business and all businesses owned and/or operated by us, our affiliates and/or our authorized franchisee(s) that utilize and/or is/are required to utilize the System and/or Licensed Marks including, but not limited to, the Franchised Business.

**“Know-How”** refers to means our trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a G-FORCE Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

**“Licensed Marks”** refers to and means the trademarks, service marks, emblems and indicia of origin, including the “G-FORCE” trademark, the G-FORCE logo, Trade Dress, and other trade names, service marks, trademarks, logos, slogans and designs authorized by us in connection with the identification of G-FORCE Businesses and the System Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by us in our Reasonable Business Judgment.

**“Operations Manual”** refers to and means, individually and collectively, the manual(s) designated by us and relating to the development and/or operations of G-FORCE Businesses including, but not limited to,

the policies, procedures and requirements for the development and operation of G-FORCE Businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by us from time to time in our Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means.

**“Owner”** refers to and means collectively, individually, jointly and, as of the Effective Date: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee and/or in any Corporate Entity that maintains an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s).

**“Prohibited Activities”** refers to and means any or all of the following: (a) owning and/or having any legal or equitable interest (whether as an individual proprietor or as an owner, partner, member or shareholder of a Corporate Entity or, in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) diverting or attempting to divert any business or customers from us (or one of our affiliates or franchisees); and/or (d) inducing any customer or client of ours (or of one of our affiliates or franchisees) or of Franchisee to any other person or business that is not a G-FORCE Business.

**“Reasonable Business Judgment”** refers to, means, and relates to any and all decisions, actions and choices made by us concerning or relating to the Franchise Agreement, the System, G-FORCE Businesses and the Franchised Business where we undertake or make such decision with the intention of benefitting or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining operating territory markets, minimizing potential customer confusion as to the location of G-FORCE Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. The Franchisee has agreed and, you acknowledge and agree, that when a decision, determination, action and/or choice is made by us in our Reasonable Business Judgment that such decision, determination, action, or choice made by us takes precedence and prevails, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. Franchisee has agreed and, you acknowledge and agree, that in connection with any decision, determination, action and/or choice made by us in our Reasonable Business Judgment as franchisor that: (a) we possess a legitimate interest in seeking to maximize our profits; (b) we shall not be required to consider Franchisee’s or your individual economic or business interests as compared to the overall System; and (c) should we economically benefit from such decision, determination, action and/or choice that such economic benefit to us shall not be relevant to demonstrating that we did not exercise reasonable business judgment with regard to our obligations under the Franchise Agreement and/or with regard to the System. Franchisee agreed and you agree that neither Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute Franchisee’s or such third party’s judgment for our Reasonable Business Judgment. Franchisee agreed and, you agree, that should Franchisee challenge our Reasonable Business Judgment in any legal proceeding that Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that we failed to exercise our Reasonable Business Judgment.

**“Restricted Period”** refers to and means the two year period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on

which Franchisee assigns the Franchise Agreement to another person provided that you do not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; or (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the “Restricted Period” means the 18 month period after the earliest to occur of the following: (a) the expiration of the Franchise Agreement; (b) the termination of the Franchise Agreement; (c) the date on which Franchisee assigns the Franchise Agreement to another person (other than you or an Immediate Family Member) provided that you do not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; or (d) if you are an Owner of Franchisee, the date on which you cease to be an Owner of Franchisee.

**“Restricted Territory”** refers to and means the geographic area: (a) comprising Franchisee’s Operating Territory; (b) comprising a 25 mile radius surrounding Franchisee’s Operating Territory (or, if Franchisee is not granted or designated an operating territory, then a 25 mile radius surrounding Franchisee’s Administrative Office); (c) comprising each of the operating territories, respectively, of other G-FORCE Businesses that are in operation or under development during all or any part of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the “Restricted Territory” means the geographic area within Franchisee’s Operating Territory plus a 25 mile radius surrounding Franchisee’s Operating Territory or, if Franchisee is not granted or designated an operating territory, then a 25 mile radius surrounding Franchisee’s Administrative Office.

**“System”** refers to and means our system for the development, establishment and operation of G-FORCE Businesses including, but not limited to: (a) the System Services and Products, System Equipment and Supplies, and services, procedures and systems that are designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by us in our Reasonable Business Judgment.

**“System Equipment and Supplies”** refers to and means the equipment and supplies designated by us as required for use in connection with Franchisee’s G-FORCE Business and the System Services and Products. Without limitation to the foregoing, the System Equipment and Supplies shall include G-FORCE branded, non-branded and third party branded equipment and supplies designated by us for use in the day-to-day operations of Franchisee’s G-FORCE Business including, among other things: line striping machines and tools, stencils, traffic paint, materials, signs and displays, uniforms, stationary, sales slips, receipts, customer notices and other forms and materials, designated by us in the Operations Manual and/or otherwise in writing and, as may be modified and supplemented by us from time to time in our Reasonable Business Judgment. System Equipment and Supplies shall further include those products that we authorize for sale to customers of Franchisee’s G-FORCE Business.

**“System Services and Products”** refers to and means those products and services that we authorize for sale by G-FORCE Businesses. We shall exclusively designate and determine the System Services and Products and we, in our Reasonable Business Judgment, may change, modify, reduce, or supplement the System Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that we may make from time to time and our right to change and modify the System Services and Products,



shall designate the System Services and Products that must be offered and sold by the Franchised Business. The Franchised Business may only offer and sell the System Services and Products.

**“Trade Dress”** refers to and means the G-FORCE Business designs, images, marketing materials, packaging, branding and/or branding images which we authorize and require Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by us from time to time.

**“Transfer”** refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee.

### **3. Additional Acknowledgments by You.**

In addition to the representations and acknowledgments contained in the Recitals and Representations, above, and incorporated into this Agreement, you acknowledge and represent that:

- (a) as of the Effective Date you are an Owner;
- (b) that you are signing this Agreement in your individual capacity and that you are bound to the terms and conditions of this Agreement and irrespective of any change in your status as an Owner;
- (c) in your capacity as an Owner of Franchisee that you have and will be gaining access to, among other things, the System, and Intellectual Property;
- (d) you acknowledge that all of the components and aspects of the System and Intellectual Property (both individually and as they relate to one another collectively) are critical to our success as the franchisor of the System and to the overall System;
- (e) you acknowledge that we need to protect the System and Intellectual property and that to do so we require that you, in your individual capacity, to agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement and that you personally guarantee the financial and other obligations of Franchisee to us; and
- (f) you acknowledge that the terms of this Agreement are fair and reasonable and that you have elected, based on your own decision, to enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee.

### **4. Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions.**

- (a) **Know-How.** You agree that: (i) you will not use the Know-How in any business or capacity other than the Franchised Business; (ii) you will maintain the confidentiality of the Know-How at all times; (iii) you will not make unauthorized copies of documents containing any Know-How; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of

the Know-How; and (v) you will stop using the Know-How immediately if you are no longer an Owner of Franchisee is no longer an Owner of Franchisee, as applicable. You will not use the Intellectual Property for any purpose other than the development and operation of the Franchised Business pursuant to the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any improvement developed by you, including the right to grant sub-licenses. If applicable law precludes you from assigning ownership of any improvement to us, then such improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize, and sublicense the same.

(b) Non-Competition During Franchise Relationship. Subject to the terms and conditions of Article 5 of this Agreement, below, you represent and agree that while you are an Owner of Franchisee that you will not engage in any Prohibited Activities. You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System.

(c) Non-Competition After Franchise Relationship. You represent, acknowledge, and agree that during the Restricted Period you will not engage in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers/clients who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the prohibited activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach). You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System.

(d) Confidentiality Restrictions. You represent, acknowledge and agree that, at all times you: (i) shall not use the Confidential Information in any business or capacity other than the Franchised Business; (ii) shall maintain the confidentiality of the Confidential Information; (iii) shall not make unauthorized copies of documents containing any Confidential Information; (iv) shall take such reasonable steps as we may ask of you and/or Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; (v) shall immediately and permanently stop using the Confidential Information upon the expiration or termination of the Franchise Agreement; (vi) shall immediately and permanently stop using the Confidential Information if you are no longer an Owner of Franchisee; (vii) shall immediately and permanently stop using the Confidential Information upon Franchisee's Transfer of the Franchise Agreement; and (viii) shall not disclose the Confidential Information to any third party except in a legal proceeding pursuant to an order of a court of competent jurisdiction and after affording us no less than 15 business days prior notice and an opportunity for us, at our election, to appear in such action.

(e) Immediate Family Members and Other Third Parties. You acknowledge that should you circumvent the purpose and protections (due to us) of this Agreement by disclosing Know-How to an immediate family member (*i.e.*, parent, sibling, child, or grandchild) or any other individual we will, and the System will be irreparably harmed. You acknowledge that if you did disclose the Know-How to an immediate family member and your immediate family member used the Know-How to engage in activities that, for you, qualify as Prohibited Activities as defined above, that we and the System will be irreparably harmed. You agree that as between you and us that you are in a better position to know if you permitted and/or provide an immediate family member with access to the Know-How. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-How. However, you may rebut this presumption

by providing evidence conclusively demonstrating that you did not disclose the Know-How nor permit disclosure of the Know-How to the family member.

(f) Reasonableness of Covenants and Restrictions. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.** Although you and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of this Article 4 (Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Article 4 to ensure that the terms and covenants are enforceable under applicable law.

(g) Breach. You agree that failure to comply with these Article 4 Intellectual Property, Brand Protection and Non-Competition Covenants and Restrictions will cause irreparable harm to us and/or other G-FORCE Business franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed \$1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages.

## **5. Transfer Restrictions and Non-Competition Covenants and Restrictions.**

Notwithstanding anything contained in this Agreement to the contrary, you expressly acknowledge and agree that if you are an Owner that, prior to Transferring an Owner's equity and/or ownership interests in Franchisee that, among other things, Franchisee must notify us and obtain our written consent. Likewise, you acknowledge and agree that under the Franchise Agreement that prior to Franchisee's Transfer of the Franchise Agreement, among other things, Franchisee must notify us and obtain our written consent. For our protection and to prevent the subversion of the non-competition covenants contained in Article 4 of this Agreement and, to induce us to enter into the Franchise Agreement with Franchisee, you agree, that:

(a) should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of your equity and/or ownership interests in Franchisee and/or should Franchisee, fail to obtain our consent to the proposed Transfer of your equity and/or ownership interests in Franchisee (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer in violation of the terms and conditions of the Franchise Agreement; and

(b) should Franchisee fail to properly and timely notify us in writing of the proposed Transfer of the Franchise Agreement to a third party and/or should Franchisee, fail to obtain our consent to the proposed Transfer of the Franchise Agreement to a third party (which we may either reject or approve, in accordance with the terms and conditions of the Franchise Agreement), you shall remain subject to the non-competition covenants contained in Article 4 of this Agreement and irrespective of any purported and/or actual Transfer

in violation of the terms and conditions of the Franchise Agreement.

**6. Personal Guaranty of Franchise Agreement and Financial Obligations.**

To secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an affiliate of ours (collectively the "Ancillary Agreements") you individually, jointly, and severally, and personally and unconditionally:

(a) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Franchise Agreement;

(b) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Ancillary Agreements;

(c) agree, at all times, to be personally bound by and personally liable for each and every fee, payment, and monetary obligation due from Franchisee to us pursuant to the terms of the Franchise Agreement (including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement);

(d) agree, at all times, to be personally bound by and personally liable for each and every fee, payment, and monetary obligation due from Franchisee to us and/or our affiliates under the Ancillary Agreements;

(e) do, at all times, hereby personally guarantee payment of each and every fee, payment, and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Franchise Agreement including, but not limited to, the fee obligations of Article 5 of the Franchise Agreement, the advertising obligations of Article 9 of the Franchise Agreement, and the indemnification obligations of Article 10 of the Franchise Agreement; and

(f) do, at all times, hereby personally guarantee payment of each and every fee, payment, and monetary obligation due or that may become due from Franchisee to us pursuant to the terms of the Ancillary Agreements.

**You waive:** (a) acceptance and notice of acceptance by us of the foregoing undertakings; (b) notice of demand for payment of any indebtedness guaranteed; (c) protest and notice of default to any party with respect to the indebtedness guaranteed; (d) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

**You agree that:** (a) your direct and immediate liability under this guaranty shall be joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Franchise Agreement and the Ancillary Agreements upon demand if Franchisee fails or refuses punctually to do so; (c) your liability shall not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (d) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guarantee, which shall be continuing and irrevocable during the term of each of the Franchise Agreement and the Ancillary Agreements and following the termination, expiration or Transfer of each of the Franchise Agreement and the Ancillary Agreements to the extent any financial obligations under any such Franchise Agreement and Ancillary Agreements survive such termination, expiration or Transfer. This guaranty will continue unchanged by the occurrence of any

bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Franchise Agreement and/or Ancillary Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

## **7. Dispute Resolution.**

### **Arbitration, Consent to Jurisdiction and Venue, and Cross-Default**

Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution procedures set forth in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures set forth in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement shall prevail. Without limitation to the foregoing, you agree that:

(a) Arbitration – Except, at our option, as to any claims or disputes related to or concerning a breach of this Agreement by you that may entitle us to the award of injunctive relief, you agree that any and all disputes, controversies, and claims, arising from and/or related to this Agreement, shall be submitted to the American Arbitration Association (“AAA”) for binding arbitration. Arbitration shall be conducted by one arbitrator in accordance with the AAA’s then current rules for commercial disputes, except as may be otherwise required in this Agreement. All arbitration proceedings shall be conducted in Hillsborough County, New Hampshire or, if suitable AAA facilities are not available in Hillsborough County, New Hampshire then at a suitable AAA location selected by the arbitrator that is located closest to Hillsborough County, New Hampshire.

In connection with binding arbitration, you agree that:

(i) All matters relating to arbitration, will be governed by the United States Federal Arbitration Act, except as expressly or otherwise set forth in this Agreement;

(ii) The arbitration hearing shall be conducted within 180 days of the demand for arbitration;

(iii) The arbitrator shall render written findings of fact and conclusions of law;

(iv) Except as may be otherwise required and/or prohibited by this Agreement, the arbitrator has the right to award or include in his or her award any relief that he or she determines to be proper, including monetary damages, interest on unpaid sums, specific performance, injunctive relief, attorneys’ fees, and costs and expenses as allowable under this Agreement. Notwithstanding the foregoing, under no circumstance shall the Arbitrator be authorized to award or declare the Licensed Marks to be generic or invalid; and

(v) Judgment upon the arbitrator’s award may be entered in any court of competent jurisdiction.

(b) Consent to Jurisdiction and Venue – You agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within New Hampshire and within Hillsborough County or the county closest to Hillsborough County. You do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, you agree that we, at our

**election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking our enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where you reside.**

(c) Acknowledgment as to Cross-Default - You acknowledge and agree that a breach of this Agreement by you shall constitute a material event of default under the Franchise Agreement, permitting us, among other things, to terminate the Franchise Agreement in accordance with the terms thereof.

## **8. Miscellaneous.**

(a) If either party hires an attorney or files suit against the other party in relating to and alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

(b) This Agreement will be governed by, construed, and enforced under the laws of New Hampshire and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Any claim, defense, or cause of action that you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

(d) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

(e) You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

**Owner**

**Owner**

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

Date \_\_\_\_\_

Date \_\_\_\_\_



G-FORCE Franchise Agreement  
EXHIBIT 2  
JOINDER AGREEMENT





JOINDER AGREEMENT

Without limitation to the “Franchise Owner Agreement and Guaranty” executed simultaneously hereto, and to induce G-FORCE Franchise Group LLC. to enter into the G-FORCE Business Franchise Agreement with [\_\_\_\_\_], as Franchisee (the “Franchise Agreement”), the undersigned individuals do hereby agree to be individually, jointly, and severally bound by and to each and every term, provision, covenant, and obligation set forth in the Franchise Agreement.

In the event of any conflict between the terms of this Joinder agreement and the “Franchise Owner Agreement and Guaranty” agreement, the terms of the “Franchise Owner Agreement and Guaranty” agreement shall take precedence and govern.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

Dated \_\_\_\_\_

Dated \_\_\_\_\_



**G-FORCE™**

G-FORCE Franchise Agreement  
EXHIBIT 3  
CONFIDENTIALITY AGREEMENT



CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (the “Agreement”) is entered into by the undersigned (“you”) in favor of G-FORCE Franchise Group LLC, a New Hampshire limited liability company, and its successors and assigns (“us”, “our”, or “we”), upon the terms and conditions set forth below. Each signatory to this Agreement is referred to as “you”.

Recitals and Representations

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a G-FORCE Business that is owned and operated by one of our franchisees (the “Franchisee”);

WHEREAS, this Agreement is not an employment agreement;

WHEREAS, in the course of your employment and/or association with our Franchisee and your participation and/or access to the G-FORCE Business of our franchisee, you may gain access to our Intellectual Property, Know-How and System (terms that are defined below in this Agreement), and you understand that it is necessary for us to protect our Intellectual Property, Know-How and System; and

WHEREAS, you understand that Intellectual Property, our System and Know-How are critical to the success of our franchise and to the success of G-FORCE Business, including the G-FORCE Business owned by the Franchisee.

NOW THEREFORE, you acknowledge and agree as follows:

**1. Recitals and Representations.** You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

**2. Definitions.** For purposes of this Agreement, the following terms have the meanings given to them below:

**“Business Management System”** refers to and means the internet, web based and/or cloud based system or systems, point of sale system or systems and customer relationship management system or systems as being required for use by Franchisee’s G-FORCE Business, including, but not limited to, the day-to-day sales, orders, operations, and management of Franchisee’s G-FORCE Business. Without limitation to the foregoing, the Business Management System may include: (a) multiple point of sale systems or systems installed and maintained on-site at the location of Franchisee’s G-FORCE Business; (b) web, intra-net or cloud based customer ordering, processing systems, production, and service delivery systems; and (c) customer membership and rewards systems.

**“Business Management System Data”** refers to and means the forms, data, tools, customer information, inventory and sales information that: (a) is pre-populated or entered into the Business Management System utilized by Franchisee; (b) is entered by us or Franchisee (including Franchisee’s employees), into the Business Management System utilized by Franchisee; and/or (c) is recorded, stored and/or maintained by

the Business Management System in connection with the management and operations of Franchisee's G-FORCE Business.

**"Confidential Information"** refers to and means all of our trade secrets, methods, standards, techniques, procedures, data and information (as same may exist as of the Effective Date of this Agreement and as may be developed, modified and supplemented in the future) constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of G-FORCE Businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by, and specifications for and knowledge of suppliers of certain materials, equipment, products, supplies and procedures used or sold by G-FORCE Businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of G-FORCE Businesses; (d) customer lists and information related to G-FORCE Businesses and Franchisee's G-FORCE Business; (e) Business Management System Data; (f) current and future information contained in the Operations Manual; and (g) Know-How.

**"Copyrights"** refers to and means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow G-FORCE Business franchisees to use, sell or display in connection with the development, marketing and/or operation of a G-FORCE Business, whether now in existence or created in the future.

**"Digital Media"** refers to and means any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to a G-FORCE Business, G-FORCE Businesses, Franchisee's G-FORCE Business, the Licensed Marks, the System and/or us. Digital Media further includes the System Website, web pages and website subdomains (including those related to, associated with and/or a part of the System website) associated with and/or related to Franchisee's G-FORCE Business and all web pages, blog posts, videos, articles, social media accounts and pages, website directory pages, information, sub-domains and all other media and/or publications relating to the System that is displayed and/or transmitted digitally.

**"Franchisee"** means the G-FORCE Business franchisee for whom you are an employee, independent contractor, officer and/or director or you are about to be an employee, independent contractor, officer and/or director.

**"Intellectual Property"** means, individually and collectively, our Licensed Marks, Copyrights, Know-How, and System.

**"Know-How"** refers to and means our trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of a G-FORCE Business including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information reflected in, comprising, or constituting a part of the System. Without limitation to the foregoing, Know-How includes information contained in the Operations Manual and the Confidential Information.

**"Licensed Marks"** refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a G-FORCE Business, including, but not limited to, the "G-FORCE"

trademark, the G-FORCE logo and related logos, and any other trademarks, service marks or trade names that we designate for use in a G-FORCE Business.

**“Operations Manual”** means our confidential Operations Manual for the development and operation of G-FORCE Businesses and containing our policies, procedures and requirements for the development and operation of G-FORCE Businesses, which may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced or supplemented by us from time to time in our sole discretion, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to our modification from time to time, and based on our reasonable business judgment, the Operations Manual shall, among other things, designate the System Services and Products that must be offered and provided by Franchisee’s G-FORCE Business. Only System Services and Products may be offered and sold by Franchisee’s G-FORCE Business. Only those System Equipment and Supplies as designated in the Operations Manual may be utilized by Franchisee in the operations of Franchisee’s G-FORCE Business.

**“Reasonable Business Judgment”** refers to our business judgment and means and relates to any and all decisions, actions and choices made by us concerning or relating to the Franchise Agreement, the System, G-FORCE Businesses and Franchisee’s G-FORCE Business where we undertake or make such decision with the intention of benefitting or acting in a way that could benefit the System including, as examples and without limitation, enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks, determining operating territory markets, minimizing potential customer confusion as to the location of G-FORCE Businesses, expanding brand awareness of the Licensed Marks, implementing marketing and accounting control systems, approving products, services, supplies and equipment. You agree that when a decision, determination, action and/or choice is made by us in our Reasonable Business Judgment that such decision, determination, action, or choice made by us shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable. You agree that in connection with any decision, determination, action and/or choice made by us in our Franchisor’s Reasonable Business Judgment that: (a) we possess a legitimate interest in seeking to maximize our profits; (b) We shall not be required to consider your individual economic or business interests as compared to the overall System; and (c) should we economically benefit from such decision, determination, action and/or choice that such economic benefit to us shall not be relevant to demonstrating that we did not exercise reasonable business judgment with regard to our obligations under this Agreement, the Franchise Agreement and/or with regard to the System. You agree that neither you, Franchisee and/or any third party, including, but not limited to, any third party acting as a trier of fact, shall substitute yours, Franchisee’s or such third party’s judgment for our Reasonable Business Judgment. You further agree that should either you or Franchisee challenge our Reasonable Business Judgment in any legal proceeding that you and Franchisee shall possess the burden of demonstrating, by clear and convincing evidence, that we failed to exercise our Reasonable Business Judgment.

**“System”** refers to and means our system for the development, establishment and operation of G-FORCE Businesses including, but not limited to, (a) the System Services and Products, System Equipment and Supplies and services, procedures and systems that are designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (b) the Licensed Marks; (c) the Trade Dress; (d) Copyrights; (e) other trade names, service marks, signs, and logos, copyrights and trade dress that is designated by us, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of a G-FORCE Business; (f) Operations Manual; (g) Business Management System Data; (h) Know-How; (i) Confidential Information; and (j) Digital Media. All determinations as to the System including

components to the system and modifications and replacements thereto, shall be determined by us, in our Reasonable Business Judgment.

**“System Services and Products”** refers to and means those products and services that we authorize for sale by G-FORCE Businesses. We exclusively designate and determine the System Services and Products and we, in our Reasonable Business Judgment, may change, modify, reduce, or supplement the System Services and Products that must be offered and sold from Franchisee’s G-FORCE Business and those products and services that may not be sold from Franchisee’s G-FORCE Business. The Operations Manual, subject to changes that we may make from time to time and our right to change and modify the System Services and Products, shall designate the System Services and Products that must be offered and sold by Franchisee’s G-FORCE Business. Franchisee’s G-FORCE Business may only offer and sell the System Services and Products.

**“System Website”** refers to and means the web page and/or pages located on the world wide web at the [www.gogforce.com](http://www.gogforce.com) URL (uniform resource locator) and shall further include all webpages and subdomains (including those that are franchisee and/or geography specific) that are a part of [www.gogforce.com](http://www.gogforce.com), or as designated by us as being associated with the URL of [www.gogforce.com](http://www.gogforce.com) and/or G-FORCE Businesses.

**“Trade Dress”** refers to and means the G-FORCE Business designs, images, marketing materials, packaging, branding and/or branding images that we authorize and require Franchisee to use in connection with the operation of Franchisee’s G-FORCE Business and as may be revised and further developed by us from time to time.

### **3. Additional Acknowledgments by You.**

In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that we need to protect the System and Intellectual property and that to do so we require that you, in your individual capacity, agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement. You acknowledge that the terms of this Agreement are fair and reasonable.

### **4. Know-How and Intellectual Property Protection.**

You agree that:

- (a) you will not use the Know-How and/or Intellectual Property in any business or capacity other than the G-FORCE Business operated by Franchisee;
- (b) you will maintain the confidentiality of the Know-How and Intellectual Property at all times;
- (c) you will not make unauthorized copies of documents containing any Know-How and/or the Intellectual Property;
- (d) you will take such reasonable steps as Franchisee may ask of you from time to time to prevent unauthorized use or disclosure of the Know-How and/or Intellectual Property; and
- (e) you will stop using the Know-How and Intellectual Property immediately if you are no longer an employee, independent contractor, officer and/or director of Franchisee. You will not use the Know-How and/or Intellectual Property for any purpose other than for the performance of your duties on behalf of Franchisee and in accordance with the scope of your engagement and/or employment with Franchisee.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**5. Reasonableness of Covenants and Restrictions.**

You acknowledge and agree that the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.**

**6. Breach.**

You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us, Franchisee, and other G-FORCE Business franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon a hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed \$1,000. None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages.

**7. Miscellaneous.**

(a) If we hire an attorney or file suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) This Agreement will be governed by, construed, and enforced under the laws of New Hampshire and the courts in that state shall have exclusive jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

(d) YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT AND THAT THERE IS NOT AND SHALL NEVER BE AN EMPLOYER – EMPLOYEE RELATIONSHIP BETWEEN YOU AND US (G-FORCE FRANCHISE GROUP LLC). YOUR RELATIONSHIP WITH FRANCHISEE (INCLUDING YOUR EMPLOYMENT RELATIONSHIP, THE TERMS OF YOUR EMPLOYMENT AND THE CREATION AND/OR TERMINATION OF SUCH EMPLOYMENT RELATIONSHIP) IS AND SHALL BE EXCLUSIVELY CONTROLLED BETWEEN YOU AND FRANCHISEE. WE ARE NOT A JOINT EMPLOYER AND THERE IS NO EMPLOYMENT RELATIONSHIP BETWEEN YOU AND US. THIS AGREEMENT RELATES, EXCLUSIVELY, TO BRAND PROTECTION.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

**RESTRICTED PARTY:**

\_\_\_\_\_  
Signature of Restricted Party

\_\_\_\_\_  
Name of Restricted Party (please print)

Date \_\_\_\_\_





G-FORCE Franchise Agreement

EXHIBIT 4

FRANCHISEE'S ADMINISTRATIVE OFFICE LOCATION

ACKNOWLEDGMENT



FRANCHISEE'S ADMINISTRATIVE OFFICE LOCATION ACKNOWLEDGMENT  
(POST EFFECTIVE DATE)

Pursuant to the terms of the Franchise Agreement dated \_\_\_\_\_ by and between G-FORCE Franchise Group LLC, as Franchisor, and \_\_\_\_\_, as Franchisee, Franchisee has selected the following proposed Administrative Office and Franchisor, pursuant to the terms and conditions of the Franchise Agreement, approves the proposed location as Franchisee's Administrative Office:

[To be Effective this Schedule Must be Completed and Signed by Franchisor]

Franchisor and Franchisee agree that the location set forth above constitutes Franchisee's Administrative Office as such term is defined in the Franchise Agreement.

**Franchisor:**

G-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_

\_\_\_\_\_  
Franchisee Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name (please print)



G-FORCE Franchise Agreement  
EXHIBIT 5

ASSIGNMENT OF TELEPHONE NUMBERS  
AND DIGITAL MEDIA ACCOUNTS



ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS  
(for the benefit of G-FORCE Franchise Group LLC and its assigns)

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND DIGITAL MEDIA ACCOUNTS ASSIGNMENT (“Assignment”) is entered into between \_\_\_\_\_ (the “Assignor”) and G-FORCE Franchise Group LLC and its successors and assigns (the “Assignee”).

WHEREAS, Assignee is the franchisor of the G-FORCE Business franchise system (the “G-FORCE Business Franchise System”);

WHEREAS, Assignor, as franchisee, and Assignee, as franchisor, are parties to a G-FORCE Business Franchise Agreement (the “Franchise Agreement”);

WHEREAS, the term “Digital Media” shall refer to and mean “any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to a G-FORCE Business, G-FORCE Businesses, Assignor’s G-FORCE Business and/or trademarks associated with the G-FORCE Business Franchise System and/or Assignee. Digital Media further includes the G-FORCE Business website, web pages and website subdomains (including those related to, associated with and/or a part of the G-FORCE Business Franchise System) associated with and/or related to Assignor’s G-FORCE Business and all web pages, blog posts, videos, articles, information, subdomains, and all other media and/or publications relating to the G-FORCE Business Franchise System that is displayed and/or transmitted digitally”; and

WHEREAS, in connection with Assignor’s establishment and operation of a G-FORCE Business, Assignor will be utilizing accounts, information, phone numbers and Digital Media subject to strict requirements set forth in the Franchise Agreement.

NOW THEREFORE, Assignor, in exchange for good and valuable consideration provided and paid by Assignee (receipt of which is hereby acknowledged), agrees:

1. That Assignor does hereby assign to assignee all telephone numbers, facsimile numbers, listings, domain names and Digital Media that is associated with Assignor’s G-FORCE Business including, the following (all collectively referred to as the “Media”):

(a) All phone numbers, facsimile numbers and listings that are currently, or in the future, associated with Assignor’s G-FORCE Business;

(b) The following telephone and facsimile numbers:

\_\_\_\_\_; and

(c) All Digital Media, all Digital Media accounts, and all Digital Media log-in information.

The foregoing shall not be construed and/or interpreted as Assignees acknowledgment and/or agreement that Assignor owns and/or possesses any ownership interests in the foregoing telephone numbers, accounts and/or Digital Media. Any and all rights of Assignor in and to same exist subject to a limited license pursuant to the G-FORCE Business Franchise Agreement which shall take precedence and govern. However, this Assignment is intended by Assignor and Assignee to be an instrument that may be relied upon by all third parties to authorize and permit the assignments and transfers set forth in this Assignment and to facilitate the transfer of accounts and media to within the control of Assignee. Nothing contained in this Assignment shall be used to construe nor imply that Assignor possesses any ownership interests or rights in the Digital Media and in the event of any inconsistency or conflict between this Assignment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

2. This Assignment will become effective automatically upon the termination or expiration of the Franchise Agreement for any reason. As to all third parties proof of the expiration or termination of the Franchise Agreement shall exist exclusively upon the written declaration of Assignee and Assignee's declaration shall be dispositive and not subject to challenge. Assignor acknowledges that all third parties may rely on this Assignment for the purpose of taking any and all actions to ensure that access to and control of the Media is maintained by Assignee.

**UTILIZATION OF THIS ASSIGNMENT SHALL EXIST AT THE SOLE DISCRETION OF ASSIGNEE AND FOR THE SOLE BENEFIT OF ASSIGNEE.**

**Assignor:**

**Assignee: G-FORCE Franchise Group LLC**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title (please print)

\_\_\_\_\_  
Name and Title (please print)

Dated \_\_\_\_\_

Dated \_\_\_\_\_



**G-FORCE™**

G-FORCE Franchise Agreement  
EXHIBIT 6  
GENERAL RELEASE

GENERAL RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT:

\_\_\_\_\_, as RELEASOR, in consideration of good and valuable consideration received from:

**G-FORCE Franchise Group LLC**, as RELEASEE, receipt of which is hereby acknowledged, releases and discharges the RELEASEE, RELEASEE'S heirs, officers, members, agents, executors, administrators, successors and assigns, from all claims, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, contracts, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity which against the RELEASEE, the RELEASOR, RELEASOR'S, heirs, executors, administrators, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE. The words "RELEASOR" and "RELEASEE" include all releasors and releasees under this Release. This Release may not be changed orally.

[The following additional language should be used with Washington franchisees]

This General Release is not intended as a waiver of those rights of the undersigned which cannot be waived under applicable state franchise laws nor is it intended to relieve RELEASEE, directly or indirectly, from liability imposed by the Washington Franchise Investment Protection Act or the rules adopted thereunder.

IN WITNESS WHEREOF, the **RELEASOR** has hereunto set RELEASOR'S hand and seal on the date set forth below.

**Releasor:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

Date \_\_\_\_\_

NOTARY SIGNATURE, SEAL AND INFORMATION: On \_\_\_\_\_ before me, the undersigned, personally appeared \_\_\_\_\_ personally known to me or proven to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity/capacities, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Signature and Seal



G-FORCE Franchise Agreement  
EXHIBIT 7  
ACH AND CREDIT CARD AUTHORIZATION



**G-FORCE****AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM****Franchisee Information:**

Franchisee Name

Business No.

Franchisee Mailing Address (street)

Franchisee Phone No.

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone Number (if different from above)

Franchisee Fax No.

Franchisee Email Address

**Bank Account Information:**

Bank Name

Bank Mailing Address (street, city, state, zip)

☐ Checking ☐ Savings

Bank Account No.

(check one)

Bank Routing No.

Bank Phone No.

**Authorization:**

Franchisee hereby authorizes G-FORCE Franchise Group LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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

Federal Tax TD No.: \_\_\_\_\_

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

**NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT**



FRANCHISE DISCLOSURE DOCUMENT  
**EXHIBIT F**  
LIST OF FRANCHISEES

Franchisees in the System with Opened Outlets (as of December 31, 2024)			
State	Business Address	Franchisee	Telephone Number
Alabama	931 Sharit Avenue, Suite 219 Gardendale, AL 35071	Robert Young	256-310-5973
Arizona	14103 South 179th Avenue Goodyear, AZ 85338	Freddy Alvarez Douglas Ostrander	602-722-9950
Colorado	9542 W. 69 <sup>th</sup> Place Arvada, CO 80004	Damian Schlereth Alexander Barnes	720 339-9164
Delaware	1904-B Mountain Road Joppa, MD 21085	Steve Hull * Harry Rowand	410-591-0579
Florida	1078 Salmon Isle Greenacres, FL 33413	Tim FitzGerald Zackary Scott Dossat	954-513-8566
	1317 Edgewater Drive, Unit 1487 Orlando, FL 32804	Leo Boynton	407-990-1178
	10810 Boyette Road, Suite 2217 Riverview, FL 33569	Vishal Munusami Melanie Munusami	813-476-1604
	255 Rivertown Shops Drive, Suite 102-149 Saint Johns, FL 32259	Anthony King	940-657-8559
Georgia	7120 Hampton Creek Drive Cumming, GA 30041 (Location 1)	Michael Primato	678-400-5044
	7120 Hampton Creek Drive Cumming, GA 30041 (Location 2)	Michael Primato	678-400-5044
Hawaii	1362 Keolu Drive Kailua, HI 96734	Antone Aku	808 352-4056
Illinois	1016 Struckman Boulevard Bartlett, IL 60103	Ricardo Roman	630-930-7676
Indiana	2809 Hiser Station Road Milton, IN 47357	David Kinder	765-238-1441
Kansas	20833 W. 91st Terrace Lenexa, KS 66220	Steven Percy	913-603-8821
Kentucky	103 Dunn Circle Georgetown, KY 40324	Mark Spencer	502-373-1997
Louisiana	537 Cajundome Boulevard, Suite 111 Lafayette, LA 70506	Jose Ortiz	337-283-1333
Michigan	46036 Michigan Avenue, Suite 177 Canton Township, MI 48188	Keith Martin	734-895-0620

Mississippi	560 Ridge Drive S. Hernando, MS 38632	Kevon Buckley	601-335-5424
New Hampshire	111 Willard Street New Ipswich, NH 03071	Brian Benoit William Putnam	603-801-8008 603-801-6171
North Carolina	P.O. Box 700 Indian Trail, NC 27089	Devin Wallace	704-361-9784
	308 Kenwood Drive Jacksonville, NC 28540	Aaron Newton	252-503-9132
Ohio	743 County Road 165 Ashley, OH 43003	Eric Rine and Robert Howell	614-907-8977
	4085 Bellaire Lane Peninsula, OH 44264	Jason and Jeannette Scranton	234-417-8141
	743 County Road 165 Ashley, OH 43003	Eric Rine Robert Howell	614-907-8977
Oklahoma	1233 North Cedar Street, Unit 644 Owasso, OK 74055	Kyle Blevins	918-419-0098
Pennsylvania	575 N Church Street Hazleton, PA 18201	John Nilles	570-579-6278
	4716 Ellsworth Avenue Pittsburgh, PA 15213	Mike McCloskey Dave McCloskey	412-999-5541
	9586 Mason Dixon Highway Salisbury, PA 15558	Todd Deal	814-521-2991
	1719 Beaver Valley Pike Strasburg, PA 17579	TJ Pinkston	512-987-7775
Rhode Island	58 King Philip Drive North Kingstown, RI 02852	Albert Prew	401-317-0839
South Carolina	6465 N Palm View Circle North Charleston, SC 29418	Richard Schafer	843-940-3714
	5645 Stevehaven Lane Cumming, GA, 30028	Jeffrey and Wendy Sanders	678-232-6754
Tennessee	1442 Fairview Kingston Springs Road Kingston Springs, TN 37082	Rodney Schook	615-517-9835
	247 N White Pine Road Talbott, TN 37877	Todd Deal	814-378-3442
Texas	7802 Cherry Place Court Humble, TX 77346	Ronnie Francis and Steven Ramos	832-689-6552
	222 W Veterans Memorial Boulevard Killeen, TX 76541	Chad Heck	254-833-4007

	537 Cajundome Boulevard, Suite 111 Lafayette, LA 70506	Jose Ortiz	337-283-1333
	752 North Main Street, Unit 1241 Mansfield, TX 76063 (Fort Worth Outlet)	Jeff Tate Kris Moss	817-992-9686
	752 North Main Street, Unit 1241 Mansfield, TX 76063 (Dallas Outlet)	Jeff Tate Kris Moss	214-447-3166
	1705 N. Big Spring Street Midland, TX 79701	Chad Heck	325-899-7034
	3405 Colebrook Court Pearland, TX 77584	Steven Ramos and Ronnie Francis	832-221-5322
Utah	4529 Westview Drive Salt Lake City, UT 84124	Andrew Bowden	801-210-2501
Virginia	6008 Holly Neck Road Suffolk, VA 23437	Keith Wiggins Douglas Wiggins	757-650-8943
Washington	18402 114 <sup>th</sup> Avenue E Puyallup, WA 98374	Henry Moultrie Jr. Tai Moultrie	253-227-7705
Washington DC	5433 Safe Harbor Court Fairfax, VA 22032	Renato Uriarte Larry Thomley	832-275-7542

\* Territory also includes portions of Maryland

Franchisees in the System with Outlets Not Yet Opened (as of December 31, 2024)			
State	Business Address	Franchisee	Telephone Number
New Jersey	3 Scott Drive Monroe TWP, NJ 08831	Anthony Guida	732-425-1881



FRANCHISE DISCLOSURE DOCUMENT  
**EXHIBIT G**  
LIST OF FRANCHISEES  
THAT HAVE LEFT THE SYSTEM

Franchisees Who Left The System (January 1, 2024 to December 31, 2024)			
State	Business Address	Franchisee	Telephone Number
New Jersey	3220 Sally Ann Drive Loveland, CO 80537	Shawn Jones	970-541-9949



FRANCHISE DISCLOSURE DOCUMENT  
**EXHIBIT H**  
STATE SPECIFIC ADDENDUM



## CALIFORNIA FDD ADDENDUM

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

1. Item 17 “Renewal, Termination, Transfer and Dispute Resolution: The Franchise Relationship,” is supplemented by the addition of the following:

A. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

B. The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling such persons from membership in such association or exchange.

C. California Business and Professions Code Sections 20000 through 20043 establish the rights of the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

D. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 *et seq.*).

E. The Franchise Agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

F. The Franchise Agreement requires binding arbitration. The arbitration will occur in New Hampshire with the costs being borne by the franchisee and franchisor.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

4. Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

5. Item 6 “Other Fees,” is supplemented by the addition of the following statement: “The highest interest rate allowed by law in the State of California is 10%.”

6. The following URL address is for the franchisor's website: [www.gogforce.com](http://www.gogforce.com).

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

7. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees or its agents make to you, (ii) our ability to rely on any representations it makes to you, or (iii) any violation of the law.

8. 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.

### **CONNECTICUT FDD ADDENDUM**

#### **Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:**

1. Item 3 "Litigation," is supplemented by the addition of the following:

A. Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal, or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

B. Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the 10 year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

C. Neither the Franchisor nor any person identified in Items 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

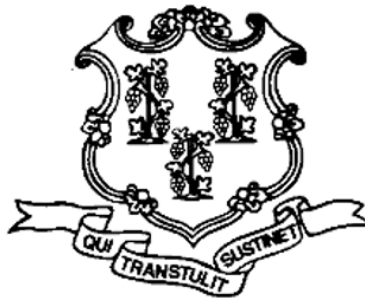
D. Neither Company nor any person identified in Item 2 above is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities & Exchange Act of 1934) suspending or expelling these persons from membership in the association or exchange.

2. Item 4 “Bankruptcy,” is supplemented by the addition of the following:

No entity or person listed in Items 1 and 2 of this Disclosure Document has, at any time during the previous 10 fiscal years (a) filed for bankruptcy protection, (b) been adjudged bankrupt, (c) been reorganized due to insolvency, or (d) been a principal, director, executive officer or partner of any other person that has so filed or was adjudged or reorganized, during or within one year after the period that the person held a position with the other person.

If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract be canceled.

#### DISCLOSURES REQUIRED BY CONNECTICUT LAW



The State of Connecticut does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

#### BUSINESS OPPORTUNITY DISCLOSURE

The following business opportunity disclosure is provided by G-FORCE Franchise Group LLC, a registered business in the State of Connecticut.

Disclosure Document is dated: March 22, 2025

#### **HAWAII FDD ADDENDUM**

Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

Exhibit K “FDD Receipts,” is supplemented with the addition of the following:

The Receipt for this Disclosure Document (Exhibit “K”) is supplemented to add the following:

1. THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER

AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

4. 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.

#### **ILLINOIS FDD ADDENDUM**

##### **Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:**

##### **DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS**

Illinois law governs the Franchise Agreement.

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

Franchisee's rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

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

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## **INDIANA FDD ADDENDUM**

### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

1. Item 8, “Restrictions on Sources of Products and Services,” is supplemented by the addition of the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Item 6, “Other Fees” and Item 9, “Franchisee’s Obligations,” are supplemented, by the addition of the following:

The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee’s reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” is supplemented, by the addition of the following:

A. Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

B. Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

C. ITEM 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.

D. ITEM 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

E. ITEM 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

## **MARYLAND FDD ADDENDUM**

### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” is supplemented, by the addition of the following:

A. The 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.

B. A Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

C. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

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

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.

### **MICHIGAN FDD ADDENDUM**

#### **Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:**

1. 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 of your right to join an association of Franchisees.

B. A requirement that you assent to a release, assignment, novation, waiver, or estoppel that deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

C. A provision that permits us to terminate a franchise before the expiration of this term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure the failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.

D. A provision that permits us to refuse to renew a franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials that have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (a) the term of the franchise is less than five years, and (b) you are prohibited by the Franchise Agreement 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 you do not receive at least six months advance notice of our intent not to renew the franchise.

E. A provision that permits us 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 litigation be conducted outside this state. This shall not preclude you from entering into an agreement, at the time of litigation, to conduct litigation at a location outside this state.

G. A provision that permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent us 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 our then current reasonable qualifications or standards.
- (ii) The fact that the proposed transferee is our or Sub-franchisor's competitor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) Your or proposed transferee's failure to pay us any sums or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

H. A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us 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 us the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in Item 17(g).

I. A provision that permits us to directly or indirectly convey, assign or otherwise transfer our obligations to fulfill contractual obligations to you unless a provision has been made for providing the required contractual services.

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

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

4. Any questions regarding this notice should be directed to: State of Michigan, Consumer Protection Division, Attention: Franchise Bureau, 670 Law Building, Lansing, MI 48913; telephone number (517) 373-3800.

#### **MINNESOTA FDD ADDENDUM**

Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

#### **ADDITIONAL RISK FACTORS:**

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST

PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

AMENDMENT OF FDD DISCLOSURES:

A. Item 13, “Trademarks”, Item 13 is supplemented by the addition of the following: As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

B. Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” Item 17 is supplemented by the addition of the following: With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days- notice of termination (with 60 days to cure) and 180 days-notice of non-renewal of the Agreement.

C. Item 17 “Renewal, Termination, Transfer and Dispute Resolution,” Item 17 is supplemented by the addition of the following: Item 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

D. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

E. 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.



## NEW YORK FDD ADDENDUM

### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

1. The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for a franchisee to renew or extend**,” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**,” and Item 17(w), titled “**Choice of law**”:

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

6. Franchise Questionnaires and Acknowledgements -- 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.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, 10 business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

#### **NORTH DAKOTA FDD ADDENDUM**

##### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

1. Item 5, “Initial fees”, Item 5 is supplemented by the addition of the following:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 6, “Other Fees”, Item 6 is supplemented by the addition of the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

3. Item 17, “Renewal, Termination, Transfer and Dispute Resolution.” Item 17 is supplemented by the addition of the following:

A. Any provision requiring a franchisee to sign a general release upon renewal of the Franchise Agreement has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

B. Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

C. Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

D. Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee’s business has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee’s place of business.

E. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

F. Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

G. Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

H. Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

4. 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.

### **RHODE ISLAND FDD ADDENDUM**

#### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” Item 17 is supplemented by the addition of the following:

A. The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

B. Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

### **VIRGINIA FDD ADDENDUM**

#### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” Item 17(h) is supplemented by the addition of the following:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in G-FORCE Franchise Agreement do not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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.

### **WASHINGTON STATE FDD ADDENDUM**

#### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

8. The definition of "Franchisor's Reasonable Business Judgment and all references in the agreements are excluded from the agreements signed by Washington franchisees. All references to "Franchisor's Reasonable Business Judgment in the franchise agreement shall be replaced with "Franchisor's reasonable judgment".

9. Article 6, Section G of the Franchise Agreement does not apply to Washington Franchisees.

10. Article 18, Section (G)(2)(d)(2) of the Franchise Agreement and Article 18, Section I of the Franchise Agreement do not apply to Washington franchisees.

10. Section 4(f) of the Franchise Owner Agreement and Guaranty attached to the Franchise Agreement does not apply to Washington franchisees.

11. 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.

## **WISCONSIN FDD ADDENDUM**

### Amendments to the G-FORCE Franchise Group LLC Franchise Disclosure Document:

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” Item 17 is supplemented by the addition of the following:

The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.



## STATE SPECIFIC AMENDMENTS TO FRANCHISE AGREEMENT



**California - Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of California Franchise Investment Law, California Corporations Code Sections 31000 through 31516, the undersigned agree to the following modifications to the G-FORCE Franchise Group LLC Franchise Agreement (the "Franchise Agreement") signed by Franchisor and Franchisee, as follows:

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.

IN WITNESS WHEREOF, the parties have duly executed and delivered this California Amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

**Franchisor:**

G-FORCE Franchise Group LLC

**Franchisee:**

By: \_\_\_\_\_

Signature

\_\_\_\_\_

Signature

\_\_\_\_\_  
Name and Title (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated





**Hawaii - Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of the Hawaii Franchise Investment Law, the undersigned agree to the following modifications to the G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”), as follows:

1. Sub-Article 14.C.(6). Sub-article 14.C.(6) under the Article section titled “Conditions for Approval of Transfer” of the Franchise Agreement is deleted and is replaced with the following:

(6) The Franchisee and its Owners must execute a general release in a form satisfactory to Franchisor, releasing Franchisor, Franchisor’s affiliates and past and present officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on or before the effective date of the Transfer; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee’s favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and

The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination, and transfer of the Franchise Agreement. If this Sub-article contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

2. Sub-Article 15.D.(5). Sub-article 15.D.(5) under the Article section titled “Conditions for Renewal” of the Franchise Agreement is deleted and is replaced with the following:

(5) Franchisee and its Owners must execute the general release, attached hereto as Exhibit 6 releasing Franchisor, its affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, including, without limitation, claims arising under this Agreement under federal, state or local laws, rules, regulations, or orders - If precluded by law from giving a general release, Franchisee shall execute an estoppel statement -; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee’s favor from the provisions of the Hawaii Franchise Investment Law, shall remain in force; it being the intent of this provision that the non-waiver provisions of the Hawaii Franchise Investment Law be satisfied; and

The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination, and transfer of the Franchise Agreement. If this subarticle contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

3. 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.

4. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this amendment.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Hawaii State amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_  
Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_



**Illinois - Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705/1 to 705/45, and Ill. Admin. Code tit. 15, §200.100 et seq., the undersigned agree to the following modifications to the G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”), as follows:

Illinois law governs the Franchise Agreement.

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

Franchisee’s rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

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

IN WITNESS WHEREOF, the parties have duly executed and delivered this Illinois amendment to the G-FORCE Franchise Group LLC Franchise on the same date as the Franchise Agreement.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_  
Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**Maryland - Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”) agree, as follows:

1. The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

2. The 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.

3. Article 18.G. of the Franchise Agreement, under the heading “Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction,” shall be amended by the addition of the following statement added to Article 18.G. of the Franchise Agreement:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Article 18.I. of the Franchise Agreement, under the heading “Limitations of Claims,” shall be amended by the addition of the following statement added to Article 18.I. of the Franchise Agreement:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

A general release required as a condition of renewal, sale and/or assignment or transfer of a Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

6. 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.

7. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this amendment.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed and delivered this Maryland amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement.

Franchisor: G-FORCE Franchise Group LLC

Franchisee:

By:

Signature of Franchisor

Signature of Franchisee

Name and Title

Name (please print)

Date:

Date:

Address:

Signature of Franchisee

Name (please print)

Date:

Address:



**Minnesota – Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of the Minnesota Statutes, Chapter 80C. and Minnesota Franchise Rules, Chapter 2860, the parties to the attached G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”) agree, as follows:

1. Under Article 14.C. of the Franchise Agreement, under the heading “Conditions for Approval of Transfer,” the subarticle 14.C(6) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

(6) The transferor and its Owners must execute a general release in a form satisfactory to Franchisor, releasing Franchisor, Franchisor’s affiliates and past and present officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on or before the effective date of the Transfer; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee’s favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and

Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

2. Under Article 15.D. of the Franchise Agreement, under the heading “Conditions for Renewal,” the subarticle 15.D(5) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

(5) Franchisee and the Principals must execute the general release, attached hereto as Exhibit "10" releasing Franchisor, its affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, including, without limitation, claims arising under this Agreement under federal, state or local laws, rules, regulations, or orders - If precluded by law from giving a general release, Franchisee shall execute an estoppel statement -; provided, however, that all rights enjoyed by Franchisee and any causes of action arising in Franchisee’s favor from the provisions of the Minnesota Franchise Act, Minn. Stat. Section 80C.14 et seq. and Minnesota Rules 2860.4400(D), shall remain in force; it being the intent of this provision that the non-waiver provisions of the Minnesota Rules 2860.4400(D) be satisfied; and

Minnesota law provides a franchisee with certain termination and non-renewal rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 180 days-notice of nonrenewal of this Agreement by Franchisor.

3. Under Article 11 of the Franchise Agreement, under the heading “Notification of Infringement and Claims,” the subarticle 11.C. shall be supplemented by the addition of the following:

Franchisor agrees to protect Franchisee, to the extent required by the Minnesota Franchise Act, against claims of infringement or unfair competition with respect to Franchisee’s use of the Marks

when, in the opinion of Franchisor's counsel, Franchisee's rights warrant protection pursuant to Article 11.E. of this Agreement.

4. Under Article 14 of the Franchise Agreement, under the heading "Conditions for Approval of Transfer," the subarticle 14.C. shall be supplemented by the addition of the following:

Franchisor shall not unreasonably withhold consent to transfer the Franchise Agreement.

5. Under Article 16 of the Franchise Agreement, under the heading "Automatic Termination Upon Written Notice," the subarticle 16.A.(2). shall be supplemented by the addition of the following:

Article 16.A.(2) will not be enforced to the extent prohibited by applicable law.

6. Under Article 16 of the Franchise Agreement, under the heading "Termination After Cure Period," the subarticle 16.A.(3)(d), shall be supplemented by the addition of the following:

Subarticle 16.A.(3)(d) will not be enforced to the extent prohibited by applicable law.

7. Under Article 16 of the Franchise Agreement, under the heading "Termination After Cure Period," the subarticle 16.A.(3) is hereby amended to replace the "30" day cure period with "60" days and the following is added:

Minnesota law provides a franchisee with certain termination rights. Minn. Stat. Sect. 80C.14 Subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days-notice of termination (with 60 days to cure) of this Agreement.

8. Article 18.F. of the Franchise Agreement, under the heading "Governing Law", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.F.:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

9. Article 18.G. of the Franchise Agreement and under the heading "Choice of Law, Non-Binding Mediation, Binding Arbitration, and Consent to Jurisdiction", shall be amended by the addition of the following statement added to the end of the last sentence of Article 18.G. of the Franchise Agreement:

; except to the extent otherwise prohibited by applicable law with respect to claims arising under the Minnesota Franchise Act.

10. Article 18.K. of the Franchise Agreement under the heading "Waiver of Jury Trial", shall be supplemented by the addition of the following statement at the end of the sentence contained in Article 18.K. of the Franchise Agreement:

; except that nothing in this Agreement should be considered a waiver of any right conferred upon Franchisee by the Minnesota Franchise Act.

11. Article 18.I. of the Franchise Agreement under the heading "Limitations of Claims," shall be supplemented by the addition of the following statement:

Under the Minnesota Franchise Act, any claims between the parties must be commenced within three years of the occurrence of the facts giving rise to such claim, or such claim shall be barred.

12. Article 18 of the Franchise Agreement under the heading "Enforcement and Construction," shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement:

Any foregoing acknowledgments are not intended to, nor shall they act as a release, estoppel or waiver or any liability under the Minnesota Franchise Act.

13. 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.

14. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to this amendment.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Minnesota State amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_

Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_





**New York – Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the requirements of the New York General Business Law, Article 33, Sections 680 through 695, and of the regulations promulgated thereunder (N.Y. Comp. Code R. & Regs., tit. 13, §§ 200.1 through 201.16), the parties to the attached G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”) agree, as follows:

1. Under Article 14.C. of the Franchise Agreement, under the heading “Conditions for Approval of Transfer,” the subarticle 14.C(6) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

(6) The transferor and its Owners must execute a general release in a form satisfactory to Franchisor, releasing Franchisor, Franchisor’s affiliates and past and present officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, of any and all claims against Franchisor for matters arising on or before the effective date of the Transfer; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

2. Under Article 15.D. of the Franchise Agreement, under the heading “Conditions for Renewal,” the subarticle 15.D(5) shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

(5) Franchisee and the Principals must execute the general release, attached hereto as Exhibit "10" releasing Franchisor, its affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, including, without limitation, claims arising under this Agreement under federal, state or local laws, rules, regulations, or orders - If precluded by law from giving a general release, Franchisee shall execute an estoppel statement -; provided, however, that all rights and causes of action arising in favor of Franchisee from the provisions of New York General Business Law Sections 680-695 and the regulations issued thereunder, shall remain in force; it being the intent of this provision that the non-waiver provisions of N.Y. Gen. Bus. Law Sections 687.4 and 687.5 be satisfied.

3. Article 18 of the Franchise Agreement under the heading “Enforcement and Construction,” shall be supplemented by the addition of the following new subarticle 18.Z. to the Franchise Agreement:

Nothing in this Agreement should be considered a waiver of any right conferred upon franchisee by New York General Business Law, Sections 680-695.

4. There are circumstances in which an offering made by G-FORCE Franchise Group LLC would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed made in New York if you are domiciled in New York or the Outlet will be opening in New York. G-FORCE Franchise Group LLC is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

5. 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.

6. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York General Business Law, are met independently without reference to this amendment.

IN WITNESS WHEREOF, the parties have duly executed and delivered this New York amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_  
Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_



**North Dakota – Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the North Dakota Franchise Investment Law, Section 51-19, the parties to the attached G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”) agree as follows:

The North Dakota Addendum is only applicable if you are a resident of North Dakota or if your G-FORCE outlet will be located within the State of North Dakota.

1. Article 15 of the Franchise Agreement is hereby amended by the addition of the following language: “Provisions requiring North Dakota franchisees to sign a general release upon renewal of the Franchise Agreement are not enforceable in North Dakota.”
2. Article 16 of the Franchise Agreement is hereby amended by the addition of the following language: “Provisions requiring North Dakota Franchisees to consent to termination or liquidated damages are not enforceable in North Dakota.”
3. Articles 6 and 17 of the Franchise Agreement are hereby amended by the addition of the following language: “Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”
4. Article 18 of the Franchise Agreement is amended by the addition of the following language: “Covenants requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota may not be enforceable in North Dakota.”
5. Article 18 of the Franchise Agreement is amended by the addition of the following language: “for North Dakota Franchisees, North Dakota law shall apply.”
6. Article 18 of the Franchise Agreement is amended by the addition of the following language: “Provisions requiring a franchisee to consent to a waiver of trial by jury are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.”
7. Article 18 of the Franchise Agreement is amended by the addition of the following language: “Provisions requiring the franchisee to consent to a waiver of exemplary and punitive damages are not enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.”
8. Article 18 of the Franchise Agreement is amended by the addition of the following language: “Provisions requiring a franchisee to consent to a limitation of claims within one year have been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, for North Dakota franchisees, the statute of limitations under North Dakota Law will apply.”
9. 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.

Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of North Dakota Law are met independently without reference to this amendment.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_  
Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_



**Washington – Franchise Agreement Amendment**  
to G-FORCE Franchise Agreement

In recognition of the Washington State Franchise Investment Protection Act, Chapter 19.100 RCW, the parties to the attached G-FORCE Franchise Group LLC Franchise Agreement (the “Franchise Agreement”) agree as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
2. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
5. Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.
6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

8. 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.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Washington State amendment to the G-FORCE Franchise Group LLC Franchise Agreement on the same date as the Franchise Agreement was executed.

**Franchisor: G-FORCE Franchise Group LLC**

**Franchisee:**

By: \_\_\_\_\_  
Signature of Franchisor

\_\_\_\_\_  
Signature of Franchisee

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name (please print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**G-FORCE™**

FRANCHISE DISCLOSURE DOCUMENT  
EXHIBIT I  
STATE EFFECTIVE DATES

### **State Effective Dates**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

<u>Effective Dates</u>	
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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





FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT K  
RECEIPTS

## RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If G-FORCE Franchise Group LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If G-FORCE Franchise Group LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

Issuance Date of this Disclosure Document: March 22, 2025

**Our sales agents for this offering are:**

Name	Principal Business Address	Telephone Number
John Child	13 Columbia Drive, Suite 19, Amherst, New Hampshire, 03031	(844) 464-3672
Craig Laquerre	13 Columbia Drive, Suite 19, Amherst, New Hampshire, 03031	(844) 464-3672
Jason Sperry	13 Columbia Drive, Suite 19, Amherst, New Hampshire, 03031	(844) 464-3672

I have received a disclosure document dated March 22, 2025, that contained the following Exhibits:

- |                                          |                                                 |
|------------------------------------------|-------------------------------------------------|
| A. List of State Administrators          | F. List of Franchisees                          |
| B. List of Agents for Service of Process | G. List of Franchisees Who Have Left the System |
| C. Operations Manual Table of Contents   | H. State Specific Addendum                      |
| D. Financial Statements                  | I. State Effective Dates                        |
| E. Franchise Agreement                   | J. Receipts                                     |

\_\_\_\_\_  
DATE RECEIVED (Must be Completed)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Name and Title (please print)

## RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If G-FORCE Franchise Group LLC offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If G-FORCE Franchise Group LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the applicable state administrator identified in Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit B of this Disclosure Document to receive service of process for us in the particular state.

Issuance Date of this Disclosure Document: March 22, 2025

**Our sales agents for this offering are:**

Name	Principal Business Address	Telephone Number
John Child	13 Columbia Drive, Suite 19, Amherst, New Hampshire, 03031	(844) 464-3672
Craig Laquerre	13 Columbia Drive, Suite 19, Amherst, New Hampshire, 03031	(844) 464-3672
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\_\_\_\_\_  
Authorized Signature

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Name and Title (please print)