



FRANCHISE DISCLOSURE DOCUMENT

Techy, LLC
(A Florida Limited Liability Company)
3000 South West 4th Avenue
Fort Lauderdale, FL 33315
(877) 928-8905
Franchise@TechyCompany.com
www.TechyCompany.com

The franchise we offer is the operation of a business for the installation, maintenance and repair of cell phones, computers, tablets, and smart home hardware and other electronic devices, and the sale of specified electronic devices, accessories and other supplies and items that we may designate from time to time under the trade name Techy Repairs & Smart Home Installs Powered by DrPhoneFix[®]. We may offer in limited markets, the option to add a Techy Mobile Van or Techy Café to our single store franchise.

The total initial investment necessary to begin operation of our standard turn-key Franchise ranges from \$45,000 to \$117,000. For our single franchise store the total initial investment ranges from \$79,600 to \$191,750 and with the Techy Café the initial investment is \$77,750 to \$291,350. If we permit a Techy Mobile Van to be added to the single store franchise, the total investment for the Techy Mobile Van ranges between \$34,900 to \$70,500 which must be added to the total investment of the single store. For our In-Store Franchise, which is available in limited markets, the initial investment ranges from \$85,600 to \$184,750. This includes the initial franchise fee of \$15,000. We also offer Area Development Agreements that will enable you to develop an agreed number of stores within a designated territory with a reduced initial franchise fee after the first store, for each store to be developed. The initial franchise fee for the second store to be developed is \$10,000, and \$5,000 for the third store and each store thereafter. When you sign the Area Development Agreement you will pay the initial franchise fee for the first store plus one-half of the initial franchise fee for each store thereafter. The minimum number of stores that may be opened under the Area Development Agreement is two stores and the total initial investment to begin operation of your first store including the area development fee would be between \$106,600 to \$209,950. (See Items 5 and 7 for additional information.)

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Administration Department at Techy, LLC, 3000 South West 4th Avenue, Fort Lauderdale, FL 33315, (877) 928-8905.

The terms of your Franchise Agreement will govern your franchise relationship. Do not rely solely upon this Disclosure Document to understand your Franchise Agreement. You should read and review all of your Franchise Agreement carefully with an advisor, such as an attorney or an accountant.

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

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

Date of Issuance: April 2, 2021 Amended September 1, 2021

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:

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 Florida. 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 Florida than in your own state.

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.

**THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISES WHO ARE RESIDENTS OF
MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.**
NOTICE REQUIRED BY STATE OF MICHIGAN

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

Each of the following provision 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, notation, waiver, or estoppels 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 setting 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 of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under the 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 (6) months advance notice of the franchisor's intent 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 the state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for a good cause. This subdivision does not prevent a franchisor from exercising a right to first refusal to purchase the franchise. Good cause shall include, but not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualification or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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

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

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

Any questions regarding this notice should be directed to:

Michigan Department of Attorney General
Consumer Protection Division
Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

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

To simplify the language, this disclosure document uses “Techy Repairs & Smart Home Installs Powered by DrPhoneFix”, “we”, “us”, or “our” to mean Techy, LLC, the franchisor, and “you” or “your” to mean the individual, corporation or other entity that buys a franchise.

The Franchisor, Any Parents, Predecessors and Affiliates

We are a Florida Limited Liability Company formed August 3, 2016. Our principal business address is 3000 South West 4th Avenue, Fort Lauderdale, Florida 33315. We have not conducted a business of the type described in this Disclosure Document or conducted business in any other line of business but an affiliate, DrPhoneFix Franchises, Inc. which was formed October 25, 2014, franchised nine stores and subsequent to our formation assigned the Franchise Agreements to us and ceased franchising. We also maintain support for the franchises, assigned to us. Our affiliate, DrPhoneFix, Inc. previously entered into license agreements to operate businesses using our name in the states of Alabama, Florida, North Carolina, Texas and Utah. As of the date of this disclosure document there are four (4) licensed operations. On July 27, 2020, we amended our name from DrPhoneFix USA, LLC to Techy, LLC and began using our trademarked name and logo “Techy Repairs and Smart Home Installs Powered by DrPhoneFix.”

Our affiliate DrPhoneFix Franchises, Inc. was formed in October 2014 to launch a franchising program. On August 29, 2016 DrPhoneFix Franchises, Inc. sold and assigned all franchise agreements to us along with all of its registered trademarks and thereafter ceased operations.

Our affiliate, DrPhoneFix, Inc. owned 1 location at the end of 2015 and acquired two (2) locations in 2016. DrPhoneFix, Inc. will not participate in the franchising operations nor will it provide management or operational services or financial guarantees for Techy, LLC except that DrPhoneFix, Inc. will sublease Walmart locations to franchisees of the In-Store franchise concept and will provide a turn-key opening for the In-Store franchise concept, and when requested, the Standard Franchise Concept. Use may be made of some of the affiliate facilities and personnel for training purposes. We have not sold franchises previously of any type at any time.

Our affiliate Cellular Supplies, Inc. was formed May 24, 2006 to sell cellular phone accessories. Cellular Supplies, Inc. is owned by our chief executive officer and is a supplier of cellular phone accessories.

On August 20, 2021 our affiliate, Techy Company LLC, which was formed October 27, 2020 acquired certain franchise agreements of Experimax Franchising, LLC. These franchises are in the business of purchasing and reselling used electronic products such as laptop computers, tablets and cell phones plus new accessories and components for these products. Our affiliate will maintain support for the franchises acquired by it. Our affiliate will not participate in our franchising operations, nor will they provide any management or operational services or financial guarantees for our franchisees.

Agent for Service of Process

Our agents for service of process and states requiring franchise registration are disclosed in Exhibit G.

The Franchises Being Offered

Standard Location

Our Standard Franchise involves the franchising of our distinctive system to operate a business for the installation and sale of smart home products and repair of cell phones, tablets, computers, game consoles and other electronic devices as well as the sale and installations of other specified electronic devices, accessories, supplies and items we may designate from time to time. In our Standard Franchise you will locate the store site (usually in an in-line center) and submit the store location within a protected territory, for our approval.

In-Store Location

Our In-Store franchise does not allow the sale of accessories and is located within a Walmart store at available space within the store location. We may add to or delete the business format of our In-Store franchise from time to time.

Area Development Agreement

We offer and award to qualified applicants a franchise to operate a single Store using our marks, design and system (the “Techy Repairs & Smart Home Installs Powered by DrPhoneFix Systems” or “System”). In addition, we also offer qualified persons the right to operate a specified number of additional franchises in a designated territory under the terms of an Area Development Agreement (the “Development Agreement”). Pursuant to the Development Agreement you must open a certain number of standard franchises within a specified period of time (See Item 5) or if the In-Store franchise addendum is entered into, you must open a certain number of In-Store franchises as they are made available in your designated Development Territory.

Market and Competition

As a Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchisee, you will be competing with other individually owned and other franchised businesses offering similar products and services in the general vicinity of your store. The Smart Home hardware, cell phone, computer and electronic device and accessories sales and repair industry is a competitive market.

Although there is never any guarantee of success, we believe that the market for the products and services offered by our franchisees is part of a growing and developing market with room for further development and expansion throughout the United States and other countries. You will compete with a large number of other store chains (franchised and non-franchised), including other “Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchised stores” (hereinafter “franchised store” or “franchised stores”). The success of your business will depend largely on your personal skills and abilities.

Industry Specific Regulations

Federal, state and local government entities have enacted laws, rules, regulations and ordinances which may apply to the operation of your franchised store, including those which: (a) establish general standards, specifications and requirements for the construction, design and maintenance of the store premises; (b) regulate matters affecting the health, safety and welfare of your customers; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency preparedness; and (f) regulate the proper use, storage and disposal of hazardous materials. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your franchised business and should consider both their effect and cost of compliance. In addition to obtaining any applicable city or county business licenses, you must comply with all local, state and federal laws pertaining to businesses, including any business, retail sales, zoning, environmental, labor relations, sanitation, safety, fire, health codes, regulations and ordinances, as well as laws and regulations relating to access by persons with disabilities. You are solely responsible for identification of and compliance with all laws, ordinances and/or regulations applicable to your franchise. You should independently research and review the legal requirements of the industry with your own attorney before you sign any binding documents or make any investments. It also is your sole responsibility, on an ongoing basis, to investigate and satisfy all employment, worker's compensation, insurance, corporate, tax and similar laws and regulations, since they vary from region to region, can change over time, and may affect the operation of your business.

ITEM 2. BUSINESS EXPERIENCE

Chief Executive Officer and Director: William J. Daragan

William Daragan has been President and CEO since our formation August 3, 2016 (Fort Lauderdale, Florida). He has also served as President and CEO of DrPhoneFix, Inc. and DrPhoneFix Franchises, Inc., both companies located in Fort Lauderdale, Florida since their inception in January 2012 and October 2014, respectively. Prior to that he served and continues to serve as President and CEO of Cellular Supplies Inc. located in Fort Lauderdale since May 2006. Mr. Daragan is also President and CEO of Techy Company, LLC in Fort Lauderdale since its inception August 2021.

Chief Operating Officer: Timothy R. Phelps

Timothy Ryan Phelps has been Chief Operating Officer for our company since August 3, 2016. He has also been Vice President of Operations for DrPhoneFix, Inc. in Fort Lauderdale Florida since January 2012 and held the same position for DrPhoneFix Franchises, Inc. in Fort Lauderdale, FL since October 2014. Prior to joining us, Timothy Ryan Phelps was Operations Manager of two cell phone repair businesses; one in Homestead, Florida starting in 2008; the other in Plantation, Florida starting in 2011.

Director of Development: Daniel Daragan

Daniel Daragan has been our Director of Development since our formation August 3, 2016. Daniel Daragan has held the same position for DrPhoneFix Franchises, Inc. since its formation in October 2014. He also served as CEO of My Branding System from 2010 to 2013 located in

Hollywood, Florida. Prior to that, he was a real estate investor, as well as President and CEO of London Ben Fish & Chips in Hollywood Florida for 17 years. Mr. Daragan began his career working for McDonald's Restaurant Corporation in South Florida where he supervised numerous employees and oversaw the operations of multiple locations and eventually served as a liaison between the company and franchisees.

ITEM 3. LITIGATION

1. *New Age Cell, Inc. v. DrPhoneFix Franchises, Inc.*, filed June 26, 2018 in the Circuit Court of Broward County, Florida (Case No: CACE 18-015484)(03) by Franchisee for violation of Florida Statutes, unjust enrichment, breach of contract and fraudulent inducement. Defendant filed a motion to compel arbitration. Defendant filed a motion to compel arbitration and the parties subsequently entered into a General Release in which the Franchise Agreement contractual obligations of confidentiality and covenants not to compete survived. There was no monetary consideration exchanged.

2. *Smart Phone Fix Clermont, LLC, Smart Phone Fix Cape Coral, LLC, Smart Phone Fix Naples North, LLC, Smart Phone Fix, LLC, Kayton Phone Fix Corp. and Kayton Phone Fix 2 Corp. v. Techy, LLC, Daniel Daragan, G and E Realty Group, Inc. and Walmart, Inc.* (Case No: CACE 18-017305) filed July 19, 2018 by franchisees after termination of the Franchise Agreement by Techy, LLC. The complaint alleges violation of Florida statutes, fraud, negligent misrepresentation and third party beneficiary. Defendants have filed a motion to compel arbitration and a hearing on the motion is pending.

There is no other litigation required to be disclosed in the Disclosure Document.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Disclosure Document.

ITEM 5. INITIAL FEES

Initial Franchise Fee.

At the time the Franchise Agreement is signed, a non-refundable \$15,000 franchise fee must be paid to Techy, LLC. Proceeds from the initial Franchise fee are used to help defray the cost of developing and improving our services, for expenses of preparing and when required, registering this disclosure document, legal fees, accounting fees, cost of obtaining and screening franchisees, to defray expenses incurred in connection with the operation of our corporate office, developing and refining standards, developing procedures, techniques and other elements of our franchise system and to provide compensation for our efforts.

Area Development Agreement.

We may also offer you an Area Development Agreement (the "Development Agreement") that will allow qualified persons to develop additional store locations in a designated Development

Territory at progressively reduced fees. The minimum number of stores that must be opened under the area development program is two stores. Upon signing a Development Agreement, you will pay an initial, lump sum, non-refundable Development Fee consisting of \$15,000 for the first franchised location, plus one-half of the progressively reduced Initial Franchise Fees (\$10,000 second store, \$5,000 third store and every additional store) for each additional franchised store to be opened under the Development Agreement. An Area Developer will also sign a separate Franchise Agreement for each location.

Area Development Agreement

Number of Franchise Stores Required To Be Opened	Total Development Fee	Amount Paid On Signing Development Agreement	Balance Due At the time you sign Each of the Remaining Franchise Agreements
Two	\$25,000	\$20,000	\$0 (1) + \$5k(2)
Three	\$30,000	\$22,500	\$0(1) + \$5k (2)+\$2.5k(3)
Four	\$35,000	\$25,000	\$0(1)+\$5k(2) + \$2.5k(3) + \$2.5k(4)
Five	\$40,000	\$27,500	\$0(1)+\$5k(2)+\$2.5k(3)+\$2.5k(4)+\$2.5k(5)

Note that the second franchise has a reduced fee of \$10,000 in addition to the \$15,000 fee for the first franchise, for a total Development Fee of \$25,000. However, only half of the fee for the second franchise is paid when signing the Development Agreement. The remaining half (\$5,000) is paid upon signing the franchise agreement to open the second franchise.

For each additional area development franchise in excess of 2, the initial franchise fee will be \$5,000 of which \$2,500 will be payable upon signing each additional Franchise Agreement.

In-Store Location.

In certain limited markets, we will offer our In-Store concept which is located within designated Walmart stores. The store space will vary between 250 to 1,200 square feet. This concept requires you to pay our affiliate, DrPhoneFix, Inc., a turn-key fee of between \$51,850 to \$131,750 depending upon the location size. The turn-key fee will be set and due at the time you enter into the Franchise Agreement for the specific location.

You must also sublease the premises of your In-Store location from our affiliate, DrPhonefix, Inc. You will pay DrPhonefix, Inc. a deposit equivalent to two months rental fee. Your first month's rent plus two (2) months deposit are due at the time you sign your sublease agreement. This amount will range from \$3,000 to \$9,000 depending upon location and size of the premises. This cost is not refundable except that if you perform all of your obligations under the sublease agreement and your Franchise Agreement, the deposit, will be returned to you without interest, at the expiration of your sublease and after you have vacated the premises.

Start-Up Package.

Before your Standard Franchise Agreement store opens, you must purchase the initial inventory of products and supplies from us. The cost ranges from \$12,000 to \$18,000 and depends upon the size and location of your store.

There are no other fees you pay to us or any affiliate before you begin operating your business. All Initial Franchisee Fees and Development Fees are fully earned when paid and are nonrefundable.

ITEM 6. OTHER FEES

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Weekly Continuing Royalty Fee	7% of Gross Revenues received by you from the previous week's operations. If your gross reaches \$7,500 for the week, all royalties for that week will be 6%	Payable on Monday at 3 pm of each week with a report detailing all Gross Revenues ⁽²⁾ received during the previous 7-day week (Monday through Sunday).	(1) Amounts will be debited electronically by Electronic Funds Transfer ("EFT") from your bank account. Subject to inflation adjustment. (2) In the absence of a timely weekly report we will debit a minimum fee of \$500 from your bank account and resolve any difference or discrepancy when the report is made. A \$100 fee per occurrence of insufficient EFT will be charged.
Interest and Late Fees	Interest is highest applicable legal rate for open account business credit. (Not to exceed 1.5% per month). Additionally, we may require you to pay an administrative late fee of Fifty Dollars (\$50) for each late report and/or late payment.	Payable on demand	Interest on all amounts owed us. We may also require payment by cashier's check for repeated late payments.
Successor Fee	20% of the then-current Initial Franchise Fee	At the time you sign the Successor Franchise Agreement	
Marketing and Technology Fund Fee ⁽³⁾	2% of Gross Revenues of previous month or \$785 whichever is greater.	Fee will be electronically debited (Electronic Funds Transfer "EFT") from your bank in the same manner as the Weekly Continuing License fee, on the 5 th day of each month.	May be increased up to 10% per year upon a thirty (30) day written notice.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Local Marketing Expenses	1.5% of Gross Revenues for previous month or \$500 whichever is greater.	Must spend this minimum every month.	Paid to local vendors. Subject to inflation adjustment. As described 9.6 of the franchise agreement
Advertising Cooperative	To be determined	To be determined	See Note ⁽⁴⁾ below
Insurance	Will vary under circumstances	As incurred	If you fail to obtain the required insurance coverage for your store, we may obtain the coverage at your expense plus an administrative fee of 15% Franchise Agreement 10.6
Transfer Fee	If you transfer your franchise, your franchise agreement requires payment of a \$5,000 transfer fee to us and a \$5,000 Training fee.	At the time of your application for a transfer	The transferee fee is non refundable. (Franchise Agreement, 14.3).
Transfer Fee – Area Development Agreement	\$7,500	On transfer of any interest in the Area Development Agreement	We may, but are not required to, waive or reduce this fee at our sole discretion.
Audit Fee	Cost of Audit and 1½ % interest per month on understated amount. Your cost might range from \$500 to \$1,500 depending on the complexity of the audit.	Due when billed following any such audit.	You pay this fee only if the audit reflects an understatement of 2% or more for any audited month.
Cellphone Accessory Support Fee ⁽⁵⁾	\$100	Monthly	Paid monthly but waived when you purchase \$300/month or more of cellphone accessories.
Non Compliance Fee	\$250 per day	If incurred.	If an inspection of your store finds unapproved vendor items.
Seminars and Training Conferences	Cost of attending regional and national conferences as we require.	Periodic Seminars and Conferences will be held at our company headquarters in Florida or at a different location of our choosing. These	Fee is payable prior to attendance at the event and expenses are paid as incurred. You will not be required to attend more than two such conferences per year.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
		events will not exceed 8 days.	
Additional Training Requested by You at Your Store	Currently \$400 per day, plus travel and expenses.	Immediately after notice from us.	If, at your request, and subject to availability, we may send one of our staff members to the franchised business to provide further assistance, we will charge you a daily rate for that assistance, plus the travel expenses for our employee.
Costs and Attorney's Fees	Will vary under the circumstances.	Immediately upon notice from us.	You only pay if we succeed in any arbitration or litigation we bring against you, or in defending any claim you bring against us.
Indemnification	Will vary under the circumstances.	As incurred.	You have to reimburse us if we are sued or held liable for claims arising out of your business.
Customer Satisfaction/Quality Control Measures	To be determined.	To be determined	We may institute programs for auditing customer satisfaction and/or other quality control measures. We may require you to pay program costs.
Review and Approval of Supplier	\$1,000	On submission by you of supplier for review.	Payable only if you submit a proposed supplier for our review.
Unauthorized Failure to Be Open	\$250 per unauthorized day you are closed without written permission from us.	As it occurs, the fee will be an EFT debit from your bank account.	You pay this fee to us if you are not authorized to be closed.
Management Fee (only on default by you)	\$300 per day plus expenses.	Deducted from funds of your Businesses	Expenses include compensation, other costs, travel and living expenses of appointed manager.
Area Development Extension	\$5,000 to \$20,000	If schedule extended	Fee varies with amount of time only if extended (see Item 12)

(1) All fees described in this Item 6 are the same for each Franchise unless otherwise noted. All fees are imposed by and payable to us and are non-refundable unless otherwise noted. You must participate in an electronic funds transfer and reporting program, which will authorize us to use a pre-authorized bank debit system.

(2) Gross Revenues includes all charges and/or Revenues which are, or could be, received or earned by you (and/or any Affiliate of yours):

All sales and/or billings, whether collected or not, will be included in Gross Revenues, with no deduction for credit card or other charges. Gross Revenues does not include sales tax collected and paid when due to the appropriate taxing authority and provable customer refunds, adjustments and credits.

(3) Marketing and Technology Fund Fee. You pay this amount to us to support the creative development and production by us (or our agents selected by us) of all print and electronic (worldwide websites), promotion, publicity, digital and other marketing and advertising programs as we may from time to time research, develop and provide. We reserve the right to decide the amount and nature of these expenditures and how, when and where all expenditures are made. Proceeds from the marketing fund will not be utilized for the direct personal benefit of any specific, individual Franchisee or on any pro rata basis whatsoever, but will be utilized generally for local, regional or national marketing and advertising programs to support the franchise system as a whole. (See Item 11).

(4) Advertising Cooperatives. In the future we may form one or more local, regional or national cooperatives which you will be required to join if the cooperative covers your area. You may be required to contribute such amounts as are determined by the cooperative.

(5) Cellphone Accessory Support Fee. Currently this fee is not applicable for our In-Store franchise which does not allow the sale of accessories. If, in the future we authorize the sale of accessories for the In-Store franchise, we may implement this fee upon thirty (30) days written notice to you.

ITEM 7. ESTIMATED INITIAL INVESTMENT

The following charts provides an estimate of your initial investment for a single franchise and the costs necessary to begin operation of your franchised business. The estimate assumes that you will lease the location of your franchise. Ranges are shown for some items because they depend upon factors that may vary such as site, location, as well as other local market conditions and circumstances. The costs listed in the following charts are estimates only. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. You should review these estimates carefully with your business advisor before making a decision to enter into a Franchise Agreement.

**YOUR ESTIMATED INITIAL INVESTMENT¹
STANDARD FRANCHISE**

Description	Estimated Amount	Method of Payment	When Due	To Whom Payable
Initial Franchise Fee ²	\$15,000 (For Single Store) ²	Lump Sum	On Signing Franchise Agreement	Us
Travel and Expenses While Training ³	\$1,500 - \$4,000	Lump Sum	As Incurred	Transportation Lines, Hotel Facilities, etc.
Real Estate 3 Months Initial Rent ⁴	\$2,500 - \$15,000	As Arranged	As Incurred	Lessor/Owner of Real Estate

Description	Estimated Amount	Method of Payment	When Due	To Whom Payable
Tenant Improvements and Remodeling ⁵	\$10,000 - \$50,000	As Arranged	As Incurred	Contractors, architects, Service Providers
Cabinetry, Shelving, Furnishings, Furniture ⁶	\$16,000 - \$40,000	As Arranged	As Incurred	Designated Suppliers
Signage ⁷	\$8,000 - \$15,000	As Arranged	As Incurred	Designated Suppliers
Equipment ⁸	\$500 - \$1,000	As Arranged	As Incurred	Designated Suppliers
Start -Up Package ⁹	\$12,000 - \$18,000	As Arranged	As Incurred	Designated Suppliers
Utility Deposits, Permits, ¹⁰	\$500- - \$1,000	Lump Sum	As Incurred	Utility companies, cities and municipalities
Business License	\$500 - \$1,000	Lump Sum	As Incurred	City agencies, normally depends upon the number of employees.
Insurance ¹¹	\$750 - \$1,000	As Arranged	As Incurred	Insurance Agencies
Legal and Accounting	\$1,000 - \$2,000	As Arranged	As Incurred	Attorney, Accountant
Computer hardware/software POS and PC ¹²	\$1500 - \$2,000	Lump Sums	Upon signing Franchise Agreement; prior to opening	Designated Suppliers/Vendors
Surveillance System and Alarm System	\$850-\$1,250	Lump Sum	As Incurred	Designated Suppliers/Vendors
Grand Opening Day Marketing Program	\$3,000	As Arranged	As Incurred	Designated Suppliers/Vendors
Marketing First Sixty Days Program ¹³	\$2,000-\$5,000	As Arranged	As Incurred	Designated Suppliers/Vendors
Miscellaneous Costs	\$3,000 - \$4,500	As Arranged	As Incurred	Us/Vendors/ Designated Suppliers
Additional Funds – 3 months ¹⁴	\$1,000 - \$13,000	As Arranged	As Incurred	Employees, Designated Suppliers, Vendors
TOTAL¹⁵	\$79,600 - \$191,750			

- (1) Estimated Initial Investment. This table shows the estimated expenditures required to develop a single Franchise Store.
- (2) Initial Franchise Fee Will Vary. If you are approved to sign an Area Development Agreement, you pay a lump sum, non-refundable Development Fee of \$15,000 for your first franchised store, plus one-half of the progressively reduced Initial Franchise Fee for each additional store to be opened under your agreement. The initial amount paid is credited against the balance of the remaining Initial Franchise Fees to be paid by you for

each store as they are subsequently opened. Development of three store locations requires a commitment of \$30,000 in franchise fees, of which \$22,500 would be paid upon signing the Development Agreement, with the balance being paid upon signing individual Franchise Agreements for each location. (See Item 5 for detailed explanation).

- (3) Travel and Expenses While Training. You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and others while attending the training program. The amount you spend will depend on several factors, including the distance you travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.

You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and the others while attending the training program. The amount you spend will depend on several factors, including the distance you have to travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.

- (4) Real Estate Deposits and Initial Rent. Real estate costs can vary widely depending upon a multitude of factors related to location, including whether the property is purchased or leased, local market conditions, the size, type, condition and location of the property and zoning requirements. The size of a typical site is between 500 and 2,000 square feet. These figures are based upon square footage with an average monthly cost of \$15.00 to \$30.00 per square foot, dependent upon location.
- (5) Construction and Remodeling. The cost of construction and remodeling depends on the size and condition of the premises, the local cost of contract work and the location of your franchised store. The amount may be less if the lessor provides a construction allowance or if the store has undergone any build-out or development before you occupy it, if applicable.
- (6) Furnishings. Figures for Furnishings include office and other furniture and items of decor and trade dress.
- (7) Signage. One exterior and one interior sign are required and included in figures.
- (8) Equipment. Cost of Equipment includes tools, equipment and supplies needed for repair of various electronic devices.
- (9) Start-up Package. Figures for Inventory include approved products, device accessories and miscellaneous supplies and cost depends upon the size and location of your store.
- (10) Utility Deposits. These figures do not include any special connection fees.
- (11) Insurance. You must maintain in force policies of insurance issued by carriers we have approved covering various risks. We may specify the types and amounts of coverage required under these policies and require different and/or additional kinds of insurance at any time, including excess liability insurance. Each insurance policy must name us and our Affiliates as additional named insureds, will contain a waiver of all subrogation rights against us and our Affiliates and any successors and assigns, and must provide for 30 days'

prior written notice to us of any material modifications, cancellation, or expiration of the policies. (See Item 8 for insurance requirement details).

- (12) Computer, POS and Related Software and Equipment. The required point of sale equipment is Just Repair Desk with an initial cost of \$1,500 to \$2,000 and includes one computer, a register and a printer. You are also required to use our custom portal. This cost is paid by us. Your office must also have a computer with Microsoft Office software and a printer. You must purchase a fax machine, printer, scanner and copier. We recommend, but do not require, the Brother MFC 9700 fax/printer/scanner/copier machine. We estimate the machine will cost approximately \$500. You may obtain a single machine which performs all functions or separate machines from the supplier of your choice.
- (13) Marketing First Sixty Days. During the sixty (60) day period after opening, you must spend between \$2,000 to \$5,000 on Franchisor approved marketing of your store.
- (14) Additional Funds. An estimate of funds to cover business (not personal) expenses during the first 3 months of operation of your business. You will need capital to support on-going costs of your business, such as payroll, utilities, taxes, loan payments and other expenses, to the extent that Revenues do not cover business costs. This is only an estimate, and we cannot and do not guarantee that the amounts specified will be adequate. You may need additional funds during the first 3 months of initial operation or afterwards. We do not furnish or authorize our salespersons or any other persons or entities to furnish estimates as to the capital or other reserve funds necessary to reach "break-even" or any other financial position, nor should you rely on any such estimates. The 3-month period from beginning a business covers the time by which most Franchisees are fully operational but it does not mean that you will have reached "break-even," "positive cash flow," or any other financial position in that timeframe. In addition, the estimates presented relate only to costs associated with the franchised business and do not cover any personal, "living," unrelated business or other expenses you may have. Although we make no estimates or representations regarding financial performance of a franchised business, we recommend that, in addition to the amount estimated here, you have sufficient personal savings and/or income so that you will be self-sufficient for a period of time.
- (15) Total. All of the above figures are estimates of certain initial startup expenses. They are not all-inclusive as noted above, and we cannot guarantee you will not have additional expenses in starting your franchised business. The total figure listed in the above chart does not include compensation for your time or labor. Your costs will vary depending on such factors as: how well you follow the franchise system, your management and marketing skills, experience and general business ability; geographical location and area demographics, and local and general economic conditions.

**YOUR ESTIMATED INITIAL INVESTMENT¹
FOR SIMULTANEOUS PURCHASE OF STANDARD FRANCHISE & TECHY CAFÉ**

Description	Estimated Amount	Method of Payment	When Due	To Whom Payable
Initial Franchise Fee ²	\$15,000 (For Single Store) ²	Lump Sum	On Signing Franchise Agreement	Us
Travel and Expenses While Training ³	\$1,500 - \$4,000	Lump Sum	As Incurred	Transportation Lines, Hotel Facilities, etc.
Real Estate 3 Months Initial Rent ⁴	\$2,500 - \$7,000	As Arranged	As Incurred	Lessor/Owner of Real Estate
Tenant Improvements and Remodeling ⁵	\$15,000 - \$70,000	As Arranged	As Incurred	Contractors, architects, Service Providers
Cabinetry, Shelving, Furnishings, Furniture ⁶	\$8,000 - \$75,000	As Arranged	As Incurred	Designated Suppliers
Signage ⁷	\$8,000 - \$15,600	As Arranged	As Incurred	Designated Suppliers
Equipment ⁸	\$500 - \$46,000	As Arranged	As Incurred	Designated Suppliers
Start -Up Package ⁹	\$12,000 - \$18,000	As Arranged	As Incurred	Designated Suppliers
Utility Deposits, Permits, ¹⁰	\$500- - \$1,500	Lump Sum	As Incurred	Utility companies, cities and municipalities
Additional Inventory Cost	\$500 - \$1,500	Lump Sum	As Incurred	Designated Suppliers
Business License	\$750 - \$2,000	Lump Sum	As Incurred	City agencies, normally depends upon the number of employees.
Insurance ¹¹	\$950 - \$2,000	As Arranged	As Incurred	Insurance Agencies
Legal and Accounting	\$1,000 - \$2,000	As Arranged	As Incurred	Attorney, Accountant
Computer hardware/software POS and PC ¹²	\$1500 - \$2,500	Lump Sums	Upon signing Franchise Agreement; prior to opening	Designated Suppliers/Vendors
Surveillance System and Alarm System	\$850-\$1,250	Lump Sum	As Incurred	Designated Suppliers/Vendors
Grand Opening Day Marketing Program	\$3,000	As Arranged	As Incurred	Designated Suppliers/Vendors
Marketing First Sixty Days Program ¹³	\$2,200 - \$5,500	As Arranged	As Incurred	Designated Suppliers/Vendors
Miscellaneous Costs	\$3,000 - \$4,500	As Arranged	As Incurred	Us/Vendors/ Designated Suppliers

Description	Estimated Amount	Method of Payment	When Due	To Whom Payable
Additional Funds – 3 months ¹⁴	\$1,000 - \$15,000	As Arranged	As Incurred	Employees, Designated Suppliers, Vendors
TOTAL ¹⁵	\$77,750 - \$291,350			

- (1) Estimated Initial Investment. This table shows the estimated expenditures required to develop a single Franchise Store.
- (2) Initial Franchise Fee Will Vary. If you are approved to sign an Area Development Agreement, you pay a lump sum, non-refundable Development Fee of \$15,000 for your first franchised store, plus one-half of the progressively reduced Initial Franchise Fee for each additional store to be opened under your agreement. The initial amount paid is credited against the balance of the remaining Initial Franchise Fees to be paid by you for each store as they are subsequently opened. Development of three store locations requires a commitment of \$30,000 in franchise fees, of which \$22,500 would be paid upon signing the Development Agreement, with the balance being paid upon signing individual Franchise Agreements for each location. (See Item 5 for detailed explanation).
- (3) Travel and Expenses While Training. You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and others while attending the training program. The amount you spend will depend on several factors, including the distance you travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.

You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and the others while attending the training program. The amount you spend will depend on several factors, including the distance you have to travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.

- (4) Real Estate Deposits and Initial Rent. Real estate costs can vary widely depending upon a multitude of factors related to location, including whether the property is purchased or leased, local market conditions, the size, type, condition and location of the property and zoning requirements. The size of a typical site standard is between 500 and 2,000 square feet. There will also be additional space for the Techy Café between 100 to 500 square feet. These figures are based upon square footage with an average monthly cost of \$15.00 to \$30.00 per square foot, dependent upon location.
- (5) Construction and Remodeling. The cost of construction and remodeling depends on the size and condition of the premises, the local cost of contract work and the location of your franchised store. The amount may be less if the lessor provides a construction allowance or if the store has undergone any build-out or development before you occupy it, if applicable.
- (6) Furnishings. Figures for Furnishings include office and other furniture , Techy Café furnishings and items of decor and trade dress.

- (7) Signage. One exterior and one interior sign are required and included in figures.
- (8) Equipment. Cost of Equipment includes tools, equipment and supplies needed for repair of various electronic devices and for opening the Techy Café.
- (9) Start-up Package. Figures for Inventory include approved products, device accessories and miscellaneous supplies and cost depends upon the size and location of your store.
- (10) Utility Deposits. These figures do not include any special connection fees.
- (11) Insurance. You must maintain in force policies of insurance issued by carriers we have approved covering various risks. We may specify the types and amounts of coverage required under these policies and require different and/or additional kinds of insurance at any time, including excess liability insurance. Each insurance policy must name us and our Affiliates as additional named insureds, will contain a waiver of all subrogation rights against us and our Affiliates and any successors and assigns, and must provide for 30 days' prior written notice to us of any material modifications, cancellation, or expiration of the policies. (See Item 8 for insurance requirement details).
- (12) Computer, POS and Related Software and Equipment. The required point of sale equipment is Just Repair Desk with an initial cost of \$1,500 to \$3,000 and includes one computer, two registers and two printers. You are also required to use our custom portal. This cost is paid by us. Your office must also have a computer with Microsoft Office software and a printer. You must purchase a fax machine, printer, scanner and copier. We recommend, but do not require, the Brother MFC 9700 fax/printer/scanner/copier machine. We estimate the machine will cost approximately \$500. You may obtain a single machine which performs all functions or separate machines from the supplier of your choice.
- (13) Marketing First Sixty Days. During the sixty (60) day period after opening, you must spend between \$2,000 to \$5,000 on Franchisor approved marketing of your store.
- (14) Additional Funds. An estimate of funds to cover business (not personal) expenses during the first 3 months of operation of your business. You will need capital to support on-going costs of your business, such as payroll, utilities, taxes, loan payments and other expenses, to the extent that Revenues do not cover business costs. This is only an estimate, and we cannot and do not guarantee that the amounts specified will be adequate. You may need additional funds during the first 3 months of initial operation or afterwards. We do not furnish or authorize our salespersons or any other persons or entities to furnish estimates as to the capital or other reserve funds necessary to reach "break-even" or any other financial position, nor should you rely on any such estimates. The 3-month period from beginning a business covers the time by which most Franchisees are fully operational but it does not mean that you will have reached "break-even," "positive cash flow," or any other financial position in that timeframe. In addition, the estimates presented relate only to costs associated with the franchised business and do not cover any personal, "living," unrelated business or other expenses you may have. Although we make no estimates or representations regarding financial performance of a franchised business, we recommend that, in addition to the amount estimated here, you have sufficient personal savings and/or income so that you will be self-sufficient for a period of time.

(15) Total. All of the above figures are estimates of certain initial startup expenses. They are not all-inclusive as noted above, and we cannot guarantee you will not have additional expenses in starting your franchised business. The total figure listed in the above chart does not include compensation for your time or labor. Your costs will vary depending on such factors as: how well you follow the franchise system, your management and marketing skills, experience and general business ability; geographical location and area demographics, and local and general economic conditions.

You should review these figures carefully with a business advisor (such as an accountant) before making any decision to purchase the franchise.

The following chart provides an estimate of your initial investment for a single Standard Franchise when you choose the Turn Key option.

**YOUR ESTIMATED INITIAL INVESTMENT
STANDARD FRANCHISE
(Turn Key Option)**

Description	Estimated Amount	Method Payments	When Due	To Whom Payable
Initial Franchise Fee ¹	\$15,000 – (For Single Store)	Lump Sum	On Signing Franchise Agreement	Us
Travel & Expenses while Training ²	\$1,500 - \$4,000	Lump Sum	As Incurred	Transportation Lines, Hotel Facilities, Etc.
Real Estate three (3) Months Initial Report ³	\$2,500- \$15,000	As Arranged	As Incurred	Lesser / Owner of Real Estate
Utility Deposits, Permits ⁴	\$500 - \$1,000	Lump Sum	As Incurred	Utility Companies, Cities and Municipalities
Business License	\$500 - \$1,000	Lump Sum	As Incurred	City Agencies, Normally Depends Upon the Number of Employees
Insurance ⁵	\$750 - \$1,000	As Arranged	As Incurred	Attorney, Accountant
Legal & Accounting	\$1,000-\$2,000	As Arranged	As Incurred	Attorney, Accountant
Grand Opening Day	\$3,000	As Arranged	As Incurred	Designated Vendors / Suppliers

Description	Estimated Amount	Method Payments	When Due	To Whom Payable
Marketing First Sixty Days ⁶	\$2,000 - \$5,000	As Arranged	As Incurred	Designated Suppliers / Vendors
Additional Funds three (3) Months ⁷	\$1,000 - \$13,000	As Arranged	As Incurred	Employees, Designated Suppliers, Vendors
Turn-Key Fee ⁸	\$17,250 - \$57,000	Lump Sum	Upon Signing Franchise Agreement	Designated Supplier
TOTAL⁹	\$45,000 - \$117,000			

- (1) Initial Franchise Fee Will Vary. If you are approved to sign an Area Development Agreement, you pay a lump sum, non-refundable Development Fee of \$15,000 for your first franchise store, plus one-half of the progressively reduced Initial Franchise Fee for each additional store to be opened under your agreement. The initial amount paid is credited against the balance of the remaining Initial Franchise Fees to be paid by you for each store as they are subsequently opened. Development of three store locations requires a commitment of \$30,000 in franchise fees, of which \$22,500 would be paid upon signing the Development Agreement, with the balance being paid upon signing individual Franchise Agreements for each location. (See Item 5 for detailed explanation).
- (2) Travel and Expenses While Training. You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and others while attending the training program. The amount you spend will depend on several factors, including the distance you travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.
- (3) Real Estate Deposits and Initial Rent. Real estate costs can vary widely depending upon a multitude of factors related to location, including whether the property is purchased or leased, local market conditions, the size, type, condition and location of the property and zoning requirements. The size of a typical site is between 500 and 2,000 square feet. These figures are based upon square footage with an average monthly cost of \$15.00 to \$30.00 per square foot, dependent upon location.
- (4) Utility Deposits. These figures do not include any special connection fees.
- (5) Insurance. You must maintain in force policies of insurance issued by carriers we have approved covering various risks. We may specify the types and amounts of coverage required under these policies and require different and/or additional kinds of insurance at any time, including excess liability insurance. Each insurance policy must name us and our Affiliates as additional named insureds, will contain a waiver of all subrogation rights against us and our Affiliates and any successors and assigns, and must provide for 30 days' prior written notice to us of any material modifications, cancellation, or expiration of the policies. (See Item 8 for insurance requirement details).

- (6) Marketing First 60 Days After Opening. During the sixty (6) day period after opening, you must spend between \$2,000 to \$5,000 on Franchisor approved marketing of your store.
- (7) Additional Funds. An estimate of funds to cover business (not personal) expenses during the first 3 months of operation of your business. You will need capital to support on-going costs of your business, such as payroll, utilities, taxes, loan payments and other expenses, to the extent that Revenues do not cover business costs. This is only an estimate, and we cannot and do not guarantee that the amounts specified will be adequate. You may need additional funds during the first 3 months of initial operation or afterwards. We do not furnish or authorize our salespersons or any other persons or entities to furnish estimates as to the capital or other reserve funds necessary to reach "break-even" or any other financial position, nor should you rely on any such estimates. The 3-month period from beginning a business covers the time by which most Franchisees are fully operational but it does not mean that you will have reached "break-even," "positive cash flow," or any other financial position in that timeframe. In addition, the estimates presented relate only to costs associated with the franchised business and do not cover any personal, "living," unrelated business or other expenses you may have. Although we make no estimates or representations regarding financial performance of a franchised business, we recommend that, in addition to the amount estimated here, you have sufficient personal savings and/or income so that you will be self-sufficient for a period of time
- (8) Turn-Key Fee. You will pay DrPhoneFix , Inc. a turn-key fee for preparing the space in a ready to use condition which will include furnishings, computer, POS and software, signage, equipment, and start-up inventory. The amount of your turn-key fee will be dependent on the size of the premises.

We estimate that the range will be sufficient to cover inventory needs of your store for the first month of operation.

- (9) Total. All of the above figures are estimates of certain initial startup expenses. They are not all-inclusive as noted above, and we cannot guarantee you will not have additional expenses in starting your franchised business. The total figure listed in the above chart does not include compensation for your time or labor. Your costs will vary depending on such factors as: how well you follow the franchise system, your management and marketing skills, experience and general business ability; geographical location and area demographics, and local and general economic conditions.

**YOUR ESTIMATED INITIAL INVESTMENT
IN-STORE FRANCHISE**

Description	Estimated Amount	Method Payments	When Due	To Whom Payable
Initial Franchise Fee ¹	\$15,000 – (For Single Store)	Lump Sum	On Signing Franchise Agreement	Us

Description	Estimated Amount	Method Payments	When Due	To Whom Payable
Travel & Expenses while Training ²	\$1,500 - \$4,000	Lump Sum	As Incurred	Transportation Lines, Hotel Facilities, Etc.
Real Estate three (3) Months Initial Report ³	\$3,000- \$9,000	As Arranged	As Incurred	Sublease / DrPhoneFix, Inc.
Business License	\$500 - \$1,000	Lump Sum	As Incurred	City Agencies, Normally Depends Upon the Number of Employees
Insurance	\$750 - \$1,000	As Arranged	As Incurred	Attorney, Accountant
Legal & Accounting	\$1,000 - \$2,000	As Arranged	As Incurred	Attorney, Accountant
Grand Opening Marketing Program	\$3,000	As Arranged	As Incurred	Designated Suppliers / Vendors
Marketing First Sixty Days Program ⁴	\$2,000 - \$5,000	As Arranged	As Incurred	Designated Suppliers / Vendors
Additional Funds three (3) Months ⁵	\$1,000 - \$13,000	As Arranged	As Incurred	Employees, Designated Suppliers, Vendors
Turn-Key Fee ⁶	\$57,850 - \$131,750	Lump Sum	Upon Signing Franchise Agreement	Designated Supplier
TOTAL ⁷	\$85,600 - \$184,750			

- (1) Estimated Initial Investment. The table shows the estimated expenditures required for the single In-Store franchise.
- (2) Initial Franchise Fee Will Vary. If you are approved to sign an Area Development Agreement, you pay a lump sum, non-refundable Development Fee of \$15,000 for your first franchised stores, plus one-half of the progressively reduced Initial Franchise Fee for each additional store to be opened under your agreement. The initial amount paid is credited against the balance of the remaining Initial Franchise Fees to be paid by you for each store as they are subsequently opened. Development of five store locations requires a commitment of \$40,000 in franchise fees, of which \$27,500 would be paid upon signing the Development Agreement, with the balance being paid upon signing individual Franchise Agreements for each location. (See Item 5 for detailed explanation).
- (3) Travel and Expenses While Training. You are responsible for arranging and paying the expenses for transportation, meals and lodging for you and others while attending the

training program. The amount you spend will depend on several factors, including the distance you travel, your method of travel and the type of accommodations you choose. We base this estimate upon attendance by three people.

- (4) Real Estate Deposits and Initial Rent. Real Estate Deposit and Rent will vary depending upon a multitude of factors related to the location and size of the leased space in a Walmart store. You will sublease the premises from DrPhoneFix, Inc. who will have an agreement for the space prior to your entering a sublease agreement. The size of the typical In-Store franchise location in a Walmart store will vary from 250 square feet to 1,250 square feet.
- (5) Additional Funds. The cost of construction and remodeling depends on the size and condition of the premises, the local cost of contract work and the location of your franchised store. The amount may be less if the lessor provides a construction allowance or if the store has undergone any build-out or development before you occupy it, if applicable.
- (6) Marketing First 60 Days After Opening. During the sixty (6) day period after opening, you must spend between \$2,000 to \$5,000 on Franchisor approved marketing of your store.
- (7) Turn-Key Fee. You will pay DrPhoneFix, Inc. a turn-key fee for preparing the leased space in a ready to use condition which will include furnishings, computer, POS and software, signage, equipment, and start-up inventory. The amount of your turn-key fee will be dependent upon the size of the leased premises.

We estimate that the range given will be sufficient to cover your inventory needs of your In-Store franchise for the first month of operation.

Depending upon the terms of the underlying lease, or other occupying agreement, you may not be permitted to carry all products and services. As of the date of this disclosure document you are not permitted to carry accessories.

- (8) Total. All of the above figures are estimates of certain initial startup expenses. They are not all-inclusive as noted above, and we cannot guarantee you will not have additional expenses in starting your franchised business. The total figure listed in the above chart does not include compensation for your time or labor. Your costs will vary depending on such factors as: how well you follow the franchise system, your management and marketing skills, experience and general business ability; geographical location and area demographics, and local and general economic conditions.

You should review these figures carefully with a business advisor (such as an accountant) before making any decision to purchase the franchise.

**YOUR ESTIMATED INITIAL INVESTMENT
TECHY MOBILE VAN OPTION ¹**

Description	Estimated Amount	Method Payments	When Due	To Whom Payable
Van Purchase	\$25,000 - \$35,000	As Arranged	As Incurred	Supplier
Business License & Permits	\$500 - \$1,500	Lump Sum	As Incurred	Governmental Agencies
Insurance ²	\$200 - \$2,000	As Arranged	Monthly	Vendor
Legal & Accounting	\$1,000 - \$2,000	As Arranged	As Incurred	Attorney, Accountant
Inventory ³	\$2,000	As Arranged	As Incurred	Suppliers / Vendors
Van Computer Hardware & Software ⁴	\$1,000-2,000	As Arranged	As Incurred	Suppliers / Vendors
Signage, including wrap ⁵	\$3,000 - \$10,000	As Arranged	As Incurred	Suppliers / Vendors
Equipment	\$2,000 - \$15,000	As Arranged	As Incurred	Suppliers, Vendors
Advertising & Marketing	\$200 - \$1,000	As Arranged	As Incurred	Vendors
TOTAL ⁶	\$34,900 - \$70,500			

- (1) TECHY Mobile Van addendum. You will be required to outfit the Van in accordance with our requirements set forth in your Operations Manual. You are further required to lease or purchase a Techy Mobile Van in accordance with the specifications set forth in your Operations Manual and additionally have the van wrapped pursuant to the requirements set forth in your Operations Manual. If you obtain our permission, you may purchase the van, your cost will vary greatly, depending upon whether you finance the Techy Mobile Van or pay it in full at purchase. The figures under this category assume you will lease the van and incur monthly lease payments.
- (2) Insurance. You must maintain in force policies of insurance covering your mobile van using carriers we have approved covering various risks. We may specify the types and amounts of coverage required under these policies and require additional or different kinds of insurance at any time, including naming us and our Affiliates as additional insureds and excess liability insurance. All insurance will contain a waiver of subrogation rights, against us and our Affiliates and any successors and assigns, and must provide for 30 days prior written notice to us of any material modifications, cancellation, or expiration of the policies.
- (3) Inventory. Your Techy Mobile Van is required to carry inventory in addition to your store. We estimate the additional inventory cost for your Techy Mobile Van is \$2,000.

- (4) Techy Mobile Van Computer Hardware & Software. Your Techy Mobile Van must be equipped with the required POS System and current Repair Desk System.
- (5) Signage, including wrap. Our estimate includes the required signage and wrap for your Techy MobileVan.
- (6) Total. All of the above figures are estimates of certain start-up expenses for the Optional Van, if we have granted you permission for use of a Techy Mobile Van in your Territory and you have executed the Techy Mobile Van Addendum to your Franchise Agreement. The total figures in this chart do not include compensation for your time or labor. Cost will vary depending upon such factors as: how well you follow the franchise system, your management and marketing skills, experience and general business ability, geographical area for your Territory, area demographics and local and general economics.

You should review these figures carefully with a business advisor (such as an accountant) before making any decision to purchase the franchise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

One of our prime objectives is to ensure quality control and to protect the goodwill and image of the franchise system. The success of our system depends upon the high standards, quality of products, repairs and parts, and the satisfaction of customers. In order to achieve these high standards, you are required to sell or offer for sale all products, items and services approved by us and not deviate from our standards and specifications by offering or selling unapproved products, items or services.

Pursuant to the Standard Franchise Agreement, you must obtain our approval for the site of your franchise store and if you are leasing the premises, your lease documentation must contain a conditional assignment and assumption of lease as required by the Franchise Agreement. We also require that your landlord give written consent to the conditional assignment and assumption of lease and our right to cure certain defaults of your lease should you not do so. When you chose the turn-key option for the Standard Franchise, you will pay our affiliate Dr. Phone Fix, Inc. a turn-key fee for preparing the premises in a ready to use condition which includes furnishings, computer, POS system with software, signage, equipment and start-up inventory. The amount of your turn-key fee will depend upon the size of your premises (See Item 7).

Pursuant to the In-Store franchise, you will enter into a Franchise Agreement for a predetermined space within a Walmart store location. You will pay our affiliate DrPhoneFix, Inc. a turn-key fee for preparing the leased space in a ready to use condition which will include furnishings, computer, POS system with software, signage, equipment, and start-up inventory. The amount of your turn-key fee will depend upon the size of the leased premises (See Item 7). You will also sign a sublease agreement with our affiliate for the Walmart space. The monthly rental will depend upon location and size of the premises (See Item 7).

When you enter into a sublease agreement with DrPhoneFix, Inc. they will receive an override amount which is greater than the amount DrPhoneFix, Inc. is required to pay the underlying landlord.

You must use products, signs, furnishings, supplies, fixtures and equipment which comply with our standards and specifications. Specifications may include minimum standards for delivery, performance, design, and appearance, and local zoning, sign and other restrictions. We formulate and modify our standards and specifications for products and services based upon the collective experience of our franchisees. Our standards and specifications are described in the Franchise Agreement, the Operations Manual, and other written documents. We have the right, under each franchise concept in the Franchise Agreement, to change the standards and specifications applicable to operation of the franchise, including standards and specifications for signs, furnishings, products, supplies, fixtures and equipment. You recognize that you may incur an increased cost to comply with these changes; however, no change will materially alter your fundamental rights under the Franchise Agreement for each concept. We will notify you of any change to our standards and specifications by way of written amendments to the Operations Manual or otherwise in writing. We have the right to require you to purchase certain products, signs, furnishings, supplies, fixtures, computer hardware and software and equipment from approved suppliers identified in the Operations Manual or otherwise in writing. We reserve the right, under each concept, in the Franchise Agreement, to require you to purchase certain items from us, our affiliate or an unaffiliated designated supplier.

We provide you with a list of approved suppliers, distributors, service vendors, suggested manufacturers for operating the franchise (“Approved Vendor List”) which can be found in our Confidential Operations Manual and a list of approved inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate your store (“Inventory List”). If you would like to sell or use any product, material or supply or purchase any products from a vendor not on either of these lists, you must notify us and may need to submit samples and other information to us so that we can make an informed decision as to whether the product or supplier meets our standards. We currently approve suppliers upon request submitted upon our “Supplier Approval Form” and payment of a supplier approval fee of \$1,000. Based upon information and samples you supply us, we will test the items supplied and review the proposed supplier’s financial records, business reputation, delivery performance, credit, and other information we request from you on the supplier. We will complete our review promptly, generally within 90 days. We have the right to revoke our approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must cease purchasing products from such supplier. You must use products purchased from approved suppliers solely in connection with the operation of your store and not for any competitive business purpose. Once we approve a supplier, we have the exclusive right to negotiate price terms directly with the supplier on your behalf and on behalf of all System franchisees. We may receive rebates from approved suppliers from time to time as part of our purchasing negotiations and auditing services.

We apply the following general criteria in approving or revoking a proposed supplier:

- (1) Ability to provide product
- (2) Quality of products and services
- (3) Production and delivery capacity
- (4) Proximity to Franchised Stores in order to be able to make timely deliveries of product
- (5) Dependability of the supplier
- (6) Financial capability
- (7) Customer relations

(8) Concentration of purchases to obtain better prices and services

We may inspect or re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier fails to continue to meet our criteria and specifications. As a condition of approval, you and/or any supplier must reimburse us for all costs and expenses incurred by us associate with any testing, including travel and lodging expenses incurred where we deem it necessary to visit a supplier's facilities.

Nothing contained in this Disclosure Document or in Franchise Agreement requires us to approve an inordinate number of suppliers of a given item or approve suppliers, which, in our reasonable judgment, would result in higher costs to our franchisees or prevent, in our sole judgment, our effective and economical supervision of suppliers.

Purchasing arrangements for products, materials and supplies are in place. We will continue to negotiate purchase arrangements with suppliers including price terms for the benefit of franchisees and us. The only material benefits you will receive for using approved suppliers are lower prices and better services and quality if we are successful in our negotiations on behalf of the System.

We and our affiliates reserve the right to derive revenue from your required purchases from us or our approved suppliers. However, except for the receipt by us of .5 – 20 % of the total purchase price from the sale of certain apparel and supplies, we do not currently derive any revenue or other material consideration as a result of required purchases or leases. Our affiliate, Cellular Supplies, Inc., is currently the only approved supplier of cellular phone accessories and is owned by our chief executive officer. For our In-Store franchise concept located at Walmart stores, you will enter into a sub-lease agreement with our affiliate, DrPhoneFix, Inc. who will also perform the turn-key services to prepare the leased space in a ready to use condition, which will include furnishings, computer, POS and software, equipment and start-up inventory. We estimate that up to 95% of your initial investment will be paid to us or our affiliate for apparel, miscellaneous supplies and electronic device accessories or turn-key services. We estimate that your required purchases and leases will account for approximately 85% - 95% of all purchases and leases necessary to establish the franchised business, and approximately 70% - 80% of all purchases and leases necessary to operate the franchised business after opening. You will not receive any material benefit from your use of designated or approved suppliers. Other than as described above, there are currently no purchasing or distribution cooperatives in existence for our franchise system. We reserve a right to collect rebates, although there are no arrangements in place. We expect to derive revenue from leases of software and from sales of Trademarked Products. We have no history of such sales. All items purchased or leased in accordance with our specifications will represent approximately 95% of total purchases and leases you will make to begin this business, and 95% of the ongoing costs to operate the business. As of the date of this Disclosure Document, we are not an approved supplier of any product or service. Revenues, if any, derived from the sale of products through suppliers, whether in the form of rebates, commissions, license fees, or similar payments or similar payments will also be retained by us. During the year 2020 we had \$1,058,779 total revenue. We had no revenue derived from franchisee purchases and no dollars from vendor rebates.

Trademarked Products

In the future we may develop certain Trademarked Products (“Trademarked Products”) that are uniquely developed for us, which bear our logo and private label. When we do so, you must

use or carry an adequate supply or representative inventory of these Trademarked Products. You will purchase Trademarked Products only from us or other designated sources which manufacture the Trademarked Products to our precise specifications.

Software:

We may develop special software programs such as accounting, inventory control, or POS, which will be proprietary to us and which contain confidential information. We cannot estimate the cost you will incur to purchase or lease the software. We have no trademarked software at this time. Currently, we require you to use “LightSpeed” as your point of sale software and “EmailMeForms” which we pay for, as a utility program. Both of these programs are subject to improvement and upgrade expenses. We require you to pay the monthly fees to us which we forward in full to the software provider.

Insurance:

You must obtain and maintain, at your expense, insurance protecting you, us and our officers, directors and employees against any loss, liability, personal injury, death or property damage or expense concerning operating your franchised store as we may reasonably require. We must be named as an additional insured in each policy or policies.

The liability insurance may not be limited in any way by reason of any insurance that we may maintain. Within 90 days of signing the Franchise Agreement, and before you acquire interest in the real property on which you will develop and operate your franchise, you must furnish us with an Accord Form Certificate of Insurance as proof of complying with our insurance requirements. The certificate must state that you will provide us with a 30-day written notice prior to any change in your policies. The certificate will reflect proof of payment of premiums. Maintenance of the insurance and your performance of the obligations under the insurance provisions of the Franchise Agreement will not relieve you of our indemnification requirements set out in the Franchise Agreement. We may modify the minimum insurance requirements and notify you of the changes in writing.

You are also required to obtain: worker’s compensation with limits in compliance with your state law and employer's liability insurance, with coverage of One Million Dollars (\$1,000,000) combined single limit, as well as such other insurance as may be required by statute or rule of the state in which the franchised business is located or operated.

Additionally you must obtain comprehensive general liability insurance and product liability insurance with limits of \$1,000,000) combined single limit including the following coverages: broad form contractual liability, personal injury (employee and contractual inclusion deleted); insuring us and you against all claims suits, obligations, liabilities and damages, including attorneys' fees, for actual or alleged personal injuries or property damage relating to the franchised business, provided that the required amounts herein may be modified from time to time by us to reflect inflation or future experience with claims; automobile liability insurance on company vehicles, including owned, hired and non-owned vehicle coverage, with a combined single limit of at least One Million Dollars (\$1,000,000); and loss of income insurance (in an amount sufficient to cover the Marketing and Development Fund fees due under the Franchise Agreement, for a period of at least six months); rental value insurance (in an amount sufficient to cover the rents and other fees due the landlord and/or Merchants’ Association under the lease, if any, during any period of

business interruption or inability to operate the store) or such greater amounts of insurance as required by the lease for the store; additional insurance and types of coverage as may be required by the terms of any lease for the franchised business, or as may be required by us, including an umbrella policy with limits of One Million Dollars (\$1,000,000).

All insurance policies must be issued by carriers rated AA or better by Alfred M. Best and Company, Inc. who are authorized to do business in the state where the store is located, must contain the types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time, must name us as additional insured, must provide for 30 days prior written notice to us of any material modification, cancellation or expiration of such policy and must include all other provisions we may require from time to time.

Insurance policies shall indemnify both the Franchisee (as named insured), the Franchisor and any other party having an insurable interest in either your operations or our operations as an Additional Insured from an actual or alleged claim by a third party caused by or occurring in conjunction with the operation of the franchise or otherwise in conjunction with the conduct of business by you pursuant to the Franchise Agreement. We reserve the right to adjust the limits of indemnification (up or down) or to require you to procure and maintain other additional coverage prescribed from time to time by us and issued by insurance carriers rated AA or better by Alfred M. Best and Company, Inc. We may increase the minimum liability protection requirements annually and require different or additional kinds of insurance to reflect inflation, changes in standards of liability or higher damage awards in public, product or motor vehicle liability litigation, or other relevant change in circumstances.

You shall procure and maintain at your sole cost and expense a policy of Commercial Fire Insurance on a Special Form Basis providing for One Hundred Percent (100%) replacement cost of your franchised store, Personal Property, Leasehold Improvements and Betterments and Real Property (including signs and plate glass). You shall also provide Business Interruption and Extra Expense on a One Hundred Percent (100%) co-insurance basis. We shall be named as loss Payee on the Business Interruption coverage on a primary basis so as to enable you to provide us with an uninterrupted stream of payments (as if you were still in operation) for a period of a minimum of six months.

You shall further carry any additional insurance covering such additional risks or providing higher limits as we may reasonably request.

You shall submit to us annually a copy of the certificate of, or other evidence of, the renewal or extension of each insurance policy or policies. We reserve the right to reject any policy with exclusions or sub limits that are not satisfactory to us.

If you at any time fail or refuse to maintain in effect any insurance coverage required by us, or to furnish satisfactory evidence thereof, we at our option and in addition to its other rights and remedies hereunder, may, but shall not be required to, obtain such insurance coverage on behalf of you, and you shall promptly execute any applications or other forms or instruments required to obtain any such insurance and pay to us, on demand, any costs and premiums incurred by us plus an administrative fee of 15% of that cost. (See Items 7 and 11).

Records and Reports:

You must retain for 3 years all books and records related to your franchised store, including

daily sales reports, invoices, payroll records, check stubs, sales tax records and return, cash Revenues and disbursement journals, general ledgers and any other financial records that Franchisor designate or by law. You must submit to us before 10th of each quarter, P&L and Balance Sheet reports for the preceding quarter.

Advertising by Franchisee

You may not engage in any advertising program or use any other advertising, including local advertising placed on television, print or any other media, or prepare or use any marketing materials, unless we have approved them in writing. All references to “advertising” shall include, but shall not be limited to, electronic advertising, whether by internet, social media platforms or otherwise. You may not make any use of any “advertising” without our express written permission as described in Item 11 of this document. You are required to spend \$3,000 for advertising your Grand Opening Day and for a Standard Franchise, and between \$3,000 to \$5,000 for advertising your store during the first sixty (60) days after opening.

Computer Equipment

You must purchase or lease business computing, faxing and printing equipment and software as described in Items 7 and 11.

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	Section in Franchise Agreement and Area Development Agreement	Item in Disclosure Document
a. Site selection and acquisition / lease	3.1-3.2 of Franchise Agreement; Exhibit E-1 In-Store Addendum to Franchise Agreement; Exhibit E-2 Turn-Key Addendum to Franchise Agreement; Exhibit E-3 Techy Café Addendum to Franchise Agreement; Exhibit E-4 Techy Mobile Van Addendum to Franchise Agreement; 4.1 of Area Development Agreement (“ADA”); Exhibit F-1 In-Store Addendum to Area Development Agreement	5, 7, 11
b. Pre-opening purchases/leases	3.1, 3.2, 3.4, 4, 10.4, 10.5, and 10.6 of Franchise Agreement; Exhibit E-1 In-Store Addendum to	5, 6, 7, 8

Obligation	Section in Franchise Agreement and Area Development Agreement	Item in Disclosure Document
	Franchise Agreement; Exhibit E-2 Turn-Key Addendum to Franchise Agreement; Exhibit E-3 Techy Café Addendum to Franchise Agreement; Exhibit E-4 Techy Mobile Van Addendum to Franchise Agreement; 1.1, 4.1 of Area Development Agreement; Exhibit F-1 In-Store Addendum to Area Development Agreement	
c. Site development and other pre-opening requirements	3.1, 3.2, 3.4 and 3.5 of Franchise Agreement; Exhibit E-1 In-Store Addendum to Franchise Agreement; Exhibit E-2 Turn-Key Addendum to Franchise Agreement; Exhibit E-3 Techy Café Addendum to Franchise Agreement; Exhibit E-4 Techy Mobile Van Addendum to Franchise Agreement; 4.1 of Area Development Agreement; Exhibit F-1 In-Store Addendum to Area Development Agreement	5, 7
d. Initial and ongoing training	5.1 – 5.2, and 10.5 of Franchise Agreement; 6.1 of Area Development Agreement	5, 11
e. Opening	3.1, 3.6 and 3.7 of Franchise Agreement 4.1 of Area Development Agreement	6, 7
f. Fees	5.2, 5.3, 9.1 - 9.2, 9.4, 9.7, 10.1, 10.8, 10.9, 11.1, 11.3 C, 14.3 (9), and 15.3 H of Franchise Agreement; 5.1,5.2 of the Area Development Agreement	4, 5, 7
g. Compliance with standards and policies/Operations Manual	1.1, 2.1 D., 2.3, 3.1 - 3.3, 4, 5.4, 10.1, 10.2, 10.4, 10.6, 11, 14.3, and 15.3 of Franchise Agreement; 12.1 of the Area Development Agreement	8, 11
h. Trademarks and proprietary information	6.1 - 6.4, 8.1, and 17.2 of Franchise Agreement	13
i. Restrictions on products/services offered	2.1, 2.3, 10.2 Franchise Agreement; In Store Addendum	8

Obligation	Section in Franchise Agreement and Area Development Agreement	Item in Disclosure Document
j. Warranty and customer service requirements	None	None
k. Territorial development and sales quotas	None	12
l. On-going product/service purchases	4, 10.1, 10.2, 10.3 and 10.6 of Franchise Agreement; Exhibit E-1 In-Store Addendum to Franchise Agreement	8
m. Maintenance, appearance and remodeling requirements	10.1 of Franchise Agreement	6, 17
n. Insurance	10.6 of Franchise Agreement	6
o. Advertising	2.3, 3.7, 11 of Franchise Agreement	7, 11
p. Indemnification	7.4 of Franchise Agreement 11.1 and 13.1 of Area Development Agreement	None
q. Owner's participation/management/staffing	5.1, 10.6 of Franchise Agreement; 6.1 of the Area Development Agreement	6, 15
r. Records/Reports	12 of Franchise Agreement; 12.1 of Area Development Agreement	6
s. Modification of the Agreement	Section 19.21 Franchise Agreement; Section 13.1 Area Development Agreement	Franchise Agreement – no modifications except by written agreement, but Confidential Operations Manual and System Standards are subject to change.
t. Integration/merger clause	Section 19 Franchise Agreement; Sections 12.1 and 13.1 Area Development Agreement	Only terms of the Franchise Agreement (including Confidential Manuals, System Standards, exhibits, and addenda) are binding (subject to state law). Any other promises may not be enforceable.
u. Renewal	15.2 – 15.3 of Franchise Agreement; 3.1 of the Area Development Agreement	6, 17
v. Post-Termination obligations	8.2, 17.1 - 17.4, and 18 of Franchise Agreement; Exhibit E-1 In-Store Addendum to Franchise Agreement; Exhibit E-3 Techy Café Addendum to Franchise Agreement;	17

Obligation	Section in Franchise Agreement and Area Development Agreement	Item in Disclosure Document
	Exhibit E-4 Techy Mobile Van Addendum to Franchise Agreement; 7.1, 12.1 of Area Development Agreement; Exhibit F-1 In-Store Addendum to Area Development Agreement	
w. Non-Competition covenants	8.2, 17.4 of Franchise Agreement; 12.1 of Area Development Agreement; ADA Addendum	17
x. Dispute resolution ⁽¹⁾	19.1 - 19.8 of Franchise Agreement; 12.1 of Area Development Agreement	9, 17
y. Other	None	None

ITEM 10. FINANCING

We have no obligation to provide any financing, but we may in our sole discretion, finance up to 40% of the Standard Franchise Agreement tenant improvements, cabinetry, furnishings, furniture, and start-up package cost to qualified prospective franchisees under specified terms and conditions. Our decision to finance up to 40% of the specified cost will be based, in part, on your credit-worthiness, and our then-current financing policies.

If we agree to finance a portion of the initial franchise fee, you must sign a Promissory Note when you sign the Franchise Agreement; an example of the promissory note is attached as Exhibit I to the Disclosure Document. The annual percentage rate of interest charged is 8% and the total amount must be paid in 24 equal monthly installment payments by automatic bank draft starting the 10th day of the month following signing the promissory note and continuing thereafter on the 10th day of each succeeding month.

The payment of the note may be accelerated (at our option) in certain enumerated occurrences including, among other things, default in payment or other obligations of you under the Franchise Agreement or other agreements, termination or transfer of the franchise or any significant assets, a misrepresentation by you, failure to pay taxes, death, abandonment of the franchised business, failure to furnish financial information, appointment of a receiver or if, in our reasonable opinion, your financial responsibility and/or business viability becomes unsatisfactory. Default under the Promissory Note can result in a termination of the Franchise Agreement (Promissory Note, Exhibit I).

The Promissory Note contains no waiver of defenses or similar provisions, except that it does contain waivers of presentment, demand, notice of dishonor, notice of protest and requires you to pay all cost and expenses of collection and/or enforcement, including reasonable attorney's fees if you default on any payment and obligation under the note (Promissory Note, Exhibit I; Security Agreement, Exhibit J).

We may sell, assign, or discount any Promissory Note or other obligation arising out of the Franchise Agreement to a third party. If we sell or assign your Promissory Note, it will not affect our obligation to provide the services to you that are described in the Franchise Agreement, but the third party may be immune under the law to any defenses to payment you may have against us.

We may periodically agree with third party lenders to make financing available to qualified franchisees and we may in our sole discretion, refer you to a third party lender for financing. We have no control over whether financing will be offered to you by any third party lender. The lender is not obligated to provide financing to you or to any other franchisee that the lender finds does not meet its credit requirements and loan criteria.

We do not currently derive income from referrals or placement of financing with any third party lender. Currently, we have no arrangements with third party lenders.

We do not guarantee your obligations with third parties.

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 Assistance.

Before you begin operating your franchised store:

- A. We will either approve the location of your business for our Standard Franchise or provide the location for our In-Store Franchise and provide a territory surrounding the site of your business where we will not place another Techy Repairs & Smart Home Installs Powered by DrPhoneFix Franchisee (Item 12).

In determining whether or not to approve a Standard Franchise site you may propose for the franchised business, we will consider such factors as population and income level in the area, the number of comparable contiguous businesses, competition, zoning, general location and neighborhood, traffic patterns, parking size, layout and other physical characteristics, and available square footage.

You must select a site for your Standard Franchise business and submit the location for our approval within 90 days of signing your agreement and be conducting business at the approved location within 180 days or your franchise will be terminated without any refund of fees or expenses. We do not own any real estate locations that we would lease to you and will not be responsible for locating your business site. However, we will recommend independent leasing services that you can enlist to assist you in finding a location to submit to us for approval. We will provide you with written notice of acceptance or non-acceptance of the proposed store site within two weeks after written notice to us of your choice of location and your submission to us of the proposed lease. Acceptance of the proposed location is also dependent on our written approval of the lease.

Factors we consider in reviewing a proposed Standard Franchise site include the real estate characteristics, area demographics, trade area population, visibility, traffic flow, available parking, accessibility, proximity to residential and commercial settings, distance away from competition, terms of lease, and size and physical condition of building.

You must obtain a business license from a state approved provider as required by the relevant governing agencies before opening. All matters related in any way to opening and operating your business are your sole responsibility, regardless of any assistance we may choose to provide. You must obtain any necessary contractor services for the Standard Franchise required for build-out or remodeling your facility and ensure their compliance with local law. Neither we, nor any other person or entity associated with us will have any liability for any site-related or store development matter; however, we will provide general floor plan specifications for you to follow. At your request, you may engage our affiliate, DrPhoneFix, Inc. for a turn-key fee to prepare the store premises in a ready to use condition which will include furnishings, computer, POS and software, signage, equipment and start-up inventory.

- B. We will provide you and your initial store manager and one other person with the training described later in the Training portion of this section. (Franchise Agreement, Section 5.2).
- C. We will furnish you with standards, specifications and other requirements for operating your franchised business. (Franchise Agreement, Section 3.3).
- D. We will provide you with Standard Franchise Agreement site selection guidelines at the time you sign the franchise agreement.
- E. We will provide you with initial and any updated approved supplier and approved service provider lists upon signing the franchise agreement.

Typical Length of Time to Open Your Business

The typical length of time between the signing of the Franchise Agreement, the payment of the Initial Franchise Fee and the opening of a Franchise is approximately 90 days. Failure to be open for business within 180 days from the signing date may, at our option result in termination of your franchise. Factors affecting this length of time include locating a site, completion of training, construction, financing, permits or licenses. (Franchise Agreement, Section 3.6).

Our Obligations During the Operation of Your Techy Repairs & Smart Home Installs Powered by DrPhoneFix Franchise.

During the operation of your franchise:

- A. We will loan you a copy of the Confidential Franchisee Operations Manual. A copy of the Table of Contents to the Manuals is attached to this Disclosure Document as Exhibit A; (Franchise Agreement, Section 5.4).

- B. We will provide limited guidance in the operation of your Franchised Business. We may provide this guidance electronically, in writing or telephonically, through training programs and/or on site consultations, among other methods. (Franchise Agreement, Section 5.3);
- C. We will furnish advice and guidance to you with respect to your Grand Opening Program. (Franchise Agreement, Section 3.7);
- D. We will provide you a representative to assist in the opening of your franchise for a total of 7 days covering a period immediately before, during and after the opening of your franchise.
- E. We will review and approve all advertisements and promotional items.
- F. We will modify the system, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new items, new products, new equipment or techniques.

Your Local Advertising Requirements.

Each month you must spend the greater of \$500 or 1.5% of the previous month's Gross Revenues for local advertising and promotion of your franchised store. We may require you to submit verification of your expenditures. You must also appropriately list your phone numbers and location in white and classified directory listings and advertising. The value of discounts, coupon redemptions and/or products or services given without charge may not be used to meet your local advertising obligation under this Section.

Your advertising will be in good taste and conform to ethical and legal standards. You must submit to us, prior to dissemination, for our approval samples of all advertising and promotional materials for any media, including the Internet. You will not use any advertising or promotional materials or programs without our prior written approval. We can require that a brief statement regarding the franchise opportunity availability of Techy Repairs & Smart Home Installs Powered by DrPhoneFix be included in advertising used by you and/or that brochures regarding purchase of franchises be displayed in your franchised store.

All use, if any, of the Internet, World Wide Web, social media platforms or other electronic media by you in connection with your franchised store will be as specified by us. We may require that any use be through us, using a designated Internet/Intranet Service Provider (which can be us or an Affiliate), and that all pages be accessed through a designated site and/or meet our specifications.

Advertising Cooperative.

As of the date of this disclosure document, we have not established any local or regional advertising cooperatives ("Co-op Advertising Region"). If we do so in the future, you must participate in the Co-op Advertising Region for the region in which your store is located. We may exempt certain franchisees from participation at our sole discretion. We will notify you in writing if you must join a Co-op Advertising Regional and the initial amount of the contributions to the Co-op Advertising Region. We will determine the area of each Co-op Advertising Region.

Each Co-op Advertising Region must comply with the then current governing cooperative agreement. A copy of the governing documents (if one has been established) is available upon request. At all meetings of the Co-op Advertising Regions, each participating franchisee is entitled to one vote per franchise that franchisee operates in the Co-op Advertising Region and we and our affiliates are entitled to one vote for each company-owned or affiliate-owned store in the Co-op Advertising Region or such other vote as may reasonably be determined by us.

We will determine your minimum contribution to the Co-op Advertising Region. However, each Co-op Advertising Region may increase the contribution by majority vote. We or our affiliate, as applicable, will contribute to the Co-op Advertising Region for each of our company or affiliate-owned Stores located in the Co-op Advertising Region on the same basis as franchisees.

Each Co-op Advertising Region will decide the use of funds available to it for advertising or marketing, subject to our written approval. Any disputes (other than pricing) arising among or between you, other franchisees, and/or the Co-Op Advertising Region may be resolved by us.

Our decisions will be final and binding on all parties. No Co-op Advertising Region may appoint, or pay from the funds collected by the Co-op Advertising Region fees or costs of, any advertising agency or buying group without prior written consent. Co-op fees will be credited to required local advertising expenditures.

Computer, POS Hardware and Software.

You must purchase, use, maintain and update, at your expense, software, computer and other systems meeting our specifications. There are no contractual limitations on the frequency and cost of upgrades and updates to the systems or programs. You must comply with our then-current terms of use, policies and any other requirements regarding any internet/intranet sites we establish for the franchise system.

You must obtain and maintain at your own expense accounting, sales reporting and records retention systems conforming to any requirements set by us. We reserve the right to use, and to have full access to, all cash register, Point Of Sale, computer and any other systems, and the financial information and data they contain. We may charge a reasonable fee for the license, modification, maintenance or support of software or any other goods and/or services that we furnish to you in related to any of the systems.

You must use our approved Point of Sale equipment which is Just Repair Desk with an initial cost of \$1,500 to \$2,000.

You must maintain your POS system online to allow us access to system data and information. Supplier and/or licensor charges for use, maintenance, support and/or updates of and to the required systems are payable by you upon receipt.

Neither we nor any of the Franchisor-Related Persons/Entities will have any liability and/or obligation about any failures, errors or any other occurrences relating to any computer or system hardware or software without an express written warranty from us, even if recommended or specified by us.

You must comply with the requirements and standard processes to maintain accurate and up to date accounting records. You will provide monthly and other reports as determined by us, including updating master file records to comply with changes in accounting practices. As with all computer and internet information we have complete access to all of the information at all times.

You must purchase a fax machine, printer, scanner and copier. We recommend, but do not require, the Brother MFC 9700 fax/printer/scanner/copier machine. We estimate the machine will cost approximately \$500. You may obtain a single machine which performs all functions or separate machines from the supplier of your choice.

Alarm and Surveillance Systems.

Alarm System

You are required to install an alarm system approved by us. The keypad should be close to the employee entry door.

Surveillance System

We require you to install a multi-camera surveillance system in your store as a deterrent to theft, documentation of incidents and monitoring your business. Your system should stream live to your smart phone to monitor operations.

It is best, and more cost effective, to have all of these systems purchased, pre-wired and ready for installation during initial construction or remodeling. Please refer to Item 7 for costs and other information on these systems.

Our Access to Your Systems.

In order to maintain high quality standards we will reserve the right to audit and monitor each franchised location at any time through physical or electronic access to all information of your computer systems, POS, surveillance and website systems and to all information referred to in this Item 11 and we reserve the right to use this information and data at our discretion, for our benefit and for the benefit of the franchise system as a whole. We have no plans to do so, but may in the future require you to purchase different or other software or hardware. In the event we require changes, you will receive written notification and be given a reasonable time in which to purchase the required software or hardware.

Confidential Operating Manual.

We will loan you one copy of our confidential operations manual (“Manual”) which contains mandatory and suggested specifications, standards and operation procedures as we prescribe and may also include information relative to your Franchise Agreement. The Manual may be amended or modified from time to time to reflect changes in our System. You must keep the Manual confidential and current, and may not copy any part of the Manual. The table of contents for the Manual is listed in Exhibit “A”. There are 107 pages in the Manual.

Training.

We may charge a reasonable fee for training of additional and/or subsequent managers. If in our judgment any trainee fails to successfully complete any part of the training program the trainee must repeat that portion of the training program until successful completion of all portions, at your expense, including the payment to us of \$300 per day of such additional training.

Our initial training schedule is set out below and will be divided between a facility operated by an affiliate in the South Florida area and your store. Timothy R. Phelps is our director of training and will oversee training. Mr. Phelps work history is set out in Item 2. Carlos Rengifo is our Specialized Technician in Micro soldering and Operations Trainer and has been with us since September 2020. Carlos has 13 years of experience in repairing mobile devices, including Smartphones, tablets and computers. He also has 13 years of experience in specialized micro soldering for Smartphones and 10 years of experience in customer service. He has 8 years of training experience and problem solving in mobile devices. Eleimar Lemus is our Tech Trainer and has been with us since September 2020. She has previously worked as a technician and trainer (2018 – 2020) and managed a wireless store and implemented organizational systems and training guides (GoKrazyWireless 2017-2018).

You and your manager must attend additional and/or refresher training programs as we may reasonably require to correct, improve and/or enhance your operations, the System and its members. In addition, we can require successful completion of training by all of your supervisory personnel. You will be responsible for all travel, living, incidental and other expenses for you and your personnel attending the Certification Training Program, repeated sessions and any other voluntary or mandatory training programs, seminars or meetings.

TRAINING SCHEDULE

DAY	SUBJECT	CLASSROOM (Hours)	ON THE JOB TRAINING (Hours)	LOCATION
1	10AM-12PM: Introduction to Techy Repairs & Smart Home Installs Powered by DrPhoneFix: Email set up, Account set up, Website overview. 12-12:30PM: Lunch 12:30PM-4PM: Introduction to Training	5.5		Headquarters
2	10AM-12PM: Introduction to smartphone repair. 12-12:30PM: Lunch 12:30PM-4PM: Introduction to Apple Products	5.5		Headquarters
3	10AM-12PM: iPhone Repair Training 12-12:30PM: Lunch 12:30PM-4PM: iPhone Repair Training	5.5		Headquarters
4	10AM-12PM: iPhone Repair Training	5.5		Headquarters

DAY	SUBJECT	CLASSROOM (Hours)	ON THE JOB TRAINING (Hours)	LOCATION
	12-12:30PM: Lunch 12:30PM-4PM: iPhone Repair Training			
5	10AM-12PM: iTouch Training 12-12:30PM: Lunch 12:30PM-4PM: iPad/iTouch Repair Training	5.5		Headquarters
6	10AM-12PM: iTouch Training 12-12:30PM: Lunch 12:30PM-4PM: iTouch/Intro to iPad Repair Training	5.5		Headquarters
7	10AM-12PM: iPad Repair Training 12-12:30PM: Lunch 12:30PM-4PM: iPad Repair Training	5.5		Affiliate Facility
8	10AM-12PM: HTC Repair Training 12-12:30PM: Lunch 12:30PM-4PM: Samsung Repair Training	5.5		Affiliate Facility
10	10AM-4PM: Sales, Customer Service, POS, & Inventory Training	6		Affiliate Facility
11	10AM-4PM: Sales, Customer Service, POS, & Inventory Training	6		Affiliate Facility
12	10AM-4PM: Sales, Customer Service, POS, & Inventory Training	6		Affiliate Facility
13	10AM-4PM: Sales, Customer Service, POS, & Inventory Training	6		Affiliate Facility
14	10 AM-4PM: Training Re-cap	6		Affiliate Facility
Total Hours		74	150	

We may eliminate or shorten training for persons previously trained or with comparable experience, however, any manager that has not successfully completed our Certification Training Program must pass the then-current version of our training exam.

If we offer you the opportunity to open a Techy Café at your franchised location you will receive an additional day of initial training in Customer Service, POS, and Inventory Training for the Techy Café.

Marketing and Technology Fund

We will maintain a Marketing and Technology Fund into which all franchisees will contribute 2% of Gross Revenues for the previous month or \$785 whichever is greater. Several services are supported by this Fund and the amount of your fee may reasonably be increased up to 10% per year in response to rising costs. Monthly payments to the Marketing and Technology Fund will be made through our electronic funds transfer system described in Item 6.

If we have company-owned stores in the future they will not contribute to the fund. Any stores owned jointly or separately by any of our officers or directors will not contribute to the fund. The fund will be administered by us and there will be annual unaudited financial statements accounting for the placement of all Marketing and Technology Fund fees. We will not receive any payment or fee for providing services to the fund. Surplus funds at the end of any year will be carried over into the following year. Some advertising media will be generated by us and other items may be produced by selected agencies.

The Marketing Fund may be used to meet all costs of administering (including personnel and salaries), directing, preparing, placing and paying for international, national, regional or local advertising to promote and enhance the image, identity or patronage of Stores owned by us or our affiliates and by licensees.

We will determine how and where the money will be spent at our sole discretion whether local, regional or national. Marketing will not be designated for the benefit of any specific franchisee, but for the benefit of the system as a whole as we may determine from time to time. The Marketing and Technology Fund supports our Website which also contains each franchisee’s individual Location Website. The Website is a key part of our marketing “tool chest” for the entire franchise system. Its major purpose is to establish and promote the Techy Repairs & Smart Home Installs Powered by DrPhoneFix brand that will attract retail business for our franchisees and to provide an internet presence for each franchisee.

We will benefit from contacts by new franchisee candidates through this website, and our franchise opportunity information and application pages will be present within the site. As with all other advertising materials, stationery and business cards, the site will also contain references to the fact that “Franchises Are Available” and that “Each” Techy Repairs & Smart Home Installs Powered by DrPhoneFix® Franchise Is Independently Owned and Operated.”

The Website contains all of the basic information about the franchise system and the high quality items and services offered by our Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchises.

For the fiscal year ending December 31, 2020, advertising cost amounted to approximately \$41,214. The purpose and percent of National Advertising Funds contributed by franchisees in 2020 were:

<u>Area of Advertising</u>	<u>Amount</u>	<u>Percentage</u>
Production	\$ 4,121	10%

Media Placement \$37,093 90%

Services Provided Pursuant to the Technology and Marketing Fund Include:

Hosting

Full Hosting and management services for your individual Location Website will be provided to give your franchise an internet presence, including your business address and telephone information, customer testimonials, photographs showing your personnel and store and other information about your local franchise. You do not have any responsibility or expense for designing, hosting, modifying, managing or operating this website presence.

Web Site

You may utilize only the website and Internet presence provided by us. You may not use any other form of website or other Internet advertising;

Franchise Location Finder

Site visitors will find your franchised store in the Location Finder portions of the Website; and your Media Manager Subscription and Password will provide you access to downloadable print and digital marketing materials and programs administered and managed by us (newspaper, magazine and direct mail advertising materials), and you will have the ability to order television and radio advertisements and bulk advertising materials, as may be made available by us from time to time. There is no cost for downloadable materials, but you must pay the cost of video duplication and for the tagging, printing and shipping of all ordered materials.

If any automatic electronic funds withdrawal is denied and remains unpaid for a period of seven days, your subscription password account will be deactivated. We reserve the right to make reasonable increases in the Marketing and Technology Fund Fee if we deem it necessary to do so because of increased costs to us.

We may develop proprietary software or alternate sources to provide your Location Website hosting and/or other services. If so, we or our designee shall license the software to you and we may need to make a reasonable increase in the Marketing and Technology Fund Fee as a result. You agree to pay the increased fee required by us and you will comply with all specifications and standards as prescribed by us from time to time in the Operations Manual.

We will also provide you information on our approved Advertising and Graphic Design Provider. In addition to the materials approved by us pursuant to the Marketing and Technology Fund, you may request the Provider to create advertising materials on your behalf. If you do, you must pay the Provider directly for the total cost of any such materials and the materials must be approved by us prior to being ordered by you.

We will decide the amount and nature of all expenditures of the Marketing and Technology Fund and how and where all expenditures are made. In accordance with Section 16 of the Franchise Agreement services provided pursuant to this fund may be deactivated upon a franchisee's failure

to pay the monthly fee in a timely manner and will be reinstated only when payments and penalties are brought current.

Gift Card Program

If we develop a program for all franchisees to sell or otherwise issue gift cards or coupon certificates (together “Gift Cards”) you must participate by offering Gift Cards to your customers and honoring all Gift Cards presented to you as payment for products, regardless of whether the Gift Card was issued by you or another franchised store. You shall sell, issue, and redeem (without any offset against any License Fees) Gift Cards in accordance with procedures and policies specified by us in the Manual or otherwise in writing.

We do not maintain any other Advertising or Marketing Fund or any Advertising Council or Cooperative of any kind.

Referrals

If you refer someone to us who is not already in our system, then we will provide you a referral fee of \$10,000 if that person purchases a franchise from us. To be eligible, you must have received our signed acknowledgement form. You are then entitled to the referral fee when payment in full is received for the initial franchise fee from the person that you refer to us. We may cancel or modify this referral policy at any time.

Existing Franchisees may receive a prospective franchisee conversion fee of \$500 if they answer questions of prospective candidates who become franchisees. We do not control the content of any communications between existing franchisees and prospective franchisees, and existing franchisees do not act as our agents or representatives in any manner. We may modify or cancel this conversion fee policy at any time.

System Standards

We may evaluate your franchise (including inspections, field service visits, customer comments/surveys and secret shopper reports) for compliance with our System Standards using the same methodology and scoring system as we use to evaluate any franchised store owned and/or operated by us and/or our Affiliates. Your franchised store will receive a System Standards Score for categories being scored at that time. We will compare your scores with the average score in each category as achieved by other franchised stores (which may include company-owned outlets) in other geographic areas as we believe appropriate for evaluation purposes.

ITEM 12. TERRITORY

We will grant you a geographic area in which to operate your franchised store (the “Protected Territory”). The typical territory granted to each Standard (which may include the Techy Café and/or Techy Mobile Van) and In-Store franchisee is an area with a 1 mile radius from the approved site or having a daytime population of at least 50,000 people, whichever is the lesser area; however in more rural areas your Protected Territory may consist of a larger boundary and in a more densely populated metropolitan area (particularly in mid-city districts) we will negotiate with

you the size of your “Protected Territory.” Depending on the characteristics of your approved location, one of the above classifications will apply.

We reserve the absolute right to adjust the territorial boundaries as we determine to be necessary in our sole discretion. The boundaries of your Protected Territory may also depend upon topographical features which clearly define a contiguous area, like rivers, lakes, mountains, major freeways, etc.

You are required to select a proposed site for the Standard Franchise within the designated Site Selection Area within 90 days from the date of signing the Franchise Agreement (the Site Selection Period). You must submit a proposed site location within the first 45 days of the Site Selection Period. We will notify you of our acceptance or rejection of any proposed Site within 30 days of our receipt of all information we request concerning the site. However, if you have submitted a proposed Site to us later than the 45 day period, or for which we require further information from you, and we have not notified you of our acceptance or rejection before expiration of the Site Selection period, we will have 30 additional days to notify you of our decision.

The Protected Territory for the Standard Franchise will be designated by us once the store location is accepted by us and we have approved of your proposed lease, and will be described in Exhibit 2.2 to the Franchise Agreement. For the In-Store Franchise your location will be within a Walmart store and you will enter into a sub-lease agreement with our affiliate, DrPhoneFix, Inc. Your sublease is expressly made subject to all obligations and conditions of the underlying lease. In the event the underlying lease is terminated or expires, irrespective of the cause or circumstance, then the Sublessor (DrPhoneFix, Inc.) has a right to immediately terminate your sublease agreement without any liability to us or to DrPhoneFix, Inc., except that you may obtain from DrPhoneFix, Inc. any unearned fees paid in advance. If your sublease expires or is terminated you are required to find an acceptable location and develop the site as a Standard Franchise open to the public within ninety (90) days of date of expiration or termination or if there is an acceptable In-Store franchise location available within a one (1) mile radius of your Territory, we will offer the location to you upon the same terms and conditions as a new In-Store franchise without any Initial Franchise Fee. However, we have no obligation to provide you with an alternative In-Store location in the event your sublease was terminated or expires. (Once a proposed site has been selected and lease negotiations entered into, a copy of the lease must be provided to us for our review and approval prior to execution. Our approval of the lease indicates only that we believe that its terms fall within the acceptable criteria we have established as of the time of our approval. (Franchise Agreement - Section 3, and Exhibit 3.2B). You may not relocate your franchised store without our prior written approval.

We will not sell another franchise or open a company-owned store in your Protected Area during the term of the Franchise Agreement. We may develop, use, and license within or outside your Protected Territory other products or services involving Marks other than those used in connection with the System. You may not solicit or market outside your Protected Territory by means of (a) Direct marketing by telephone, mail, flyers or other means; or (b) Any marketing method targeting anywhere outside your Protected Territory, except for our written approval of television, radio and print advertising media that may incidentally be covered by such advertising. If a city is located partially within your Protected Territory, then you may utilize the name of the city in your marketing methods and materials.

Except by written agreement with us you do not receive the right to acquire or open additional franchised Techy Repairs & Smart Home Installs Powered by DrPhoneFix stores within your Protected Territory.

Rights We Reserve: Franchise Agreement

Your Territory is not exclusive; we retain (in our sole discretion) the right to:

1. establish, and grant to other franchisees the right to establish franchises anywhere outside the Protected Territory, on such terms and conditions as we deem appropriate (even immediately outside the border of the Protected Territory), but not within the Protected Territory of the franchised store you open under the Franchise Agreement and continue to operate under it;

2. operate, and grant franchises to others to operate businesses, whether inside or outside the Protected Territory, specializing in the sale of products or services, other than a Competitive Business or a franchised store, using some of the Marks and/or all of the Marks pursuant to such terms and conditions as we deem appropriate;

3. operate, and grant franchises to others to operate businesses or provide other services, whether inside or outside the Protected Territory, that do not use any of the Marks;

4. market and sell goods and services competitive with goods and services offered by franchised stores, inside and outside of the Protected Territory through channels of distribution including but not limited to small square footage outlets like an “express” store or a kiosk; stores housed within other Walmart locations or retail facilities, such as a department store, hotel, or casino, and/or direct mail operations or Internet sites. Other examples of non-traditional sites include but are not limited to (1) military bases; (2) public transportation facilities, airports, train stations, bus stations; (3) sports stadiums, arenas and facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks, fairs, festivals and special events; and (6) enclosed shopping centers or “closed traffic” malls (all collectively referred to herein as “Special Sites”). Special Sites will be excluded from your Protected Territory; and

5. purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business’ facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks other than, while this agreement is in effect, the Marks, regardless of the location of these businesses and/or facilities, which may be within the Protected Territory or immediately outside its border. There is no minimum sales quota for maintaining your Protected Territory or other circumstance that grants us the right to modify your territory if you are otherwise in compliance with all of your agreements with us.

Area Development Agreement

We may, but are not required to, enter into an Area Development Agreement with you which provides for the development of a specified minimum number of franchised stores within a defined geographic area (the “Development Area”) over a specified period of time for each franchise (the “Development Period”). An Area Development Fee for the Development Area is required, based upon the number of franchised stores to be developed. You must enter into the then-

current Franchise Agreement for each franchised store established under the Area Development Agreement. You are not entitled to additional development rights beyond those specified in the Area Development Agreement. You are required to comply with all site selection procedures in the Franchise Agreement for each location developed by you. Each site is subject to our acceptance, which will not be unreasonably withheld. We also have the right to refuse to grant a franchise for a proposed franchised store if you do not then meet financial criteria established by us.

Area Development Agreement: Minimum Development Quota

Your Area Development Agreement will contain a Minimum Development Quota specifying the number of Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchised stores you must open during each Development Period and the cumulative number of franchised stores you must have opened through the end of all the Development Periods agreed upon. Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchised stores will not count towards meeting the Minimum Development Quota for any Development Period until they have been fully constructed, developed and have opened operations in accordance with their respective franchise agreements with us. We alone determine if any franchised store has “opened” for purposes of meeting the Development Schedule, any Minimum Development Quota and for any Development Period. If a franchised store is permanently closed after having been opened, you must develop and open a substitute franchised store within one year from the date of its permanent closing separate and apart from the Development Schedule.

Rights We Reserve: Area Development Agreement

Your Territory is not exclusive; we retain (in our sole discretion) the right to:

1. Establish, and grant to other franchisees the right to establish, franchised stores anywhere outside your Territory, on such terms and conditions as we deem appropriate (even immediately outside the border of your Territory, but not within the Territory specified in the Franchise Agreement of any franchised store you operate under the Area Development Agreement and continue to operate);
2. Operate and grant franchises to others to operate businesses, whether inside or outside your Territory, specializing in the sale of products or services, other than a Competitive Business or a franchised store, using certain of the Marks and pursuant to such terms and conditions as we deem appropriate;
3. Operate and grant franchises to others to operate businesses, or provide other services, whether inside or outside your Territory, that do not use any of the Marks;
4. Market and sell, inside and outside of the geographic area, through channels of distribution other than full service franchised stores (like Internet, e-commerce, mail order or grocery, retail or convenience stores or through special purpose sites including military bases, public transportation facilities, sport facilities (including race tracks), Walmart locations, airports, student unions or similar buildings on college or university campuses, amusement and theme parks, special events, and through other sites which are covered/closed traffic malls, all of which are designated (“Special Sites”). Special sites designated above are not granted a Protected Territory; and

5. Purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities under any names or marks other than, while the Area Development Agreement is in effect, the Marks, regardless of the location of these businesses and/or facilities, which may be within the Protected Territory or immediately outside its border.

Designated Territory: Default Under the Area Development Agreement

We have the right to terminate an Area Development Agreement if you default under its terms or under the terms of any Franchise Agreement or other agreement you have with us. If you do not achieve the Minimum Development Quota specified in the Area Development Agreement, we, in our sole control, may, (but are not required to do so):

1. Terminate the Area Development Agreement;
2. Have the right to operate (directly or through affiliates) or grant franchises for the operation of franchised store within the Designated Territory;
3. Grant you an extension under the Development Schedule for such time period as we specify for a non-refundable extension fee of from \$5,000 to \$20,000 depending upon the amount of time extended; or
4. Reduce the Designated Territory and the Development Schedule to a size and magnitude that we estimate you are capable of operating in accordance with the Area Development Agreement.

We reserve the right to establish other channels of distribution for our services. These channels may compete with franchised businesses. We will not compensate you for any sales made through these channels.

ITEM 13. TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to use our primary proprietary Mark, "Techy Repairs & Smart Home Installs Powered by DrPhoneFix[®]" and our other Marks with our written authorization, in connection with your franchise for your use and only in the manner authorized and permitted by us. The Area Development Agreement does not grant you the right to use the proprietary Mark or System. You may not directly or indirectly contest our rights in the Mark. We received an assignment of all ownership rights to the Marks from DrPhoneFix Franchises, Inc.

Our marks have been registered with the United States Patent and Trademark Office ("USPTO") on the Principal Register as follows:

1.)



Design Plus Words, Letters, and/or Numbers
Registration Number: 6092382
Registration Date: June 30, 2020

2.) DrPhoneFix

Standard Character Mark
Registration Number: 4647373
Registration Date: December 2, 2014

3.)



Design Plus Words, Letters, and/or Numbers
Registration Number: 4639249
Registration Date: November 18, 2014

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeals Board, the Trademark Administrator of any state or any court relating to the Mark. There is no pending infringement, opposition or cancellation involving the Mark; no known superior rights or infringing uses actually known to us that could materially affect your use of our Mark; and no pending material litigation involving the Mark. All affidavits and renewals required to be filed have been filed.

There are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed in this section in a manner material to the franchise to be sold. On September 1, 2021, we entered into a non exclusive license agreement with our affiliate, Techy Company LLC. In accordance with the agreement, our affiliate will be permitted to use our Marks

to enable franchisees under franchise agreement acquired by Techy Company, LLC from Experimax Franchising LLC to operate those franchises.

The franchise agreement grants you the non-exclusive right to use our current and future Marks to identify the products and services offered by us. We have the right to require you to modify or discontinue your use of any Mark(s). If we exercise this right, we will provide advance notice to all franchisees. We will have no liability or obligation for your modification or discontinuance of any Mark or promotion of a substitute trademark, service mark or trade dress.

You must follow our rules when using our Marks. You must receive our approval when choosing your corporate name and you cannot use the Marks as part of the corporate or other legal entity name or with modifying words, designs or symbols without our consent. All of your usage of the Marks and any goodwill you establish is to our exclusive benefit and you retain no right in the Mark on termination or expiration of the franchise agreement. You must also obtain fictitious or assumed name registrations as we require, or under applicable law.

Neither the franchise agreement nor area development agreement contain any provisions under which we are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Marks. You must immediately notify us of any apparent infringement of or challenge to your use of any Mark or claim by any person of any rights to any Mark. We will have the sole discretion to take any action we deem appropriate and will have the right to control exclusively, any litigation or UPTO or other administrative proceedings arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must execute any and all instruments and documents, provide assistance and do such things as, in the opinion our counsel, may be necessary or advisable to protect our interest in any litigation or UPTO or other proceeding or otherwise to protect our interest in the Mark(s). We have no obligation under the franchise agreement or area development agreement to protect you against or reimburse you for any damages for which you are held liable.

We may not be able to prevent anyone who began using the name “Techy Repairs & Smart Home Installs Powered by DrPhoneFix” or “Techy” or any variation thereof before our use of it from continuing their use of that name in the area of prior use. The name “Techy Repairs & Smart Home Installs Powered by DrPhoneFix” or “Techy” as abbreviated, may be in use by other businesses in the United States who are not our franchisees or in any way affiliated with us. You will be responsible for finding out whether the name “Techy Repairs & Smart Home Installs Powered by DrPhoneFix” or “Techy” as abbreviated, is already being used in your granted Territory. Under the Franchise Agreement you release us from any liability to you caused by any prior use of the name “Techy Repairs & Smart Home Installs Powered by DrPhoneFix” or “Techy” as abbreviated or any variation thereof by anyone else.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are material to the Franchise.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials, although we claim common law copyrights in our manuals and other materials. There are no agreements in effect which significantly limit our right to use or license the copyrighted materials. Finally, there are no

infringing uses actually known to us which could materially affect your use of the copyrighted materials in any state. No agreement requires us to protect or defend any copyrights or you in connection with any copyrights.

Confidential Operating Manual(s) and Other Materials.

During the term of the Franchise Agreement, we will loan to you at no charge our Confidential Operating Manual(s) in which we assert a copyright interest. The Confidential Operating Manual(s), its supplements, and any other materials or information designated by us is confidential. You will not provide your employees access to the Confidential Operating Manual(s) unless necessary to operate your franchised store. You and your employees will sign a Proprietary Information Non-Disclosure Agreement (“NDA”) protecting our copyrights and confidential information and a Release and Assignment of Rights to Improvements Agreement agreeing to give up any rights to Improvements you make to the franchise. Anyone whom you transfer any interest in you, or to whom you transfer the franchise, must sign both agreements. You must obtain signatures of all employees on the NDA. Managers must also sign the NDA and Release. Personal supervision is not required if you are an individual, although it is recommended. You must devote full-time best efforts to the success of the franchise, at all times. Furthermore, each person must sign a personal guarantee to be personally bound by, and personally liable for the breach of, every confidentiality and non-competition provision, and must execute a “Employee Confidentiality Agreement” in the form required by the Franchise Agreement, Exhibit 8.1.

You must use your best efforts to keep confidential all provisions in the Confidential Operating Manual(s), including any supplements or amendments that we provide. You are responsible for keeping your copy of the Confidential Operating Manual(s) up-to-date. The provisions in our master copy will control any disputes that arise. You agree to comply with every provision in the Confidential Operating Manual(s) and every revision to the Confidential Operating Manual(s) that we may make from time to time, provided such revisions do not implement new or different requirements which alter the fundamental terms and conditions of the Franchise Agreement.

We will loan you a replacement copy if you lose or misplace your copy or supplements but we may require a replacement charge of \$250. You must not photocopy any part of the Confidential Operating Manual(s) without our written consent.

In general, our proprietary information includes “Confidential Information” as defined in Article 8 of the Franchise Agreement, some of which is contained in our Manuals, and includes among other things: a) techniques, policies, procedures, information, systems, and knowledge regarding the development, marketing, operation and franchising of a franchised store; b) information regarding Trade Secrets, repair techniques and methods, and suppliers of Products and Services used in a franchised store; c) all information regarding customers, including any statistical and/or financial information and all lists. We disclose to you Confidential Information and your only interest in the Confidential Information is the right to use it under your Franchise Agreement.

You must agree to maintain the confidentiality of all the Confidential Information during and after the term of the Franchise Agreement and that you will not use any of the Confidential Information in any other business or in any manner we do not specifically authorize in writing. You also agree to fully and promptly disclose all ideas, techniques and other similar information relating to the Franchised Business that are conceived or developed by you and/or your employees.

We will have an ongoing right to use, and to authorize others to use, these ideas, etc. without compensation or other obligation.

You must cause each of your employees, agents, principals, and affiliates to sign and deliver to you an agreement containing substantially the same provisions described in this Item 14 (in forms specified by us) and will deliver to us copies on request. (Franchise Agreement, Section 8.1)

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

Your franchised store must be personally managed on a full-time basis by a person who has successfully completed mandatory training and met then-current standards as specified by us. We recommend that you participate in the supervision of the franchise. We may, however, agree in writing to allow someone other than an owner to act as the on-premise manager. That person must complete our training program and cannot have any interest or business relationship with any of our competition. You and your initial manager must attend our Certification Training Program.

Each of your employees, agents, principals and Affiliates must sign a form of confidentiality agreement as approved by us including but not limited to a Proprietary Information Non-Disclosure Agreement, a Continuing Guaranty of your full performance, and the "Employee Confidentiality Agreement." (Exhibits 1 and 8.1 of the Franchise Agreement). You will hire all employees of your Franchised Business and will be solely responsible for their supervision, possible termination, terms of employment and compensation and proper training.

If the Franchisee is a business entity, we do not require the manager to have an equity interest in the Franchise.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

You must operate your Franchised Business in accordance with the System Standards (including required products and services), which we may modify occasionally. You may not use your Franchised Business for any other purposes other than the operation of a Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchised business without our prior written approval and you must stay in compliance with the Franchise Agreement and all mandatory requirements in the Manuals. You must purchase, use and offer required Products and Services we designate.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENT ATTACHED TO THIS DISCLOSURE DOCUMENT.

Provisions in Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	2.1; Exhibit E-1 In-Store Addendum to Franchise Agreement Exhibit E-2 Turn-Key Addendum to Franchise Agreement	10 years for new Franchise and 10 years or expiration date of the remaining term of the Franchise Agreement for an acquisition, in our sole discretion. 10 years for new Franchise, but the lease for your Walmart location only provides a term of 2 years with two 1 year renewals. After the Walmart, term you may be required to relocate within your Protected Territory.
b. Renewal or extension of the term	15.1	If in good standing, you may renew for an additional term of 10 years.
c. Requirements for you to renew or extend	15.1 – 15.5	You must give written notice in first 90 days of 9 th year; possess or renew your lease; agree to any requested modifications; be in compliance with all agreements with us; execute then current agreement; sign release of all claims; attend any require refresher training at your expense; pay fee of 20% of then current franchise fee for new franchisees.
d. Termination by you	None	None; mandatory notice of claims by you.
e. Termination by us without cause	None	None
f. Termination by us with cause	16.1 – 16.4	We can terminate your Franchise if you commit any one of several listed violations.

Provision	Section in Franchise Agreement	Summary
g. "Cause" defined-curable defaults	16.2	Failure to: submit any information due; make any payments due us, any affiliate, supplier or creditor; meet obligations to others; comply with Manuals and all agreements; maintain required insurance; correct dangerous conditions; comply with dispute resolution procedures; cure default under (sub) lease or Operating Agreement.
h. "Cause" defined-non-curable defaults	16.1	Fail to meet site selection, development, opening and other requirements, abandon or fail to operate your franchised store for more than 7 consecutive days, lose right to possession of Premises and fail to relocate, misrepresentations or omissions by you in application for Franchise; bankruptcy; conviction of felony or other misconduct that adversely affects the franchise; unauthorized transfer or surrender of control; unauthorized use of Confidential Information, the Marks or Manuals; violation of non-compete provisions; commit any fraud or misrepresentation to us or any third party; 5 or more material customer complaints in any 12-month period. Failure to maintain records or cooperate in any audit or inspection.
i. Your obligations on termination/non-renewal	17.1 – 17.4	Cease operations; cease use of Marks; de-identify business; pay amounts owed; return Manuals and materials; return of signage; transfer phone numbers to us or our designee; cancel all fictitious business name registrations. Certain obligations continue, including payment, indemnity, non-competition and confidentiality.
j. Assignment of contract by us	14.1	No restrictions on our right to transfer; our obligations are terminated upon transfer.
k. "Transfer" by you-definition	14.2	Requires our written approval.

Provision	Section in Franchise Agreement	Summary
l. Our approval of transfer by you	14.2-14.4	Transfer subject to our prior written consent.
m. Conditions for our approval of transfer	14.2-14.4	You must be in compliance with all agreements and the Manuals; You must have continuously operated the Franchised Business for at least 5 years; Transferee must qualify; Transferee assumes your obligations; all amounts and reports due us are remitted; all debts payable to third parties are assumed by transferee; all required reports or other documents submitted; Transferee pays a transfer fee of \$5,000; Transferee pays a \$5,000 training fee and satisfactorily completes training; Transferee obtains all required permits, licenses and insurance; Lessors and other parties consent to transfer; execution of Franchise Agreement by transferee and payment the transfer fee; execution of release; amount financed subordinate to obligations of transferee to us; execution of non-competition agreement; and compliance with laws and regulations. Additional requirements apply for transfer to a controlled business entity.
n. Our right of first refusal to acquire your business	14.7	We have the right to match offer, require terms and conditions.
o. Our option to purchase your business	Exhibit 3.2 B	We may take over your lease rights.
p. Your death or disability	14.5	Transfer to third party within 6 months. Subject to all transfer requirements and restrictions.
q. Non-competition covenants during the term	8.2	No involvement in any Similar Business.
r. Non-competition covenants after the franchise is terminated or expires	8.2, 14.2, 17.4, 19.6	No involvement in Similar Business for 2 years within a 10 mile radius.

Provision	Section in Franchise Agreement	Summary
s. Modification of the agreement	19.1, 19.8	Agreement may be modified in writing by all parties. Manuals and System are subject to change by us and you must promptly comply.
t. Integration/merger clause	21	Only the terms of the Franchise Agreement are binding (assuming they comply with State law). Any other promises are not enforceable.
u. Dispute resolution by arbitration or mediation	19.1 – 19.11	Except for a few types of claims, all disputes are resolved through face-to-face meeting, mediation, and/or binding arbitration at a neutral site in the county in which our then current headquarters is located; limited rights of appeal and pre-trial discovery; and limitation of types of damages.
v. Choice of forum	19.2	A site in the county in which our then current headquarters is located.
w. Choice of law	19.8	Laws of the State of Florida apply, but Federal Arbitration Act preempts.

Provisions in Area Development Agreement

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	2.1 of Area Development Agreement	Term is variable depending on number of franchised stores to be developed. Expires on the earlier of: (i) the latest Required Date for Opening of a Development store; or the actual Opening Date for the last scheduled franchised store.
b. Renewal or extension of the term	None	None
c. Requirements for you to renew or extend	None	None
d. Termination by you	None	None
e. Termination by us without cause	None	None
f. Termination by us with cause	7.1	We can terminate your Franchise if you commit any one of the violations listed below.

Provision	Section in Area Development Agreement	Summary
g. "Cause" defined-curable defaults	None	None
h. "Cause" defined-non-curable defaults	7.1, 12.1	Unauthorized transfer; failure to meet Development Schedule; you commit to a lease without our approval, or begin the development and/or operation of a Development store, without having complied with the terms of the Area Development Agreement; bankruptcy (or any similar type of dissolution such as insolvency, receivership, assignment for the benefit of creditors, 30 day unsatisfied judgment, foreclosure on lien); conviction of felony or offense which affects the good will associated with the Marks; any breach of the Agreement; default under other agreements with us or others.
i. Your obligations on termination/non-renewal	12.1, 13.1	Your obligations on termination or non-renewal of the Area Development Agreement include: no further rights to develop franchised stores, cease operating as an area developer, cancel assumed names, pay amounts owed, assign telephone numbers to us and comply with any other provisions that survive termination.
j. Assignment of contract by us	8.1	No restrictions on our right to transfer; our obligations are terminated upon transfer.
k. "Transfer" by you-definition		Transfer, sale, assignment, gift encumbrance, devise, bequest of franchise, Area Development Agreement or any interest in the area development business or in you, the area developer.
l. Our approval of transfer by you	8.1	Transfer subject to our prior written consent.

Provision	Section in Area Development Agreement	Summary
m. Conditions for our approval of transfer	8.1	Payment of transfer fee. We may apply applicable transfer provisions of the most current store Franchise Agreement between us. Interest in all Development Stores must be transferred to the same assignee. For a transfer to a third party, the transferee must meet our qualifications and you must also transfer all franchise agreements for franchised stores in the developed territory.
n. Our right of first refusal to acquire your business	8.1, 12.1	We may apply applicable right of first refusal provisions of the most current store Franchise Agreement between us.
o. Our option to purchase your business	8.1, 12.1	We may apply applicable right of purchase of the most current store Franchise Agreement between us.
p. Your death or disability	None	None
q. Non-competition covenants during the term	12.1	Subject to the provisions of Franchise Agreement.
r. Non-competition covenants after the franchise is terminated or expires	12.1	Subject to the provisions of Franchise Agreement.
s. Modification of the agreement	4.1, 13.1	Agreement may be modified in writing by all parties.
t. Integration/merger clause	13.1	Only the terms of the Franchise Agreement are binding (assuming they comply with State law). Any other promises are not enforceable.
u. Dispute resolution by arbitration or mediation	12.1	Except for a few types of claims, all disputes are resolved through mediation, and/or binding arbitration at a neutral site in the county in which our then current headquarters is located; limited rights of appeal and pre-trial discovery; and limitation of types of damages.

Provision	Section in Area Development Agreement	Summary
v. Choice of forum	12.1	Face-to-face meeting, mediation, arbitration and litigation at a neutral site in the county in which our then current headquarters is located. Please see the state-specific addenda to the Disclosure Document in Exhibit H and the Franchise Agreement.
w. Choice of law	12.1	Laws of the State of Florida apply, but Federal Arbitration Act preempts.

ITEM 18. ARRANGEMENTS WITH PUBLIC FIGURES

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

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 Franchise Administration Department at 3000 South West 4th Avenue, Fort Lauderdale, FL 33315, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Year 2018, 2019 and 2020

Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
Franchise	2018	18	24	+6
	2019	24	29	+5
	2020	29	33	+4
Company-Owned*	2018	14	11	-3
	2019	11	5	-6
	2020	5	4	-1
Total Outlets	2018	32	35	+3
	2019	35	34	-1
	2020	34	37	+3

* There are no company stores but our affiliate, DrPhoneFix, Inc., operates four locations in Florida and previously entered into four (4) licenses to operate a business using our trademarked name outlined in Exhibit “B”.

Table 2
Transfers of Outlets
From Franchisees to New Owners
(Other than the Franchisor)
For Years 2018, 2019 and 2020

State	Year	Number of Transfers		State	Year	Number of Transfers
Florida	2018	2		Texas	2018	1
	2019	4			2019	0
	2020	3			2020	0
Pennsylvania	2018	0		TOTALS	2018	3
	2019	0			2019	4
	2020	1			2020	4

Table 3
Status of Franchised Outlets
For Year 2018, 2019 and 2020

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
Colorado	2018	0	1	0	0	0	0	1
	2019	1	2	0	0	0	0	3
	2020	3	0	3	0	0	0	0
Florida	2018	17	5	2	0	0	0	20
	2019	20	6	0	0	0	4	22
	2020	22	10	0	0	0	2	30
Georgia	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	1	0	0
Ohio	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Pennsylvania	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Texas	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Total*	2018	18	8	2	0	0	0	24
	2019	24	9	0	0	0	4	29
	2020	29	10	3	0	1	2	33

Table 4
Status of Company-Owned Outlets
For Year 2018*, 2019 and 2020

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets At End Of The Year
Florida	2018	12	0	0	0	1	11
	2019	11	0	0	5	1	5
	2020	5	3	0	1	4	3
Georgia	2018	1	0	0	0	1	0
	2019	0	0	0	0	0	0
	2020	0	0	1	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets At End Of The Year
Pennsylvania	2018	1	0	0	0	1	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Total*	2018	14	0	0	0	3	11
	2019	11	0	0	5	1	5
	2020	5	3	1	1	4	4

* There are no company stores but our affiliate, DrPhoneFix, Inc., operates four locations in Florida and previously entered into four (4) licenses to operate a business using our trademarked name outlined in Exhibit “B”.

Table 5
Projected Openings
As of December 31, 2020

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Florida	1	8	4
TOTAL	1	8	4

Exhibit “B” lists the name of our current franchisees and the addresses and telephone number of each of their outlets as of date of issuance.

Exhibit “C” lists the name, city and state, and current business telephone number, or if unknown, the last known home telephone number for each franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who did not communicate with us within 10 weeks of the disclosure document issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers if you leave the franchise system. No franchisees signed any confidentiality clauses during the last three fiscal years.

There are no trademark specific franchisee organizations associated with the franchise system being offered.

We will be looking for franchisees in most states. We will continue to look for franchisees throughout the United States, and will open franchises in this fiscal year if and when we find qualified franchisees.

We have not signed any confidentiality clauses with any current or former franchisees in the last three years that would restrict their ability to speak openly about their experience with us.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit “D” is our Audited Financial Statement for the period ending December 31, 2020 and December 31, 2019 and December 31, 2018. Also included are unaudited Financial Statements for the period ending June 30, 2021.

ITEM 22. CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

- Exhibit E Franchise Agreement
- Exhibit E-1 In-Store Addendum to Franchise Agreement
- Exhibit E-2 Turn-Key Addendum to Franchise Agreement
- Exhibit F Area Development Agreement
- Exhibit F-1 In-Store Addendum to Area Development Agreement

ITEM 23. RECEIPTS

See Exhibit “I” for detachable receipts.

EXHIBIT “A” TO THE DISCLOSURE DOCUMENT

**CONFIDENTIAL OPERATING MANUAL
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Total number of Pages: 107

EXHIBIT "B" TO THE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

**List of Current Franchises
As of December 31, 2020**

FRANCHISEE	ADDRESS	PHONE
Florida		
Decaro International Corp.	9858 Glades Rd d-1 Boca Raton, FL 33434	(561) 756-8427
Pieter M Soeters	3200 Old Boynton Rd Boynton Beach, FL 33436	(561) 244-2377
JL Phones LLC	1619 Del Prado Blvd Cape Coral FL 33990	(239) 672-9399
LBR Partners LLC	1450 Johns Lake Rd Clermont, FL 33403	(352) 717-8742
G & N Phone Repair	8787 Stirling Road, Suite B4 Cooper City, FL 33328	(954) 368-6830
Amarella LLC	3801 Turtle Creek Dr. Coral Springs, FL 33067	(954) 392-9633
The Fix Company LLC	6059 Coral Ridge Dr Coral Springs, FL 33076	(954) 507-0510
Patterson Income Holdings LLC	13658 W State Road 84 Davie, FL, 33325	(416) 998-7560
Nova Certainty Company LLC	4442 Weston Rd. Davie, FL 33331	(786) 973-3886
PP Chuela LLC	1335 S Military Trail Deerfield Beach, FL 33442	(954) 573-6929
Hoyos Brother Corp	10770 NW 66 St. #302 Doral, FL 33178	(786) 546-6644
Berro Technology LLC	3000 SW 4th Ave Fort Lauderdale, FL 33315	(754) 200-8917
Javier Lara	1261 E Las Olas Blvd Fort Lauderdale, FL 33301	(561) 315-4010
JL Phones LLC	545 Pine Island Rd Fort Myers, FL 33903	(239) 672-9399
Ocean Ridge Electronics LLC	14821 Ben C Pratt/6 Mile Cypress Pkwy Fort Myers, FL 33912	(239) 596-0518
Argin Tech Support Inc.	18518 NW 67 Avenue Hialeah, FL 33015	(305) 905-1521
Brindesi & Silicz Investment Group LLC	101 N Congress Ave Lake Park, FL 33403	(561) 370-7478
Tactical Integrated Systems Inc.	2501 Citrus Blvd Leesburg FL, 34748	(352) 504-0545

FRANCHISEE	ADDRESS	PHONE
Varfal, LLC*	11461 SW 40th Street Miami, FL 33165	(305) 553-2500
KYS Services LLC	16263 Miramar Pkwy Miramar, FL 33027	(954) 392-5520
Lake Drpfx Inc.	1800 Edgewater Dr Mount Dora, FL 32757	(354) 636-3226
Gallorth LLC	9885 Collier Blvd Naples, FL 34114	(239) 352-0053
Brimax Tech LLC	12253 Biscayne Blvd. North Miami, FL 33181	(303) 356-4005
NIBECA TECH, LLC	18557-B West Dixie Highway North Miami Beach, FL 33180	(303) 356-4005
The Gadget Fix LLC	3801 Tampa Rd Oldsmar, FL 34677	(203) 577-8567
Camegi Tech, LLC	400 N. University Dr. Pembroke Pines, FL 33024	(786) 252-0286
Delsan Investments LLC	12800 Pines Blvd. Pembroke Pines, FL 33331	(954) 681-0579
Maria Bohorquez	8359 West Sunrise Blvd. Plantation, FL 33322	(954) 446-9011
Saint Soul Technologies LLC	2300 W Atlantic Blvd Pompano Beach, FL 33069	(954) 960-6220
James Machamer	438 E Burleigh Blvd Tavares, FL 32778	(352) 462-1577
Ohio		
DPF Columbus LLC	1622 N Memorial Dr. Lancaster, OH 43130	(740) 688-3504
Pennsylvania		
Mohammad Norman	250 Summit Park Dr Pittsburgh, PA 15275	(412) 275-0468
Texas		
KKMG LLC	425 Coit Rd. Plano, Texas 75075	(972) 905-9645

*Note: Varfal, LLC transferred the location to NBE2020 LLC January 8, 2021.

**List of Franchises
Sold But Not Open As of December 31, 2020**

FRANCHISEE	ADDRESS	PHONE
Florida		
Honest Abe Florida LLC		

LIST OF AFFILIATE AND LICENSEES

List of Current Affiliate Locations

AFFILIATE	ADDRESS	PHONE
Florida		
Drphonefix, Inc.	5555 W Atlantic Blvd Margate, FL 33063	(954)960-6196
DrPhoneFix, Inc.	9885 Collier Blvd. Naples, FL 34114	(239) 352-0053
DrPhoneFix, Inc.	371 E Commercial Blvd Oakland Park, FL 33334	(954) 653-2482
Georgia		
DrPhoneFix, Inc.	1911 Epps Bridge Pkwy Athens, GA, 30606	(706) 296-8165

Licensees

1. Dr Phone Fix Plantations, FL
G & N Phone Repair Corp
37 South State Road 7 Plantation Florida 33317
(954)680-1823
2. Dr Phone Fix Kendall, FL
PhonoWiz, LLC
8813 SW 107th Ave Suite 110 Miami Florida 33176
(305)275-2870
3. Dr Phone Fix Kendall Hammocks, FL
Cesar Vazquez
10201 Hammocks Blvd Miami Florida 33196
(786)238-7499
4. Dr Phone Fix Charlotte, NC
Conry Enterprises, LLC
8624 Camfield Street Charlotte North Carolina 28277
(704)543-7588

EXHIBIT “C” TO THE DISCLOSURE DOCUMENT

FRANCHISEES WHO HAVE LEFT THE SYSTEM

List of Former Franchisees

FRANCHISEE	ADDRESS	PHONE
Florida		
Venus Solutions	9858 Glades Rd d-1 Boca Raton, FL 33434	(561) 756-8427
SW Contractors Corp	1865 S University Dr Davie, FL 33324	(954) 644-7044
FBIR Investments LLC	12800 Pines Boulevard Pembroke Pines, FL 33331	(954) 681-0579
NIBECA TECH, LLC	18557-B West Dixie Highway North Miami Beach, FL 33180	(303) 356-4005
Georgia		
Dos Phonos Amigos LLC	1911 Epps Bridge Pkwy Athens, GA 30606	(706) 608-4061
Colorado		
Livin' the Dream, LLC	3604 E Austin Bluffs Parkway Suite 120 Colorado Springs, CO 80918	(719) 466-4824
Livin' the Dream, LLC	125 N Tejon St Colorado Springs, CO 80903	(719) 332-1306
Livin' the Dream, LLC	1614 S Academy Blvd. #120 Colorado Springs, CA 80916	(719) 466-4806
Pennsylvania		
Mitchell Drphonefix Robinson	250 Summit Park Dr Pittsburgh, PA 15275	(412) 275-0468

EXHIBIT “D” TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

OF

TECHY, LLC

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

Rausher and Associates, Inc
8360 W Oakland Park Blvd Ste 111
Sunrise, FL 33351
954-742-0299

To the Board of Directors
TECHY LLC
3000 SW 4 AVENUE

FORT LAUDERDALE, FL 33315

We have compiled the accompanying balance sheet of TECHY LLC as of June 30, 2021, and the related statements of income and member's equity for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Rausher & Herman Tax & Accting Serv Inc.

September 3, 2021

TECHY LLC
BALANCE SHEET
As of June 30, 2021

ASSETS

CURRENT ASSETS

CASH-CHECKING-4171	\$ 322,210.57
CASH-CHECKING-4197	22,596.02
CASH-CHECKING-4184	324,381.67
CASH-CHECKING-2821	16,000.00
DUE FROM DRPHONEFIX INC	<u>7,400.00</u>

Total Current Assets 692,588.26

PROPERTY AND EQUIPMENT

OTHER ASSETS

SECURITY DEPOSITS	7,499.53
TRADEMARK	<u>250.00</u>

Total Other Assets 7,749.53

TOTAL ASSETS \$ 700,337.79

TECHY LLC
BALANCE SHEET
As of June 30, 2021

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES	
ACCRUED EXPENSES	\$ 300.00
DUE TO SBA	<u>142,400.00</u>
Total Current Liabilities	<u>142,700.00</u>
LONG-TERM LIABILITIES	
Total Liabilities	<u>142,700.00</u>
MEMBER'S EQUITY	
Draws	-184.36
Net Income (Loss)	321,694.92
Retained Earnings	<u>236,127.23</u>
Total Members' Equity	<u>557,637.79</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 700,337.79</u>

TECHY LLC

INCOME STATEMENT

**6 Months Ended
June 30, 2021**

Sales	
FRANCHISE FEES COLLECTED	\$ 107,050.00
ROYALTY FEES COLLECTED	420,151.85
OTHER INCOME	<u>35,250.00</u>
Total Sales	<u>562,451.85</u>
Cost of Goods Sold	
PURCHASES	97,206.29
LABOR COSTS	<u>67,600.00</u>
Total Cost of Goods Sold	<u>164,806.29</u>
Gross Profit	<u>397,645.56</u>
Operating Expenses	
ADVERTISING	39,905.90
AUTO EXPENSE	784.51
BANK & CREDIT CARD CHARGES	3,876.56
ENTERTAINMENT & PROMOTION	1,829.13
LICENSES & TAXES	204.75
OFFICE	1,400.47
PROFESSIONAL FEES	7,962.50
RENT	19,791.82
REPAIRS & MAINTENANCE	<u>195.00</u>
Total Operating Expenses	<u>75,950.64</u>
Operating Income (Loss)	<u>321,694.92</u>
Other Income (Expense)	
Net Income (Loss) Before Taxes	<u>321,694.92</u>
Net Income (Loss)	<u>\$ 321,694.92</u>

See Accountants' Compilation Report

TECHY LLC

INCOME STATEMENT

	6 Months Ended June 30, 2021	6 Months Ended June 30, 2020
Sales		
FRANCHISE FEES COLLECTED	\$ 107,050.00	\$ 15,000.00
ROYALTY FEES COLLECTED	420,151.85	299,521.82
OTHER INCOME	<u>35,250.00</u>	<u>0.00</u>
Total Sales	<u>562,451.85</u>	<u>314,521.82</u>
Cost of Goods Sold		
PURCHASES	97,206.29	41,917.83
LABOR COSTS	<u>67,600.00</u>	<u>67,600.00</u>
Total Cost of Goods Sold	<u>164,806.29</u>	<u>109,517.83</u>
Gross Profit	<u>397,645.56</u>	<u>205,003.99</u>
Operating Expenses		
ADVERTISING	39,905.90	2,749.01
AUTO EXPENSE	784.51	264.97
BANK & CREDIT CARD CHARGES	3,876.56	1,891.76
CONTRIBUTIONS	0.00	613.20
ENTERTAINMENT & PROMOTION	1,829.13	912.90
LICENSES & TAXES	204.75	0.00
OFFICE	1,400.47	10,383.39
PROFESSIONAL FEES	7,962.50	26,392.98
RENT	19,791.82	0.00
REPAIRS & MAINTENANCE	195.00	0.00
TRAVEL OUT-OF-TOWN	<u>0.00</u>	<u>3,471.32</u>
Total Operating Expenses	<u>75,950.64</u>	<u>46,679.53</u>
Operating Income (Loss)	<u>321,694.92</u>	<u>158,324.46</u>
Other Income (Expense)		
Net Income (Loss) Before Taxes	<u>321,694.92</u>	<u>158,324.46</u>
Net Income (Loss)	<u>\$ 321,694.92</u>	<u>\$ 158,324.46</u>

See Accountants' Compilation Report

TECHY, LLC
(Formally DrPhoneFix USA, LLC)

Audited Financial Statements
For the year ended
(Development Stage Company)

December 31, 2020

TECHY, LLC

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Kevin Norton, P.A.
Certified Public Accounting
1451 W. Cypress Creek Road, Suite 300
Ft. Lauderdale, Florida 33309
(954) 822-1223

February 28, 2021

TECHY, LLC

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of TECHY, LLC (Formally DRPHONEFIX USA, LLC) (A Development Stage Company) which comprise the consolidated balance sheet as of December 31, 2020 and the related consolidated statements of income, comprehensive income, changes in members' equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above, present fairly, in all material respects, the consolidated financial position of TECHY, LLC. as of December 31, 2020 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.

Respectfully submitted,

Kevin J Norton

Kevin Norton, C.P.A.

TECHY, LLC
CONSOLIDATED BALANCE SHEET
 At December 31,

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash Accounts Total	\$ 373,477	\$ 64,019
Accounts Receivable	7,800	19,579
Total Current Assets	<u>381,277</u>	<u>83,598</u>
FIXED ASSETS		
Fixed Assets - Net	-	-
OTHER ASSETS		
Trademark	250	250
	<u>250</u>	<u>250</u>
Total Assets	<u>\$ 381,527</u>	<u>\$ 83,848</u>
 <u>LIABILITIES AND MEMBERS EQUITY (LOSS)</u>		
LIABILITIES:		
Accrued Expenses	\$ 3,000	\$ 850
Due to Related Party	-	2,600
Loan Payable - SBA	142,400	-
Total Liabilities	<u>145,400</u>	<u>3,450</u>
MEMBERS' EQUITY:		
Capital	-	-
Retained Earnings	<u>236,127</u>	<u>80,398</u>
Members Equity	<u>236,127</u>	<u>80,398</u>
Total Liabilities and Members Equity	<u>\$ 381,527</u>	<u>\$ 83,848</u>

See accompanying Auditor's Report
The Notes are an integral part of these financial statements.

TECHY, LLC**CONSOLIDATED STATEMENT OF INCOME AND MEMBERS EQUITY**

For the period ended December 31,

	<u>2020</u>	<u>2019</u>
REVENUE:		
Revenues	\$ 379,360	\$ 162,500
Royalties	679,419	574,021
Total Revenues	<u>\$ 1,058,779</u>	<u>\$ 736,521</u>
Cost of Sales	<u>\$ (102,010)</u>	<u>\$ (5,159)</u>
Gross Profit	<u>\$ 956,769</u>	<u>\$ 731,362</u>
EXPENSES:		
Advertising	41,214	55,996
Service Agreement - related party	135,200	137,800
Commissions - related party	6,000	16,000
Office Expenses	33,096	30,273
Professional fees	43,918	33,313
Other	13,774	25,033
Rent	23,619	-
Total Expenses	<u>\$ 296,821</u>	<u>\$ 298,415</u>
Net Income from Operations	<u>\$ 659,948</u>	<u>\$ 432,947</u>
Interest / Finance Expense	<u>\$ -</u>	<u>\$ -</u>
Net Income	<u>\$ 659,948</u>	<u>\$ 432,947</u>
MEMBERS EQUITY - beginning	<u>\$ 80,398</u>	<u>\$ 18,250</u>
Net Income from Operations	\$ 659,948	\$ 432,947
Distributions	<u>\$ (504,219)</u>	<u>\$ (370,799)</u>
MEMBERS EQUITY - ending	<u>\$ 236,127</u>	<u>\$ 80,398</u>

See accompanying Auditor's ReportThe Notes are an integral part of these financial statements.

TECHY, LLC**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended December 31,

	<u>2020</u>		<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	\$ 659,948	\$	432,947
Depreciation and amortization	-		-
(Increase) decrease in Accounts Receivable	11,779		871
(Increase) decrease in Due to Related Party	(2,600)		299
Increase (decrease) in Commissions Payable	-		(4,500)
Increase (decrease) in Loans Payable	142,400		
Increase (decrease) in Accrued Expenses	2,150		(3,427)
	<hr/>		<hr/>
Cash Received from Operating Activities	813,677		426,190
	<hr/>		<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions - Members	(504,219)		(370,799)
	<hr/>		<hr/>
	(504,219)		(370,799)
	<hr/>		<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments	\$ -	\$	-
	<hr/>		<hr/>
	-		-
	<hr/>		<hr/>
INCREASE IN CASH	309,458		55,391
CASH - Beginning	64,019		8,628
CASH - Ending	\$ 373,477	\$	64,019

See accompanying Auditor's ReportThe Notes are an integral part of these financial statements.

TECHY, LLC

Notes to The Consolidated Financial Statements December 31, 2020

Note 1 – Summary of Significant Accounting Policies

Nature of Business...

TECHY , LLC as of 2020 (previously DRPHONEFIX USA, LLC) is a Florida based company engaged in the business of selling franchises to the general public. The main headquarters is located in Florida and organized originally in 2016.

Basis of Presentation...

The financial statements have been presented on the accrual basis of accounting and in accordance with United States generally accepted accounting principles.

Use of Estimates...

The preparation of the Company's financial statements are made in conformity with generally accepted accounting principles that require estimates and assumptions that affect revenues and expenses, assets and liabilities. Actual results could differ from those estimates, and such estimates could be material.

Revenue Recognition...

The Company recognizes revenue from various sources of revenue including service fees, contracts, advertising, franchise fees and royalties. Revenues from such sources are recognized as earned upon the completion of work performed. Initial franchise fees are recognized upon the completion of all contractual requirements (or Deferred Revenue until completed), with subsequent other revenues being predominantly classified as royalty fees. ASC 606 was considered and determined, in coordination with management, to have no material effect on revenues in 2020.

Customer Deposits...

The Company will be maintaining an account called Customer Deposits for the collection of funds from pending franchisees that are in the process of completing all pertinent requirements prior to the finalization of franchise acceptance by the Company. These funds are ultimately transferred to Revenue upon satisfactory completion of the franchise process. ASC 606 has been considered regarding revenue recognition that there is no material impact. Management has determined all responsibilities have been contractually satisfied , with no pending additional requirements.

Inventory...

The company maintains no physical inventory.

Cash...

The company maintains its cash balances at banks that participate with the Federal Deposit Insurance Corporation with guarantees insuring accounts with balances up to \$250,000.

TECHY, LLC

Notes to Financial Statements December 31, 2020

Fixed Assets...

The Company will be maintaining property, plant and equipment, and depreciates them using the straight line basis over their useful lives of 5 to 28 years.

Note 2 – Provision for Federal Income Tax:

The Company is an LLC and has elected to be taxed under the provisions of the Partnership rules of the Internal Revenue Code. Under those provisions, the Company does not pay corporate income taxes on its taxable income. Instead, each member is liable for individual income taxes on his respective share of the Company's taxable income. Accordingly, these financial statements do not reflect a provision for income taxes and the Company has no tax positions which must be considered for disclosure.

Note 3 – Commitments and Contingencies:

The Company has no material commitments or legal or financial contingencies to note in 2020

Note 4 - Concentration:

The Company had no significant concentrations during 2020 that represented any material impact on its revenues.

Note 5 - Related Party Transactions:

The Company has no material related party transactions to report in 2020

Note 6 - Financial Instruments:

Cash, money market investments, current loans payable, accounts receivable, accounts payable and accrued liabilities are all short term in nature and as such, their carrying values approximate fair values.



DRPHONEFIX USA, LLC

Financial Statements

December 31, 2019 and 2018

**Berkowitz
Pollack
Brant** Advisors
+CPAs



DRPHONEFIX USA, LLC
FINANCIAL STATEMENTS
December 31, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

To the Member of DRPHONEFIX USA, LLC

We have audited the accompanying financial statements of DRPHONEFIX USA, LLC (a Florida Limited Liability Company), which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of income and member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of DRPHONEFIX USA, LLC as of December 31, 2019 and 2018, 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.



Fort Lauderdale, Florida
April 30, 2020

DRPHONEFIX USA, LLC

BALANCE SHEETS

	December 31,	
	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 64,019	\$ 8,628
Accounts receivable	<u>19,579</u>	<u>20,450</u>
TOTAL CURRENT ASSETS	83,598	29,078
TRADEMARKS	<u>250</u>	<u>250</u>
TOTAL ASSETS	<u>\$ 83,848</u>	<u>\$ 29,328</u>
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES:		
Accrued expenses	\$ 850	\$ 4,277
Commissions payable to related party	-	4,500
Due to related party	<u>2,600</u>	<u>2,301</u>
TOTAL CURRENT LIABILITIES	3,450	11,078
COMMITMENTS AND CONTINGENCIES		
MEMBER'S EQUITY	<u>80,398</u>	<u>18,250</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 83,848</u>	<u>\$ 29,328</u>

See accompanying notes to financial statements.

DRPHONEFIX USA, LLC

STATEMENTS OF INCOME AND MEMBER'S EQUITY

	Years Ended December 31,	
	2019	2018
REVENUES		
Franchise fees	\$ 162,500	\$ 235,000
Royalty, marketing and local marketing fees	574,021	495,831
TOTAL REVENUES	<u>736,521</u>	<u>730,831</u>
OPERATING EXPENSES:		
Advertising	55,996	136,453
Service agreement fees - related party	137,800	137,800
Franchise assignment fees - related party	-	26,801
Commissions - related party	16,000	23,500
Office expenses	30,273	69,158
Professional fees	33,313	38,121
Other expenses	<u>30,192</u>	<u>14,078</u>
TOTAL OPERATING EXPENSES	<u>303,574</u>	<u>445,911</u>
NET INCOME	432,947	284,920
MEMBER'S EQUITY - BEGINNING OF YEAR	18,250	8,939
DISTRIBUTIONS TO MEMBER	<u>(370,799)</u>	<u>(275,609)</u>
MEMBER'S EQUITY - END OF YEAR	<u>\$ 80,398</u>	<u>\$ 18,250</u>

See accompanying notes to financial statements.

DRPHONEFIX USA, LLC
STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 432,947	\$ 284,920
Changes in assets and liabilities:		
Accounts receivable	871	(1,464)
Due to related party	299	(2,905)
Commissions payable to related party	(4,500)	4,500
Accrued expenses	(3,427)	(1,335)
TOTAL ADJUSTMENTS	(6,757)	(1,204)
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 426,190	 283,716
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Distributions to member	(370,799)	(275,609)
 NET CASH USED IN FINANCING ACTIVITIES	 (370,799)	 (275,609)
 NET CHANGE IN CASH	 55,391.00	 8,107.00
CASH - BEGINNING OF YEAR	8,628	521
CASH - END OF YEAR	\$ 64,019	\$ 8,628
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	\$ -	\$ -

See accompanying notes to financial statements.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE A--ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: DRPHONEFIX USA, LLC, ("USA" or the "Company"), a Florida limited liability company, was formed on August 3, 2016 (Inception), to act as franchisor of certain Dr. Phonefix mobile device and service centers franchises. The Company provides the necessary training and support to franchisees that operate in the business of the repair of cell phones, tablets, computers, game consoles and other electronic devices, and the sale of specified electronic devices, accessories and other supplies. At both December 31, 2019 and 2018, the Company has 23 franchise locations, open and operating, in Florida, Georgia, Pennsylvania, Texas, Ohio, and Colorado. During 2019, 8 franchise locations were closed by the original franchisee and operations were resumed by Drphonefix Franchises, Inc. ("DPF Franchise"), a related party. Throughout 2019, 7 new franchise locations were opened and began operations, with 4 additional locations entering into a franchise agreement in 2019, which are to open in 2020. Additionally, 1 franchise location opened in 2019 for which the franchise agreement was entered into in 2018.

Cash and Cash Equivalents: Highly liquid investments with original maturities of three months or less at the date of purchase are considered cash equivalents. As of December 31, 2019 and 2018, the Company does not have any cash equivalents.

Accounts Receivable: Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company determines the allowance based on specific identification by examining aged amounts and ascertaining factors that would result in no collection. As of December 31, 2019 and 2018, management determined that accounts receivable are fully collectible and, accordingly, has not established an allowance for doubtful accounts.

Fair Value Measurements: In accordance with accounting principles generally accepted in the United States of America ("GAAP"), the Company defines fair value as the price that would be received to sell an asset or the price paid to transfer a liability in an orderly transaction between market participants at the measurement date. As of December 31, 2019 and 2018, the Company had no assets or liabilities subject to fair value measurement on a recurring basis.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Advertising: The Company expenses all advertising costs as they are incurred. Total advertising expenses for the years ended December 31, 2019 and 2018 were approximately \$56,000 and \$136,000, respectively.

Use of Estimates: The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes: The Company is a limited liability company for Federal income tax purposes and, as such, net income or net losses and any loss carryforwards or tax credits, if applicable, will be included in the member's Federal and State income tax return.

The Company accounts for the uncertainty in income taxes in accordance with GAAP, which requires recognition of a tax position in the financial statements only after determining that the relevant tax authority would more likely than not sustain the tax position following a tax audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

The Company had no material unrecognized tax benefits and no adjustments to its financial position were required as of December 31, 2019 and 2018. The Company does not expect that unrecognized tax benefits will increase within the next twelve months. The Company will recognize accrued interest and penalties, if any, related to uncertain tax positions as income tax expense. The Company's tax returns for the period ended December 31, 2016 and for the years ended December 31, 2017 and 2018 remain subject to examination by major tax jurisdictions.

Franchise Revenue: Revenue from franchise fees is recognized as income when the franchisee signs the franchise agreement to obtain the right to open the franchise and has provided a sufficient cash deposit. Royalty, marketing and local marketing fees, which are calculated as a percentage of the gross sales of franchised operations, are accrued as income when earned. Unearned franchise revenue is recorded as deferred revenue. Franchise fees amounted to \$162,500 and \$235,000 for the years ended December 31, 2019 and 2018, respectively. Royalties, marketing and local marketing fees amounted to approximately \$574,000 and \$496,000 for the years ended December 31, 2019 and 2018, respectively.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Subsequent Events: The Company has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through April 30, 2020, the date the financial statements were available to be issued.

Recent Accounting Pronouncements: In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers. This guidance provides a five-step analysis in determining when and how revenue is recognized so that an entity will recognize revenue when it transfers promised goods or services to customers in an amount that reflects what it expects in exchange for the goods and services. It also requires more detailed disclosures to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. In August 2015, the FASB issued ASU 2015-14, Revenue from Contracts with Customers, Accounting Standards Codification ("ASC") Topic 606: Deferral of Effective Date which approved a one-year deferral of the effective date of ASU 2014-09. As a result of this deferral, ASU 2014-09 is effective for fiscal 2019, including interim periods within that reporting period. In addition, the FASB issued ASU 2016-08, ASU 2016-10 and ASU 2016-12 in March 2016, April 2016 and May 2016, respectively, to provide interpretive clarifications on the new guidance in ASC Topic 606. In December 2016, the FASB issued ASU 2016-20, Technical Corrections and Improvements to ASC Topic 606, Revenue from Contracts with Customers. The amendments in this update affect narrow aspects of the guidance issued in ASU 2014-09 including loan guarantee fees, contracts costs-impairment testing, provisions for losses on construction-type and production-type contracts, scope of ASC Topic 606, disclosure of remaining performance obligations, disclosure of prior-period performance obligations, contract modifications example, contract asset versus receivable, refund liability, and advertising costs. The effective date of the amendments in this update are for financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. On April 8, 2020, the FASB issued a tentative board decision that amended the effective date of Topic 606 for franchisors that are not public business entities to annual reporting periods beginning after December 15, 2019, and interim reporting periods within annual reporting periods beginning after December 15, 2020. The FASB made the amendment optional, however Management has elected to adopt the amendment and as such Topic 606 will be adopted for the annual reporting period beginning January 1, 2020. Management is currently evaluating the impact that the adoption of ASU 2014-09 will have on the Company's financial statements.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Recent Accounting Pronouncements--Continued: In August 2016, the FASB issued ASU 2016-15, Classification of Certain Cash Receipts and Cash Payments, Statement of Cash Flows (ASC Topic 230). The amendments in this update provides guidance on eight specific cash flow issues. This update is to provide specific guidance on each of the eight issues, thereby reducing the diversity in practice in how certain transactions are classified in the statement of cash flows. The effective date of the amendments in this update are for financial statements issued for fiscal years beginning after December 15, 2018. On January 1, 2019, the Company adopted ASU 2016-15 for the year ended December 31, 2019. The adoption of this ASU had no impact on the Company's financial statements.

In June 2016, the FASB issued ASU 2016-13 Financial Instruments, Measurement of Credit Losses on Financial Instruments (Topic 326). The main objective of this Update is to replace the incurred loss impairment methodology under current GAAP, with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Trade receivables that management has the intent and ability to hold for the foreseeable future until payoff shall be reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for credit losses (no longer referred to as the allowance for doubtful accounts). In November 2018, the FASB issued ASU 2018-19 to clarify and improve areas of guidance related to Topic 326. In April 2019, the FASB issued ASU 2019-04 to clarify and improve areas of guidance related to Topic 326. In May 2019, the FASB issued ASU 2019-05 to provide transition relief related to Topic 326. In November 2019, the FASB issued ASU 2019-10 which updated the effective date related to Topic 326 and ASU 2019-11 to clarify and address stakeholders' specific issues related to Topic 326. ASU 2016-13 and the related amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. Management is currently evaluating the impact that the adoption of ASU 2016-13 and the related amendments will have on the Company's financial statements.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE A--ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Recent Accounting Pronouncements--Continued: In July 2018, the FASB issued ASU 2018-09, Codification Improvements. These amendments affect a wide variety of Topics in the ASC. These amendments are presented in nine sections and represent changes to clarify, correct errors in, or make minor improvements to the ASC. The subtopics being amended include the following: Subtopic 220-10, Income Statement - Reporting Comprehensive Income - Overall, Subtopic 470-50, Debt - Modifications and Extinguishments, Subtopic 480-10, Distinguishing Liabilities from Equity - Overall, Subtopic 718-740, Compensation - Stock Compensation - Income Taxes, Subtopic 805-740, Business Combinations - Income Taxes, Subtopic 815-10, Derivatives and Hedging - Overall, Subtopic 820-10, Fair Value Measurement - Overall, Subtopic 940-405, Financial Services - Brokers and Dealers - Liabilities, and Subtopic 962-325, Plan Accounting - Defined Contribution Pension Plans - Investments - Other. The amendments make the ASC easier to understand and easier to apply by eliminating inconsistencies and providing clarifications. The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments in this ASU do not require transition guidance and will be effective upon issuance of this ASU. However, many of the amendments in this ASU do have transition guidance with effective dates for annual periods beginning after December 15, 2018, for public business entities and for annual periods beginning after December 15, 2019 for all others. Management is currently evaluating the impact that the adoption of the amendments with transition guidance in ASU 2018-09 will have on the Company's financial statements.

NOTE B--RELATED PARTY TRANSACTIONS

Franchise Assignment: On August 29, 2016, the Company entered into a franchise assignment agreement (the "Franchise Agreement" with DPF Franchise). In connection with the Franchise Agreement, DPF Franchise assigned its entire and exclusive rights as a franchisor in nine (9) franchise locations in the state of Florida. The Company was required to pay DPF Franchise 50% of future franchise revenues for a period of two (2) years from August 29, 2016 and is assuming all duties as franchisor for the remaining term under the franchise agreements. The Franchise Agreement expired on August 29, 2018 and was not extended, as such all obligations under the Franchise Agreement ceased on that date and no amounts were earned by DPF Franchise for the year ended December 31, 2019. Under the Franchise Agreement, for the year ended December 31, 2018 approximately \$27,000 was earned by DPF Franchise. No amounts were unpaid as of December 31, 2019. As of December 31, 2018, \$1,000 was unpaid and is included in due to related party in the accompanying balance sheets.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE B--RELATED PARTY TRANSACTIONS--Continued

Commissions: In August 2016, the Company entered into a verbal agreement with a related party to pay commissions on all new executed franchise agreements. The Company is required to pay a 10% commission of the initial franchise fee collected on each newly executed franchise agreement. For the years ended December 31, 2019 and 2018, commission expense amounted to \$16,000 and \$23,500, respectively. As of December 31, 2019, no amount was unpaid. As of December 31, 2018, \$4,500 was unpaid and included in commissions payable to related party in the accompanying balance sheet.

Services Agreement: The Company has a Services Agreement (the "Services Agreement") with DrPhoneFix, Inc. ("DPF"), a related party through common ownership. In connection with the Services Agreement, DPF will provide the Company with administrative services and oversight of the preparation and delivery of the Company's Franchise Disclosure Document. These services will be provided by DPF for an indefinite period of time and the Company will pay DPF a weekly fee of \$2,650 for providing these services. The Company incurred approximately \$138,000 under this agreement for each of the years ended December 31, 2019 and 2018. As of December 31, 2019, \$2,600 was unpaid and is included in due to related party in the accompanying balance sheets. As of December 31, 2018, the full amount incurred for the year then ended was paid in full.

NOTE C--COMMITMENTS AND CONTINGENCIES

Litigation: The Company is subject to claims and contingent liabilities that arise in the normal course of business. None of these, in the opinion of management, are expected to have a material adverse impact on the Company's financial position or operating income.

NOTE D--CONCENTRATIONS OF CREDIT RISK

Cash Concentration: The Company maintains its cash balances in various banks located in Florida which, at times, may exceed federally insured limits. To date, no losses have been incurred. The Company's cash balances were insured up to \$250,000 per depositor at each financial institution at December 31, 2019 and 2018. At December 31, 2019, the Company did not maintain cash balances in excess of Federal Deposit Insurance Corporation insured limits.

Major Franchisees: The Company received royalty, marketing and local marketing fees from one franchisee accounting for approximately 11% of royalty, marketing and local marketing fees for the year ended December 31, 2019. No such concentration was noted for the year ended December 31, 2018.

DRPHONEFIX USA, LLC

NOTES TO FINANCIAL STATEMENTS--Continued

NOTE D--CONCENTRATIONS OF CREDIT RISK--Continued

Liquidity Risk: The Company maintains low liquidity as a result of making large cash distributions throughout the year which served to reduce the cash balance held at December 31, 2019. In the event that the cash held by the Company is not sufficient to meet obligations, the Company's sole member is committed to contributing capital as needed.

NOTE E--SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation procedures worldwide. The potential impact upon the Company of the COVID-19 pandemic cannot be determined, but it could have a future effect upon the Company's statements of income and member's equity and cash flows.

EXHIBIT “E” TO THE DISCLOSURE DOCUMENT

FORM OF FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

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Agreement Number: _____

FRANCHISE AGREEMENT

Date of this Agreement: _____ (“Agreement Date”)

Expiration Date: _____

Franchisor: Techy, LLC

Franchisee: _____

1. INTRODUCTION, DEFINITIONS, AND PRELIMINARY AGREEMENTS.

1.1 Introduction.

A. We have developed methods of operating Franchised Stores that provide, at a retail level, the operation of businesses for the installation, maintenance and repair of cell phones, tablets, computers, game consoles, smart home related hardware and other electronic devices, and the sale of specified electronic devices, accessories and other supplies and items that we may designate from time to time under the trade name “Techy Repairs & Smart Home Installs Powered by DrPhoneFix” hereinafter sometimes referred to as “Techy”. We refer to these businesses as “Traditional Techy Stores.”

B. To simplify this Agreement and make it easier to read and understand, we have defined certain terms used in this Agreement in Article 22. When you see a capitalized word, or if you do not understand the meaning of a particular pronoun reference, look at Article 22 to see whether the term has been defined. Capitalized words that are not defined in Article 22 are defined in the section where they first appear.

C. You applied for a franchise to own a Techy Store and your application has been approved by us in reliance on the information you gave us.

D. Your Techy franchise is a license arrangement, awarded under specific terms and conditions. You must comply fully with this Agreement and the Manuals in order to use the Marks, System and other Intellectual Property.

E. You agree that it is critical to you, us and each Franchisee for the System to be flexible to respond to commercial opportunities and challenges. An inability to change the System could adversely affect all franchisees. You, therefore, agree and anticipate that the Manual and the System may be changed

by us, from time to time in our Business Judgment. You agree to comply with the Manuals and the System as they are changed by us.

F. Every detail of your Techy Franchised Business is important — not only to you, but to us and to all franchisees — to increase and maintain the value of the Marks and the businesses associated with them. Therefore, during the term of this Agreement, you must at all times develop, maintain and operate your Techy franchised business in accordance with each Techy System Standard, as modified and supplemented by us from time to time in our Business Judgment, and understand that such changes may require additional investments and/or changes by you in operations and other areas of your Franchised Business.

G. Without your commitment to the System and to fulfill each of the obligations detailed in this Agreement, we would not form this franchise relationship with you.

2. GRANT AND TERM.

2.1 Term.

The term of the Franchise and this Agreement begins on the Agreement Date and expires 10 years from the Agreement Date. This Agreement may be terminated before it expires in accordance with its terms.

2.2 Grant.

Subject to the terms of and upon the conditions contained in this Agreement, we grant you a franchise (the “Franchise”) to: (a) operate one Techy Store at the Site, and at no other location (temporary or permanent); (b) use the Marks solely in connection with operating the Techy Store; and (c) use the System in its operation. Except as set forth in paragraph 2.4 and its sub-paragraphs below, as long as you are in compliance with this Agreement, we will not grant a franchise to anyone else to operate, or ourselves operate, a Techy Store within the Protected Territory.

2.3 Performance.

You agree that you will at all times faithfully, honestly and diligently perform your obligations, continuously exert your best efforts to promote and enhance the Techy Store and not engage in any other business or activity that conflicts with your obligations to operate or with our written permission, for a manager who has received our training certification to operate, the Techy Store in compliance with this Agreement. You may not operate the Techy Store from any location other than the Site without our prior written consent. At all times, either you or one of your Principal Owners must meet our qualifications for responsibility and authority over the operations of the Techy Store. In addition, at all times the Techy Store must be managed by a general manager who has satisfactorily completed our Initial Training program.

2.4 Rights We Reserve.

Notwithstanding any of the foregoing, we (and our affiliates) retain the right in our sole discretion to:

a. establish, and grant to other franchisees the right to establish, Techy Stores anywhere outside the Protected Territory, on such terms and conditions as we deem appropriate (even immediately outside the border of the Protected Territory), but not within the Protected Territory of your Techy Store you open under this Agreement and continue to operate under it;

b. operate, and grant franchises to others to operate businesses, whether inside or outside the Protected Territory, specializing in the sale of products or provisions of services, other than a Competitive Business or a Techy Store, using certain of the Marks and pursuant to such terms and conditions as we deem appropriate;

c. operate, and grant franchises to others to operate businesses or provide other services, whether inside or outside the Protected Territory, that do not use any of the Marks;

d. market and sell, inside and outside of the Protected Territory, through channels of distribution or franchise, (like mail order, Internet or Intranet, website or other forms of e-commerce or grocery, retail or convenience Stores or kiosks or full service franchises or stores located within Walmart Stores), or through special purpose sites including military bases, public transportation facilities, sport facilities (including race tracks) Walmart Stores, airports, student unions or similar buildings on college or university campuses, amusement and theme parks, special events, and through other sites which are covered or closed traffic malls, all of which are designated (“Sites We Reserve”), such Sites We Reserve are not protected and are not part of your Protected Territory; and

e. you agree that we have the right, now, or in the future, to purchase, merge, acquire, or affiliate with an existing competitive or non-competitive franchise network, chain, or any other business regardless of the location of that chain’s or business’ facilities, and to operate, franchise or license those businesses and/or facilities as “Techy” or “Techy Store” operating under the Marks or any proprietary marks or any of their marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within the “Protected Territory” or proximate thereto, or proximate to any of the Franchisee’s locations).

We will have the right to assign this agreement, and all of its rights and privileges under this agreement, to any person, firm, corporation or other entity.

You agree and affirm that we may sell ourselves, our assets, Marks or other proprietary marks and/or our System to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of Franchisor’s name(s), Marks, proprietary marks (or any variation thereof) and system and/or the loss of association with or identification of “Techy” or “Techy Store” as Franchisor under this Agreement. You specifically release any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

If we assign our rights in this Agreement, nothing herein shall be deemed to require us to remain in the Techy Store business or any business which we now conduct or to offer to sell any products or services to you.

3. DEVELOPMENT AND OPENING OF YOUR STORE.

3.1 Site Selection.

A. If you have applied for a Standard Franchise you applied to own and operate one Techy Store at a location we have accepted (the “Site”). During the period ending on the 90th day following the date of this Agreement (the “Site Selection Period”), you must identify, submit to us for acceptance, and

obtain our acceptance of the Site. During the Site Selection Period, we will not ourselves, nor grant a franchise to someone else to, open and operate a Techy Store at a fixed location inside the Site Selection Area. During the Site Selection Period, you must adhere to the following time schedule:

(1) Site Selection Area: During the first 45 days of the Site Selection Period, you must obtain our acceptance of an intersection of streets or other landmark that will form the center (the “Center”) of the Site Selection Area (the “Site Selection Area”). When the Center and Site Selection Area is determined, we will complete Exhibit “2.2” and provide a copy of it to you.

(2) Site Identification: Prior to the 90th day following the Agreement Date, you must identify your proposed Site (which must be located within the Site Selection Area) and submit it to us for our acceptance. We may propose a Site to you, which you must independently investigate. You are solely responsible for your Site Selection, development and operation. If we notify you that we will not accept that proposed Site, you must, within the next 30 days of our notice rejecting that proposed Site (but prior to the expiration of the Site Selection Period), identify and submit to us an alternative proposed Site, for our review and acceptance within the Site Selection Area.

(3) Site Acceptance: We are not obligated to evaluate or accept any proposed Site submitted to us for acceptance after the expiration of the Site Selection Period or outside the Site Selection Area. Once you have identified the Site and we have accepted it, and the lease has been reviewed and is acceptable to us, we will designate your Protected Territory and complete Exhibit 2.2 and provide it to you. If you have not identified and obtained our acceptance of a Site prior to signing this Agreement, you (with or without our assistance) must, within the Site Selection Period, identify, submit to us and obtain our acceptance (in our sole judgment) of a Site for your Techy Store located within the Site Selection Area. However, if as of the expiration of the Site Selection Period we have yet to notify you whether we will accept or reject a Site that was submitted to us for review during the Site Selection Period, we will have 30 days following the end of the Site Selection Period to notify you of our decision to accept or reject that proposed Site. If we do not accept a Site during that 30 day period following the Site Selection Period, we will not be obligated to permit you to submit an alternative proposed Site to us.

Acceptance by us of any site is not a recommendation, approval or endorsement of such Site. We make no representations or warranties as to the success of any Site or as to any other matter relating to the Site.

(4) Protected Territory: Upon our acceptance of the Site, we will designate the “Protected Territory”. After the lease has been reviewed and is acceptable to us, we will insert that Site and the Protected Territory into Exhibit “2.2” and send a copy to you.

B. Each proposed Site must be evaluated by us or by a professional site analyst that we have approved. The Site must meet our criteria, with which we will provide you, for demographic characteristics, traffic patterns, parking, competition from and proximity to other businesses and other Techy Store, the nature of other business in proximity to the site and other commercial characteristics and the size, appearance and other physical characteristics of the proposed site. We retain the right to accept or reject the floor plan for your site. We will accept or reject a Site you propose for a Techy Store within 30 days. We may rely entirely on the site analysis in doing so. You acknowledge and agree that:

(1) our recommendation or acceptance of the Site, the Site Selection Area, or the Protected Territory does not imply, guaranty, assure, warrant or predict profitability or success, express or implied;

(2) our recommendation or acceptance of the Site indicates only that we believe that

the Site, the Site Selection Area and the Protected Territory fall within the acceptable demographic and other criteria for site selection areas, sites and premises or protected territories that we have established as of the time of our recommendation or acceptance of the Site, Site Selection Area or Protected Territory;

(3) application of criteria that we have developed for our System or have appeared effective with respect to other sites and premises may not accurately reflect the potential for all sites and premises, and, after our acceptance of a site, demographic and/or other factors included in or excluded from our criteria could change to alter the potential of a site and premises; and

(4) the uncertainty and instability of such criteria are beyond our control, and we will not be responsible for the failure of a premises, Site and Protected Territory we accept.

C. All matters related in any way to your site are your sole responsibility, regardless of any assistance we may choose to provide. You are responsible for obtaining any architectural and engineering services required for your facility and for ensuring its compliance with local law. Neither we, nor any Franchisor-Related Persons/Entity, nor any other person or company associated with us will have any liability for any site-related matter. You agree not to make any claims against us and/or any of the Franchisor-Related Persons/Entities with regard to such matters.

D. If you are unable to acquire an approved site within the time provided in 3.1 (A), and are not making diligent efforts or adequate progress to do so in our Business Judgment, then we may Terminate this Agreement without refund to you of any fees paid to us or expenses incurred by you.

E. If you applied for an In-Store franchise to operate one Techy Store there are certain terms and provisions of this Agreement which have been modified in the Addendum attached hereto as Exhibit "E-1" and made a part hereof.

3.2 Lease of Premises.

A. Upon approval of your site, you agree to submit any lease and all site-related documents to us for our review and negotiation prior to execution by you. You will use commercially reasonable efforts to arrange for the inclusion of the provisions of the Lease Addendum attached hereto as Exhibit 3.2 B or other appropriate site-related documents which will:

(1) Obligate the lessor to provide us, upon request, with sales and other operations information related to your Techy Store;

(2) Permit you to operate your Techy Store in accordance this Agreement and the Manuals;

(3) Provide that the Premises will be used only for the operation of a Techy Store, and prohibit you from assigning or modifying any of your lease rights, or extending the term without our prior written consent;

(4) Require the lessor to concurrently provide us with a copy of any written notices (whether of default or otherwise) to you under the lease and give us the right to cure any default if we so choose;

(5) Provide us with a right to take assignment and possession of your Techy Store without the lessor's consent or any additional consideration. If we exercise this right, we will not have any liability for any obligations incurred prior to our occupancy. You agree to take whatever actions are necessary to accomplish such assignment and will, when you sign this Agreement, also sign the Collateral

Assignment of Lease attached as Exhibit 3.2 B. If you lose your lease rights to the Premises in connection with any bankruptcy, the lessor will, on our request, enter into a new lease with us on essentially the same terms as the terminated lease;

(6) Provide that the lessor consents to the use of the Marks, Trade Dress and other aspects of the System, as modified from time to time, and give us the right to enter the premises during normal business hours for purposes of inspection, to take steps to protect the Marks and Trade Dress and/or prevent/cure any default.

You will not execute a lease or sublease, or any modification or amendment, without our prior written consent, which we may grant, condition or withhold in our Business Judgment. We may, in our sole Business Judgment, elect to require you to enter into either (i) the negotiated lease directly with the landlord of the Premises or with us or our designee as sub-tenant of the Premises, or (ii) an operating or license agreement with us or our designee permitting you to operate the Franchised Business on the Premises (the "Operating Agreement"), or (iii) we or our designee may assign the lease with the landlord for your Premises to you. You will deliver the relevant executed original of the signed lease, sublease, license, Operating Agreement or lease assignment, as applicable within five (5) days after it is signed.

(7) In all future negotiations for amendments, modifications or renewals of the lease or Operating Agreement for the Premises, you will notify us in writing and we reserve the right to retain an attorney to negotiate with the landlord. We have no obligation to provide any legal services or to retain an attorney to represent you if you are in breach or default of the lease, or there is an alleged violation of the lease or the Operating Agreement. You have no right to negotiation or otherwise on or with respect to a lease if you have an Operating Agreement for the Premises.

3.3 Store Design Standards.

You agree to comply with any standards, specifications and other requirements (the "Design Standards") that we furnish you for design, decoration, layout, equipment, furniture, fixtures, signs and other items for your Techy Store and if applicable, Techy Café. Any changes from plans provided by us must be submitted to us for our consent, which may be provided in our Business Judgment. Your compliance with the Design Standards does not release you from your obligations to ensure that your Techy Store and if applicable Techy Café is designed, constructed and operated in compliance with all local, state, and federal laws, including (without limitation) the Americans with Disabilities Act ("ADA"). You agree to execute and deliver to us an ADA Certification in the form attached to this Agreement as Exhibit 3.3 before you open your Techy Store to confirm and certify that your Techy Store and any proposed renovations comply with the ADA and other requirements.

3.4 Development of Your Store/Techy Café.

You must select and employ a licensed contractor reasonably acceptable to us. You are solely responsible for the selection and work of any contractor selected and/or employed by you, even if referred by us.

3.5 Equipment, Furniture, Fixtures and Signs.

You will use only Designated Equipment and suppliers approved by us in the development and operation of your Techy Store as we may require. We and/or our Affiliates may be such approved suppliers.

3.6 Store Opening.

You will open your Techy Store for business within 180 days from signing your franchise

agreement and immediately upon our notice to you that: (a) all of your pre-opening obligations have been fulfilled; (b) pre-opening training has been completed; (c) all amounts due us (and/or any Affiliate) have been paid; and (d) copies of all insurance policies (and payment of premiums), leases/subleases and other required documents have been received.

3.7 Grand Opening Program - Marketing.

You agree to spend at least Three Thousand Dollars (\$3,000) on a grand opening marketing for your Techy Store. We will furnish advice and guidance to you with respect to our Grand Opening Program that you agree to follow.

3.8 Relocation of Store Premises.

If you are in Good Standing, you may relocate your Store within your existing Territory with our prior written consent (unless we waive this provision), which we may condition or withhold in our Business Judgment, including the requirement that you sign a General Release. Relocation costs and expenses will be borne solely by you. If your Techy Store is damaged, condemned or otherwise rendered unusable, or if, there is a change in the character of the location of your Techy Store sufficiently detrimental to its business potential to warrant relocation, you agree to relocate your Techy Store.

4. COMPUTER HARDWARE AND SOFTWARE SYSTEMS.

A. You must purchase, use, maintain and update at your expense the software, computer and other systems (including point-of-sale and back-office systems) meeting our specifications, as we may modify at our sole discretion. You agree to maintain your systems online to allow us access to system data and information. You agree to comply with our then-current Terms of Use and Privacy Policies and any other requirements regarding all computer and other systems, including Internet usage. Supplier and/or licensor charges for use, maintenance, support and/or updates of and to the required systems are payable by you upon receipt.

B. Neither we nor any of the Franchisor-Related Persons/Entities will have any liability and/or obligation (and neither you, nor any Affiliate of yours, will make any claims) about any failures, errors or any other occurrences relating to any computer or system hardware or software without an express written warranty from us, even if recommended or specified by us.

5. TRAINING AND GUIDANCE.

5.1 Initial Orientation.

Prior to selecting and obtaining our approval for your site, we will schedule an orientation with you to provide you with materials and guidance related to selecting a site for your Techy Store, as well as leasing requirements and guidelines. We may also propose a site to you, which you must independently investigate as you are solely responsible for your selection, development and operation of the site.

5.2 Training.

A. You must select and have approved a site for your Techy Store and if applicable, Techy Café before you begin our Techy Training Program (the "Training Program"). You or if we approve a manager of your store and if applicable, Techy Café, then your initial Techy manager must successfully complete our Training Program before operating your Techy Store. The Initial Franchise Fee covers the cost of our Training Program for you and your initial Techy manager. You and your initial Store manager

should, but need not attend our Training Program simultaneously. We may charge a reasonable fee for training of additional and/or subsequent managers. We can choose to eliminate or shorten training for persons previously trained or with comparable experience.

B. The initial Training Program will be at a time and place, and for such period, as we specify. You will be responsible for all travel, living, incidental and other expenses for you and your personnel attending the Training Program and any other voluntary or mandatory training programs, seminars or meetings, unless otherwise agreed to in advance in writing. We may charge a fee for any optional training programs.

C. You or the manager we have approved, must complete our Training Program before operating your franchised Techy Store Business and if applicable, Techy Café. The Initial Franchise Fee covers a Training Program for you and your initial Techy manager and one other person. We may charge a reasonable fee for training of additional and/or subsequent managers. If in our judgment any trainee fails to successfully complete any part of the training program the trainee must repeat that portion of the training program until successful completion of all portions, at your expense, including the payment to us of \$400 per day of such additional training.

D. You and your manager must attend additional and/or refresher training programs, including national and regional conferences, conventions and meetings, as we may reasonably require to correct, improve and/or enhance your operations, the System and its members. You must obtain certification from a state approved provider as required by State agencies before opening, and you must maintain such certification at all times that your Techy Store is operating and if applicable, that your Techy Café is operating. In addition, we can require successful completion of training by your personnel as specified by us from time-to-time.

5.3 Guidance and Assistance.

We will provide guidance in the operation of your Techy Store and if applicable, Techy Café or Techy Mobile Van. This guidance can be furnished in whatever manner we consider appropriate in our Business Judgment, including electronically, in writing or telephonically, through training programs and/or on-site consultations, among other methods. We may provide at your request on-site consultations at your Techy Store and if applicable, Techy Café, based on notice, availability of personnel and your payment of reasonable travel, food, incidental and lodging expenses. We may elect to charge a reasonable fee for any such on-site consultations. If we believe in our Business Judgment that your operations warrant it, we can require that a manager or other person designated by us (and compensated by you) be placed in your Techy Store and if applicable, Techy Café to supervise its day-to-day operations until operations meet System standards.

5.4 Manuals.

During the term of the Franchise, we will loan you (or allow you electronic or other access to) one copy of the Manuals. If we advise you that all or part of the Manual or other specifications, standards and operating procedures are posted on a Website, you agree that it is your responsibility to monitor the Website for any changes, additions or deletions in the information provided. You will continuously comply, at your sole expense, with all provisions of, and additions/deletions/changes to, the Manuals. Any such additions/deletions/changes will take precedence over all prior communications. Mandatory specifications, standards and operating procedures prescribed from time to time by us in the Manuals, or otherwise communicated to you electronically or otherwise, are a part of this Agreement. In the event of a dispute, the master Manuals maintained at our office will control. The Manuals and the information and data that they contain will at all times remain our sole and exclusive property. It is your sole responsibility to

establish, with respect to your employees, appropriate personnel and security-related policies and procedures (provided that we always have the right to terminate your rights by declaring a breach under this Agreement for conduct by you which threatens the goodwill associated with the Marks.) You and we acknowledge and agree that we neither dictate nor control labor or employment matters for you and your employees, including (but not limited to) hiring, firing and/or discipline of employees, nor control the manner and means by which they carry out their duties. You and we agree that neither of us are, or shall be deemed to be, a joint employer with the other and you will indemnify us with respect to any such or similar claims against us. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Manual(s). If your copy of the Manuals is lost, destroyed or significantly damaged, you agree to obtain a replacement copy at our then applicable charge which is currently \$250 (unless we have made our on-line Manual(s) accessible to you. If so, you may utilize the on-line Manual(s) instead of purchasing other protected Manuals).

6. MARKS.

6.1 Goodwill and Ownership of Marks.

You have a non-exclusive right to use the Marks and only as expressly authorized by us under this Agreement. We have all rights in and to the Marks. All goodwill belongs exclusively to us, and you will not obtain any goodwill in the Marks as a result of this Agreement, your operation of the Franchise or for any other reason. Any unauthorized use of the Marks is a breach of this Agreement and an infringement of our proprietary rights. You agree that if you breach any obligation regarding the Marks, we would have no adequate remedy at law and that we will be entitled to equitable relief. You will not oppose, or engage in any acts or omissions inconsistent with, our rights in and to the Marks. This Agreement applies to all trademarks, service marks and other commercial symbols that we may authorize you to use throughout its term.

6.2 Limitations and Use of Marks.

You will use the Marks as the sole identification for your Techy Store. You will not use any Mark, or modified version or derivative of a Mark, or any other mark or form of commercial identification confusingly similar to the Marks or Trade Dress, as part of any business or trade name or in any other manner not expressly authorized by us in advance and in writing. Prior to adoption and/or use, any proposed corporate and/or trade name must be approved by us in our Business Judgment. You will give such trademark and other notices (including notices of independent ownership) as we direct and will, at your expense, obtain fictitious or assumed name registrations as may be required under law. You will display the Marks as required by us and will not use the Marks so as to negatively affect their goodwill. You will not use any Mark in connection with the performance or sale of any unauthorized services or products or at any location or in any other manner not expressly authorized in writing by us.

6.3 Notification of Infringements and Claims.

You will take such actions as we consider important in our Business Judgment to protect the Marks. You will not take any action that jeopardizes our interests in, or the validity or enforceability of, the Marks. You agree to immediately notify us of any apparent or actual infringement of, or of any challenge to your use of, the Marks. You will not communicate with any third party with respect to such a claim. We will take such action as we deem appropriate in our Business Judgment. As owner of the Marks, we have the exclusive right to control any settlement, litigation or proceeding arising out of or related to any such matters.

6.4 Discontinuance of Use of Marks.

You agree to comply at your expense with any directions from us to discontinue, modify, substitute or add Marks. We cannot and do not make any guaranty that a modification, discontinuance or otherwise may not be required for any reason. In such event, we will have no liability or obligation to you. You agree to make no claim in connection with any modification, discontinuance or other action, and/or with any dispute regarding the Marks. There is always a possibility that there might be one or more businesses using a name and/or marks similar to ours and with superior rights. We urge you to research this possibility, using telephone directories, local filings and other means, prior to signing any documents or making any payments or commitments

7. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION.

7.1 Independent Contractor.

You will always identify yourself to all persons and in all dealings of your Techy Store as an independent owner under a Techy franchise, clearly indicating that your Franchised Business is separate and distinct from our business. You will include notices of independent ownership on such forms, business cards, stationery, advertising, signs and other materials as we require from time to time. Subject to the requirements of this Agreement and the Manuals, you will have complete operational control of your business, including the right to hire and fire each employee.

7.2 No Liability for Acts of Other Party.

You will not represent that your and our relationship is other than that of independent Franchisor and Franchisee. Neither you nor we will have any liability under any acts, omissions, agreements or representations made by the other that are not expressly authorized in writing.

7.3 Taxes.

Payment of all taxes related to your Franchised Business is your sole responsibility. We have no liability for any taxes on the sales made and/or business conducted by you (except for any taxes we are required by law to collect from you with respect to purchases from us).

7.4 Responsibility, Indemnity, etc.

A. You will indemnify and hold us and all of the Franchisor-Related Persons/Entities harmless from all fines, suits, proceedings, claims, demands, actions, losses, damages, costs, fees (including attorneys' fees and related expenses) and/or any other liability of any kind or nature, however arising, growing out of or otherwise connected with and/or related to any act, error and/or omission of yours (including, but not limited to, your ownership and/or management of your Techy Store and/or any transfer of any interest in this Agreement or your Techy Store). We will have the right to control all litigation, and defend and/or settle any claim, against and/or including us and/or the Franchisor-Related Persons/Entities, or affecting our and/or their interests, in such manner as we deem appropriate in our Business Judgment, without affecting our rights under this indemnity.

B. Any goods and/or services provided by us, the Franchisor-Related Persons/Entities and/or any "approved" person/company/referral are provided without any warranties, express or implied, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE BEING EXPRESSLY DISCLAIMED, absent a specific written warranty expressly provided in connection with a particular item or service.

7.5 Disclosure.

We can disclose, in Franchise Disclosure Documents and other places we designate, and/or as required by law, any information relating to your Techy Store, including your name, any address and/or phone number(s), revenues, expenses, results of operations and/or other information. Any disclosure by us shall be for reasonable business purposes and/or as required by law.

8. CONFIDENTIAL INFORMATION; EXCLUSIVE RELATIONSHIP.

8.1 Confidential Information - Non-Disclosure and Non-Use.

A. "Confidential Information" includes all information (current and future) relating to the operation of a Techy Store or the System, including, among other things, all: i) Manuals, training, techniques, processes, policies, procedures, systems, data and know how regarding the development, marketing, operation and franchising of a Techy Store; ii) designs, specifications, procedures and information about Products and Services used in the operation of a Techy Store and iii) all information regarding customers and suppliers, including any statistical and/or financial information and all lists.

"Confidential Information" is not intended to include any information that: (1) is or subsequently becomes publicly available other than by breach of any legal obligation; (2) was known by you prior to you becoming a Franchisee; or (3) became known to you other than through a breach by you of a legal obligation.

You agree that we own and control all domain names and URLs ("Uniform Resource Locator") relating to any Techy Business, as well as all information, lists and data related to past, present and future customers of your Techy Business. Your only interest in any of this proprietary and/or Confidential Information is the right to use it pursuant to this Agreement. You have the burden of proof and of going forward in any dispute between you and us involving the proprietary or confidential nature of any information.

B. Both during and for five (5) years after the term of this Agreement (except for trade secrets, which shall be subject to your permanent obligation), you agree: (1) to use the Confidential Information only for the operation of your Techy Business under a Franchise Agreement; (2) to maintain the confidentiality of the Confidential Information; (3) not to make or distribute, or permit to be made or distributed, any unauthorized copies of any portion of the Confidential Information; (4) not to alter, appropriate, use or distribute any Techy Equipment designs or specifications, or any substantially similar designs or specifications; and (5) to implement all prescribed procedures for prevention of unauthorized use or disclosure of the Confidential Information.

C. You agree to disclose to us all ideas, techniques, methods and processes relating to a Techy Store that are conceived or developed by you and/or your employees. We shall have the perpetual right to use, and to authorize others to use, such ideas, etc., without payment to you.

D. You will cause each of your employees, agents, principals and Affiliates to sign a form of confidentiality agreement containing substantially the same provisions as are set forth in this Section and as may be approved by us. You will provide us copies of the same upon request. A sample copy of an employee confidentiality agreement is attached as Exhibit 8.1.

E. If your Techy Store is to be located and/or operated within, in conjunction with or as part of another business, you will first arrange for the other business and its personnel (as specified by

us) to enter into appropriate arrangements to protect our Intellectual Property and other interests, including (but not limited to) signing of agreements with us regarding non-competition, confidentiality, non-solicitation of employees and customers and indemnity/insurance arrangements.

8.2 Exclusive Relationship, Restrictions on Similar Businesses During Franchise Term and After Transfer, Termination, Expiration, Repurchase, etc.

A. In Term Restrictions: During the term of this Agreement and any successor franchise, neither you, nor any Affiliate of yours, nor any shareholder, member or partner of yours (if a business entity), nor any Immediate Family member of any of the foregoing, will, without our prior written consent, which may be withheld or conditioned in our Business Judgment: (1) have any direct or indirect interest anywhere in any Similar Business, or in any entity awarding franchises or licenses or establishing joint ventures or other business enterprises for the operation of Similar Businesses; or (2) perform any services anywhere as an employee, agent, representative or in any capacity of any kind for any Similar Business, or for any entity awarding franchises or licenses or establishing joint ventures to operate Similar Businesses.

B. Post Term Restrictions: For two (2) years after the later of any one of the following terminating events: i) any transfer, Repurchase and/or Termination of this Agreement; ii) the expiration of this Agreement; and/or the date on which you stop operating your final Techy Store or using the Marks and/or System; all of the persons and entities named in Section 8.2 (A), above:

(1) shall not accept or solicit any person, firm or company that has been a Techy customer during the period twelve (12) months prior to termination, nor try to divert any such customers from any Techy Store or Techy enterprise of any kind (including any operations owned by any Franchisor-Related Persons/Entity); and

(2) shall be subject to all of the restrictions stated in Section 8.2 (A), above, with respect to Similar Businesses located, and/or services to be performed, in the Protected Territory nor within 10 miles of the Protected Territory sometimes hereinafter referred to as (“Non Compete area”). However, the two (2) year period following such terminating event shall be extended for an additional one (1) year if, during the first two (2) years a Techy Store is located in a portion of your former Techy Store Marketing Area. You and we intend to provide any such newly established Techy Store a reasonable period of time in which to launch its operations in a new market without unfairly being competitively disadvantaged by having a party familiar with and experienced in the Techy System operating in the same Marketing Area.

(3) You are responsible for learning whether or not a particular location is within a Techy Store Non Compete area by providing us a written request for such information. Any and all determinations that we make regarding the Non Compete area will be final and binding on you.

(4) You and we have expressly bargained and agreed that it is your obligation under this Agreement to ensure the compliance of each of the persons identified in Section 8.2 (A), with the restrictions described in this Section 8.2. The foregoing notwithstanding, we shall use reasonable judgment in evaluating whether or not the conduct of an Immediate Family member warrants our exercising any rights under this provision, considering your actual relationship to such member and his/her activities, among other factors. The restrictions of this Section do not apply to the ownership of shares of a Similar Business (of a class of securities listed on a stock exchange or traded on the over-the-counter market) which represent less than three percent (3%) of the number of shares of that class issued and outstanding.

(5) You and we share a mutual interest in ensuring compliance with the limitations on competition described in this Section 8.2. A Franchisee's non-compliance with these restrictions would damage you, us and other Franchisees and unfairly limit reasonable expansion alternatives open to us and Techy System members. You acknowledge and agree that such protections can enhance the value of the Techy System to you as a Franchisee, and represent a reasonable balancing of your and our respective interests for which you and we have expressly bargained. You confirm that you possess valuable skills unrelated to the Franchised Business and have the ability to be self-supporting and employed regardless of the competitive restrictions described in this Section 8.2. You and we also acknowledge that the restrictions of this Article 8 will not generally prevent you from practicing a lawful profession, trade, or business and are limited to the express restrictions on solicitation of customers and operation of a Similar Business in certain limited geographical areas as detailed herein.

(6) If you violate any of the foregoing restrictions, our remedies will include (but not be limited to) the right to obtain equitable relief including a temporary restraining order and preliminary injunction without the requirement of a bond. All competitive restrictions will be extended for the length of time that any breach of the Post Termination Obligations is ongoing. You expressly acknowledge that you possess skills and abilities of a general nature and have opportunities for exploiting such skills. Consequently, enforcement of the covenants made herein will not deprive you or your owners of your or their goodwill or ability to earn a living. If any of the restrictions of this Section are determined to be unenforceable to an extent because of excessive duration, geographic scope, business coverage or otherwise, they will be reduced to the level that provides the greatest protection to us and the Techy System, but which is still enforceable, notwithstanding any choice-of-law or other provisions in this Agreement to the contrary.

9. FEES.

9.1 Initial Franchise Fee, Releases, etc.

A. You will pay us the Initial Franchise Fee in the amount set forth in Paragraph 9.1 B hereinafter. You acknowledge and agree that the Initial Franchise Fee is deemed fully earned and nonrefundable. You further agree that the grant of this franchise constitutes the sole consideration for payment of the Initial Franchise Fee.

B. In consideration for our granting this Franchise, you agree to pay us the sum of Fifteen Thousand dollars (\$15,000) as the Initial Franchise Fee.

C. The language of the General Release, attached as Exhibit 1.2 is incorporated in and effective upon the signing of this Agreement, excepting only those claims solely related to the offer and sale of this Franchise where such releases are expressly prohibited by applicable law.

D. As a condition to the occurrence of any of the following events (the "Events"), you and/or any affiliate/owner of yours will sign a General Release, excepting only (where such releases are expressly prohibited by applicable law) those claims solely related to the offer and sale of the new Franchise:

- (1) the awarding of any future, additional or other franchise;
- (2) the renewal of this franchise and/or awarding of a successor franchise; any assignment or transfer (as defined in this Agreement) by you and/or any affiliate/owner of you; and/or

(3) any other event described in this Agreement as being conditioned in whole or in part upon such a General Release (as defined in Article 22).

If we fail to request a General Release(s), as applicable, at the occurrence of any of the foregoing Events, then the occurrence of the Event itself shall constitute the grant of such General Release.

E. You and we have agreed on these provisions considering that: (1) the releases to be provided in the future will be effective as of future dates only, (2) the release requirement generally is triggered by a discretionary choice made by you to receive various future benefits (e.g. an award of an additional, successor, assignment franchise, etc.), (3) you providing a release to us (and we informing you of possible known claims by us) is a practical business approach if you and/or we propose to change, extend, expand or otherwise modify our relationship at a future date. You and we agree that setting mutual expectations for the receipt of such future releases and assenting to grant them now is more productive than being surprised by such requirements at a later point in our relationship.

9.2 Continuing Weekly Royalty Fee and Payment Dates.

A. You shall pay us a Continuing Weekly Royalty Fee of 7% of Gross Revenues received by you from the previous week's operations - payable on Monday at 3 p.m. of each week together with a report detailing all Gross Revenues received during the previous 7-day week (Monday through Sunday) and the amount of fee you are paying. In the event your Gross Revenues received by you for any previous 7-day week (Monday through Sunday) is \$7,500 or greater, then instead of paying us 7% of your Gross Revenues for the previous 7-day week (Monday through Sunday) your Royalty Fee of 7% for the week will be reduced to 6% of Gross Revenue for that previous 7-day week (Monday through Sunday). Your Continuing weekly royalty will remain at 7% for any 7 day week (Monday through Sunday) that you do not reach Gross Revenue of \$7,500.

B. We can require that various Designated Equipment, Products and/or Services only be supplied by us, a Franchisor-Related Person/Entity and/or a designee of ours and we and/or one or more Franchisor-Related Person/Entities may derive additional revenues (and possibly profits) as a result of your purchases of such Designated Equipment, Products/Services. You and we have agreed on the foregoing continuing license fee rates based, in part, on your commitment not to use and/or obtain any such Designated Equipment, Products and/or Services from any source other than the source we require. The possibility of such arrangements, and your and our mutual expectations that you will faithfully observe your obligations to purchase such items as provided herein, and that the provisions of this subsection will be fully enforceable, form part of the underlying financial and business model on which your relationship with us, and the economic provisions of this Agreement, including Continuing license fee rates, are based.

Therefore, if you use and/or obtain such Designated Equipment, Products and/or Services from any source other than the source we require, (or if such restrictions are unenforceable for any reason), you will pay us a weekly continuing license fee of (a) twenty percent (20%) of the Gross Revenues attributable to sales related to your purchase, use or otherwise of items, or from suppliers, in violation of the provisions of this subsection, or (b) if your violation of the provisions of this subsection cannot be easily related to sales of specific items by you, ten percent (10%) of the Gross Revenues of your Techy Store, in each case during any period in which you are in violation of the provisions of this subsection, subject to the continuing license fee described in Section 9.2 A., which will be regarded as a minimum against such percentage. Such increased weekly continuing license fee is intended by you and us to preserve a basic economic premise of this Agreement and is in addition to all other remedies available to us under this Agreement, at law and in equity for a breach of obligation. If an audit determines that you have used and/or obtained such Designated Equipment, Products and/or Services from any other source, you will pay the costs of such audit.

9.3 Electronic Funds Transfer.

You must participate in our then-current electronic funds transfer and reporting program(s). All continuing license fees owed and any other amounts designated by us must be received or credited to our account by pre-authorized bank debit by end of business on the Monday after a continuing license fee period. You authorize us to debit your account by an amount equal to the minimum continuing license fee if a continuing license fee payment is not received when due, and to collect the balance of any amounts owed in accordance with this Agreement. Any such non-payment or late payment of the actual amount due is a breach of this Agreement. We may also require that any amounts owed or to be owed to us and/or any of the Franchisor-Related Persons/Entities be paid by charges against your credit card, and you will provide us with appropriate authorizations on our request.

9.4 Interest and Late Fees on Late Payments and/or Reports.

All amounts you owe us and/or our Affiliates bear interest at the highest applicable legal rate for open account business credit, but not to exceed one and one-half percent (1.5%) per month. Additionally, we may require you to pay an administrative late fee of Fifty Dollars (\$50) for each late report and/or late payment. The foregoing amount is subject to inflation adjustment under Section 9.6, but will not exceed any applicable legal restrictions. If we experience repeated late payments by you, then we may require you to pay all amounts by cashier's check.

9.5 Application of Payments, Set-Offs etc.

As to you and/or any Affiliate of yours, we can:

- A. apply any payments received to any past due, current, future or other indebtedness of any kind in our Business Judgment, no matter how payment is designated by you, except that Marketing and Technology Fund contributions may only be credited to the Marketing and Technology Fund;
- B. set off, from any amounts that may be owed by us, any amount owed to us or any marketing fund; and
- C. retain any amounts received for your account (and/or that of any Affiliate of yours), whether rebates from suppliers or otherwise, as a payment against any amounts owed to us.

We can exercise any of the foregoing rights in connection with amounts owed to or from us and/or any Franchisor-Related Person/Entity.

9.6 Inflation Adjustments.

Amounts specified as being subject to inflation adjustment may be adjusted by us annually in our Business Judgment in proportion to the changes in the Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor (or any successor index) as compared to the previous year. We will notify you of any such percentage adjustment.

9.7 Mandatory Convention Attendance, Possible Fee.

You are required to attend all meetings designated by us as mandatory (including without limitation the Techy annual convention), unless otherwise excused by us. One management-level individual shall attend on behalf of each of your Techy Stores. You will bear all costs of attendance.

9.8 Start-Up Package.

You must pay us \$_____ for your Start-up Package which includes inventory to open your store. This fee is non-refundable and is deemed fully earned upon execution of this Franchise Agreement.

9.9 Discontinuance of Service.

If you do not pay amounts due to us timely under this Agreement, we may discontinue services to you, without limiting any of our other rights in this Agreement.

9.10 Cell Phone Accessory Support Fee.

Franchisor currently requires Franchisee to pay Franchisor a fee of \$100.00 per month for cell phone accessory support provided to Franchisee. This fee shall be paid to Franchisor by “Electronic Funds Transfer” as described hereinabove and will be payable on the 10th day of the month. If Franchisee purchases a minimum of \$300.00 of cell phone accessories during any month, Franchisor agrees to waive the \$100.00 Cell Phone Accessory Support Fee for that month.

10. YOUR STORE — IMAGE AND OPERATION.

10.1 System Compliance, Regular Upgrading.

A. You agree to operate your Techy Store in full compliance with the then-current Techy System and the Manuals. You agree to promptly comply at your expense with all then-current requirements, standards and operating procedures relating to every aspect of a Techy Store and its operations (including without limitation use of specified equipment, Products and Services, computer hardware and software; supplier programs and operating systems; signs, logos, designs and advertising/marketing materials and forms; website designs and formats).

B. You will maintain your Techy Store at your expense according to all our standards for new Stores and promptly undertake all changes as are required by us from time to time in our Business Judgment. If you fail to do so, we may do so on your behalf. You agree to reimburse us within ten (10) days of our delivery of an account statement. You will not make any alterations to your Techy Store or its appearance as originally approved by us without our prior written approval.

C. You agree at your sole expense that you and your employees will wear then-current Techy career apparel.

10.2 Designated Equipment, Products, Services and/or Suppliers.

A. Your Techy Store will purchase, use and offer such Designated Equipment, Products and Services, as are specified by us from time to time. We may designate single or multiple suppliers for any given item or service and may concentrate purchases with one or more suppliers in our Business Judgment. Such suppliers may include, and may be limited to, us and/or companies affiliated with us. You will not offer or deal with any products or services not approved by us. If we disapprove a particular item, you will not use it.

B. Designation of a supplier may be conditioned upon factors established by us in our Business Judgment, including without limitation performance relating to frequency of delivery, standards of service, and payment or other consideration to us or parties designated by us. We may approve, or revoke or deny approval, of particular items or suppliers in our Business Judgment.

C. If you want to propose a new supplier of any product, item or service, you agree to submit to us, on our “Supplier Approval Form” and pay us a Supplier Approval Fee of \$1,000 at the time you submit the “Supplier Approval Form”, sufficient written information about the proposed new supplier to enable us to approve or reject either the supplier or the particular product, item or service and be responsible for any expenses incurred in the process by us or you. We will have the 30 days from receipt of the information to approve or reject the proposed new supplier or product, item or service. We may consider in providing such approval not just the quality standards of the products or services, but their capabilities, financing terms and ability to service our franchise system as a whole. We may terminate or withhold approval of any Techy Store Materials or Operating Assets, or any supplier of such item, product, or service that does not meet our quality standards by giving you written notice. If we do so, you agree to immediately stop purchasing from such supplier or using such product, item or service in your Techy Store until we notify you that such supplier or such product, item or service meets our quality standards. At our request, you agree to submit to us sufficient information about a proposed supplier and samples of the proposed product, item or service for our examination so that we can determine whether they meet our quality standards. We also have the right to require our representatives to be permitted to inspect the proposed supplier’s facilities at your expense. We reserve the right, at our option, to re-inspect or re-test from time to time the facilities and products, items or services of any approved supplier and to revoke approval upon a supplier’s failure to meet any of our then-current criteria. Nothing hereinabove shall be construed to require us to approve any particular supplier. Your failure to comply with the provisions of Section 10.2 shall be deemed a material breach under this Agreement.

D. You will not make any claims against us with respect to any supplier and/or related Products/Services (and/or our designation of, or our relationship with, any supplier/Products/Services). Claims with respect to any supplier-related and/or similar matters shall be made only against the supplier in question. You will provide us with written notice prior to taking any action in connection with such a claim. We will use diligent efforts to assist you in resolving any disputes with suppliers approved and/or designated by us.

10.3 Purchasing Cooperative.

We may require that you join and make required purchases/leases through the Techy purchasing cooperative or other entity designated by us. Such entity may adopt its own bylaws, rules, regulations and procedures, subject to our consent in our Business Judgment. We can require each such entity to submit monthly and annual financial statements, and can require that the annual financial statements be audited, all at the expense of such cooperative. Your failure to timely pay amounts due to, or comply with the bylaws, rules, regulations and procedures of such cooperative is a breach of this Agreement. We may offset against amounts we owe to you the amount of your unpaid cooperative obligations.

10.4 Compliance with Laws and Ethical Business Practices.

A. You will operate your Techy Store in full compliance with all applicable laws, ordinances and regulations. We make no representations or assurances as to what (if any) licenses, permits, authorizations or otherwise may be required in connection with your Techy Store. It is your sole responsibility to identify and obtain all authorizations necessary to your operation. You will maintain high standards of honesty, integrity, fair dealing and ethical conduct in your business activities. You will notify us in writing within five (5) days of the commencement of any proceeding and/or of the issuance of any governmental order or action impacting you and/or your Techy Store.

B. You agree to comply and/or assist us in our compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to antiterrorist activities, including

without limitation the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, you agree not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to your Franchised Business as may be required by us or by law. You are solely responsible for ascertaining what actions must be taken by you to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that your indemnification responsibilities as provided in Section 7.4 pertain to your obligations hereunder. You agree to sign and deliver to us, along with a signed copy of this Agreement, the attached Exhibit 10.4, "Executive Order 13224 and Related Certifications".

C. In circumstances designated by us in the Manuals, or where otherwise reasonably required by us, you will give those customers who have made complaints appropriate refunds or otherwise deal with such complaints as we reasonably direct, you and we agreeing that such responses to customer complaints are a vital element in maintaining and enhancing the goodwill associated with the Marks. Policies and procedures (including, but not limited to, refunds and credits) adopted by us for Techy Stores owned and/or operated by us and/or our Affiliates will be conclusively presumed to be reasonable.

D. In the marketing and operation of your Techy Store you will use each of, and only, the contracts, waivers and/or other forms and/or materials as are designated by us from time to time. We may provide you with template or sample forms of such items but it is your responsibility to have all such items which are to be used with prospective and/or actual clients/customers reviewed, at your expense, by an attorney licensed to practice law in the state(s) where your Techy Store will be located and/or operate, for compliance with all applicable state legal requirements. We make no warranty or representation that any contracts, waivers and/or other forms and/or materials, whether supplied by us or otherwise, are in compliance with the laws of any particular state(s). Prior to opening, and prior to use of any such items to be used with prospective and/or actual clients/customers, you will provide us, at your expense, with a letter from such attorney to us indicating that he/she has completed such review and that such items to be used with prospective and/or actual clients/customers meet, or have been modified to comply with, all applicable state legal requirements.

10.5 Management and Personnel of Your Store, Training.

A. You will keep us advised, in writing, of all management and non-management personnel involved in the operation or otherwise of your Techy Store. Your Techy Store must be personally managed on a full-time basis by a person who has successfully completed mandatory training and met then-current standards as specified by us. We require that you must have management responsibility and authority over the Techy Store on a day-to-day basis and oversee all operations. You and your initial manager must attend our training. At your request, we will make additional or refresher training, in form and content as we deem appropriate, available at your Techy Store or other locations we designate for an additional charge to you at our then current rate, which at the time of the Franchise Agreement is \$400 per day plus travel and living expense, minimum of 1 day charge.

B. You are solely responsible for the hiring and management of your Techy Store employees, for the terms of their employment and for ensuring their compliance with any training or other employment related requirements established by us from time to time in our Business Judgment.

C. We have the right to deal with the manager regarding routine operations and reporting requirements. You will ensure that our records for your Techy Store managers/supervisors are kept current.

D. If you have obtained our prior approval and Franchisee is a corporation, partnership, limited liability company or other form of legal entity, Franchisee and the owners agree,

represent, and warrant and covenant that:

(1) you have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) your organizational or governing documents will recite that the issuance and transfer of any ownership interests by you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

(3) Franchisee shall provide to Franchisor prior to the execution of this Agreement, true and correct copies, as applicable, of Franchisee's articles of incorporation, by laws, partnership agreement, articles of organization and limited liability company operating agreement and other governing documents and amendments thereto, as well as resolutions of the Board of Directors, partners or members authorizing entry into and performance of this Agreement. During the term of this Agreement, Franchisee shall promptly provide to Franchisor true and correct copies of any amendments or other changes to such governing documents. No such documents shall contain any provision that is contrary to or inconsistent with any provision of this Agreement;

(4) you and your owners agree to revise the Principal Owners Statement as may be necessary to reflect any ownership changes and to furnish such other information about your organization or formation as we may request (no ownership changes may be made without our approval, which shall not be unreasonably withheld);

(5) a Principal Owner of the Business Entity (with ownership of at least 10% of its voting securities) must: (i) have management responsibility and authority over the Techy Store on a day-to-day basis; (ii) oversee the Techy Store's operations; (iii) be bound by our then-current form of Confidentiality Agreement (or other form satisfactory to us); and (iv) satisfactorily complete our initial training program and any other training programs we request during the term.

(6) each of your owners during the term of this Agreement will sign and deliver to us our standard form of Principal Owner's Guaranty undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between you and us. A copy of our current form of Owner's Guaranty and Assumption of Business Entity Franchisee's Obligations agreement is attached to this Franchise Agreement as Exhibit 1. The spouse of each of your owners will execute a spousal consent in the form attached hereto as Exhibit 2 incorporated herein and made a part hereof.

10.6 Insurance.

A. You will maintain in force policies of insurance issued by carriers approved by us covering various risks, as specified by us from time to time. We may specify the types and amounts of coverage required under such policies and require different and/or additional kinds of insurance at any time, including excess liability insurance. Each insurance policy must: (1) name us and our Affiliates as additional named insureds; (2) contain a waiver of all subrogation rights against us, our Affiliates and any successors and assigns; (3) and provide thirty (30) days prior written notice to us of any material modifications, cancellation, or expiration of such policies.

B. If you fail to maintain required insurance coverage, we may obtain such insurance coverage on your behalf. You will pay us on demand any costs and premiums incurred by us plus a 15% service fee.

C. Current insurance requirements include the following and are subject to change by us: i) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, your Techy Store; ii) all risk property and casualty insurance for the replacement value of your Techy Store and all associated items; and iii) business interruption insurance providing for continued payment of all amounts due us and/or any Affiliate of ours under this Agreement.

10.7 Program Participation.

We may condition your participation in any program, or your receipt of any Techy System benefits, on your being in Good Standing.

10.8 Continued Payment of Continuing License Fees, etc. During Closure.

You will immediately notify us of any closure of your Techy Store for any reason and submit a plan for re-opening. All financial obligations of yours to us or to any Franchisor-Related Person/Entity (including continuing license fees) will remain in effect during such closure period. Any such closure not authorized and/or excused by us shall be a default of this Agreement, entitling us to all remedies available hereunder, at law and in equity.

10.9 Customer Satisfaction, Quality Controls, etc.

We may institute various programs for auditing customer satisfaction and/or other quality control measures. We may require you to pay for such program costs. You agree to request your customers to participate in any surveys performed by or on behalf of us, using forms prescribed by us from time to time.

10.10 Coupons, Certificates and Vouchers.

Except as other sites permitted by Franchisor in writing, Franchisee shall honor all coupons, gift certificates and vouchers sold by Franchisor or other Franchisees in the franchise System and upon redemption thereof shall be entitled to credit the retail price of the item provided against Gross Revenue. Any coupons offered or proposed by Franchisee must be approved in writing by Franchisor prior to being extended.

10.11 Hours of Operation.

You agree to comply with all operating procedures relating to hours of operation and days you are required to be open for business to the public (subject to applicable law or terms of you lease) as may be set by us or changed by us from time to time. You acknowledge and agree that all mandatory operating procedures prescribed from time to time by us in the Manuals or otherwise shall constitute binding obligations on your part, and any failure by you to adhere to such mandatory operating procedures shall constitute grounds for termination of this Agreement by us as provided for herein.

You further acknowledge that due to peculiarities of particular market areas and circumstances, complete and detailed uniformity may not be practical or in the best interests of all franchisees. We reserve the absolute right to vary hours of operation and/or days you are required to be open for business to the public, as they relate to a particular franchise or group of franchisees.

For any day your Techy Store is not open, except as permitted hereinabove, you will be charged \$250 per day unless you have obtained, in writing, permission from us to close for the day(s) not permitted

hereinabove. Any amount owed hereinabove will be due and payable upon demand by us and such amount due may be collected by us through electronic funds transfer.

11. MARKETING.

11.1 Marketing and Technology Fund.

A. You agree to pay us a Marketing and Technology Fund (“Fund”) fee of \$785 per month, or two percent (2%) of Gross Revenues, whichever is greater, which fee may be increased up to 10% per year upon a thirty (30) day written notice. We must receive the Fund fee by the fifth day of each month. We require you to pay the Fund fee by electronic funds transfer. You agree to comply with the procedures we specify in our Confidential Operations Manual and perform such acts and sign and deliver such documents as may be necessary to accomplish payment by this method. You will give us authorization in a form we designate to initiate debit entries or credit correction entries to your bank account for each month’s Fund fee and any interest charges due.

B. We will direct all marketing and technology programs, with sole control over the creative concepts, materials and media used in such programs, and the placement and allocation of Fund advertising. You acknowledge that the Fund is intended to further general public recognition and acceptance of the Proprietary Marks for the benefit of the Techy Store System and other benefits derived from web based media Manager/Consumer website we develop or utilize. You further acknowledge that we and our designees undertake no obligation in administering the Fund to make expenditures for you which are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or to ensure that any advertising impacts or penetrates your Protected Territory. The Fund is not a trust and we are not a fiduciary with respect to the Fund.

C. The Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or local advertising, including (without limitation): television, radio, magazine, newspaper and worldwide web/internet advertising campaigns; other advertising, marketing and public relations materials; point-of-purchase materials; paper goods; consumer research, interviews and related activities; the creation, maintenance and periodic modification of the Techy Store website; reviewing any advertising material you propose to use (as provided below); search engine optimization; establishing a third party facility for customizing local advertising materials; the creative development of signage, message boards, posters and unit décor items; the development and creative activity associated with loyalty programs, promotions and public relations events; accounting for Techy Store Fund Revenues and expenditures; attendance at industry related conventions, shows or seminars; other activities that we in our business judgment believe are appropriate to enhance, promote and/or protect the Techy System or any component thereof; and, engaging advertising agencies to assist in any or all of the foregoing activities, including fees to have print, broadcast and/or internet advertising placed by an agency, and all other advertising agency and public relations fees.

D. We need not maintain the sums paid by franchisees to the Fund, or income earned from the Fund, in a separate account from our other funds, but we may not use these amounts under any circumstance for any purposes other than those provided for in this Agreement. We may, however, expend monies from the Fund for any reasonable administrative costs and overhead that we may incur in activities reasonably related to the administration or direction of the Fund and marketing and technology programs for franchisees including, without limitation, preparing marketing and advertising materials; working with advertising agencies, advertising placement services and creative talent; preparing an accounting of contributions to the Fund and the annual statement of Fund contributions and expenditures provided for below; and, otherwise devoting our personnel, resources and/or funds for the benefit of the Fund. Our right to expend monies from the Fund to reimburse us for such activities is exclusive of any advertising agency

or public relations fees which the Fund must expend to secure the services of an advertising agency or public relations firm or to have print, broadcast or internet advertising placed by an agency.

E. Within 60 days following the close of our fiscal year, we will prepare (but not audit) a statement detailing Fund income and expenses for the calendar year just ended a copy of which statement will be sent to you upon written request.

F. We expect to expend most contributions to the Fund during the calendar year when the contributions are made. If we expend less than the total sum available in the Fund during any fiscal year, the excess amount will be carried forward to the following fiscal year to be used as provided for in subsection g. If we advance and expend an amount greater than the amount available in the Fund in any calendar year (in addition to any sum required to be expended because we did not expend all the sums in the Fund during the preceding year), we will be entitled to reimburse ourselves from the Fund during the following fiscal year for all such advanced sums, with interest payable on such advanced sums at the greater rate of 1.5% per month or the maximum commercial contract interest rate permitted by law (with interest accruing the first calendar day following the day on which we advance and expend any such sum).

G. We reserve the right to use any media, create any programs and allocate advertising funds to any regions or localities in any manner we consider appropriate in our business judgment. The allocation may include rebates to individual franchisees of some or all of their Fund contributions for local advertising expenditures if, in our judgment, our national or regional advertising program or campaign cannot effectively advertise or promote in certain regions or communities. If we determine that the total Fund contributions collected from all franchisees is insufficient to sustain a meaningful regional or national advertising campaign, we may rebate all or a portion of the Fund contributions to franchisees on a pro rata basis. Franchisees must expend any rebate on the types of local advertising and media that we determine. All rebate advertising expenditures must be documented to us in a monthly rebate advertising expenditure report form which we will furnish.

H. Although the Fund is intended to be a perpetual duration, we maintain the right to terminate the Fund, but will not do so until all of the monies in the Fund have been expended for advertising and promotional purposes.

I. The Fund will not be used for any activity whose sole purpose is the sale of franchises; provided, however, that the design and maintenance of our Web site (for which Fund monies may be used) may include information and solicitations for prospective franchisees and public relations and community involvement activities which may result in greater awareness of the Techy Store brand and the franchise opportunity.

J. No Techy Store which we or our affiliates have any interest in or operate will be required to participate in or contribute to the Marketing and Technology Fund or other advertising programs provided for in this Section, unless it determines to participate in a regional or joint franchise advertisement setting forth the names, addresses and/or telephone numbers of individual Techy Stores, including those owned and operated by us or our affiliates. If we or our affiliate decide to participate in any joint or regional advertising of this type, then we or our affiliate will contribute our or its proportionate share of the cost of the advertisement to the franchisee group sponsoring the advertisement.

K. We or our designee will direct all programs financed by the Fund, with sole control over the allocation and any Internet or Intranet websites, networks or communities it operates or participate in, or which requires your participation. You agree that the Fund may be used to pay the costs associated directly or indirectly with the operation, maintenance, hosting or development of website bearing our marks; or establishing Internet, Intranet, website or other forms of e-commerce communities, networks,

systems, methods, processes, databases or monitoring systems, which may include our establishing one or more Internet or Intranet websites for purposes of: linking this Agreement; our sharing or selling information to third parties; our establishing business to business or business to customer e-commerce; promoting the development and growth of franchises or soliciting franchisees; or your reporting of License Fees, Gross Revenues or other information as we designate from time to time. The Fund may be used for defraying administrative hosting, development maintenance costs and overhead incurred by us or our designees in connection with the Fund. The Fund may periodically furnish you with samples of advertising, marketing and promotional formats and materials at no cost. Multiple copies of such materials will be furnished to you at our direct cost of producing them, plus any related shipping, handling and storage charges.

L. Neither we (nor any of the Franchisor-Related Persons/Entities, including the FAC) will be liable for any act or omission in connection with the Marketing and Technology Fund which is consistent with this Agreement or which is done in subjective good faith. You and we expressly agree that none of the relationships with you in connection with the Marketing and Technology Fund are in the nature of a “trust,” “fiduciary” or similar special arrangement.

M. Subject to the express requirements of this Agreement that your contributions will only be spent as authorized herein, you agree that we may deny access to any and all programs and/or materials created by, and benefits of, the Marketing and Technology Fund to you and to any Franchisees who are not in Good Standing.

11.2 Your Participation in the Marketing and Technology Fund.

You agree to participate in all Marketing and Technology Fund programs. You have the right to set your own prices, except that we may specify maximum prices for goods or services to the greatest degree permitted by law. You will fully honor all coupons, price reduction and other promotions/programs as directed by us. The Marketing and Technology Fund may furnish you with marketing, advertising and promotional materials; however, we may require that you pay the cost of producing, shipping and handling for such materials.

11.3 Your Local Store Marketing Activities.

A. You must spend for local advertising and promotion of your Techy Store each month the greater of 1.5% of the Gross Revenues received during the previous month or \$500, subject to inflation adjustment as set forth in Section 9.6. If we request it, you will submit verification of your expenditures in a form prescribed by us in our Business Judgment. Appropriate local advertising expenditures may include, but are not limited to, classified telephone directory listings and advertising. The value of discounts, coupon redemptions and/or products or services given without charge shall not be applied toward satisfaction of your local advertising obligation under this Section.

B. Your advertising will be in good taste and conform to ethical and legal standards and our requirements. Samples of all advertising and promotional materials (and any use of the Marks and/or other forms of commercial identification) for any media, including the Internet, World Wide Web or otherwise, must be submitted to us for our review and consent prior to use, which approval we may condition or withhold solely in our Business Judgment. You agree not to use any materials or programs disapproved by us at any time in our Business Judgment and will use all materials and programs designated by us as mandatory. We can require that a brief statement regarding the availability of Techy franchises be included in advertising used by you and/or that brochures regarding purchase of Techy franchises be displayed in your Techy Store.

C. We reserve the rights to all Internet and other electronic marketing and operational usage related to Techy and do not currently permit franchisees to operate websites or internet sites in connection with the operation or marketing of Techy products and/or services. Any future use of the Internet, World Wide Web or other electronic media by you in connection with your Techy Store will be as specified in advance and in writing by us in our Business Judgment from time to time, whether in the Manuals or otherwise.

11.4 Marketing Cooperative and Groups.

We may decide to form one or more associations and/or sub-associations of Techy Stores to conduct various marketing-related activities on a cooperative basis (a “Franchise Marketing Group” or sometimes “FMG”). If one or more FMGs (local, regional and/or national) are formed covering your area, then you must join and actively participate. Each Techy Store, whether franchised or non-franchised, will be entitled to one (1) vote, but in order to vote franchised Techy Stores must be in Good Standing. You may be required to contribute such amounts as are determined from time-to-time by such FMGs. Each FMG may adopt its own bylaws, rules, regulations and procedures, subject to our consent in our Business Judgment. Any failure to timely pay amounts due to, or to comply with the bylaws, rules, regulations and procedures of an FMG, is a breach of this Agreement. We may offset against amounts we or any Affiliate owe to you the amount of your unpaid FMG obligations. We will have the right to have a representative participate in all FMG meetings as a non-voting participant. While we are not required to do so, if we submit any matters for approval to an FMG of which you are a member, and approval is granted, the approval will be binding on you.

12. STORE RECORDS AND REPORTING.

12.1 Bookkeeping, Accounting and Records, Cash Register, Computer and Other Systems.

You must obtain and maintain at your sole expense accounting, sales, reporting and records retention systems conforming to any requirements prescribed by us from time to time, including electronic systems with online access for us. Such systems may include, but are not limited to, electronic cash register, computer and point-of-sale (POS) systems, and software programs, and may have components only available from us, a Franchisor-Related Person/Entity and/or designated suppliers. We reserve the right to use, and to have full access to, all cash register, computer and any other systems, and the information and data they contain. We may charge a reasonable fee for the license, modification, maintenance or support of software or any other goods and/or services that we furnish to you in connection with any of the systems.

12.2 Reports, Financial Statements and Tax Returns.

A. You will provide to us such information regarding the sales and operation of your Techy Store, and in such form and format, as we specify from time to time in our Business Judgment. We may elect to obtain such information through a variety of methods, including direct online access, facsimile transmissions and written copies. Current information requirements include, but are not limited to, the following, and are subject to change by us:

(1) Sales and operations reports for each Continuing license fee Period, due at the same time as the corresponding continuing license fee payment; and

(2) within forty-five (45) days after the end of each fiscal year, an unaudited fiscal year-end balance sheet and income statement for your Techy Store, prepared in accordance with generally accepted accounting principles, and verified and signed by you;

(3) retention of all records of or relating to your Techy Store, including all income, sales and other tax returns, for the term of this Agreement and one (1) year thereafter.

B. You agree to provide such other data, information and supporting records for your Techy Store as we reasonably may request from time to time, including without limitation copies of your sales tax returns and those portions of your income tax returns relating to your Techy Store. We can require you to provide us, at your expense, with an annual audited financial statement prepared by a certified public accountant.

13. INSPECTIONS AND AUDITS.

13.1 Our Inspections, etc.

We and/or our agents will have the right, at any time during business hours, and without prior notice to you, to: i) inspect your Techy Store and related activities and items and record the same; ii) remove samples for testing and analysis; iii) interview personnel; iv) interview customers; and v) conduct inventories. You will cooperate fully in connection with such matters. We may require you or an individual designated by us to meet at our headquarters or other location designated by us, for the purpose of discussing and reviewing your Techy Store's operations, financial performance and other matters. If we inspect your Techy Store and find an unapproved supplier item(s), we may elect to charge you a non-compliance fee of \$250 per day until you have cured your default. Notice of non-compliance hereunder is not required and the non-compliance fee shall be due from the date of inspection until you have cured the violation or Franchisor elects to terminate this Franchise Agreement.

13.2 Audit.

We and/or our agents will have the right at any time during business hours, and without prior notice to you, to inspect and/or audit business records relating in any way to your Techy Store and the books and records of any person(s), corporation or partnership which holds, or does business with, the Franchise. Such business records may include, but are not limited to, bookkeeping and accounting records, sales and income tax records and returns, cash register tapes, invoices, and deposit Revenues. Our right to audit includes the right to access all cash registers, computers and other equipment by electronic means. You will cooperate fully with such an audit.

13.3 Gross Revenues Understatements.

If any inspection or audit discloses an understatement of Gross Revenues, you will pay to us the continuing license fees and marketing contributions due on the understated amount, plus interest at 1.5% per month, from the date originally due until the date of payment. We may require you to reimburse us for the cost of the inspection or audit, including, without limitation, the charges of any independent accountants, and related travel and per diem charges for our and their employees, if:

A. any inspection or audit is necessary because of your failure to timely furnish required information/reports; or

B. Gross Revenues is understated for any period by more than two percent (2%).

In addition to all other remedies and rights of ours hereunder or under applicable law, we may Terminate this Agreement if:

A. Gross Revenues is understated for any period by more than five percent (5%); or

B. any understatement is determined by us to be intentional.

14. TRANSFER.

14.1 Transfers by Us.

This Agreement, and any or all of our rights and/or obligations under it, are fully transferable by us in our Business Judgment, in whole or in part, without your consent; provided that any such transferee shall appear at the time of the transfer to have financial resources reasonably appropriate to fulfill its obligations under this Agreement. For the purposes of this Section 14.1, we shall be entitled to rely upon financial statements provided to us by the transferee. If we transfer this Agreement, only the transferee will have obligations to you and our obligations (and those of any of the Franchisor-Related Persons/Entities) will be extinguished. You specifically acknowledge and agree that we may:(1) be sold and/or we may sell any or all of our intellectual property and/or other assets (including the Marks); (2) go public; (3) engage in a private or other placement of some or all of our securities; (4) merge, acquire other entities and/or assets (competitive or not); (5) be acquired by a competitive or other entity; (6) and/or undertake any refinancing, leveraged buy-out and/or other transaction. You agree that we will have no liability to you resulting from our entering into any transactions permitted hereunder. We also may, on a permanent or temporary basis, delegate any or all of our duties to another company to perform. In such event, you will look only to such other company for the performance of such duties.

14.2 Transfers by You.

A. The rights and duties created by this Agreement are personal to you (or your owners, if the Franchisee is a Business Entity). We have awarded the Franchise relying on the individual integrity, ability, experience and financial resources of you or such owners. Therefore, neither this Agreement, the Franchise, the Franchisee nor your Techy Store, Techy Café or Techy Mobile Van, (or any interest in, or the assets of, any of the foregoing) may be transferred without our prior written approval. Any transfer or attempted transfer without our approval is null and void.

B. The term “transfer” includes (but is not limited to) any voluntary or involuntary assignment, sale, gift, pledge or any grant of any security or other interest (whether partial or whole, or direct or indirect), by you (or your owners, if the Franchisee is a Business Entity). A transfer also includes the following events: (1) any transfer of ownership of capital stock or any partnership or similar interest; (2) any merger, consolidation or issuance of additional securities representing an ownership interest in the Franchisee; (3) any sale of voting stock of the Franchisee or of any security convertible to voting stock; (4) any transfer in a corporate or partnership dissolution, divorce, insolvency proceeding or otherwise by operation of law; (5) any transfer of any interest in any revenues, profits, or assets of your Techy Store and which is not in the ordinary course of business; or vi) any transfer to a business entity and/or a trust or similar entity. A transfer of ownership, possession or control of your Techy Store, or of its assets, may only be made with a transfer of the Franchise. Any transfer in the event of death or disability will be governed by Section 14.5.

14.3 Conditions for Approval of Any Transfer.

A. All of the following conditions must be met prior to, or concurrently with, the effective date of any transfer. We may waive any condition in our sole and absolute discretion.

(1) You must be in compliance with this Agreement, the Manuals, all other agreements between you and us (including any of our respective Affiliates), and all leases/subleases or the Operating Agreement with any party, and the transferee must expressly assume all obligations under all such agreements; and

(2) You must have continuously operated and been in sole possession of your Franchised Business for at least five (5) full years from the effective date of this Agreement. We will not authorize or approve a transfer of your Franchised Business prior to five (5) full years of continuously uninterrupted operation absent extremely urgent and unavoidable circumstances, the sufficiency of which we will determine in our sole and absolute discretion; and

(3) The transferee and its owners must meet our then-current requirements for new franchisees, including but not limited to business experience, aptitude and financial resources; and

(4) You must meet all payment and reporting obligations under the Franchise Agreement and any other agreements between you and us (and any of our respective Affiliates). Promissory notes shall be accelerated and paid in full; and

(5) All obligations to third parties in connection with your Techy Store must be satisfied or assumed by the transferee; and

(6) Your Techy Store and its operations must have been brought into full compliance with the Manuals and specifications and standards then-applicable for new Techy Stores; and

(7) The transferee must pay us a \$5,000 training fee prior to attending training (which will not be refundable once training commences, whether or not the transfer is consummated) and successfully complete our Training Program for new franchisees; and

(8) The transferee must, execute our then-current form of Franchise Agreement and ancillary documents (including guarantees) as are then customarily used by us in the grant of franchises; the term of such new Franchise Agreement shall, at our option, be either for the balance of the term of this Agreement or for the full term generally awarded to new franchisees as of the time of the transfer.

(9) The transfer must be completed in compliance with the terms of any applicable leases or the Operating Agreement and other agreements and with all applicable laws, including, but not limited to, licensing and operations-related laws and/or laws governing franchise sales; and

(10) You or the transferee must pay us, with your application for a transfer, a non-refundable transfer fee of Five Thousand Dollars (\$5,000).

(11) You and each of your owners and/or Affiliates, and the transferee (and each owner and/or Affiliate of the transferee), must sign a General Release; and

(12) Any grant of a security or similar interest in connection with a transfer (which grant may or may not be permitted by us in our Business Judgment), will be subordinated to our rights and the rights of any Franchisor Related Person/Entity under the Franchise Agreement or any other agreement; provided that we may refuse to allow you or anyone else to grant or receive a pledge, mortgage, lien or any security or similar interest in and/or to the Franchise or the Franchised Business (or any of its assets) if, after having expended commercially reasonable efforts in discussions with lenders or other applicable parties, we are unable in our Business Judgment to obtain appropriate protections for our rights under this Agreement and/or for Techy System interests; and

(13) You will agree with the transferee not to compete after the transfer in accordance with restrictions acceptable to us and substantially similar to those described in Section 8.2 (B),

above, to the maximum extent permitted by law. We shall be named a third party beneficiary of such agreement; and

(14) We may (but are not required to) withhold or condition our consent to any transfer in our Business Judgment, particularly if we believe that the terms of transfer jeopardize the economic viability of the franchise or based on other circumstances of the transfer, and/or if we would not normally directly award a franchise in such a situation.

B. You agree that we may (but are not required to) discuss with you and/or the proposed transferee any matters related to any transfer and/or proposed transfer at any time which we consider to be appropriate in our Business Judgment without liability (including our opinion of the terms of sale, performance of your franchise, etc.). You expressly consent to any such discussions by us.

C. Neither you nor any transferee shall rely on us to assist in the evaluation of the terms of any proposed transfer. You acknowledge and agree that an approval of a proposed transfer shall not be deemed to be an approval of the terms, nor any indication as to any likelihood of success or economic viability.

14.4 Additional Conditions for Transfer to a Business Entity.

We will consent to a transfer from you to a Business Entity entirely owned by you and formed for the sole purpose of operating the Techy Store if the conditions described in 14.3, above, and the following conditions are met. Such a transfer will not relieve you of your obligations under this Agreement. You will remain jointly and severally liable to us for your and the Business Entity's obligations.

(1) The Business Entity's stock certificates (and/or other applicable evidences of ownership and all documents of formation/governance) must recite that any ownership interest in the Business Entity is restricted by the terms of this Agreement; and

(2) You must have (and continue to maintain) management control and ownership of at least fifty-one percent (51%) of the Business Entity and personally manage its affairs; and

(3) The individual Franchisee (or, if the Franchisee is a partnership, at least one of the partners) must be and remain the chief executive officer, chief operating officer or chief financial officer and meet our then-current training requirements. If the Franchisee is or becomes a corporation, LLC, partnership or other business entity, the chief executive officer, chief operating officer or chief financial officer of such entity must always meet all of our then-current training and other standards; and

(4) The transferee must enter into an approved form of assignment in which the Business Entity assumes all of the Franchisee's obligations under this Agreement and any other agreements with us and/or a Franchisor-Related Person/Entity, and any other documents we may require as provided in 14.3 A. (7), above; and

(5) All current and future owners of the Business Entity must agree in writing to comply with this Agreement and any other agreements with us and/or any Franchisor-Related Persons/Entities. We may at our option and in our Business Judgment require any and all owners to jointly and severally guarantee (in a written form approved by us) any such obligations of the Business Entity under any such agreements. The current approved form of Owner's Guaranty is attached as Exhibit 1 to this Agreement; and

(6) No public offerings of debt or equity ownership in the transferee entity may be conducted, and no shares of any type issued without obtaining our prior written consent; and

(7) We may require that each of the present and/or future shareholders, directors, and/or officers execute confidentiality and non-competition agreements with terms substantially similar to those described in Sections 8.1 and 8.2, respectively.

(8) In any event, we may withhold or condition our consent to any transfer as we deem appropriate in our Business Judgment, based on the circumstances of the transfer or otherwise.

14.5 Death or Disability of Franchisee.

A. If the Franchisee, or if the owner of the Franchisee with a controlling interest, dies or is permanently disabled, then his or her interest in this Agreement, the Franchise and/or the Franchisee shall be transferred to a third party subject to all of the provisions of this Article 14. A "permanent disability" occurs if you are not able to personally, actively participate in the management of your Techy Store for six (6) consecutive months. Any transfer under this Section shall be completed within six (6) months from the date of death or permanent disability. If no transfer occurs, the Franchise will automatically terminate at the end of such period, unless a written extension is granted by us in our Business Judgment.

B. We can (but are not required to) operate the Franchised Business on your behalf and at your expense in the event of your death, disability or absence. We can pay ourselves a reasonable amount for our management services and other costs. We will use reasonable efforts and business judgment in managing the business, but will in all cases be indemnified by you (and/or your estate) against any costs and/or liabilities related in any way to our management and the operation of the Franchised Business. We are expressly authorized by you to manage in good faith and on terms that we consider appropriate in our Business Judgment, including payment of any past, current and/or future obligations to us or to any other creditor out of assets and/or revenues of the Franchised Business.

14.6 Effect of Consent to Transfer.

Our consent to a transfer is not a waiver of any claims we may have against you, and you are not relieved of any obligations to us or any Franchisor-Related Persons/Entities (including any defaults by any transferee.) In any case, your obligations under the Post Termination Provisions will survive any transfer of this Agreement. Any dispute regarding any proposed or completed transfer will be resolved through the dispute resolution provisions of this Agreement. Neither we nor any Franchisor-Related Persons/Entities will have any liability to you or any proposed or actual transferee in connection with our examination and/or possible consent or withholding of consent involving any transfer or proposed transfer, or our exercise of any right of ours, which is consistent with this Agreement. You agree to indemnify and hold us harmless from any liability to you, the proposed transferee or otherwise.

14.7 Our Right of First Refusal.

A. We have a right of first refusal regarding any proposed transfer subject to this Agreement, excluding only those transfers which are subject to Section 14.4. For each non-excluded proposed transfer, you will provide us with a true and complete copy of the offer received by you (and any ancillary agreements), and the conditions to transfer described in Sections 14.3 and 14.4, as applicable, will be met. The offer and the price and terms of purchase must apply only to an interest in this Agreement, the Franchise, your Techy Store or the Franchisee. Any value attributable to the goodwill of the Marks, Techy System elements, Confidential Information or any other assets, tangible or intangible, related to the Techy

Brand and System will be excluded from the purchase price, but goodwill related solely to the value of your Techy Store as a going business may be included.

B. We will give you written notice of our decision to exercise our right of first refusal within thirty (30) days from the date of our receipt of the offer and ancillary documents. If any of the assets to be purchased do not meet the standards we then apply to new Techy Stores, or if you are in default, we can require that the Store be brought into compliance and any defaults cured before the thirty (30) day period begins. We may substitute cash for any form of payment proposed in such offer and will have a reasonable period of time in which to prepare for the close of the transaction, generally sixty (60) days. The purchase price to be paid by us will be the price specified in the proposed transfer, less the value attributable to the goodwill of the Marks, Techy System elements, Confidential Information or any other assets, tangible or intangible, related to the Techy Brand and System. We will be entitled to purchase any interest subject to all Customary Representations, Warranties and Agreements. We can require that the closing of the sale be through an escrow. You and we will comply with any applicable bulk sales and/or similar laws, and you will maintain all insurance policies until the date of closing. We will have the right to set off against any amount of money payable by us all amounts due from you and/or your Affiliates to us and/or our Affiliates. We will also have the right, in our Business Judgment, to pay any amount otherwise payable to you directly to your creditors in satisfaction of your obligations. If you violate any of your obligations that expressly or by their nature survive this Agreement, we will not be obligated to pay any amount otherwise due or payable to you thereafter. In connection with such purchase, you and each transferor (and your respective Affiliates) will sign a General Release.

C. If we do not exercise our right of first refusal, you or your owner may complete the sale to such purchaser on the exact terms of such offer, subject to the conditions of this Article 14. If there is a material change in the terms of the sale, we will have an additional right of first refusal on the same terms and conditions as are applicable to the initial right of first refusal. Our rights under this or any other Section are fully assignable.

15. SUCCESSOR FRANCHISE.

15.1 Your Right to Acquire a Successor Franchise.

This Agreement expires 10 years from the Agreement Date. Upon expiration, if you (and each of your owners) have substantially complied with this Agreement during its term, and provided that:

A. you maintain possession of and agree to remodel and/or expand the Techy Store, add or replace improvements, equipment and signs and otherwise modify the Techy Store as we require to bring it into compliance with specifications and standards then applicable for Techy Store; or

B. if you are unable to maintain possession of the Site, or if in our judgment the Techy Store should be relocated, you secure substitute premises accepted by us, you develop such premises in compliance with specifications and standards then applicable for Techy Stores and continue to operate the Techy Store at the Site until operations are transferred to the substitute premises, then, subject to the terms and conditions set forth in this Article 15, you will have the privilege to apply for successor franchises to operate the then existing Techy Store as a Techy Store (each a "Successor Franchise"), for one additional 10-year period on the terms and conditions of the franchise agreement we are then using in granting Successor Franchises for Techy Stores, which may contain materially different terms and conditions than this Agreement.

15.2 Grant of a Successor Franchise.

A. Your Election: You agree to give us written notice of your election to acquire a Successor Franchise during the first 90 days of the 9th year of this Agreement. We agree to give you written notice (“Response Notice”), not more than 90 days after we receive your notice, of our decision:

- (1) to grant you a Successor Franchise;
- (2) to grant you a Successor Franchise on the condition that deficiencies of the Techy Store, or in your operation of Techy Stores are corrected; or
- (3) not grant you a Successor Franchise based on our determination that you and your owners have not substantially complied with this Agreement during its term.

B. Response Notice: If applicable, our Response Notice will:

- (1) describe the remodeling and/or expansion of the Techy Store and other improvements or modifications required to bring the Techy Store into compliance with the applicable specifications and standards for Techy Store; and
- (2) state the actions you have to take to correct operating deficiencies and the time period in which such deficiencies must be corrected.

If we elect not to grant a Successor Franchise, the Response Notice will describe the reasons for our decision. Your right to acquire a Successor Franchise is subject to your continued compliance with all of your terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in the Response Notice.

C. Deficiencies: If our Notice states that you must cure certain deficiencies of the Techy Store or its operation as a condition to the grant of a Successor Franchise, we will give you written notice of a decision not to grant a Successor Franchise unless you cure such deficiencies, not less than 90 days prior to the expiration of this Agreement. However, we will not be required to give you such notice if we decide not to grant you a Successor Franchise due to your breach of this Agreement during the 90 day period prior to its expiration. If we fail to give you:

- (1) notice of deficiencies in the Techy Store, or in your operation of the Techy Store, within 90 days after we receive your timely election to acquire a Successor Franchise; or
- (2) notice of our decision not to grant a Successor Franchise at least 90 days prior to the expiration of this Agreement, if such notice is required.

We may extend the term of this Agreement for such period of time as is necessary in order to provide you with either reasonable time to correct deficiencies or 90 days’ notice of our refusal to grant a Successor Franchise.

15.3 Agreements/Releases.

If you satisfy all of the other conditions to the grant of a Successor Franchise, you and your owners agree to execute the form of franchise agreement and any ancillary agreements we are then customarily using in connection with the grant of Successor Franchises for Techy Stores. You and your owners further agree to execute general releases, in the form attached to this Franchise Agreement as Exhibit 1.2, of any

and all claims against us and our shareholder, officers, directors, employees, agents, successors and assigns. Failure by you or your owners to sign such agreements and releases and deliver them to us for acceptance and execution within 60 days after their delivery to you will be deemed an election not to acquire a Successor Franchise.

15.4 Training and Refresher Programs.

Our grant of a Successor Franchise is also conditioned on the satisfactory completion by you (or and Operating Partner of yours approved by us) of any new training and refresher programs as we may reasonably/require. You are responsible for travel, living and compensation costs of attendees.

15.5 Fees and Expenses.

Our grant of a Successor Franchise is contingent on your payment to us of a Successor Franchise fee equal to twenty percent (20%) of our then current Initial Franchise Fee for an initial franchise. We must receive the fee from you when you sign the Successor Agreement.

16. TERMINATION OF THE FRANCHISE.

16.1 Defaults with No Right to Cure.

This Agreement will automatically Terminate upon delivery of our written notice of Termination to you in compliance with Article 20 (without further action by us and without opportunity to cure) if you (or any of your owners):

A. fail to timely meet the site selection, development, opening and other requirements provided in Sections 3.1 (A) and 3.6, above;

B. abandon or fail to operate your Techy Store for more than seven (7) consecutive calendar days, or lose the right to possession of the premises and do not relocate your Techy Store in accordance with this Agreement. If you have a sublease or an Operating Agreement with us or an Affiliate for the Premises, and you have been in full compliance with this Agreement and the Operating Agreement, we will use commercially reasonable efforts to identify an alternative location for you to operate a Techy Store. However, you must understand that neither we nor any Affiliate of ours represent or warrant to you that your ability to operate on the Premises or at any other location will be ongoing or for any specific duration;

C. make any material misrepresentation or omission in your application for the Franchise, including (but not limited to) failure to disclose any prior litigation or criminal convictions (other than minor traffic offenses);

D. are judged bankrupt, become insolvent, make an assignment for the benefit of creditors, are unable to pay your debts as they become due, or a petition under any bankruptcy law is filed by or against you (or any of your owners) or a receiver or other custodian is appointed for a substantial part of the assets of your Techy Store;

E. are convicted of, or plead no contest to, a felony, or to any crime or offense that is likely to adversely affect the reputation of the Franchisee or any owner, your Techy Store, us or the goodwill associated with the Marks;

F. engage in any misconduct which unfavorably affects the reputation of the Franchisee or any owner, your Techy Store, us or the goodwill associated with the Marks (including, but not limited to, child abuse, health or safety hazards, drug or alcohol problems, or permitting unlawful activities at your Store);

G. make, or attempt to make, an unauthorized “transfer” as defined in this Agreement or surrender control without our prior written approval;

H. make an unauthorized use of the Marks or any unauthorized copy, use or disclosure of any Confidential Information;

I. violate any of the In Term or Post Term Restrictions against competition provided in Section 8.2, above (or any other person identified therein commits such a violation);

J. commit any act or omission of fraud or misrepresentation, whether with respect to us, any of the Franchisor-Related Persons/Entities and/or any third party, including (but not limited to) any misrepresentation of Gross Revenues;

K. have five (5) or more material customer complaints with respect to your Techy Store in any twelve (12) month period, whether or not resolved;

L. fail to permit or cooperate with us or our designee in any audit or inspection or fail to retain (or to produce on request) any records required to be maintained by you;

16.2 Defaults with Right to Cure.

This Agreement will automatically Terminate on delivery of our written notice of Termination to you in compliance with Article 20 (without further action by us and without further opportunity to cure beyond that set forth in this Section):

A. 10 Day Cure. If within ten (10) calendar days after delivery of our written notice to you, you (or any of your owners) do not cure any:

(1) failure to maintain required insurance;

(2) failure to correct any condition that, in our reasonable judgment, might pose a danger to public health and/or safety;

(3) failure to report accurately Gross Revenues or fail to submit any other report due under this Agreement or any lease/sublease or Operating Agreement in accurate and complete form and when required;

(4) failure to make payments of any amounts due us, any Franchisor-Related Person/Entity, any designee of ours and/or any supplier/creditor of yours and do not correct such failure(s);

(5) failure to comply with any of the dispute resolution provisions of this Agreement, including (but not limited to) failure to pay/deposit any amounts or otherwise and/or unexcused failure to appear or respond to any dispute resolution proceedings.

With respect to items (A) 1 and/or (A) 2 above, we may require you to immediately cease all operations until such defaults are fully cured.

B. 30 Day Cure. If i) within ten (10) calendar days after delivery of our written notice to you, you have failed to commence steps to cure the following defaults and/or ii) within thirty (30) calendar days after delivery of our written notice to you, you (or any of your owners) do not cure any:

(1) default under the lease or sublease or the Operating Agreement for your Techy Store within the applicable cure period set forth in the lease or sublease or the Operating Agreement. If such applicable cure period is less than thirty (30) days, then such applicable cure period shall apply, notwithstanding any cure period provided in this Article;

(2) delinquency in your obligations to taxing authorities, landlords, equipment lessors, suppliers or others;

(3) failure to comply with any other provision of this Agreement, any other agreement with us and/or any Affiliate of ours, or any specification, standard or operating procedure or rule prescribed by us in the Manuals or by other writing which does not provide for a shorter notice period.

If any such default under this Section 16.2 (B) cannot reasonably be corrected within such thirty (30) day period, then you must undertake diligent efforts within such thirty (30) day period to come into full compliance. You must furnish, at our request, proof acceptable to us of such efforts and the date full compliance will be achieved. In any event, all such defaults must be fully cured within ninety (90) days after delivery of the initial written notice to you of Termination.

16.3 Repeated Defaults.

This Agreement will automatically Terminate upon delivery of our written notice of Termination to you in compliance with Article 20 (without further action by us and without opportunity to cure) if you or any Affiliate has committed two (2) or more applicable defaults within any twelve (12) consecutive months, or three (3) or more applicable defaults within any twenty-four (24) consecutive months. An “applicable default” is a single breach of any obligation under this Agreement and/or the Manuals, or under any other agreement with us and/or any of our Affiliates, whether or not such default is cured, or is the same as or similar to a prior event of default.

16.4 Cross-Defaults.

Any default by you (or any owner or Affiliate of yours) under this Agreement may be regarded by us as a default under any other agreement between us (or any Franchisor-Related Persons/Entities) and you (or any owner or Affiliate of yours). Any default by you (or any owner or Affiliate of yours) under any other agreement or any other obligation between us (or any Franchisor-Related Persons/Entities) and you (or any owner or Affiliate of yours) may be regarded as a default under this Agreement. Any default by you (or any owner or Affiliate of yours) under any lease, sublease, Operating Agreement, loan agreement, or security interest relating to the Franchised Business may be regarded as a default under this Agreement, regardless of whether or not any such agreements are between you (or any owner or Affiliate of yours) and us (or any Franchisor-Related Persons/Entities).

17. RIGHTS AND OBLIGATIONS ON TRANSFER, REPURCHASE, TERMINATION AND/OR EXPIRATION OF THE FRANCHISE.

17.1 Payments of All Amounts Owed, etc.

You must pay all continuing license fees, marketing contributions and all amounts of any kind

owed to us and/or any Franchisor-Related Persons/Entities within ten (10) days after the Repurchase, Termination or expiration of the Franchise, or from a later date when the amounts due can be determined.

17.2 Intellectual Property, Confidential Information, Trade Dress, etc.

After any Transfer, Repurchase, Termination or expiration of the Franchise:

A. You agree to immediately and permanently discontinue your Techy business and any use of the Intellectual Property and/or the Confidential Information, as defined in Article 22, and will not use any similar or derivative marks, or materials, or colorable imitations of any of the Intellectual Property in any medium or manner or for any purpose;

B. You will return to us or (at our option) destroy all software, Manuals, forms, materials, signage and any other items containing any Intellectual Property or Marks, or otherwise identifying or relating to a Techy Store (to the extent they have not been assigned in connection with an authorized Transfer or a Repurchase);

C. You will take such actions as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark which have not been assigned in connection with an authorized Transfer or a Repurchase;

D. You will remove from the Premises any distinctive signage, physical and/or structural features associated with the Trade Dress of Techy Stores, so that the Premises are clearly distinguished from other Techy Stores and do not create any public confusion (to the extent they have not been assigned in connection with an authorized Transfer or a Repurchase);

E. You agree not to identify yourself, or any business you may operate or in which you may become involved, or to advertise or promote yourself in any manner, as a present or former franchisee;

F. You will furnish to us within thirty (30) days satisfactory evidence of your compliance with the obligations described in this Section 17.2 and in Section 17.3, below. If you operate any business using any of the Intellectual Property, Marks, Confidential Information or any aspect of the System, our remedies will include (but will not be limited to) recovery of the greater of (a) all profits earned by you in the operation of such business, or (b) all continuing license fees, advertising contributions and other amounts which would have been due if this Agreement remained in effect with you.

17.3 Telephone and Other Directory Listings, Internet Sites.

A. You understand and agree that we own all telephone numbers, domain names, Internet addresses/sites and/or other communications services links (collectively, the “Numbers”), and any related directory listings/advertising, used in connection with the operation of Techy Store. We may, in our Business Judgment, require you to sign an assignment of such Numbers prior to training or at another time. After any Termination, Repurchase and/or expiration of the Franchise, you will promptly transfer, call-forward, discontinue or otherwise deal with the Numbers and any related directory listings/advertising as we direct. You agree to sign any documents and/or pay any amounts required by a telephone/communication services provider as a condition to our exercising any rights under this Section. By signing this Agreement, you irrevocably appoint us your attorney in fact to take any such actions regarding the Numbers and any related directory listings/advertising if you do not do so yourself within ten (10) days after the Termination, Repurchase or expiration of this Franchise. Such companies may accept

this Agreement as conclusive evidence of our exclusive rights in such Numbers and related directory listings, web pages and advertising/marketing.

B. If we choose at any time to be direct billed by a provider for any account for the Numbers and/or directory listings/advertising, you agree to pay us all amounts due such providers within ten (10) days of our written notice to you. If you fail on two or more occasions to pay any such amounts to us when due, then we may require you to maintain a deposit with us in an amount reasonably determined by us based upon usage history and other relevant factors.

17.4 Continuing Obligations.

A. All obligations and rights which expressly or by their nature survive the Transfer, Repurchase, Expiration or Termination of this Agreement will continue in full force and effect until they are satisfied or by their nature expire (including but not limited to indemnity, non-competition and confidentiality rights and obligations; obligations to pay and the provisions of Articles 19 and 21). These obligations continue notwithstanding any rejection of this Agreement in a bankruptcy proceeding or otherwise.

B. If this Agreement is Terminated because of a default of yours, you will not be released or discharged from your obligations, including payment of all amounts then due and other amounts which would have become due under this Agreement if you had continued in operation as a Franchisee for the full term. Our remedies will include (but are not limited to) the right to collect the present value of these amounts and to receive the benefit of our bargain with you, as well as to accelerate the balances of any promissory notes owed and to receive any other unpaid amounts owed to us or any Affiliates of ours. You and we agree that it would be commercially unreasonable and damaging to the integrity of the Techy system if a Franchisee could default and then escape the financial consequences of his contractual commitment to meet payment obligations for the term of the Agreement. You (and each of your owners/Affiliates) agree to sign a General Release if we choose in our Business Judgment to waive our rights to collect any amounts that would have become due if you had continued in operation as a Franchisee. This option of ours may be exercised at any time.

18. GRANT OF SECURITY INTEREST.

For valuable consideration, as security for the payment of all amounts owing or to be owed by you (and/or any Affiliate of yours) to us (and/or any Affiliate of ours) under this Agreement or any other agreements, and your performance of all obligations thereunder, you hereby grant to us a security interest in all proceeds of your Techy Store and in all of the assets, including equipment, furniture, fixtures and signs, used by, at or in connection with, your Techy Store and its related business and (the "Collateral"). You will not remove the Collateral or any portion thereof without our prior written consent. You represent and warrant that the security interest granted is prior to all other security interests in the Collateral except for (a) bona fide purchase money security interests and (b) the security interest granted to a third party in connection with your original financing for your Techy Store, if any. In connection with any request for our approval of a security interest, we will make commercially reasonable efforts to accommodate reasonable lender's requirements, including the subordination of our interests to the lender's and/or lessor's, as applicable, in our Business Judgment, bearing in mind the interests of the borrower, lender, ourselves and the System. On the occurrence of any event entitling us to Terminate this Agreement or any other agreement between the parties, or if we reasonably determine that we are not assured that your (and/or any Affiliates') obligations will be timely and fully paid and/or performed, we will have all the rights and remedies of a secured party under the Uniform Commercial Code of the State in which your Techy Store is located, including, without limitation, the right to take possession of the Collateral. You will execute and

deliver to us financing statements and/or such other documents as we reasonably deem necessary to perfect our interest in the Collateral within ten (10) days of your receipt of such documents from us.

19. DISPUTE AVOIDANCE AND RESOLUTION – MANDATORY BINDING ARBITRATION

For purposes of this Article 19, “you” includes all of your owners, Affiliates and their respective employees, and “we” includes all of the “Franchisor-Related Persons/Entities.”

19.1 FUNDAMENTAL BUSINESS INTENTION TO MEDIATE AND/OR ARBITRATE, SEVERABILITY OF PROVISIONS, MODIFICATION OF AGREEMENT TO COMPLY WITH APPLICABLE LAW, FEDERAL ARBITRATION ACT GOVERNS.

A. It is your and our fundamental agreement not to engage in court proceedings, except in the rare instances specified in this Agreement, but rather to have disputes resolved through face-to-face meetings, mediation and binding arbitration. You and we agree our activities relating to the franchise relationship are in interstate commerce and that this Agreement is governed by the Federal Arbitration Act.

B. You and we view mediation and binding arbitration to be generally superior to court proceedings, as often being more time and cost efficient and allowing you and us to use mediators/arbitrators with substantial franchising experience, while understanding that costs to you and/or us of face-to-face meetings, mediation, arbitration and/or appeal of arbitration, as provided in this Agreement, may sometimes be greater than in civil litigation or may make it more difficult to proceed.

THEREFORE, IF ANY PROVISION OF THIS AGREEMENT IS DEEMED BY A COURT TO BE UNCONSCIONABLE, VOID, VOIDABLE, AGAINST PUBLIC POLICY, RESTRICTIVE OF CONSTITUTIONALLY OR STATUTORILY PROVIDED RIGHTS OR OTHERWISE UNENFORCEABLE, YOU AND WE INTEND AND AGREE (I) THAT SUCH PROVISION BE MODIFIED OR RESTRICTED BY THE ARBITRATOR OR COURT SO AS TO BE ENFORCEABLE OR (II), IF SUCH PROVISION CANNOT BE MODIFIED OR RESTRICTED, IT WILL BE SEVERED AND, TO THE MAXIMUM DEGREE POSSIBLE, THE REMAINING PORTIONS KEPT INTACT, VALID AND IN FULL FORCE AND EFFECT, SO AS TO ACCOMMODATE OUR FUNDAMENTAL AGREEMENT TO ENGAGE IN A FACE-TO-FACE MEETING, MEDIATION AND BINDING ARBITRATION/ARBITRATION APPEAL, AS PROVIDED IN THIS AGREEMENT.

C. You and we reserve the right to challenge any law, rule or judicial or other construction which effectively varies, or renders without effect, any provision of this Agreement. If any limitation of rights is held unenforceable with respect to one party, then such limitation shall also be unenforceable as to other party.

D. This Agreement will be deemed automatically modified to comply with governing law if such law requires a greater time period for notice of Termination of, or refusal to renew, this Agreement or otherwise.

19.2 FACE-TO-FACE MEETING, MEDIATION AND MANDATORY BINDING ARBITRATION.

You and we believe that it is important to resolve all disputes effectively and professionally and to return to business as soon as possible. You and we agree that the provisions of this Article 19 support these business objectives and, therefore, agree as follows:

A. Dispute Resolution Process: Any litigation, claim, dispute, suit, action, controversy, or proceeding of any type whatsoever, including any claim for equitable relief and/or in which a party is acting as a “private attorney general,” suing pursuant to a statutory claim or otherwise, between or involving you and us (and/or any Affiliate of either), on whatever theory and/or facts based, and whether or not arising out of this Agreement (“Claim”), will be exclusively processed in the following manner, except as expressly provided at Section 19.2 F., to the extent it is applicable and not contrary to governing law:

(1) First, discussed in a face-to-face meeting held at a neutral location reasonably near your franchised location within thirty (30) days after either you or we give written notice to the other proposing such a meeting;

(2) Second, if unresolved, submitted to non-binding mediation for a minimum of four (4) hours before (a) the American Arbitration Association (“AAA”) or its successor or (b) Judicial Arbitration and Mediation Service (“JAMS”) or its successor, if the AAA cannot conduct such mediation. The mediator shall be a neutral person experienced in franchising. We will pay the costs of the first four (4) hours of any mediation, and no mediation is required to extend beyond such four (4) hour period. Any party may be represented by counsel and may, with permission of the mediator, bring persons appropriate to the proceeding.

(3) Third, if unresolved, submitted to binding arbitration before and in accordance with the arbitration rules of (a) the American Arbitration Association (“AAA”) or its successor or (b) Judicial Arbitration and Mediation Service (“JAMS”) or its successor, if the AAA cannot conduct such arbitration. Arbitration may be filed prior to a face-to-face meeting and/or mediation, with such face-to-face meeting and/or mediation to follow as quickly thereafter as possible. Arbitration and mediation/meeting may proceed concurrently. Franchisee agrees that any arbitration between Franchisee and Franchisor will be Franchisee’s individual claim and that the claim or claims subject to arbitration shall not be arbitrated on a class-wide basis. The arbitrator must be a lawyer substantially experienced in franchising. Judgment on any arbitration award may be entered in any court having jurisdiction, thereof, or of Franchisor or of Franchisee, subject to the opportunity for appeal to a panel, as contemplated below. The arbitrator’s award will be in writing.

(4) Fourth, a final award by an arbitrator (there will be no appeal of interim awards or other interim relief) may be appealed within thirty (30) days of such final award. Appeals will be conducted before a three (3)-arbitrator panel appointed by the same organization as conducted the arbitration, each member of which must be a lawyer substantially experienced in franchising. The arbitration panel will not conduct any trial de novo or other fact-finding function. Such panel’s decision will be in writing, may be entered in any court having jurisdiction and will be **BINDING, FINAL AND NON-APPEALABLE**. On request by either party, the arbitration panel will provide to all disputants a reasoned opinion with findings of fact and conclusions of law.

(5) If required by applicable law for any arbitration provision (including the appeal process) to be enforceable (for example, to preserve constitutionally or statutorily provided rights),

the arbitrator or a court will, as soon as possible, appropriately allocate between you and us the fees of the arbitrator(s) and/or his/her related organization, or require us to advance a portion of such fees subject to possible reimbursement, or otherwise address such issues so as to allow the mediation/arbitration to proceed and may adjust such allocations appropriately during the arbitration process for such purpose. In addition, you or we can choose to deposit all fees required by any arbitration organization, subject to later allocation between you and us, as provided above.

(6) If the organizations specified by this Agreement to conduct any mediation and/or arbitration are unable or unwilling to conduct such proceeding(s), and the parties to the dispute cannot agree on an appropriate substitute organization or person to conduct such proceeding(s), then a court of competent jurisdiction shall designate an appropriate organization or person to conduct such proceeding(s).

B. Location: Any mediation/arbitration (and any arbitration appeal) will be conducted exclusively at a neutral location in the county and state in which our then-current headquarters is located, which may change from time to time, and be attended by you and us, and/or designees authorized to make binding commitments on each of our respective behalf. You and we agree that the provisions of this Article will control, notwithstanding any language included in our franchise disclosure documents due to state requirements suggesting that the provisions of any section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither you nor we have any expectation that the provisions of this (or any other) section will be unenforceable or that they will not be enforced. You understand and agree that one effect of this paragraph may be that mediation, arbitration and other related costs may be greater, and it may be more difficult for you to proceed, than if those proceedings took place in a location near your residence or business. If any court determines that this provision is unenforceable for any reason, mediation/arbitration (and any arbitration appeal) will be conducted at a neutral location reasonably near your franchised location.

C. Arbitration Authority: Arbitrators shall apply all applicable law, and a failure to apply the applicable law in accord with Section 19.8 C. below shall be deemed an act in excess of authority. The arbitrator shall be appointed within thirty (30) days of the filing of any demand for arbitration. Any arbitration hearing shall be held within ninety (90) days of the applicable appointment. The arbitrator shall decide all questions relating in any way to the parties' agreement to arbitrate, including but not limited to arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement or claimed unconscionability. The arbitrator can issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc. by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration.

D. Discovery, Effect of Awards, Compulsory Counter-Claims: The disputants will have the same discovery rights as are available in civil actions under the state law selected in Section 19.8 C., except as modified by this Section. Discovery will relate exclusively to the relationship/agreements between you and us and not to our relationship/agreements with other Franchisees, depositions will be limited to key persons and either party can depose a maximum of three (3) such persons, including any experts, for a maximum period of seven (7) hours. On request by either party, the arbitrator shall provide a reasoned opinion with findings of fact and conclusions of law and the party so requesting shall pay the arbitrator's fees and costs connected therewith. Each disputant must submit or file any claim which would constitute a compulsory counter-claim within the same proceeding as the claim to which it relates as if the laws of the state law selected in Section 19.8 C. relating to such matters in litigation also governed such

matters in arbitration. Subject to applicable law, any such Claim which is not submitted or filed in such proceeding will be forever barred. If any portion of this subsection is deemed to be unenforceable for any reason, it shall be modified or restricted, or severed, so as to comply with applicable law.

E. Fees and Costs: The parties will bear their own attorneys' fees and costs.

F. Claims Not Required to be Processed Under 19.2.A.:

(1) Any party to this Agreement may forego the requirements of 19.2.A(1) and (2) above and seek interim, injunctive or expedited remedies (including temporary restraining orders) regarding the following Claims (or portions thereof), in either a judicial or arbitration proceeding, without regard to the adequacy of other potential legal remedies: (a) Enforceability (including specific performance) of rights and/or obligations with respect to the Marks and/or any of the Intellectual Property licensed to you and/or the ownership or proper use thereof; (b) Specific performance of any other rights and/or obligations under or relating to this Agreement including but not limited to obligations of Franchisee upon termination or expiration of the Franchise, and assignments of the Franchise and ownership of Franchisee; and/or (c) Matters concerning rights to real property including (but not limited to) any or all eviction and/or unlawful detainer actions, enforcement of any Collateral Assignment of Lease; (d) disputes relating to monies payable under the Franchise and related agreements, including, without limitation, any asset purchase agreement, area development agreement, operating agreement, and/or sublease, and

(2) Claims (or portions thereof) asserted by any party to this Agreement relating primarily to enforceability of rights in and to, the Marks and/or any of the Intellectual Property licensed to you and/or the ownership or proper use thereof[and not covered by (1) (a) above; i.e. not seeking such remedies] will be exclusively subject to court action, you and we agreeing that since (a) the legal status/protection of the Marks and/or any Intellectual Property licensed to you and our other Franchisees is a core element of our System and of critical importance to all of our Franchisees and the future of our System, and (b) an adverse decision might affect all our Franchisees, it is critical that such matters should be only decided by means of a court trial and be subject to possible appellate court review. If the provisions of this subsection are unenforceable or would result in rendering this Article 19 (or any portion) unenforceable for any reason, the entire dispute shall be subject to mediation, arbitration and appeal of any arbitration decision, as provided in Section 19.2. Any action to compel a party's compliance with Section 19.2 must be consistent with Section 19.3.

G. Your and Our Intentions and Agreements: You and we mutually agree and have expressly had a meeting of the minds that, notwithstanding any contrary provisions of state, provincial or other law:

(1) all disputes relating to arbitrability will be governed only by the Federal Arbitration Act and the federal common law of arbitration and exclusive of state statutes and/or common law. including disputes about arbitration procedures, whether or not any particular claim, issue or otherwise is to be submitted to arbitration, and/or enforcement of any of the dispute resolution-related or other provisions of this Agreement; all such disputes will be exclusively decided by the arbitrator, including any assertion that this Agreement as a whole, or the arbitration or any other provision, of this Agreement, is unreasonable, oppressive, unlawful, invalid, void or voidable, procured by fraud or uneven bargaining power, unconscionable, part of a contract of adhesion, not subject to negotiation or not enforceable for any reason or similar claims;

(2) all provisions of this Agreement can be fully enforced, including but not limited to those provisions relating to arbitration, venue, and choice of law; and

(3) you and we intend to rely on federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq. and each knowingly waive all rights to a trial and select arbitration as the sole means to resolve disputes, except as expressly provided otherwise in this Agreement, understanding that arbitration may be less formal than a court or jury trial, may use different rules of procedure and evidence and that appeal is generally less available, and that the fees and costs associated with a face-to-face meeting, mediation and/or arbitration may be greater than in civil litigation, but still strongly preferring a face-to-face meeting, mediation and/or arbitration as provided in this Agreement believing that arbitration has overriding advantages from a business standpoint, such as an arbitrator being particularly familiar with franchising, as well as offering the possibility of lower costs and more rapid disposition of disputes.

19.3 Exclusive Jurisdiction and Venue.

Without in any way limiting or otherwise affecting your and our obligations under Section 19.2, above, you and we agree that any court proceedings (including any action to compel a party's compliance with Article 19) will be exclusively held in the United States District Court encompassing our then-current headquarters (the "Proper Federal Court"), which may change from time-to-time, subject to the following exceptions:

A. If a basis for federal jurisdiction does not exist, then any such proceeding will be brought exclusively before a court in the most immediate state judicial district encompassing our then-current headquarters and having subject matter jurisdiction (the "Proper State Court");

B. Proceedings to remove or transfer a matter to the Proper Federal Court and/or to compel arbitration as contemplated by this Agreement may be brought in the court where the applicable action is pending and/or the Proper State or Federal Court; and

C. Any action primarily with respect to any real and/or personal property (including any action in unlawful detainer, ejectment or otherwise) may be brought in any court of competent jurisdiction and/or the Proper State or Federal Court.

You and we consent to jurisdiction of the courts as specified above.

These and similar provisions are agreed on due to practical business concerns, such as (1) the fact that relevant business records and personnel key to a resolution of the dispute will generally be located at our then-current headquarters and (2) you and we have a shared interest in avoiding inconsistent legal resolutions in multiple jurisdictions, which could adversely affect the franchise system and its day-to-day management. You understand and agree that the effect of the above (and other) provisions of this Agreement may be, among other things, that your costs of litigation or otherwise in a location away from your residence or business may be greater, and it may be more difficult for you to proceed, than if those proceedings took place in a location nearer your residence or business. However, if a court or arbitrator determines that these provisions are unenforceable for any reason, they shall be severed and the venue for litigation will be as determined under applicable law.

19.4 Non-Retention of Funds.

Neither party has the right to offset or withhold payments of any kind owed or to be owed to the other against amounts purportedly due as a result of a dispute or otherwise, except as authorized by an arbitration award or as expressly provided in this Agreement.

19.5 Waiver of Punitive Damages, etc.

To the fullest extent permitted by law, you and we (and your and our Affiliates) mutually and knowingly waive all rights to or claim for punitive, exemplary, multiple or similar damages and agree that, in the event of any dispute, all recovery shall be limited to actual damages sustained by the injured party; provided that no such waiver or limitation shall apply to amounts owed under any indemnification obligation; and provided further that, to the extent required by applicable law, if you or we have any unwaivable rights to punitive, exemplary, multiple or similar damages under any statute or regulation, such rights will remain in effect. In any event, any constitutional and/or statutory limitations on punitive, exemplary, multiple or similar damages will apply, and any award by an arbitrator or court in excess of such limitations will be in excess of legal authority and void.

19.6 Survival of Obligations.

Articles 19 and 21 will continue in full force and effect after and notwithstanding the expiration, Termination, rescission, or cancellation of this Agreement for any reason, will survive and will govern any Claim for rescission or otherwise, as well as any Claim against, or with respect to, you, us, any Marketing and Technology Fund and/or any of the Franchisor-Related Persons/Entities and the non-solicitation, confidentiality, protection of the Marks, indemnity/hold harmless obligations, ongoing audit rights and all other Post-Termination Provisions provided in this Agreement shall also survive. Notwithstanding any bankruptcy or other proceeding, you and we wish to have the dispute avoidance and resolution provisions of this Agreement strictly enforced according to their terms, to the maximum extent allowable by law.

19.7 Attorneys' Fees and Costs.

The parties will each bear their own costs of enforcement and/or defense (including but not limited to attorneys' costs and fees), including those matters resolved pursuant to a settlement agreement between the parties.

19.8 Enforcement and Construction.

A. Each portion of this Agreement is severable, and the remainder of the Agreement is fully enforceable. This Agreement is binding on the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified or supplemented except by means of a written agreement signed by both you and our President. Changes to the Manuals do not require any acceptance by you. No other officer, field representative, salesperson or other person has the right or authority modify this Agreement, or to make any representations or agreements on our behalf, and any such modifications, representations and/or agreements shall not be binding. Notwithstanding the fact that a party to this Agreement is or may become a party to a court action or special proceeding with a third party or otherwise, and whether or not such pending court action or special proceeding (1) may include common or other issues of law, fact or otherwise arises out of the same transaction or occurrence, or series of related transactions or occurrences, as any arbitration between or involving the parties to this Agreement, (2) involves a possibility of conflicting rulings on common issues of law, fact or otherwise, and/or (3) such pending court action or special proceeding may involve a third party who cannot be compelled to arbitrate, the agreement of the parties to this Agreement shall be enforced according to its terms and any party to this Agreement may bring an action to compel a face-to-face meeting, mediation and/or arbitration, you and we strongly preferring arbitration to court actions and wishing to have a single entity (the arbitrator) determine all issues of fact and law between or involving us, except as expressly provided otherwise in this Agreement.

B. No waiver shall be effective unless in writing and signed by an authorized representative of the signing party. The rights and remedies provided in this Agreement are cumulative.

Except as expressly provided in this Agreement, no party will be prohibited from exercising any rights or remedies provided under this Agreement or permitted under law or equity. If two (2) or more persons are at any time the Franchisee or the Franchisee owners, all of their obligations and liabilities under this or any other agreement with us and/or any Franchisor Associates will be joint and several.

C. This Agreement and all matters relating to the relationship hereby created will be governed by, construed and enforced under the laws of the state in which your Techy Store is located, without regard to any conflict of laws, except to the extent of the applicability of the Federal Arbitration Act and related federal preemption and of the United States Trademark Act and other federal laws, and except that the provisions of any applicable state law regarding franchises, including any franchise or non-competition law, shall not apply unless jurisdictional requirements are met independently of this Section. This Agreement will be deemed automatically modified to comply with governing law if such law requires (1) a greater time period for notice of the Termination of this Agreement; or (2) the taking of some other action not described in this Agreement. Such modifications to this Agreement shall be effective only in such jurisdiction.

D. This Agreement is the entire agreement between you and us, as provided in Section 21 D., below.

E. You and we agree that none of the relationships formed in connection with the Agreement are in the nature of a “trust,” “fiduciary” or similar special arrangement and that this is an ordinary commercial relationship.

F. We have the right to elect in our sole discretion to not enforce (or to selectively enforce) any provision of this or any Agreement, standard or policy, whether with respect to you and/or any other franchisee or other person, in a lawful manner without liability.

19.9 Our Exercise of “Sole Discretion” and Other Choices; Express Agreement.

When we use the phrases “sole and absolute discretion” and/or “sole discretion” and whenever we exercise a right, prescribe an act or thing, or otherwise make a choice or use discretion, you and we agree that we have the express, unrestricted right to make decisions and/or take (or refrain from taking) actions, as we deem appropriate. We shall use our judgment in exercising such discretion based on our assessment of the interests we consider appropriate and will not be required to consider your individual interests or the interests of any other particular franchisee(s). We have this right even if a particular decision/action may have negative consequences for you, a particular franchisee or group of franchisees. You and we shall execute this Agreement in the belief that it is the basis for a long-term business relationship and should be enforced according to its express provisions. Neither you nor we have any expectation that the rights and obligations described herein will be defined or determined to be other than as expressly written. You and we agree that is not your and our intention or expectation that a third party use any doctrine and/or rule of interpretation to impose additional obligations on you and/or us.

19.10 Miscellaneous

A. Section and Article headings are for convenience only and do not define, limit, or construe such provisions.

B. References to a “controlling interest” are to a shareholder, membership or partnership interest, as applicable, which enables the holder(s) of such interest to determine the outcome of a decision making process for the applicable entity.

C. This Agreement will be executed in multiple copies, each of which will be deemed an original.

D. You and we have carefully reviewed and thought about each provision of this Agreement. Provisions shall be construed simply according to their fair meaning, without presumptions or inferences concerning terms or interpretation and not strictly against you or us.

E. The rights and obligations of this Agreement run directly between you and us and are not intended to create any third-party beneficiary or similar rights or obligations, unless specifically expressed in this Agreement; except that the protections which apply to us relating to indemnification and/or releases will also benefit any past, current and/or future Franchisor-Related Persons/Entities, the Marketing and Technology Fund and the FAC and that the protections which apply to you will also apply to your Affiliates, unless your Affiliate is under a separate Franchise Agreement with us, in which case their protections under that Franchise Agreement will apply to them.

19.11 Intention to Arbitrate, Severability of Dispute Resolution Provisions, etc.

Irrespective of any statute, regulation, decisional law or otherwise, it is your and our fundamental agreement not to engage in any court proceedings (except as expressly provided for in the rare instances specified in this Agreement), viewing the dispute resolution mechanism established by this Agreement to be superior from a business standpoint and more likely to generate creative business-oriented solutions and compromise, and more accommodating to our business relationship and the needs of an evolving and diverse franchise system. Therefore, if any provisions of this Article 19 are deemed by a court to be unenforceable for any reason, you and we agree and intend that such provisions will be (a) modified so as to be enforceable or (b), if that cannot be done, severed and, in any event, any remaining portions of this Article 19 shall remain in full force and effect. You and we agree that such remaining portions will still form an appropriate and complete dispute resolution mechanism.

20. NOTICES AND PAYMENTS.

All written notices and reports to be delivered by the provisions of this Agreement or of the Manuals will be deemed so delivered when delivered by hand, immediately on transmission by facsimile transmission or other electronic system, including e-mail or any similar means, one (1) business day after being placed in the hands of a commercial courier service for overnight delivery, or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to us at Techy, LLC, 3000 South West 4th Avenue, Fort Lauderdale, FL 33315 (or our then-current headquarters), to the attention of the President, or Managing Partner and/or to you, at your Techy Store. Until your Techy Store has opened for business, we may send you notices at any address appearing in your application for a franchise or in our records. Any required payment or report not actually received by us during regular business hours on the date due will be deemed delinquent. Notice to any one Franchisee, or owner of the Franchisee, shall be deemed effective as to all Franchisees under this Agreement and all owners of the Franchisee(s). Any party may change its address for receipt of notices by providing prior written notice of such change to the other party.

21. ACKNOWLEDGMENTS AND REPRESENTATIONS, ENTIRE AGREEMENT, NO FIDUCIARY RELATIONSHIP, ETC.

A. You and we agree that your and our relationship is not a fiduciary or similar special relationship, but rather is an ordinary commercial relationship between independent business people with arm's length dealings.

B. You acknowledge that you (and each of your owners, if you are a Business Entity) have had the opportunity and been advised by us to have this Agreement and all other documents reviewed by

your own attorney, and that you have read, understood, had an opportunity to discuss and agreed to each provision of this Agreement. You agree that you have been under no compulsion to sign this Agreement.

C. You and we expressly acknowledge and agree that the provisions of Article 19, above, (whether relating to arbitration, mediation, venue, limitations on types of damages, and/or otherwise) may require you to travel to a distant location to resolve a dispute, expend additional funds, and/or raise challenges for you and/or us in prosecution of claims/actions. You and we view these provisions in the context of a diverse franchise system with both large and small, sophisticated and unsophisticated participants, and that requires uniformity and predictability. As such, you and we knowingly accept such provisions and limitations as justified by business necessities and representative of a reasonable balancing of your and our interests, and those of the System as a whole, and not as unfair or burdensome.

D. You and we agree that this Agreement contains the final, complete and exclusive expression of the terms of your and our agreement [along with concurrently signed writings, such as but not limited to personal guarantees, Statement of Prospective Franchisee, addenda, exhibits, releases and any other related documents (collectively, the Related Documents)] and supersedes all other agreements and/or representations of any kind or nature; provided that nothing herein is intended to disclaim or require you to waive reliance on any representation made in the Disclosure Document. Any understandings, agreements, representations, or otherwise (whether oral or written) which are not fully expressed in this Agreement and the Related Documents are expressly disclaimed by you and us, including but not limited to any promises, options, rights of first refusal, guarantees, and/or warranties of any nature (excepting only the written representations made by you in connection with your application for this franchise). Neither you nor we believe it to be fair or reasonable for the other party to have to deal with allegations about understandings, representations, etc. not fully expressed in writing in this Agreement.

E. You specifically acknowledge that you have not received or relied on (nor have we or anyone else provided) any statements, promises or representations that you will succeed in the franchised business or at any location; achieve any particular sales, income or other levels of performance; earn any particular amount, including any amount in excess of your Initial Franchise Fee or other payments to us; or receive any rights, goods, or services not expressly set forth in this Agreement.

F. You represent, warrant and agree that no contingency, prior requirement, or otherwise (including but not limited to obtaining financing) exists with respect to you fully performing any or all of your obligations under this Agreement. You further represent to us, as an inducement to our entering into this franchise relationship, that you have made no misrepresentations or material omissions in obtaining the Franchise.

G. You acknowledge that you have not received or relied on (nor have we or anyone else provided, except as may have been contained in the Franchise Disclosure Document received by you):

- (1) any sales, income or other projections of any kind or nature; or
- (2) any statements, representations, charts, calculations or other materials which stated or suggested any level or range of sales, income, profits or cash flow; or
- (3) any representations as to any profits you may realize in the operations of the Franchised Business or any working capital or other funds necessary to reach any 'break-even' or any other financial level.

If any such information, promises, representations and/or warranties have been provided to you, they are unauthorized and inherently unreliable. You agree to advise us of the delivery of any such information. You must not rely upon any such information, nor shall we be bound by it. We do not, nor do we attempt to, predict, forecast or project future performance, revenues or profits of any you or any

franchisee. We are unable to reliably predict the performance of a Techy Store even operated by us, and certainly cannot predict results for your Techy Store.

You understand and agree that Franchisees are separate and distinct from us and are independently owned and operated and that while we may encourage you to speak with such Franchisees in connection with your evaluation of this franchise opportunity, they do not act as our agents or representatives in providing any information to you and we will have no obligations or liabilities with respect to (and you should not rely on) any information, opinions or otherwise they may provide to you.

H. You acknowledge and agree that the success of the business venture contemplated to be undertaken by you is speculative and will be dependent on your personal efforts, and success is not guaranteed; and you further acknowledge that we have just recently begun franchising, we are not an experienced franchisor, our franchise system is relatively unproven and our business model is still under development. You acknowledge and represent that you have entered into this Agreement and made an investment only after making an independent investigation of the opportunity, including having received a list with your Franchise Disclosure Document of others currently operating, or who have operated, our franchises.

I. You acknowledge that you (and each of your owners) has received, fully read and understood, and all questions have been answered regarding, i) a copy of our Franchise Disclosure Document with all exhibits at least fourteen (14) calendar days prior to signing any binding documents or paying any sums (whichever occurred first), and ii) a copy of this Agreement and all other agreements complete and in form ready to sign at least seven (7) calendar days prior signing any binding documents or paying any sums (whichever occurred first).

J. You understand, acknowledge and agree that i) we may have offered franchises in the past, may currently be offering franchises and/or may offer franchises in the future, on economic and/or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents and ii) we may, from time to time, deal with our Franchisees on differing economic and/or other terms (including making special arrangements for payments of amounts due, waiving defaults and/or otherwise) to suit individual business circumstances, in each case in our Business Judgment and without being required to offer similar terms to other Franchisees, such flexibility being a practical necessity to respond to distinct business situations.

K. You understand that we are relying on you to bring forward in writing at this time any matters inconsistent the representations contained in this Article 21. You agree that if any of the statements or matters set forth in this Article 21 are not true, correct and complete that you will make a written statement regarding such next to your signature below so that we may address and resolve any such issue(s) at this time.

L. You acknowledge and agree that the officers, directors, employees, and agents of the Franchisor act only in a representative capacity and not in an individual capacity, and that no other persons and/or entities other than the Franchisor has or will have any duties or obligations to you.

M. You acknowledge and agree that in fulfilling its obligations to negotiate any lease or Operating Agreement for the Premises, the Franchisor will negotiate certain terms that will be protective of Franchisor and grant to Franchisor certain rights and remedies against you and that some of those terms and conditions are set out in the Franchise Lease Addendum attached hereto as Exhibit 3.2 A. If you have a sublease or an Operating Agreement with us or an Affiliate for the Premises, you further acknowledge that we/the applicable Affiliate have the unrestricted right to exercise any and all rights under the lease for the Premises, including any rights to termination, assignment, non-renewal and otherwise. You also acknowledge that we do not control any actions taken by the landlord in connection with the Premises or

otherwise. You acknowledge and agree that neither we nor any Affiliate of ours shall have any liability or obligation to you if such lease is cancelled, transferred, terminated or not renewed, with or without cause, unless solely resulting from our/our Affiliate's exclusive breach of the lease. You further acknowledge that you (and each of your owners, if you are a Business Entity) have had the opportunity and been advised by us to have this Agreement and all Exhibits reviewed by your own attorney, and that you have read, understood, had an opportunity to discuss and have agreed to each provision of this Agreement. You agree that you have been under no compulsion to sign this Agreement.

22. DEFINITIONS.

The following definitions apply to terms used this Agreement:

"Affiliate" - Any person or entity which controls, is controlled by or is under common control with one or more persons or entity/entities; in addition, as to the Franchisee, any owner of any interest in the Franchisee or the Franchise, any employee or agent of the Franchisee, and/or any independent contractor performing functions for, or on behalf of, the Franchisee, and any entity controlled by any of the foregoing.

"Agreement" - This Franchise Agreement.

"Attorneys' Fees" - Includes, without limitation, legal fees, whether incurred in preparation of the filing of any written demand or claim, action, hearing, arbitration, or other proceeding to enforce the obligations of this Agreement, or during any such proceeding, plus all costs incurred in connection therewith.

"Brand" - The Techy brand, as applied to various goods and/or services as authorized by us from time to time.

"Business Entity" - Includes a corporation, partnership, joint venture, limited liability company, limited partnership, or other form of business recognized in any jurisdiction. If you are a Business Entity, then we may require each of your owners in our Business Judgment to guaranty your performance. Our current form of Owners Guaranty is attached as Exhibit 1 of this Franchise Agreement.

"Business Judgment" - Means that we are allowed to exercise our judgment however we consider to be appropriate in our sole and absolute discretion, without any limitation. You and we agree that when in this Agreement we describe instances in which we may exercise Business Judgment, we must and do have the unrestricted right to make decisions and/or take (or refrain from taking) actions. We have this right even if a particular decision/action may have negative consequences for you, a particular franchisee or group of franchisees. You understand and agree that the exercise of Business Judgment is critical to our role as Franchisor of the System and to our goals for its continuing improvement. This is a defined term for the purposes of this Agreement and is not intended to incorporate principles related to the application of the business judgment rule in a corporate law context.

"Customary Representations, Warranties and Agreements" - Includes commitments generally made by a transferor in connection with a transfer of a business and/or related assets, including but not limited to: representations as to ownership, condition and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets, validity of contracts, and liabilities, contingent or otherwise, relating to the business/assets/entity to be acquired; full indemnification obligations and non-competition covenants by the transferor and each Affiliate, substantially similar to those required in Sections 7.4 and 8.2 of this Agreement; the delivery at closing of instruments transferring good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us in our Business Judgment), and demonstrating that all sales, transfer and/or similar taxes are to be

paid by the transferor through escrow if we so require; the transfer at closing of all licenses and permits which may be assigned or transferred.

“Designated Equipment” - Equipment that meets our requirements and which you must obtain and use in the operation of your Techy Store and if applicable, Techy Café and/or approved Techy Mobile Van.

“Fair Market Value” - A price determined in a manner consistent with reasonable depreciation of any leasehold improvements, as applicable, and the items purchased. Fair Market Value does not include any factor or increment for any goodwill related to, or for, the Intellectual Property or any of its components such as the Marks, since you don’t own the Intellectual Property. If you and we are unable to agree on the Fair Market Value of any assets, then it will be determined by an independent appraiser selected by you and us, or an arbitrator if you can we can’t agree.

“Franchise” - The right to operate a single Techy Store and if applicable, Techy Café at the Premises under the terms of this Agreement and if applicable, operation of a Techy Mobile Van.

“Franchise Advisory Council” or **“FAC”** - The advisory group selected (or which may be selected) in accordance with this Agreement, which shall provide Input as provided in this Agreement and as we may request from time to time.

“Franchised Business” - The business operations conducted by, at or in connection with your Techy Store.

“Franchisor-Related Persons/Entities” - Techy, LLC , the Marketing and Technology Fund, the FAC and each and all of the following, whether past, current and/or future: each and all company(ies) and/or person(s) acting through, in concert with us and/or any of the foregoing, and/or as Affiliates of ours and/or of any of the foregoing; each and all of the partners, shareholders, officers, directors, agents, attorneys, accountants, and/or employees of us and/or any of the foregoing; and each and all of the predecessors, successors and/or assigns of us and/or any of the foregoing.

“General Release” - A general release, in the then-current form prescribed by us at the time such release is to be delivered, of any and all claims, liabilities and/or obligations, of any nature whatsoever, including those existing as of, and/or arising before, the date of any such release, however arising, known or unknown, whether against us and/or any or all of the Franchisor-Related Persons/Entities, and whether by you, any owner of you (if you are or become a Business Entity) and/or any Affiliate of any of the foregoing. A copy of our general releasing language as currently used by us (which is subject to change) is attached as Exhibit 1.2 and is approved by you.

“Good Standing” - You are in “Good Standing” if you (and each of your owners and Affiliates) are not in default of any obligation to us and/or any of the Franchisor-Related Persons/Entities, whether arising under this Agreement or any other agreement between you (and each of your owners and Affiliates) and us (and/or any of the Franchisor-Related Persons/Entities), the Manuals or other System requirements (collectively, the “Obligations”); provided that you are not in Good Standing if you have been in default of any Obligations and such defaults are incurable by nature and/or part of a series of repeated defaults as defined in this Agreement.

“Gross Revenues” - Gross Revenues includes all charges and/or revenues which are, or could be, received or earned by you (and/or any Affiliate):

- A. by, at or in connection with your Techy Store and if the approved addendum is signed by us, Techy Café, and if the approved addendum is signed by us, Techy Mobile Van;

- B. relating to the kinds of goods or services available now or in the future through a Techy Store and if the appropriate addendum is signed by us, Techy Café, and if the approved addendum is signed by us, Techy Mobile Van, and/or distributed in association with the Marks or the Franchise System;
- C. relating to the operation of any Similar Business;
- D. with respect to, any tenants and/or subtenants of yours on the Premises (including rent and other lease or Operating Agreement payments); and/or
- E. with respect to any co-branding activities.

All sales and/or billings, whether collected or not, will be included in Gross Revenues, with no deduction for credit card or other charges. Gross Revenues does not include sales tax collected and paid when due to the appropriate taxing authority and actual customer refunds, adjustments and credits.

“Immediate Family” - With respect to any person, “Immediate Family” includes that person’s spouse and/or domestic partner and each of their respective parents, guardians, grandparents, siblings, children, grandchildren, aunts, uncles, cousins, nieces and/or nephews.

“Input” - Advice and suggestions regarding specified matters. When we receive Input from the FAC or any other franchisee group we will retain the ultimate decision-making authority and responsibility for all matters for which Input is sought. FAC (or any other franchisee group) Input, votes or other collective actions will not be binding on us unless we have otherwise agreed in writing. FAC (or any other franchisee group) approval or consent will not be required as a pre-condition to any decision and/or action we may take.

“Intellectual Property” - Includes, regardless of the form or medium involved, (i) all Techy Software, including the data and information processed or stored thereby; (ii) the Manuals and all other directives, policies or information we issue from time to time; (iii) all customer relationships and information; (iv) the Marks; (v) all Confidential Information and our trade secrets; and (vi) all other proprietary, copyrightable and/or trade secret information and materials developed, acquired, licensed or used by us in our operation of the System.

“Manuals” - Specifications, standards, policies and procedures prescribed by us and published to you in any media (including electronic) and which are to be followed in the operation of your Techy Store and if applicable, the Techy Café or Techy Mobile Van, as they may be changed or eliminated by us in our Business Judgment.

“Marketing and Technology Fund” - The fund established and defined under Section 11.1.

“Marks” - The trademarks, service marks and other commercial symbols now and/or in the future owned by (or licensed to) us to identify the services and/or products offered by Techy Stores or if applicable, the Techy Cafés or Techy Mobile Vans, including (but not limited to) “Techy Repairs & Smart Home Installs Powered by DrPhoneFix®” logo, the Trade Dress and other logos and identifiers designated by us from time to time.

“Post Termination Provisions” - Those promises contained in this Agreement that survive its expiration, Transfer, Repurchase, or Termination for any reason, including without limitation the confidentiality, non-competition, indemnification, and dispute resolution and other provisions contained in Articles 19, 20 and 21.

“Premises” - The facility in which you will operate a single Traditional Techy Store.

“Products” and **“Services”** - Goods, products and services designated by us from time to time for use, sale or otherwise to be provided (and/or used) at and/or from your Traditional Techy Store and/or in association with the Marks.

“Repurchase” - Repurchase includes (but is not limited to) any acquisition by us (and/or any of the Franchisor-Related Persons/Entities) of your rights in and/or to any of the following: i) this Agreement; ii) the Franchise; iii) the ownership of the Franchisee; iv) your Techy Store; vi) your Techy Café; vii) Techy Mobile Van; or v) any lease or Operating Agreement or assets associated with any of the foregoing.

“Techy Store” / “Techy Café” / “Techy Mobile Van” - The Traditional Techy Store or if applicable, the Techy Café and/or Techy Mobile Van, you are franchised to operate by this Agreement.

“Similar Business” - Any enterprise that offers, is otherwise involved in, or deals with any goods, products and/or services, which are substantially similar to those goods, Products and/or Services now or in the future authorized by us to be offered at or from Techy Stores, Techy Cafés, Techy Mobile Vans (including any such enterprise and/or entity awarding franchises or licenses to operate or be involved with any such business). Our receipt of any continuing license fees with respect to any Similar Business is not an approval of your involvement with any Similar Business.

“Special Accounts” - Classes of special customers (which may include national accounts, other large businesses, government agencies, and/or otherwise) as designated by us from time to time in our Business Judgment.

“System” - The distinctive format and method of doing business developed and used for the operation of a Techy Store, and subject to change by us at any time in our Business Judgment.

“System Standards” - Standards prescribed by us in our Business Judgment from time to time, in the Manuals or elsewhere, for the operation, marketing and otherwise of Techy Stores.

“Terminate” or **“Termination”** - “Terminate” or “Termination” when used in this Agreement means the Termination or cancellation of your rights and our obligations under this Agreement for any reason before the initial term expires. All of our rights are not cancelled on Termination since you have certain obligations that survive the ending of the Agreement in any manner, such as, but not limited to certain promises regarding non-competition, confidentiality and indemnity. Both of us are bound by the dispute resolution provisions (Article 19) this Agreement, even after the Agreement is ended for any reason.

“Territory” - The geographic area described in Exhibit 2.2.

“Trade Dress” - The Techy Store design and image authorized by us and subject to change by us at any time and in our Business Judgment.

“Traditional Techy Store” - A “Traditional Techy Store” means a full, standard size, “brick and mortar” retail facility located in a free-standing building or a shopping center accessible to the general public and using the Marks and Techy Repairs & Smart Home Installs Powered by DrPhoneFix® System whether Company-owned or franchised to a third party.

“Transfer” - Defined in Section 14.2.

“Us,” “We,” “Our” or **“Franchisor”** – Techy, LLC, a Florida Limited Liability Company.

“You,” “Your,” or “Franchisee” - The parties signing this Agreement as Franchisee. (If there is more than one Franchisee, each is jointly and severally obligated under this Agreement and all other agreements with us and/ or Franchisor-Related Persons/Entities). The term “you” is applicable to one or more persons or a Business Entity, as the case may be.

IN WITNESS WHEREOF, you and we have executed and delivered this Agreement in _____ counterparts on the day and year first above written.

THIS AGREEMENT WILL NOT BECOME EFFECTIVE UNLESS AND UNTIL SIGNED BY THE PRESIDENT OR A VICE PRESIDENT OF FRANCHISOR. NO FIELD REPRESENTATIVE OR OTHER PERSON IS AUTHORIZED TO EXECUTE THIS AGREEMENT FOR FRANCHISOR.

FRANCHISOR:

TECHY, LLC

By: _____

Its: _____

FRANCHISEE (Individual)

Signature

Printed Name

Signature

Printed Name

OR

FRANCHISEE (Corp., LLC or Partnership)

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Name

Signature

Title

TECHY, LLC

EXHIBIT 1 OWNER'S GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of, and as an inducement to, the execution by Techy, LLC, a Florida Limited Liability Company ("Franchisor") of a franchise agreement of even date herewith (the "Agreement") between Franchisor and _____, a(n) _____ (state of formation) _____ (type of entity: LLC, LLP, corporation, etc.) (the "Business Entity Franchisee"), each of the undersigned hereby personally and unconditionally, jointly and severally:

(1) guarantees to Franchisor, its Affiliates, the Franchisor-Related Persons/Entities (as defined in the Agreement) and each of their successors and assigns, for the term of the Agreement, and for any renewal/successor franchise term, and thereafter as provided in the Agreement, that the Business Entity Franchisee will punctually pay and perform, each and every undertaking, agreement and covenant set forth in the Agreement, as currently set forth and as amended and/or otherwise changed in the future, including any successor franchise agreement;

(2) agrees to be personally bound by, and personally liable for, the breach of, each and every provision in the Agreement (including all confidentiality, non-competition, indemnity and Post Termination Provisions), as currently set forth and as amended or otherwise changed in the future, including any successor franchise agreement; and

(3) agrees to be personally bound by, and personally liable for, each past, current and/or future obligation of the Business Entity Franchisee to Franchisor, its Affiliates, the Franchisor-Related Persons/Entities and each of their successors and assigns.

The undersigned intending that the guarantees and other obligations herein be unqualifiedly general and without limitation in scope, nature and/or effect. Franchisor, and/or its Affiliates, the Franchisor-Related Persons/Entities and each of their successors and assigns, need not bring suit first against the undersigned in order to enforce this guarantee and may enforce this guarantee against any or all of the undersigned as it chooses in its/their sole and absolute discretion.

Each of the undersigned waives: presentment, demand, notice of demand, dishonor, protest, nonpayment, default and all other notices whatsoever, including (without limitation): acceptance and notice of acceptance, notice of any contracts and/or commitments, notice of the creation and/or existence of any liabilities under the Agreement or otherwise and of the amounts, terms or otherwise thereof; notice of any defaults, disputes or controversies between the Franchisor and the Business Entity Franchisee or otherwise, and any settlement, compromise or adjustment thereof; any right the undersigned may have to require that an action be brought against Franchisor, Business Entity Franchisee or any other person as a condition of liability, and any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

- (1) his or her direct and immediate liability under this guaranty will be joint and several;
- (2) he and/or she will render any payment or performance required under the Agreement on demand if the Business Entity Franchisee fails or refuses to do so punctually;
- (3) such liability will not be contingent or conditioned on pursuit by Franchisor or otherwise of any remedies against the Business Entity Franchisee or any other person;

(4) such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor or otherwise may from time-to-time grant to the Business Entity Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guaranty, which will be continuing and irrevocable during the term of the Agreement and any renewal/successor franchise term;

(5) the liabilities and obligations of the undersigned, whether under this document or otherwise, will not be diminished or otherwise affected by the Termination, rescission, expiration, renewal, award of a successor franchise, modification or otherwise of the Agreement;

(6) terms not defined in this document shall have the meanings assigned in the Agreement; and

(7) the provisions of Articles 18 through 22 of the Agreement are incorporated in and will apply to this document as if fully set forth herein and shall apply to any dispute involving the Franchisor, its Affiliates, the Franchisor-Related Persons/Entities and each of their successors and assigns and any of the undersigned.

In connection with such guarantee and the Franchisor (a) not requiring that the Franchise be in the name of one or more of the Guarantors and/or (b) not requiring the payment of a full transfer fee in connection with any related transfer from the undersigned to the Business Entity Franchisee, each of the undersigned hereby grants a General Release of any and all claims, liabilities and/or obligations, of any nature whatsoever, however arising, known or unknown, against the Franchisor, its Affiliates, the Franchisor-Related Persons/Entities and each of their successors and assigns.

IN WITNESS WHEREOF, each of the undersigned has here unto affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	PERCENTAGE OF OWNERSHIP OF BUSINESS ENTITY FRANCHISEE
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

Business Entity Franchisee:

_____, a _____ corporation/LLC.

By _____

Its _____

TECHY, LLC

EXHIBIT 1.2 CURRENT FORM OF RELEASING LANGUAGE

(SUBJECT TO CHANGE BY FRANCHISOR)

Release - General Provisions. The Franchisee(s), jointly and severally, hereby release and forever discharge each and all of the Franchisor-Related Persons/Entities (as defined below) of and from any and all causes of action, in law or in equity, suits, debts, liens, defaults under contracts, leases, or any Operating Agreement, agreements or promises, liabilities, claims, demands, damages, losses, costs or expenses, of any nature whatsoever, howsoever arising, known or unknown, fixed or contingent, past or present, that the Franchisee(s) (or any of them) now has or may hereafter have against all or any of the Franchisor-Related Persons/Entities by reason of any matter, cause or thing whatsoever from the beginning of time to the date hereof (the "Claims"), it being the mutual intention of the parties that this release be unqualifiedly general in scope and effect and that any Claims against any of the Franchisor-Related Persons/Entities are hereby forever canceled and forgiven.

THE FRANCHISEE (S) ACKNOWLEDGE THAT THEY ARE FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

THE FRANCHISEE(S), BEING AWARE OF THIS CODE SECTION, HEREBY EXPRESSLY WAIVE ALL OF THEIR RIGHTS THEREUNDER AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT OF ANY APPLICABLE JURISDICTION, INCLUDING, WITHOUT LIMITATION, CALIFORNIA AND/OR JURISDICTIONS OF FRANCHISEE(S)' RESIDENCE AND LOCATION OF FRANCHISED UNIT, provided, that if this Release is given in connection with the award of a franchise, then this release shall not apply to Claims relating to the offer and sale of such franchise under the California Franchise Investment Law or any rule or order issued thereunder.

The Franchisee(s) expressly assume the risk of any mistake of fact or fact of which they may be unaware or that the true facts may be other than any facts now known or believed to exist by Franchisee(s), and it is the Franchisee(s) intention to forever settle, adjust and compromise any and all present and/or future disputes with respect to all matters from the beginning of time to the date of this document finally and forever and without regard to who may or may not have been correct in their understanding of the facts, law or otherwise. All releases given by the Franchisee(s) are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Franchisee(s) represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Franchisee(s), in the Franchisee(s) independent judgment, believe necessary or appropriate. The Franchisee(s) have not relied on any statement, promise, representation or otherwise, whether of fact, law or otherwise, or lack of disclosure of any fact, law or otherwise, by the Franchisor-Related Persons/Entities or anyone else, not expressly set forth herein, in executing this document and/or the related releases.

Franchisee(s) Initials: N/A

No Assignment or Transfer of Interest. The Franchisee(s) represent and warrant that there has been, and there will be, no assignment or other transfer of any interest in any Claims that the Franchisee(s) may have against any or all of the Franchisor-Related Persons/Entities, all Claims having been fully and finally extinguished, and the Franchisee(s) agree to forever indemnify and hold the Franchisor-Related Persons/Entities harmless from any liability, claims, demands, damages, losses, costs, expenses or attorneys' fees incurred by any of the Franchisor-Related Persons/Entities as a result of any person asserting any interest in any of the Claims and/or any voluntary, involuntary or other assignment or transfer, or any rights or claims under any assignment, transfer or otherwise. It is the intention of the parties that this indemnity does not require payment by any of the Franchisor-Related Persons/Entities as a condition precedent to recovery against the Franchisee(s) under this indemnity.

Franchisee(s) Initials: N/A

Attorneys' Fees. If the Franchisee(s), or anyone acting for, or on behalf of, the Franchisee(s) or claiming to have received, by assignment or otherwise, any interest in any of the Claims, commence, join in, or in any manner seek relief through any suit (or otherwise) arising out of, based upon or relating to any of the Claims released hereunder or in any manner asserts against all or any of the Franchisor-Related Persons/Entities any of the Claims released hereunder, the Franchisee(s) agree to pay all attorneys' fees and other costs incurred by any of the Franchisor-Related Persons/Entities in defending or otherwise responding to said suit or assertion directly to the Franchisor-Related Persons/Entities incurring such costs.

Franchisee(s) Initials: N/A

"Franchisor-Related Persons/Entities." Franchisor, Franchisor's affiliates, any advertising or marketing fund, any Franchisee Advisory Group and each of the following, whether past, current or future: companies and/or persons acting through and/or in concert with us and/or with any of the foregoing; partners, shareholders, officers, directors, agents, attorneys, accountants, and/or employees of ours and/or of any of the foregoing; and predecessors, successors and/or assigns of ours and/or of any of the foregoing.

Franchisee(s) Initials: N/A

Date of Releases, Joint and Several Liability. The releases granted hereunder shall be deemed effective as of the date hereof. The liabilities and obligations of each of the Franchisee(s) (and any other person/entity providing releases to the Franchisor-Related Persons/Entities) shall be joint and several.

Franchisee(s) Initials: N/A

TECHY, LLC

EXHIBIT 2.2 PROTECTED TERRITORY & SITE SELECTION

The "Protected Territory" is as follows:

Note: Boundary lines include only the area within the boundary line and extend only to the middle of the boundary demarcation (for example, only to the middle of a street or highway.) You have no rights under this Agreement or otherwise with respect to a facility on the other side of the boundary line, street or highway or otherwise, and no matter how close to such boundary a facility may be, regardless of the distance from, impact on, or vicinity of, your Techy Store or the number of Techy Stores, other outlets or otherwise in any area or market. Your rights are limited as set forth in the Franchise Agreement.

The Approved Site is as follows:

FRANCHISOR:

TECHY, LLC

FRANCHISEE:

Signature

Printed Name

By: _____
Its Managing Member

Signature

Printed Name

TECHY, LLC

EXHIBIT 3.2 B COLLATERAL ASSIGNMENT OF LEASE

THIS COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is entered into as of _____, 20__ between _____ ("Franchisee") and Techy, LLC, a Florida Limited Liability Company ("Franchisor.")

Subject to the provisions hereof, the Franchisee, to secure its obligations to the Franchisor under the franchise agreement between the Franchisor and the Franchisee for the operation of a Techy Store franchise, dated _____, 20__ (the "Franchise Agreement"), hereby assigns, transfers and sets over unto Franchisor [and/or such person(s)/entity(ies) as Franchisor may from time-to-time designate] all of Franchisee's right, title and interest, whether as tenant or otherwise, in, to and under that certain lease (the "Lease"), a copy of which is attached to this Assignment, dated _____, 20__, between Franchisee and _____ ("Landlord"), respecting that property commonly known as _____ (the "Premises"). The Franchisor shall have no liabilities or obligations of any kind arising from, or in connection with, this Assignment, the Lease or otherwise (including, but not limited to, any obligation to pay rent and/or other amounts) until and unless the Franchisor, in its sole and absolute discretion, takes possession of the Premises pursuant to the terms hereof and expressly (and in writing) assumes the rights and obligations of Franchisee under the Lease, the Franchisor only being responsible for those obligations accruing after the date of such assumption.

The Franchisee agrees to indemnify and hold harmless the Franchisor from and against all claims and demands of any type, kind or nature made by the Landlord or any third party that arise out of or are in any manner connected with the Franchisee's use and occupancy of the Premises subject to the Lease.

The Franchisee represents and warrants to the Franchisor that the Franchisee has full power and authority to assign the Lease and its interest in the Lease, as evidenced by the execution of the Franchise Addendum to Lease Agreement attached to the Lease and incorporated therein by reference.

The Franchisor will not take possession of the Premises until and unless the Franchisee defaults (and/or until there is a termination, cancellation, rescission or expiration of the Franchisee's rights) under the Lease, any sublease, the Franchise Agreement or other agreement between the Franchisee and the Franchisor (or any affiliate). In such event, the Franchisor (or its designee) shall have the right, and is hereby empowered, (but has no obligation) to take possession of the Premises, expel Franchisee therefrom, and, in such event, Franchisee shall have no further right, title or interest in or under the Lease or to the Premises, all such rights thereby passing to the Franchisor or its designee, in each case without the Landlord's further consent. The Franchisee agrees to do all acts necessary or appropriate to accomplish such assignment on the Franchisor's request. The Franchisee will reimburse the Franchisor for the costs and expenses incurred in connection with any such retaking, including, without limitation, the payment of any back rent and other payments due under the Lease (whether such payments are made by a separate agreement with the Landlord or otherwise), attorney's fees and expenses of litigation incurred in enforcing this Assignment, costs incurred in reletting the Premises and costs incurred for putting the Premises in good working order and repair.

Franchisee agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Franchisor, and will notify Franchisor of any impending negotiations in accordance with section 3.2 of the Franchise Agreement. Throughout the term of the Franchise Agreement, Franchisee agrees that it shall elect and exercise on a timely basis all options to extend the term, or renew or assume in bankruptcy, the Lease, unless Franchisor otherwise agrees in

writing. Upon failure of Franchisee to so elect to extend or renew or assume the Lease, Franchisee hereby appoints Franchisor as its true and lawful attorney-in-fact to exercise such options in the name, place and stead of Franchisee for the sole purpose of effecting any extension, renewal or assumption, in each case for the account of the Franchisee and without any liability or obligation of the Franchisor

Failure of the Franchisor to exercise any remedy hereunder shall not be construed or deemed to be a waiver of any of its rights hereunder. The rights and remedies of the Franchisor under this Assignment are cumulative and are not in lieu of, but are in addition to, any other rights and remedies which the Franchisor shall have under or by virtue of the Franchise Agreement or otherwise. The terms, covenants, and conditions contained herein shall bind the Franchisee and its successors and assigns, and inure to the benefit of the Franchisor and its successors and assigns. In the event of any dispute between the parties regarding this Assignment, or any matter related in any way to it, the dispute resolution provisions (including, but not limited to, mediation, binding arbitration, waiver of jury trial and limitation of damages) of the Franchise Agreement between the Franchisor and the Franchisee shall apply. The arbitrator in any such proceeding shall have the full power and authority to grant an appropriate award to give full effect to this Assignment, expelling the Franchisee from the Premises and awarding possession to the Franchisor, as well as granting such other relief as may be proper and fair at law and by equity. If there is more than one Franchisee, their obligations hereunder will be joint and several.

This Assignment, any memorandum hereof or any financial statement related hereto may be recorded by, and at the expense of, the Franchisor. The Franchisee hereby appoints the Franchisor as its attorney in fact to execute any and all documents and to take any and all such actions, as are necessary or appropriate to record such instrument referenced above.

Notwithstanding anything to the contrary contained herein, the Franchisee agrees to indemnify, defend and hold harmless the Franchisor with respect to all obligations and liabilities, including, without limitation, the obligations to pay all rent and other monies due under the Lease, that arise after the date of any assignment of the Lease that transpires under this Assignment; provided, however, nothing hereunder shall affect any obligations or covenants of the Franchisee owed under its Franchise Agreement with the Franchisor, including, without limitation, any post-termination covenant not to compete.

FRANCHISEE:

Signature

Printed Name

Signature

Printed Name

LANDLORD APPROVAL:

The undersigned Landlord hereby consents to and approves of the above-described Collateral Assignment of Lease by the Franchisee to the Franchisor and further agrees that immediately upon notice to the Landlord, the Franchisor shall have the right to succeed the Franchisee as the tenant under the Lease without further action or consent by any of the parties hereto; provided, however, nothing in the Assignment or in the consent and approval by the Landlord to the Assignment shall affect any other rights of the Landlord under the Lease.

LANDLORD

By: _____

Its: _____

FRANCHISOR

TECHY, LLC

By: _____

Its: _____

Techy, LLC

EXHIBIT 3.3 SITE SELECTION ACKNOWLEDGMENT AND ADA CERTIFICATION FORM

Techy, LLC , a Florida Limited Liability Company, (“Franchisor,” or “we,” “us” or “our”) and _____ (“Franchisee(s)” or “you”) are parties to a franchise agreement dated _____, 20__ (the “Franchise Agreement”) for the operation of a Techy Store at the location identified below (the “Store”). This Form refers to the following proposed location (the “site”), which we have accepted and consented to under the terms of a Franchise Agreement:

(STORE ADDRESS)

You understand and agree that:

- You have independently selected and are solely responsible for the selection, development and operation of the site. Alternatively, if we propose a site to you, you have independently investigated those locations and you are solely responsible for your selection, development and operation of the site.
- Our consent to (or proposal of) the site is not, and should not be relied upon as, a recommendation or endorsement of such location, nor a representation or warranty as to the suitability of the site for any purpose, the likelihood of any success at such site, or otherwise. We cannot and do not guarantee the success of any location, whether selected by you or suggested by us.
- Although we, or companies referred by or associated with us, may assist you in site location, identification, financing and/or development by providing consultation, lease or Operating Agreement negotiation, evaluation and/or other assistance, including references to potential locations, contractors and other professionals (individually and collectively referenced as “site-related matters”) neither we nor any Franchisor-Related Persons/Entities will have any liability with respect to any location to be selected, obtained and/or used by you or for any site-related matters. The sole responsibility for the selection and/or approval of the site and all site related matters is your own.
- We and/or any Franchisor-Related Persons/Entities may have made, or may make, available to you standard and/or site specific plans and specifications to be used by you in the construction of your Store. You are solely responsible for obtaining architectural, engineering and other applicable professional services to prepare surveys, site and foundation plans and adapt any plans and specifications to the site and all applicable laws, regulations and ordinances.
- In signing this form, you acknowledge that you have not relied on any assistance or input from us or any Franchisor-Related Persons/Entities with respect to the site and any site related matter, and you waive any claims you may have against us and/or any Franchisor-Related Persons Entities in connection with the site and any such matters.
- You acknowledge that you (and each of your owners, if you are a Business Entity) have had the opportunity and been advised by us to have this Agreement and all other documents reviewed by your own attorney, and that you have read, understood, had an opportunity to discuss and agreed to each provision of this Agreement. You agree that you have been under no compulsion to sign this Agreement.
- You agree that this Form, along with the Franchise Agreement between us, contains the final, complete and exclusive expression of the terms of your and our agreement with respect to the subject matter of this document and supersedes all other agreements and/or representations of any kind or nature. Any

understandings, agreements, representations, or otherwise (whether oral or written) which are not fully expressed in this document and the Franchise Agreement are expressly disclaimed by you.

ADA Certification:

In accordance with Section 3.3 of the Franchise Agreement, Franchisee certifies to Franchisor that to the best of Franchisee’s knowledge, the Techy Store and its adjacent areas comply with all applicable federal, state and local accessibility laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act. Franchisee acknowledges that it is an independent contractor and the requirement of this certification by Franchisor does not constitute ownership, control, leasing or operation of the Techy Store. Franchisee acknowledges that Franchisor has relied on the information contained in this certification. Furthermore, Franchisee agrees to indemnify Franchisor and Franchisor-Related Persons/Entities, and each of their respective officers, directors, and employees, in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by such indemnified party(ies) as a result of any matters associated with Franchisee’s compliance (or failure to comply) with the Americans with Disabilities Act, as well as the costs, including attorneys’ fees, related to the same.

In the event of any dispute concerning or relating to this document and/or any of the transactions and/or matters to which it may apply, such dispute will be resolved in accordance with the dispute resolution provisions of the Franchise Agreement (including, but not limited to, Articles 19, 20 and 21 of the Franchise Agreement, providing for BINDING ARBITRATION and WAIVER OF JURY TRIAL among other terms). Terms not defined in this document shall have the same meaning as they do in the Franchise Agreement.

All signers are jointly and severally responsible for the representations and promises described in this Acknowledgment and Certification Form.

FRANCHISEE(S)

By: _____

Printed Name: _____

Date: _____

By: _____

Printed Name: _____

Date: _____

By: _____

Printed Name: _____

Date: _____

TECHY, LLC

EXHIBIT 8.1 EMPLOYEE CONFIDENTIALITY AGREEMENT

(Note to Franchisee: This is a form which has not been checked by us for compliance with local laws and should be reviewed by your attorney for your protection and to maximize enforceability. You are responsible for ensuring that the terms of the agreement used by you comply with all applicable laws, since they may vary from one state or province to another.)

In consideration of the employment of the below named Employee, and as inducement for disclosure by _____ [franchisee entity or individual name] (the "Franchisee"), doing business as an independent Franchisee, for the continuation of such employment, and for the compensation which I have received and may receive during the period of such employment, I, the undersigned Employee, hereby agree that during my employment with the Franchisee and for any post-term periods specified in this Agreement:

(1) My employment by the Franchisee will be in accordance with the policies, rules and regulations of the Franchisee, as the same now exist, or as they may be established or modified from time to time.

(2) The Franchisee has, subject to a Franchise Agreement with Techy, LLC (the "Franchisor") acquired specified rights to use certain "Confidential Information," which includes all information (current and future) relating to the operation of an franchised store or the franchise System, including, among other things, all: i) Manuals, training, techniques, processes, policies, procedures, systems, data and know how regarding the development, marketing, operation and franchising of Techy Repairs & Smart Home Installs Powered by DrPhoneFix franchised stores; ii) designs, specifications and information about Products and Services, iii) all information regarding customers and suppliers, customer, supplier and product lists, technical processes and know how, specifications, manuals, notes, reports, memoranda, data, equipment and/or secured areas (in written, audio, magnetic and/or electronic format), including any statistical and/or financial information and all lists, together with various designs, techniques, know-how, marketing concepts and information, operating procedures and technical information and ancillary products, services and techniques and other related applications which are not generally known in the industry or to the public, and, in addition, iv) any other items that an arbitrator or court deems reasonably appropriate for protection.

(3) "Confidential Information" is not intended to include any information that: is or subsequently becomes publicly available (other than by breach of any legal obligation), or became known to you other than through a breach of a legal obligation.

(4) By virtue of my employment by the Franchisee, the Employee will or may have access to Confidential Information.

(5) With reference to the Confidential Information, the Employee agrees as follows:

- a. The Confidential Information is a valuable trade secret licensed to the Franchisee by the Franchisor and/or related companies, and I will not use the Confidential Information other than within the course and scope of my employment responsibilities and functions.
- b. Not to release or divulge any Confidential Information unless first expressly authorized to do so in writing by a superior or an officer of the Franchisee; provided, however, that during the period of my employment, Employee will be permitted to release or divulge the same, or any portion thereof, to persons employed or otherwise closely associated with the Franchisee, but

only to the extent that such persons have a need to know the same within the course and scope of their employment by, or close association with, the Franchisee (for example, attorneys and/or accountants retained by the Franchisee.)

- c. Any and all publications/copies/disclosures of the Confidential Information in any form, which may be presented to me or to which I may be granted access, are on loan and will at all times remain, the exclusive property of the Franchisee and/or the Franchisor; the Confidential Information is being given to me in trust and confidence; and I will accept the same subject to such trust.
- d. During the period of my employment by the Franchisee, I will take all necessary steps to safeguard and maintain the secrecy and confidentiality of the Confidential Information in my possession or control, including (by way of illustration and not limitation) (i) securing the Confidential Information in locked or otherwise secured files; and (ii) refraining from making copies or reproductions of the Confidential Information, or any portions thereof, unless necessary for the carrying out of my employment responsibilities, or if first expressly authorized to do so by a superior or an officer of the Franchisee.
- e. Upon the termination of my employment by the Franchisee, I will immediately return to the Franchisee any and all Confidential Information and all copies thereof, which may have been entrusted to me or which I may have generated or copied, as well as any physical property of the Franchisee, including books, tapes, dvd's, equipment, and the like, whether proprietary or not, which I may have in my possession or control.
- f. My obligations with respect to the Confidential Information will continue beyond the period of my employment.

(6) All inventions, discoveries, developments, improvements, innovations, and writings, whether or not eligible for patent and/or copyright protection (hereinafter collectively referred to as "Innovations" or "Inventions" as may be appropriate), conceived or made by me either solely or in concert with others, during the period of my employment by the Franchisee (including, but not limited to, any period prior to the date of this Agreement) whether or not made or conceived during working hours, which (a) relate in any manner to the existing or contemplated business, or the development of activities, of the Franchisee and/or the Franchisor, or (b) are suggested by, or result from, my work for the Franchisee, or (c) result from my use of the Franchisee's time, materials, or facilities, will be the sole and exclusive property of the Franchisor. Any Inventions made by me, or disclosed by me to a third party, or described in a patent application of mine, within nine (9) months following the period of my employment by the Franchisee, will be presumed to have been conceived or made by me during the period of my employment with the Franchisee, unless I can prove they were entirely conceived and made by me following the period of such employment.

(7) I will promptly make a full disclosure to the Franchisor, and hold in trust for the sole right and benefit of the Franchisor, any and all Inventions which I may solely or jointly conceive, write, develop, reduce to practice; or cause to be conceived, written, developed, or reduced to practice, during the period of time I am employed by the Franchisee, and thereafter in accordance with the provisions of this Agreement.

(8) I hereby assign and agree to assign to the Franchisor, all of my right, title and interest in and to all my Inventions, if any, and agree, during and subsequent to my employment, to execute and deliver to the Franchisor, ownership, title and exclusive rights therein, all without charge.

(9) I hereby assign and agree to assign to the Franchisor all of my right, title and interest in and to any and all United States and foreign patents and copyrights covering my Inventions, and all reissues, registrations and renewals thereof. I further agree, during and subsequent to my employment, to aid (i) in the prosecution of any United States or foreign applications for Letters Patent or the registration of copyrights covering such inventions and (ii) in the enforcement of any such patents or copyrights. In this connection, I will, at the Franchisor's request and expense, execute, acknowledge and deliver any and all documents and oaths, and take such further action considered necessary by the Franchisor for the foregoing purposes, without charge.

(10) In the event the Franchisor is unable, for any reason whatsoever, to secure my signature to any lawful and necessary documents required to assign, apply for, or prosecute any United States or foreign applications for Letters Patent or the registration of copyrights in and to my Inventions or otherwise which belong to the Franchisor by virtue of the provisions of this Agreement or otherwise, I hereby irrevocably designate and appoint the Franchisor and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such assignments and applications, and to do all other lawfully permitted acts to further the prosecution and issuance of Letters Patent thereon and/or registrations of copyrights with the same legal force and effect as if executed by me.

(11) My compensation as an employee of the Franchisee will cover any Inventions which I may conceive or make hereunder, and I will not be entitled to any additional compensation therefore.

(12) I represent to the Franchisee and the Franchisor that I have no right, title or interest in or to any invention which has been made, conceived or reduced to practice by me (solely or jointly with others) prior to my employment by the Franchisee.

(13) My services, and the Confidential Information which may be entrusted to me, are unique, and, if I breach this Agreement, the Franchisee and the Franchisor may not be adequately compensated by damages. Therefore, if I violate the terms of this Agreement, either during or after my employment, the Franchisee and the Franchisor will be entitled, in addition to all other remedies available to either, to equitable relief by injunction or otherwise, thereby enjoining or restraining me, and those persons acting in concert with me, from the continuation of any breaches hereof. The right to equitable relief granted in the foregoing sentence will not preclude the Franchisee or the Franchisor from seeking actual money damages from me or any other party in the event of a breach or threatened breach of this Agreement.

(14) During my employment by the Franchisee, and for one (1) year after termination of such employment, I will not conduct, operate, consult, advise or in any manner be associated, directly or indirectly, with any business or operation substantially similar to or competitive with that conducted by the Franchisee within the Franchisee's Territory (as defined by Franchisee's franchise agreement). Such restriction includes the furnishing and/or use of the Confidential Information to any person and/or entity, whether gratuitously, on a consulting basis, as an owner, shareholder, partner, employee or associate. For informational purposes, the Territory as it currently exists is shown on an attachment to this Agreement.

(15) Nothing contained in this Agreement will be construed to prevent me from engaging in a lawful profession, trade or business after my employment with the Franchisee. I confirm that I possess valuable skills unrelated to the Franchised Business and have the ability to be self-supporting and employed regardless of the restrictions described in this Agreement. I also acknowledge that the restrictions of this Agreement will not prevent me from practicing a lawful profession, trade, or business and are limited to the express restrictions detailed herein. This Agreement will be construed only as one which prohibits me from engaging in practices unfair to the Franchisee, and which are in violation of the confidence and trust reposed in me by the Franchisee with respect to its Confidential Information.

(16) The parties agree to the following dispute resolution provisions:

a. Any litigation, claim, dispute, suit, action, controversy, or proceeding of any type whatsoever including any claim for equitable relief and/or where you are acting as a “private attorney general,” suing pursuant to a statutory claim or otherwise, between or involving you and us on whatever theory and/or facts based, and whether or not arising out of this Agreement, and including any dispute involving the Franchisor, (“Claim”) will be processed in the following manner, you and we each expressly waiving all rights to any court proceeding, except as expressly provided below at sub-sections (g) and (h) below:

(1) First, discussed in a face-to-face meeting held at a neutral location reasonably near your franchised location within thirty (30) days after either you or we give written notice to the other proposing such a meeting;

(2) Second, if unresolved, submitted to non-binding mediation for a minimum of four (4) hours before (a) the American Arbitration Association (“AAA”) or its successor or (b) Judicial Arbitration and Mediation Service (“JAMS”) or its successor, if the AAA cannot conduct such mediation. The mediator shall be a neutral person experienced in franchising. We will pay the costs of the first four (4) hours of any mediation, and no mediation is required to extend beyond such four (4) hour period. Any party may be represented by counsel and may, with permission of the mediator, bring persons appropriate to the proceeding.

(3) Third, if unresolved, submitted to Arbitration before and in accordance with the arbitration rules of (a) the American Arbitration Association (“AAA”) or its successor or (b) Judicial Arbitration and Mediation Service (“JAMS”) or its successor, if the AAA cannot conduct such arbitration. Arbitration may be filed prior to a face-to-face meeting and/or mediation, with such face-to-face meeting and/or mediation to follow as quickly thereafter as possible. Arbitration and mediation/meeting may proceed concurrently. The arbitrator must be a lawyer substantially experienced in franchising. Judgment on any arbitration award may be entered in any court having jurisdiction thereof, or of Franchisor or of Franchisee or of Employee, subject to the opportunity for appeal to a panel, as contemplated below. The arbitrator’s award will be in writing.

(4) Fourth, a final award by an arbitrator (there will be no appeal of interim awards or other interim relief) may be appealed within thirty (30) days of such final award. Appeals will be conducted before a three (3)-arbitrator panel appointed by the same organization as conducted the arbitration, each member of which must be a lawyer substantially experienced in franchising. The arbitration panel will not conduct any trial de novo or other fact-finding function. Such panel’s decision will be in writing, may be entered in any court having jurisdiction and will be **BINDING, FINAL AND NON-APPEALABLE**. On request by either party, the arbitration panel will provide to all disputants a reasoned opinion with findings of fact and conclusions of law.

(5) If required by applicable law for any arbitration provision (including the appeal process) to be enforceable (for example, to preserve constitutionally or statutorily provided rights), the arbitrator or a court will, as soon as possible, appropriately allocate between you and us the fees of the arbitrator(s) and/or his/her related organization, or require us to advance a portion of such fees subject to possible reimbursement, or otherwise address such issues so as to allow the mediation/arbitration to proceed and may adjust such allocations appropriately during the arbitration process for such purpose. In addition, you or we can choose to deposit all fees required by any arbitration organization, subject to later allocation between you and us, as provided above.

(6) If the organizations specified by this Agreement to conduct any mediation and/or arbitration are unable or unwilling to conduct such proceeding(s), and the parties to the dispute cannot agree on an appropriate substitute organization or person to conduct such proceeding(s), then a court of competent jurisdiction shall designate an appropriate organization or person to conduct such proceeding(s).

b. Location. Any mediation/arbitration (and any arbitration appeal) will be conducted exclusively at a neutral location in the county and state in which our then-current headquarters is located, which may change from time to time, and be attended by you and us, and/or designees authorized to make binding commitments on each of our respective behalf. You and we agree that the provisions of this Article will control, notwithstanding any language included in our franchise disclosure documents due to state requirements suggesting that the provisions of any section might be unenforceable due to a failure to have a meeting of the minds or otherwise. Neither you nor we have any expectation that the provisions of this (or any other) section will be unenforceable or that they will not be enforced. You understand and agree that one effect of this paragraph may be that mediation, arbitration and other related costs may be greater, and it may be more difficult for you to proceed, than if those proceedings took place in a location near your residence or business. If any court determines that this provision is unenforceable for any reason, mediation/arbitration (and any arbitration appeal) will be conducted at a neutral location reasonably near your franchised location.

c. Arbitration Authority. Arbitrators shall apply all applicable law, and a failure to apply the applicable law in accordance with Section 19.8 C. of the Franchise Agreement shall be deemed an act in excess of authority. The arbitrator shall be appointed within thirty (30) days of the filing of any demand for arbitration. Any arbitration hearing shall be held within ninety (90) days of the applicable appointment. The arbitrator shall decide all questions relating in any way to the parties' agreement to arbitrate, including but not limited to arbitrability, applicability, subject matter, timeliness, scope, remedies, and any alleged fraud in the inducement or claimed unconscionability. The arbitrator can issue summary orders disposing of all or part of a claim and provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other equitable and/or interim/final relief. Each party consents to the enforcement of such orders, injunctions, etc. by any court having jurisdiction. The subpoena powers of the arbitrator with respect to witnesses to appear at the arbitration proceeding shall not be subject to any geographical limitation. No award in arbitration will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration.

d. Intention to Arbitrate. The parties each knowingly waive all rights to a trial and select arbitration as the sole means to resolve disputes, except as expressly provided otherwise in this Agreement, understanding that arbitration may be less formal than a court or jury trial, may use different rules of procedure and evidence and that appeal is generally less available, and that the fees and costs associated with a face-to-face meeting, mediation and/or arbitration may be greater than in civil litigation, but still strongly preferring a face-to-face meeting, mediation and/or arbitration as provided in this Agreement believing that arbitration has overriding advantages from a business standpoint. The Franchisee intends to, and the Employee expressly agrees that the Franchisee may, fully enforce each of the provisions of this Agreement, including those relating to arbitration, venue, choice of laws, or otherwise, having had an express meeting of the minds regarding each of such matters.

e. Choice of Laws. Notwithstanding any provision of this Agreement or otherwise relating to which state or other laws this Agreement will be governed by, any provisions of state, or other law to the contrary, the Franchisee and the Employee mutually intend and agree that (1) the arbitrator shall decide any and all questions relating in any way to the parties' agreement (or claimed agreement) to arbitrate, including but not limited to applicability, subject matter, timeliness, scope, remedies, claimed unconscionability and any alleged fraud in the inducement and/or the enforcement of the agreement to

arbitrate contained herein and that this Agreement and all related matters shall be governed exclusively by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the federal common law of arbitration and (2) the Franchisee and the Employee mutually intend and agree (and have expressly had a meeting of the minds) to fully enforce all of the provisions of this Agreement and all other documents signed by the Franchisee and the Employee, including (but not limited to) all venue, choice-of-laws, mediation/arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal preemption under the Federal Arbitration Act (9 U.S.C. § 1 et seq.).

f. No Bond. No party will be required to post a bond in order to obtain any injunctive or other equitable relief.

g. Intellectual Property Claims. These dispute resolution provisions apply to any claims/arbitration between the parties (including any dispute involving the Franchisor and/or any person/entity related in any way to it), and/or by any owner and/or affiliate thereof, or which could be brought in their behalf or by any successor; provided that any claims or disputes relating primarily to the validity of the Franchisor's Marks and/or any Intellectual Property licensed to the Franchisee will be subjected to court proceedings; provided that only the portion of any claim or dispute relating primarily to the validity of the Marks and/or any Intellectual Property licensed to the Franchisee and requesting equitable relief shall be subject to court action, and any portion of such claim seeking monetary damages will be subject to the process outlined above.

h. Litigation. Subject to the foregoing obligations regarding mediation/arbitration, any litigation (for example, to enforce such obligations) between the undersigned (or involving the Franchisor) will be held in the United States District Court encompassing the Franchisee's then-current headquarters (the "Proper Federal Court"). Proceedings will be held only in the Proper Federal Court, subject to the following exceptions:

(i) if a basis for federal jurisdiction does not exist, then any such proceeding shall be brought exclusively before a court in the most immediate state judicial district encompassing the Franchisee's then-current headquarters and having subject matter jurisdiction (the "Proper State Court");

(ii) proceedings to remove or transfer a matter to the Proper Federal Court and/or to compel arbitration as contemplated by this Agreement may be brought in the court where the applicable action is pending and/or the Proper State or Federal Court; and

(iii) any action primarily with respect to any real and/or personal property (including any action in unlawful detainer, ejectment or otherwise) may be brought in any court of competent jurisdiction and/or the Proper State or Federal Court.

(17) Upon the termination of the Employee's employment, the Franchisee may notify anyone thereafter employing me of the existence and provisions of this Agreement.

(18) The employee understands that his/her employment is at will, and that just as the Employee may terminate his/her employment at any time and for any reason (or for no reason), the Franchisee may do the same, unless a fixed term is specified herein or in another writing, executed by the Employee and the Franchisee.

(19) The Employee represents that he/she has no existing agreements with, obligations to, or interest in any other party that keep the Employee from complying with his/her obligations under this Agreement, or which may give rise to a conflict of interest, except those identified on the attached list signed by the Employee and the Franchisee. If no list is attached, the Employee agrees that there are no

such agreements, obligations or interests on my part. In addition, the Employee agrees to promptly disclose in writing to his/her superior any future agreements, obligations and/or interests which may preclude or conflict with his/her obligations hereunder.

(20) The Employee will not use on behalf of, or divulge to, the Franchisee, or its agents or employees, during his/her employment by the Franchisee, confidential or trade secret information acquired during any prior employment of his/hers or from any other source outside of the Franchisee, provided, of course, that the Employee knows or should know of its nature as confidential or a trade secret.

(21) The Employee understands and confirms that he/she has no authority whatsoever to make any commitment or enter into any arrangement or contract on behalf of the Franchisee unless authorized by an officer of the Franchisee in writing.

(22) The Franchisee and the Employee agree that this Agreement supersedes any prior oral agreement and/or written agreement by and between them relating generally to the subject matter of this Agreement; the Employee represents and warrants that there are no such prior oral agreement and/or written agreement.

(23) The Franchisee and the Employee agree that, if it is determined that any provision of this Agreement is illegal or unenforceable, such provision will be enforced to the fullest extent permissible under governing law and such determination will solely affect such provision and not impair the remaining provisions of this Agreement. The time period of the restrictions described in this Agreement will be extended by the length of time during which the Employee is in breach of any such provision of this Agreement.

(24) The Franchisee and the Employee agree that this Agreement will be construed, and the validity, performance and enforcement hereof will be governed by the laws of the State in which the Franchisee's headquarters is located.

(25) A waiver by the Franchisee or Franchisor of any breach of this Agreement on the Employee's part will not operate as or be construed as a waiver of any subsequent breach hereof.

(26) This Agreement will inure to the benefit of and be enforceable by the Franchisee and the Franchisor, and any successors and assigns of the foregoing, and that it will be binding upon the Employee, his/her executors, administrators, legatees, distributees, heirs and other successors in interest. The Franchisor is an intended third-party beneficiary of this Agreement and may protect its interests by enforcing the parties' obligations, but the Franchisor is not a party to this Agreement, is not the employer of, and has no obligations to, the Employee.

(27) The Employee has read the foregoing provisions, understands that this Agreement defines the terms and conditions under which the Franchisee is willing to employ or continue to employ the Employee, is executing this Agreement and agreeing to abide by its provisions voluntarily, and the Franchisee has given the Employee a copy of this Agreement for his/her future reference so as to avoid any possible oversights or misunderstandings regarding its provisions.

(Date and Signatures on Following Page)

Dated: _____, 20__ at _____, _____
City State

FRANCHISEE:

By: _____

Its: _____

EMPLOYEE:

Employee's name

Employee's signature

TECHY, LLC

EXHIBIT 10. EXECUTIVE ORDER 13224 AND RELATED CERTIFICATIONS

If the Franchisee is an individual or individuals, the Franchisee certifies that he/she/they are not, nor to my/our best knowledge have I/us been designated, a terrorist and/or a suspected terrorist, nor am I/us associated and/or affiliated in any way with any terrorist and/or suspected terrorist person and/or organization, as defined in U.S. Executive Order 13224 and/or otherwise.

If the Franchisee is a company, the person(s) signing on behalf of the Franchisee certifies(y) that, to the Franchisee's and such person's best knowledge, neither the Franchisee, such person, and/or any owners, officers, board members, similar individuals and/or affiliates/associates of the Franchisee have been designated, a terrorist and/or a suspected terrorist, nor is the Franchisee or any such persons and/or affiliates/associates owned, controlled, associated and/or affiliated in any way with any terrorist and/or a suspected terrorist person and/or organization, as defined in U.S. Executive Order 13224 and/or otherwise.

Franchisee agrees to fully comply and/or assist Franchisor in its compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to antiterrorist activities, including without limitation the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations, including properly performing any currency reporting and other obligations, whether relating to the Franchise or otherwise, and/or required under applicable law. The indemnification responsibilities provided in the Franchise Agreement cover the Franchisee's obligations hereunder.

FRANCHISEE

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT E-1
IN-STORE
ADDENDUM TO
TECHY, LLC
FRANCHISE AGREEMENT

THIS ADDENDUM is entered into and made this the _____ day of _____, 20____, by and between **Techy, LLC** (hereinafter referred to as “Franchisor”), and _____, (hereafter referred to as “Franchisee”).

W I T N E S S E T H :

WHEREAS, Franchisee and Franchisor are contemporaneously entering into a Franchise Agreement; and

WHEREAS, Franchisee desires to enter into Franchisor’s In-Store Addendum to operate a franchise solely within a Walmart location; and

WHEREAS, Franchisee understands Franchisee must enter into a separate sublease agreement for the In-Store space with Franchisor’s affiliate, DrPhoneFix, Inc. and also enter into a turn-key agreement with DrPhoneFix, Inc. to prepare the subleased space in a ready to use condition which shall include Franchisor’s required furnishings, signage, equipment and start-up inventory; and

WHEREAS, Franchisee and Franchisor desire to clarify or modify certain provisions of the Franchise Agreement as set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual and several covenants and obligations contained herein, the parties hereto agree that this Addendum to the parties Franchise Agreement shall be attached to the executed Franchise Agreement and shall partially amend and revise the parties Franchise Agreement as follows:

1. Notwithstanding anything to the contrary in **Paragraph 2.2** “Grant” of the Franchise Agreement, Franchisee has requested Franchisor to grant a Franchise for Franchisor’s In-Store franchise concept and Franchisor hereby grants to Franchisee the right and obligation (The “In-Store” franchise), and Franchisee accepts and undertakes the obligation to operate one (and only one) In-Store franchise location during the term defined in the Franchise Agreement and use the System and Marks within a Walmart retail store located at _____ (the “Site”).

2. Notwithstanding anything to the contrary in **Section 3** and specifically **Paragraphs 3.1, 3.2 and 3.4**, Franchisee understands and agrees that Franchisee is required to enter into a sublease agreement for the In-Store location with Franchisor’s affiliate, DrPhoneFix, Inc. Franchisee acknowledges and agrees that the location within the Walmart store is located at the address in 1 above, that the designation of a

location is not a representation nor a warranty of success or suitability of the Site, and Franchisee agrees that neither Franchisor nor DrPhoneFix, Inc. shall have any liability whatsoever with respect to any role either Franchisor or DrPhoneFix, Inc. had in the selection of the Site. Franchisor shall not be responsible for failure of the In-Store location at the Site to meet Franchisee's expectations as to revenue or operational criteria. Further, Franchisor shall have a right to terminate the Franchise Agreement if the underlying Lease Agreement for the In-Store location at the Site is terminated or expires and neither Franchisee nor Franchisor nor its affiliate, DrPhoneFix, Inc., shall have any liability whatsoever to Franchisee except that Franchisee may obtain any unearned payments made in advance to DrPhoneFix, Inc., which shall be refunded only if such termination does not result in a breach of the sublease or breach of the Franchise Agreement. Neither Franchisor nor DrPhoneFix, Inc. shall have any obligation to provide Franchisee an alternative location in the event Franchisee's sublease expires or is terminated. Franchisee accepts this Franchise Agreement and Addendum with full and complete understanding that the grant of this Franchise contains no representation, warranty, promise or assurance of renewal or extension of the sublease agreement nor of the Franchisee's ability or right to obtain additional franchised locations and Franchisor has the absolute and sole discretion whether to offer or grant additional In-Store franchised locations to Franchisee.

3. Notwithstanding anything to the contrary in the Franchise Agreement, Franchisee understands and agrees to the following terms:

A. Franchisee understands and acknowledges that other franchisees of Franchisor may be granted franchise agreements at different times and different situations and Franchisee acknowledges that the provisions of such agreements may vary substantially from those contained in this Addendum and the Franchise Agreement to which it is attached and made a part of. Franchisee's obligations may also differ substantially from those of other franchisees.

B. Franchisor reserves the right in its sole discretion to vary its specifications, standards and operating practices and requirements among franchisees, including, without limitation, those relating to equipment, signage, operations, inventory and services. Franchisor may impose such variations to address differing or unique circumstances or for reasons Franchisor, in its discretion, deems good and sufficient. Franchisee understands and acknowledges that Franchisor and its affiliates have the right and discretion to treat franchisees differently even if they are similarly situated.

C. Franchisee understands, agrees and acknowledges that Walmart may offer products and services for sale at the Walmart store Site, or elsewhere, that are the same or similar to the products and services offered for sale by Franchisee at the Walmart In-Store location. Franchisee further

understands and agrees that Franchisee is prohibited from the sale of any accessories at the franchised store Site hereunder.

D. Upon execution of the Sublease Agreement, Franchisee shall also pay to DrPhoneFix, Inc. a turn-key fee of \$_____ for preparing the space in a ready to use condition which shall include Franchisor's designated furnishings, signage equipment and start-up inventory. The turn-key fee is non-refundable.

THIS ADDENDUM shall be considered an integral part of the Franchise Agreement between the parties. Except as modified or supplemented by this Addendum, all of the rights and obligations of the parties set out in the Franchise Agreement are binding on the parties hereto.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor has caused these presents to be executed in its name and on its behalf by its proper corporate officer, and Franchisee has hereunder affixed his/her/its hand and seal all on the day and year first above written.

WITNESS

(Signature)

FRANCHISEE (Individual)

(Signature)

(Printed Name)

WITNESS

(Signature)

(Signature)

(Printed Name)

FRANCHISEE (Corp., LLC or Partnership)

(Legal Name of Franchisee Entity)

a _____
(Jurisdiction of Formation) (Corp., LLC or Partnership)

ATTEST

By: _____
(Name)

(Signature)

Its: _____
(Title)

**FRANCHISOR
TECHY, LLC**

ATTEST

By: _____

Its: _____

EXHIBIT E-1
TURN-KEY
ADDENDUM TO
TECHY, LLC
FRANCHISE AGREEMENT

THIS ADDENDUM is entered into and made this the _____ day of _____, 20____, by and between **Techy, LLC** (hereinafter referred to as “Franchisor”), and _____, (hereafter referred to as “Franchisee”).

W I T N E S S E T H :

WHEREAS, Franchisee and Franchisor are contemporaneously entering into a Franchise Agreement; and

WHEREAS, Franchisee and Franchisor desire to clarify or modify certain provisions of the Franchise Agreement as set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual and several covenants and obligations contained herein, the parties hereto agree that this Addendum to the parties Franchise Agreement shall be attached to the executed Franchise Agreement and shall partially amend and revise the parties Franchise Agreement as follows:

1. Notwithstanding anything to the contrary in the Franchise Agreement, Franchisee understands and agrees to the following terms:
 - A. Franchisee understands and acknowledges that other franchisees of Franchisor may be granted franchise agreements at different times and different situations and Franchisee acknowledges that the provisions of such agreements may vary substantially from those contained in this Addendum and the Franchise Agreement to which it is attached and made a part of. Franchisee’s obligations may also differ substantially from those of other franchisees.
 - B. Franchisor reserves the right in its sole discretion to vary its specifications, standards and operating practices and requirements among franchisees, including, without limitation, those relating to equipment, signage, operations, inventory and services. Franchisor may impose such variations to address differing or unique circumstances or for reasons Franchisor, in its discretion, deems good and sufficient. Franchisee understands and acknowledges that Franchisor and its affiliates have the right and discretion to treat franchisees differently even if they are similarly situated.
 - C. Upon execution of the Franchise Agreement, Franchisee shall also pay to DrPhoneFix, Inc. a turn-key fee of \$_____ for preparing the store space

approved by Franchisor in a ready to use condition which shall include Franchisor's designated furnishings, signage equipment and start-up inventory. The turn-key fee is non-refundable.

THIS ADDENDUM shall be considered an integral part of the Franchise Agreement between the parties. Except as modified or supplemented by this Addendum, all of the rights and obligations of the parties set out in the Franchise Agreement are binding on the parties hereto.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor has caused these presents to be executed in its name and on its behalf by its proper corporate officer, and Franchisee has hereunder affixed his/her/its hand and seal all on the day and year first above written.

WITNESS

(Signature)

WITNESS

(Signature)

FRANCHISEE (Individual)

(Signature)

(Printed Name)

(Signature)

(Printed Name)

FRANCHISEE (Corp., LLC or Partnership)

(Legal Name of Franchisee Entity)

a _____
(Jurisdiction of Formation) (Corp., LLC or Partnership)

ATTEST

By: _____
(Name)

(Signature)

Its: _____
(Title)

**FRANCHISOR
TECHY, LLC**

ATTEST

By: _____

Its: _____

EXHIBIT E-3
TECHY CAFÉ
ADDENDUM TO
TECHY, LLC
FRANCHISE AGREEMENT

THIS ADDENDUM to the Franchise Agreement is made and entered into this ____ day of _____, 20____, by and between **Techy, LLC** (hereinafter referred to as “Franchisor”), and _____, (hereafter referred to as “Franchisee”).

W I T N E S S E T H :

WHEREAS, Franchisee and Franchisor are contemporaneously entering into a Franchise Agreement; and

WHEREAS, Franchisee desires to enter into Franchisor’s “Techy Café” Addendum to operate a Techy Café solely in conjunction with Franchisee’s Traditional Techy Store franchise, pursuant to the parties Franchise Agreement; and

WHEREAS, Franchisor and Franchisee desire to clarify or supplement certain provisions of the Franchise Agreement as set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual and several covenants and obligations contained herein, the parties hereto agree that this Addendum to the parties Franchise Agreement shall be attached to the executed Franchise Agreement and shall partially amend, revise or supplement the parties Franchise Agreement as follows:

1. Franchisor grants Franchisee the right to establish and operate a Techy Café using Franchisor’s System, Marks, and other Intellectual Property at the Site and at no other location (temporary or permanent).
2. The term of this Addendum shall begin immediately and shall expire or terminate at the same time as the Franchise Agreement. Franchisee shall start operating the Techy Café no later than _____ days after the execution of this Addendum.
3. The definition of “Gross Revenue” in the Franchise Agreement shall be enlarged to include all revenue received from the Techy Café. All calculations of “Continuing Weekly Royalty Fee” under paragraph 9.2 of the Franchise Agreement (“Continuing Weekly Royalty Fee and Payment Dates”) shall include all Gross Revenue from the Techy Café, and all reports of Gross Revenue, shall also include all Gross Revenue from or relating to the Techy Café.
4. Notwithstanding any contrary provision in the Franchise Agreement, Franchisee shall have a right to operate a Techy Café in addition to the Techy Store at the Site. The

Techy Café shall be used for no purpose other than a Techy Café pursuant to this Addendum and the Franchise Agreement.

5. Franchisee shall be solely responsible to seek and obtain all licenses, consents and other approvals of any governmental authority required for Franchisee to lawfully open and operate the Techy Café.
6. Franchisee shall at Franchisee's expense effect leasehold improvements and obtain and install all fixtures, furniture and equipment at the Techy Café as required to comply with Franchisor's requirements and specifications as set forth in the Manual(s).
7. Franchisee shall not start construction of the Techy Café until final plans and specifications have been approved in writing by Franchisor. Franchisee shall not modify any plans and specifications approved by Franchisor without first obtaining Franchisor's written consent to the modification.
8. Franchisee shall be solely responsible to diligently design, construct, equip, prepare and open the Techy Café.
9. Franchisor shall have the right, but no obligation, from time to time to inspect the construction of the Techy Café while work is in progress. Franchisee shall make any modifications to the construction of the Techy Café as required by Franchisor.
10. Franchisee shall cause all signs used in connection with the Techy Café, whether exterior or interior, to conform to Franchisor's sign criteria, including but not limited to criteria for color, size, design and location. Franchisee shall obtain Franchisor's written consent for all signs and sign location before installation.
11. No vending machine, amusement device, video game, or other gaming or entertainment device of any nature shall be installed or used at the Tech Café without Franchisor's prior written consent.
12. Franchisee shall defend, indemnify and hold harmless Franchisor and all of its officers, agents, employees and indemnitees, as may be defined in the Franchise Agreement, from all losses, cost and expenses incurred in connection with any action, claim, suit or other proceeding, based in any way on any aspect of operation of the Techy Café.
13. All non proprietary goods, services and supplies required to operate the Techy Café shall be purchased by Franchisee only from suppliers and vendors designated or approved in writing by Franchisor.
14. In addition to The Training you will receive when you begin your Techy Store Training Program pursuant to the Franchise Agreement, You or if we approve a manager of your Techy Café, then your Techy Café manager, must successfully complete our Training Program for the Techy Café which is one day of training in addition to the Techy Store

Training Program. We may charge a reasonable fee for training of additional and/or subsequent managers. We can choose to eliminate or shorten training for persons previously trained or with comparable experience. All other provisions of Section 5 (“Training and Guidance”) of the Franchise Agreement shall be in full force and effect.

15. Franchisee shall maintain for the Techy Café and personnel, all of the types and amounts of insurance that the Franchise Agreement requires.
16. Franchisor reserves the right in its sole discretion to vary its specifications, standards and operating practices and requirements among franchisees, including, without limitation, those relating to equipment, signage, operations inventory and services. Franchisor may impose such variations to address differing or unique circumstances or for reasons Franchisor, in its discretion, deems good and sufficient. Franchisee understands and acknowledges that Franchisor and its affiliates have the right and discretion to treat franchisees differently even if they are similarly situated.
17. In addition to the effects of termination or expiration under the Franchise Agreement, upon termination or expiration of the Franchise Agreement, Franchisee shall:
 - A. Pay all sums due and owing relating to the operation of the Techy Café;
 - B. At the request of Franchisor, assign all of Franchisee’s interest in any lease for the Techy Café and if requested, provide Franchisor with all necessary assistance to enable Franchisor to take possession of the Techy Café;
 - C. Immediately deliver to Franchisor all computer software used by Franchisee and all data storage used in operating the Techy Café;
 - D. If Franchisor elects not to assume possession of the Techy Café after termination or expiration of the Franchise Agreement, Franchisee shall promptly perform sufficient redecoration and remodeling as needed, in Franchisor’s sole judgement, to distinguish the Techy Café from its previous appearance as a Techy Café.

THIS ADDENDUM shall be considered an integral part of the Franchise Agreement between the parties. Except as modified or supplemented by this Addendum, all of the rights and obligations of the parties set out in the Franchise Agreement are binding on the parties hereto.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern.

[Signatures on page that follows.]

IN WITNESS WHEREOF, Franchisor has caused these presents to be executed in its name and on its behalf by its proper corporate officer, and Franchisee has hereunder affixed his/her/its hand and seal all on the day and year first above written.

WITNESS

(Signature)

WITNESS

(Signature)

FRANCHISEE (Individual)

(Signature)

(Printed Name)

(Signature)

(Printed Name)

OR

FRANCHISEE (Corp., LLC or Partnership)

(Legal Name of Franchisee Entity)

a _____
(Jurisdiction of Formation) (Corp., LLC or Partnership)

ATTEST

By: _____
(Name)

(Signature)

Its: _____
(Title)

**FRANCHISOR
TECHY, LLC**

ATTEST

By: _____

Its: _____

EXHIBIT E-4
TECHY MOBILE VAN
ADDENDUM TO
TECHY, LLC
FRANCHISE AGREEMENT

THIS ADDENDUM to the Franchise Agreement is made and entered into this ____ day of _____, 20____, by and between **Techy, LLC** (hereinafter referred to as “Franchisor”), and _____, (hereafter referred to as “Franchisee”).

W I T N E S S E T H :

WHEREAS, Franchisee and Franchisor entered into a Franchise Agreement dated _____, 20__ (“Franchise Agreement”) pursuant to which Franchisee was granted the right to operate one Techy Store at the Site and use the Marks and System for the operation of the Techy Store within the Protected Territory described in Exhibit 2.2 of the Franchise Agreement; and

WHEREAS, Franchisee desires to enter into Franchisor’s “Techy Mobile Van” Addendum to operate a Mobile Van solely in conjunction with Franchisee’s Traditional Techy Store franchise, pursuant to the parties Franchise Agreement; and

WHEREAS, Franchisor and Franchisee desire to clarify or supplement certain provisions of the Franchise Agreement as set forth hereinafter.

NOW, THEREFORE, in consideration of the mutual and several covenants and obligations contained herein, the parties hereto agree that this Addendum to the parties Franchise Agreement shall be attached to the executed Franchise Agreement and shall partially amend, revise or supplement the parties Franchise Agreement as follows:

1. Franchisor grants Franchisee the right to operate a Techy Mobile Van using Franchisor’s System, Marks, and other Intellectual Property within the Franchisee’s Protected Territory and nowhere else. Franchisee must comply and meet Franchisor’s specifications as to the Van model, Van age, vehicle type, interior configuration and signs and exterior vehicle wrap.
2. The term of this Addendum shall begin immediately and shall expire or terminate at the same time as the Franchise Agreement. Franchisee shall start operating the Techy Mobile Van no later than _____ days after the execution of this Addendum.
3. The definition of “Gross Revenue” in the Franchise Agreement shall be enlarged to include all revenue received from the Techy Mobile Van. All calculations of “Continuing Weekly Royalty Fee” under paragraph 9.2 of the Franchise Agreement (“Continuing Weekly Royalty Fee and Payment Dates”) shall include all Gross

Revenue from the Techy Mobile Van, and all reports of Gross Revenue, shall also include all Gross Revenue from or relating to the Techy Mobile Van.

4. Notwithstanding any contrary provision in the Franchise Agreement, Franchisee shall have a right to operate a Techy Mobile Van solely within the Protected Territory set forth in Exhibit 2.2 of the Franchise Agreement. The Techy Mobile Van shall be used for no purpose other than a Techy Mobile Van operated pursuant to this Addendum and the Franchise Agreement. The Techy Mobile Van shall be used exclusively in the operation of the franchised business, only one Techy Mobile Van is authorized by this Addendum and only a Techy Mobile Van that meets all of Franchisor's standards and that is approved by Franchisor may be used by Franchisee.
5. Franchisee shall be solely responsible to seek and obtain all licenses, consents and other approvals of any governmental authority required for Franchisee to lawfully operate the Techy Mobile Van within the Protected Territory.
6. Franchisee shall at Franchisee's expense lease or purchase the Techy Mobile Van which shall comply with all specifications and requirements set forth in the Manual(s) of Franchisor. All furniture, fixtures and equipment for the Techy Mobile Van must be installed as required to comply with Franchisor's specifications set forth in the Manual(s). Franchisee shall not modify any specifications for the Techy Mobile Van, without first obtaining Franchisor's written consent to the modification.
7. Franchisee shall defend, indemnify and hold harmless Franchisor and all of its officers, agents, employees and indemnitees, as may be defined in the Franchise Agreement, from all losses, cost and expenses incurred in connection with any action, claim, suit or other proceeding, based in any way on any aspect of operating the Techy Mobile Van.
8. All non proprietary goods, services and supplies used for the operation of the Techy Mobile Van shall be purchased by Franchisee only from suppliers and vendors designated or approved in writing by Franchisor.
9. Franchisee shall maintain for the Techy Mobile Van and personnel, all of the types and amounts of insurance that the Franchise Agreement requires.
10. Franchisor reserves the right in its sole discretion to vary its specifications, standards and operating practices and requirements among franchisees, including, without limitation, those relating to equipment, signage, operations inventory and services. Franchisor may impose such variations to address differing or unique circumstances or for reasons Franchisor, in its discretion, deems good and sufficient. Franchisee understands and acknowledges that Franchisor and its affiliates have the right and discretion to treat franchisees differently even if they are similarly situated.

11. In addition to the effects of termination or expiration under the Franchise Agreement, upon termination or expiration of the Franchise Agreement, Franchisee shall:

1. Pay all sums due and owing relating to the operation of the Techy Mobile Van;
2. At the request of Franchisor, assign all of Franchisee's interest in any lease for the Techy Mobile Van and if requested, provide Franchisor with all necessary assistance to enable Franchisor to take possession of the Techy Mobile Van;
3. Immediately delivery to Franchisor all computer software used by Franchisee, all data storage used in operating the Techy Mobile Van;
4. If Franchisor elects not to assume possession of the Techy Mobile Van, promptly perform sufficient redecoration and remodeling as needed, in Franchisor's sole judgement, to distinguish the Techy Café from its previous appearance as a Techy Mobile Van.

THIS ADDENDUM shall be considered an integral part of the Franchise Agreement between the parties. Except as modified or supplemented by this Addendum, all of the rights and obligations of the parties set out in the Franchise Agreement are binding on the parties hereto.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Franchise Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, Franchisor has caused these presents to be executed in its name and on its behalf by its proper corporate officer, and Franchisee has hereunder affixed his/her/its hand and seal all on the day and year first above written.

WITNESS

(Signature)

FRANCHISEE (Individual)

(Signature)

(Printed Name)

WITNESS

(Signature)

(Signature)

(Printed Name)

OR

FRANCHISEE (Corp., LLC or Partnership)

(Legal Name of Franchisee Entity)

a _____
(Jurisdiction of Formation) (Corp., LLC or Partnership)

ATTEST

By: _____
(Name)

(Signature)

Its: _____
(Title)

**FRANCHISOR
TECHY, LLC**

ATTEST

By: _____

Its: _____

EXHIBIT “F” TO THE DISCLOSURE DOCUMENT

**FORM OF
AREA DEVELOPMENT AGREEMENT**



AREA DEVELOPMENT AGREEMENT

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TECHY, LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 20__, (the “Effective Date”) by and between Techy, LLC (“Franchisor”, “we” or “us”) and _____, (“Area Developer,” or “you”), with reference to the following facts:

A. Techy, LLC developed a System and methods of operating Franchised Stores that provide, at the retail level, operation of businesses for the repair of cell phones, tablets, computers, game consoles and smart home related hardware and other electronic devices, and the sale of specified electronic devices, accessories and other supplies and items that we may designate from time to time under the trade name Techy. We refer to these businesses as “Techy Stores”. We grant franchises for qualified persons to own and operate Techy Stores using the Techy System and the Techy brand name and trademarks.

B. You desire to have the right and obligation to open a specified number of Techy Stores in a designated territory on or before certain dates. We desire to grant to you such right and obligation, subject to the terms and upon the conditions contained in this Agreement.

You and we agree to the following provisions.

1.1 Designated Development Area and Development

A. Your Development Area does not include the right to open a Techy Store in Walmart locations within your Development Area. We retain the absolute right to open or franchise to others the right to open a Techy Store in any Walmart location, even if the Walmart location is within your Development Area. We will not award a Techy Franchise for the operation of a Techy Store to anyone other than you, or open a Techy Store owned by us or an Affiliate (“Company Owned Store”), in the area designated on the attached Exhibit 1.1 (the “Designated Development Area”) for the term of this Agreement, subject to all of the conditions and provisions of this Agreement.

B. You commit to sign the then current version of the Techy Franchise Agreement (and all related documents then customarily in use by us), and pay the full Initial Franchise Fees, and to open and operate the number of Techy Stores (the “Development Stores”) in the Designated Development Area, in each case by no later than the dates provided on Exhibit 1.2 (the “Development Schedule”). You understand that the then-current form of Techy Franchise Agreement may differ in material respects from our present Franchise Agreement. Our current form of Techy Franchise Agreement has been fully reviewed and approved by you. Terms not defined in this Agreement have the same meanings as in the Franchise Agreement.

C. Only Techy Stores newly established by you in the Designated Development Area will count to satisfy the requirements of this Agreement and the Development Schedule. Any franchises acquired by transfer or to be located outside the Designated Development Area will not satisfy such requirements.

D. Your rights in the Designated Development Area are only as expressly stated in 1.1 A, above, and are subject to certain rights reserved by us. You understand and agree that Section 2 of the Franchise Agreement, captioned “Grant and Term”, expresses our respective rights in the

Designated Development Area during the term of this Agreement. You expressly acknowledge reading and understanding Section 2 of the Franchise Agreement.

E. We are not granting you with this Agreement the right to sell or to solicit offers to buy Techy Franchises. You represent that all Techy Franchises to be obtained by you are for your sole ownership, use and operation. You will not have the right to "sublet" any area within the Designated Development Area or to sub-franchise or assign any rights under this Agreement.

2.1 Term.

Unless earlier terminated in accordance with its provisions, this Agreement shall commence on the Effective Date indicated on Page One and automatically expire upon the earlier of: (i) the latest Required Date for Opening of a Techy Store or sometimes referred to as "Development Store", provided on Exhibit 2.1; or (ii) the actual Opening Date for the last scheduled Techy Store.

3.1 Renewal.

Area Developer shall have no right to a renewal or successor agreement.

4.1 Development Conditions and Procedures

A. You are solely responsible for locating, securing and developing the site for each Techy Store according to any then applicable Techy standards, guidelines and/or specifications.

B. You shall submit to us such information regarding a proposed site as we require, in the form and manner requested by us, together with the terms of any proposed lease. We may seek such additional information that we consider necessary, but our approval will not be unreasonably withheld. The terms of any such lease shall comply with the provisions of the Franchise Agreement applicable to such proposed site. Our consent to any site shall not be construed as a recommendation or warranty as to suitability or the success of the Techy Store to be located there. We make no such assurances of any kind.

C. Upon our written consent to any approved site, and subject to the conditions to the offer of a franchise provided in 4.1 D., below, you will pay to us the Initial Franchise Fee for each approved Development Store and sign the then current form of Franchise Agreement along with any related documents then customarily used by us, including any appropriate receipts for disclosure documents. We may in connection with our evaluation of the proposed site require and consider financial statements or similar information satisfactory to us demonstrating financial capability and compliance with Section 6.1 C of this Agreement.

D. Regardless of any other provision of this Agreement, you understand that we have the right to deny you a Franchise and/or not permit you to open a Development Store if any of the following conditions are not met:

(i) you are not in compliance with any Performance Standards under any Franchise Agreement and/or are in default under this Agreement, any Franchise Agreement, the Manuals, or any other agreement with us and/or any Franchisor Related Person/Entity between you and any other party if related to your Franchise Business;

(ii) you have not delivered all completed and signed documents currently required by us;

(iii) you have not appointed a manager for the Development Store who meets our then current training and other standards.

E. You and we acknowledge and agree that the deadlines set forth in the Development Schedule (Exhibit 1.2) are the essence of this Agreement. No modification or amendment to the Development Schedule or any consent to or waiver of any deadline or other obligation of this Agreement will either (i) create any obligation to grant additional modifications, amendments, consents or waivers or (ii) be effective unless made by mutual written agreement. Any modification or amendment to the Development Schedule or otherwise will be in our Business Judgment, as that term is defined in the Franchise Agreement, and may be subject to conditions, including (but not limited to) a General Release or a reduction of the Designated Development Area and Development Stores.

5.1 Fees.

The Initial Franchise Fee under the Area Development Agreement for the first Techy Store is \$15,000, for the second Techy Store the discounted Initial Franchise Fee is \$10,000, the discounted Initial Franchise Fee for the third and each additional Techy Store is \$5,000. Upon execution of this Area Development Agreement you must pay a lump sum non-refundable Area Development Fee of \$15,000 for the first Techy Store plus one-half of the Initial Franchise Fee for each discounted Techy Store required to be developed as set forth in the Exhibit 1.2 “Development Schedule.” By your signature below you promise to open and operate a total of _____ Techy Stores and to pay an Area Development Fee of \$_____ when you sign this Area Development Agreement and to pay the remaining additional balance of \$_____ as set forth in the following chart for a total Area Development Fee of \$_____:

Number of Franchise Stores Required To Be Opened	Total Development Fee	Amount Paid On Signing Development Agreement	Balance Due At the time you sign Each of the Remaining Franchise Agreements
Two	\$25,000	\$20,000	\$0 (1) + \$5k(2)
Three	\$30,000	\$22,500	\$0(1) + \$5k (2)+\$2.5k(3)
Four	\$35,000	\$25,000	\$0(1)+\$5k(2) + \$2.5k(3) + \$2.5k(4)
Five	\$40,000	\$27,500	\$0(1)+\$5k(2)+\$2.5k(3)+\$2.5k(4)+ \$2.5k(5)

Note that the second franchise has a reduced fee of \$10,000 and when added to the \$15,000 fee for the first franchise makes a total Development Fee of \$25,000 for the two stores. However, only half of the fee for the second franchise is paid when signing the Development Agreement. The remaining half (\$5,000) is paid upon signing the franchise agreement to open the second franchise.

For each additional area development franchise in excess of 5 Franchise Stores, the Initial Franchise Fee will be \$5,000 of which \$2,500 will be added to the Development Fee and the balance of \$2,500 will be payable upon signing each additional Franchise Agreement in excess of 5 franchises.

Signature Printed Name and Date

You agree that the grant of rights to you under this Area Development Agreement constitutes the sole consideration for the payment of your Area Development Fee and that the total Area Development Fee is fully earned by us upon your signature to this Area Development Agreement.

5.2 Extension Fee.

If you fail to comply with your minimum Development Schedule set forth in Exhibit 1.2, we may, in our sole discretion, grant an extension of your Development Schedule for a non-refundable extension fee of from \$5,000 to \$20,000 per remaining franchise to be opened, depending upon the amount of time extended.

6.1 Operations.

A. We require the Chief Executive Officer or another officer/owner for or of the Area Developer to attend and successfully complete such initial and/or on-going training as we designate and/or to meet with us from time-to-time to review Area Developer operations.

B. We require that you employ a manager for each Development Store who will meet such standards (including training requirements) as are set forth in the then-current Franchise Agreement and/or Manuals issued by us, to supervise and coordinate the operation of each Techy Store.

7.1 Defaults and Termination.

A. This Agreement may be terminated by us upon your receipt of written notice and without opportunity to cure, except as may be required by law, if:

(1) You attempt to sell, assign, Transfer or encumber in whole or in part any or all rights and obligations under this Agreement in conflict with Article 8.1, below;

(2) You fail to meet on a timely basis any of the provisions of the Development Schedule, including without limitation, any Development Store Opening Date or Fee Payment;

(3) You commit to a lease unapproved by us, or begin the development and/or operation of a Development Store, without having complied with the terms of this Agreement, including without limitation Article 4.1, above;

(4) You or any of your owners are judged bankrupt, become insolvent, make an assignment for the benefit of creditors, are unable to pay his/her/their debts as they become due, or a petition under any bankruptcy law is filed against you or any of your owners or a receiver or other custodian is appointed for a substantial part of your assets or the assets of any owner;

(5) You or any of your owners is convicted of, or pleads no contest to, a felony or to any crime or offense that may adversely affect the good will associated with the Marks;

(6) You commit any other breach of this Agreement.

B. Any default by you under this Agreement may be regarded by us as a default by you under the Franchise Agreement. Any default under any Franchise or other agreement with us or with any Franchisor Related Person/Entity may be considered by us to be a default under this Agreement. Any default by you under any agreement, lease or other obligation relating to the Franchise Business may be regarded as a default under this Agreement, regardless of whether or not any such agreements are between you and us. In all instances we shall be entitled to all rights and remedies available to us under the respective agreements, at law and in equity. If you default under any Franchise or other agreement, we may require you to stop all development activities/Development Store openings under this Agreement unless and until you are permitted by us in writing to continue.

C. Upon a termination/expiration of this Agreement you have no rights under this Agreement, including without limitation, no right to the award of any further franchises or any refunds of any amounts paid. We shall be free to develop the Territory in any manner we choose, including establishing Company Owned Stores and franchised units in the Territory, subject only to the terms of any applicable unit franchise agreements.

D. Notwithstanding the provisions of Section 7.1 A (2), above, if the opening of a Development Store is physically prevented by circumstances beyond human control, such as fire, flood, earthquake, riot, war, or other similar circumstance, then you will be allowed such additional time as is reasonably necessary to open such Development Store, but not longer than six months. Such an extension shall be available exclusively to the Store subject to the interrupted development and shall not apply to any subsequent unit development deadlines or requirement dates.

8.1 Transfers

A. This Agreement is personal to you and based upon individual skills, resources, special qualities and characteristics and is not assignable, whether voluntarily or by operation of law, without our express written consent, which we may grant, condition or withhold in our Business Judgment. We may choose among other things to apply the provisions applicable to transfers as contained in the most current Techy Franchise Agreement between us, including those regarding Rights of First Refusal, to any transfer of this Agreement. Any assignment by you must be accompanied by a concurrent assignment to the same assignee of all of your interests in each Development Store and each related Techy Franchise Agreement. Any consent to transfer by us will be conditioned upon our receipt of a nonrefundable transfer fee of \$5,000 in addition to any such fees due under the applicable unit Franchise Agreements. This area development transfer fee may be reduced or waived by us in our sole Business Judgment.

B. This Agreement is assignable by us, in whole or in part, without your consent and shall inure to the benefit of our successors and assigns. We have no liability to you upon such an assignment.

C. This Agreement shall not be deemed to diminish in any way any rights of first refusal and/or rights of repurchase held by us under any Techy Franchise Agreement with you, whether effective now or in the future. If we purchase from you substantially all of the operating assets of the Development Stores, or all of their franchises are terminated or repurchased, you will have no rights, and we will have no obligations, under this Area Development Agreement.

9.1 Relationship of the Parties.

You and we are independent contractors. Nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. There is no fiduciary, trust or other special relationship between us. Expenses, obligations, taxes and other liabilities incurred by you in connection with your performance of the services contemplated by this Agreement shall be your sole responsibility. Neither you nor we shall act as the agent of the other, nor guarantee or become in any way responsible for the obligations, debts or expenses of the other.

10.1 Personal Guarantees.

Each of the owners signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of each and all of the Area Developer's obligations under this Agreement.

11.1 Payments and Legal Compliance.

A. You will promptly pay when due any and all taxes, accounts, liabilities and other indebtedness of every kind incurred by you as a result of your acts or omissions under or associated with this Agreement, any Franchise Agreement, the operation of any Techy Store or otherwise and will hold harmless and indemnify us and each of the Franchisor-Related Persons/Entities from such taxes, accounts, liabilities and other indebtedness.

B. You will comply with all federal, state and local laws and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the activities contemplated under this Agreement and/or any Franchise Agreement.

12.1 Incorporated Provisions of Franchise Agreement.

As provided in Section 1.1 and Exhibit 1.2, you are, or shall become, concurrent with the signing of this Agreement, a Techy Franchisee under the terms of a Techy Franchise Agreement substantially similar to the current Techy Franchise Agreement. The following provisions of the Techy Franchise Agreement shall apply to this Agreement in the following manner:

A. Licensed Marks. The provisions of Section 6 of the Techy Franchise Agreement shall apply to the use of the Marks under this Agreement and are incorporated herein.

B. Relationship and Indemnification. You and we are independent contractors, as provided in Section 9.1, above. Therefore, the provisions of Sections 7.1 through 7.5 of the Techy Franchise Agreement shall apply in the same manner to you in your Area Development activities as they do to your Techy Store Franchise Business and are incorporated herein. References made in such Sections to your Techy Store Franchise and Franchise Business operations shall be deemed to include your operations under this Agreement, including without limitation the indemnification obligations of Section 7.4 of the Techy Franchise Agreement.

C. Confidential Information; Exclusive Relationship. The provisions of Section 8 of the Techy Franchise Agreement shall apply in the same manner to you in your Area Development activities as they do to your Techy Franchise Business and are incorporated herein. References

made in Section 8 to your Techy Franchise Agreement and Franchise Business operations shall be deemed to include your operations under this Agreement.

D. Records and Reports. The provisions of Section 12.2 of the Techy Franchise Agreement and the reporting and record requirements described therein shall apply in the same manner to your Area Development activities as they do to your Techy Franchise Business and are incorporated herein.

E. Dispute Avoidance and Resolution, Notice and Acknowledgments. The provisions of Sections 19, 20 and 21 of the Techy Franchise Agreement shall apply to this Agreement and are incorporated herein, including without limitation those providing for mediation and mandatory binding arbitration, waiver of jury trial, limitations on damages and venue. The parties (and each of their owners) waive all rights **to a jury trial**.

F. Rights on Termination, Expiration, Transfer, and/or Repurchase. The provisions of Section 17 of the Techy Franchise Agreement shall apply to this Agreement and are incorporated herein.

13.1 Miscellaneous Provisions.

A. Whole Agreement; Amendment. This Agreement contains the final, complete and exclusive expression of the terms of your and our agreement with respect to the subject matter, and supersedes and replaces any and all prior and/or concurrent understandings, agreements, representations or otherwise (whether oral or written) between you and us; provided that this Agreement is not intended to amend or supersede any Techy Franchise Agreement and/or related documents to which you are a party. This Agreement cannot be modified or changed except by written document signed by all parties.

B. Severability. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail; but in such event the provisions of this Agreement thus affected shall be limited only to the extent necessary to bring them within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

C. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor, and shall be binding upon and inure to the benefit of you and your respective heirs, executors, administrators, successors and assigns, subject to the prohibitions against assignment contained herein.

D. Joint and Several Liability. If “you” consist of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to us are joint and several.

E. No Waiver. No waiver by any party of any breach or series of breaches or defaults in performance, shall be deemed to be a waiver of any other breach or default; and no failure, refusal or neglect of ours to exercise any right, power or option given to us under this Agreement shall be deemed to be a waiver of any right, power or option.

F. Acknowledgments. In addition to those acknowledgments contained in the Franchise Agreement and incorporated by reference pursuant to Section 12.1 E, above, Area Developer and each of its owners expressly acknowledge that:

(1) Neither the Area Developer, any of the owners nor anyone else have received or relied on (nor have we or anyone else provided) any oral or written: sales, income or other projections of any kind or nature or any statements, representations, or otherwise which stated or suggested any level or range of actual or potential sales, costs, income, expenses, profits, cash flow, or otherwise with respect to any Techy Store or Area Development rights. We cannot reliably predict, forecast or project future performance, revenues, profits or otherwise of any Techy Store or with respect to any Area Development rights. If any such information, promises, representations and/or warranties has been provided to Area Developer, any of the owners or anyone else, they haven't been authorized and may not be relied on; and

(2) A complete ready-to-sign copy of this agreement as signed by Area Developer was received by Area Developer (and each of the owners, as applicable) at least seven calendar days prior to the earlier of its execution, or the payment of any amounts; and

(3) A complete copy of the Techy Franchise Disclosure Document, together with all exhibits, was received at least fourteen calendar days prior to the earlier of Area Developer (and each of the owners, as applicable) signing this agreement or the paying of any amounts.

Your Initials: _____

G. Notices. All written notices and reports permitted or required to be delivered by the provisions of this Agreement will be deemed so delivered at the time delivered by hand, immediately on transmission by facsimile transmission or other electronic system, including e-mail or any similar means, one (1) business day after being placed in the hands of a commercial courier service for overnight delivery, or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to us at Techy, LLC, 3000 South West 4th Avenue, Fort Lauderdale, Florida 33315, (or our then-current headquarters), to the attention of our Executive Manager, and to you at the following address:

All parties have obtained the advice of counsel in connection with entering into this Agreement, understand the nature of this Agreement, and intend to be bound by its terms.

[Signatures on page that follows.]

FRANCHISOR:

TECHY, LLC
A Florida Limited Liability Company

By: _____

Its _____

AREA DEVELOPER (Individual)

Signature Date

Printed Name

Signature Date

Printed Name

OR

AREA DEVELOPER (Corp., LLC or Partnership)
must be accompanied by appropriate personal guarantee(s).

Legal Name of Franchisee Entity

a _____
Jurisdiction of Formation Corporation, LLC or Partnership

By: _____
Name

Signature

Title: _____

OWNERS

EXHIBIT 1.1
DESIGNATED DEVELOPMENT AREA

The State of _____, United States of America

Note: Boundary lines include only the area within the boundary line and extend only to the middle of the boundary demarcation (for example, only to the middle of a street or highway.) You have no rights under this Agreement or otherwise with respect to a facility on the other side of the boundary line, street or highway or otherwise, and no matter how close to such boundary a facility may be, regardless of the distance from, impact on, or vicinity of, your Techy Development Store or the number of Techy Stores, other outlets or otherwise in any area or market.

Describe Development Area below:

Initials _____

EXHIBIT 1.2
DEVELOPMENT SCHEDULE

<u>Stores to be Developed</u>	<u>Required Dates for Signing of Separate Franchise Agreements and Related Documents and Payment of Development Fees in Full</u>	<u>Required Date for Opening of Techy Stores</u>
1	_____	_____
2	_____	_____
3	_____	_____
4	_____	_____
5	_____	_____
6	_____	_____
7	_____	_____
8	_____	_____
9	_____	_____
10	_____	_____

The Techy Stores in the foregoing list are the Techy “Development Stores.”

Initials: _____

EXHIBIT 1.3
OWNER'S GUARANTY AND ASSUMPTION OF
BUSINESS ENTITY FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution by Techy, LLC , (“Franchisor”) of the Area Development Agreement of even date herewith (the “Agreement”) between Franchisor and _____, a(n) _____ (the “Area Developer”), each of the undersigned hereby personally and unconditionally, jointly and severally: (1) guarantees to Franchisor, its affiliates, the Franchisor-Related Persons/Entities (as defined in the Agreement) and each of their successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that the undersigned will be bound by, and punctually pay and perform, each and every undertaking, agreement and covenant set forth in the Agreement; (2) agrees to be personally bound by, and personally liable for, the breach of, each and every provision in the Agreement; and (3) agrees to be personally bound by, and personally liable for, each obligation of the Area Developer to Franchisor and/or any company affiliated or related in any way with or to Franchisor, including all past, current and/or future obligations of the Area Developer, the undersigned intending that this guarantee be unqualifiedly general and without limitation in scope, nature and/or effect. Franchisor (and/or its affiliates) need not bring suit first against the undersigned in order to enforce this guarantee and may enforce this guarantee against any or all of the undersigned as it chooses in its Business Judgment.

Each of the undersigned waives:

- (1) acceptance and notice of acceptance by Franchisor, of the foregoing undertakings;
- (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
- (4) any right the undersigned may have to require that an action be brought against Franchisor, Area Developer or any other person as a condition of liability; and
- (5) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that:

- (1) his or her direct and immediate liability under this guaranty will be joint and several;
- (2) he and/or she will render any payment or performance required under the Agreement on demand if the Area Developer fails or refuses to do so punctually;
- (3) such liability will not be contingent or conditioned on pursuit by Franchisor of any remedies against the Area Developer or any other person;

(4) such liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time-to-time grant to the Area Developer or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guaranty, which will be continuing and irrevocable during the term of the Agreement;

(5) the liabilities and obligations of the undersigned, whether under this document or otherwise, will not be diminished or otherwise affected by the termination, rescission, expiration or otherwise of the Agreement; and

(6) the provisions of Articles 19, 20 and 21 of the Agreement are incorporated in and will apply to this document as if fully set forth herein and shall apply to any dispute involving the Franchisor and any of the undersigned.

In connection with such guarantee and the Franchisor (a) not requiring that the Franchise be initially awarded in the name of one or more of the Guarantors and/or (b) not requiring the payment of a full transfer fee in connection with any related transfer from the undersigned to the Area Developer, each of the undersigned hereby grants a General Release of any and all claims, liabilities and/or obligations, of any nature whatsoever, however arising, known or unknown, against the Franchisor and/or any or all of the Franchisor-Related Persons/Entities.

IN WITNESS WHEREOF, each of the undersigned has here unto affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

**PERCENTAGE OF OWNERSHIP
OF Area Developer**

_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

Area Developer:

_____, a _____.

By _____

Its _____

Franchise Agreement Number: _____

EXHIBIT F-1
IN-STORE ADDENDUM
FOR
TECHY, LLC
AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM is entered into this the ____ day of _____, 20____, by and between **Techy, LLC** (hereinafter referred to as “Franchisor”), and _____, (hereafter referred to as “Area Developer” or “You”).

W I T N E S S E T H :

WHEREAS, Area Developer and Franchisor are contemporaneously entering into an Area Development Agreement; and

WHEREAS, Area Developer desires to develop Franchisor’s In-Store franchises and enter into Franchisor’s Franchise Agreement and In-Store Addendum for each In-Store location to be developed; and

WHEREAS, Area Developer understands and agrees that when a Franchise Agreement and In-Store Addendum are entered into for each In-Store location that a separate sublease agreement for the In-Store space within a Walmart store location must be executed with Franchisor’s affiliate, DrPhoneFix Inc., and additionally, that you must engage DrPhoneFix, Inc. to perform turn-key services to prepare the subleased premises in a ready to use condition.

NOW, THEREFORE, in consideration of the mutual and several covenants and obligations contained herein, the parties hereto agree that this In-Store Addendum to the parties Area Development Agreement shall be attached to the executed Area Development Agreement and shall partially amend and revise the parties Area Development Agreement as follows:

1. In **Paragraph A** of the Preamble to the Area Development Agreement, Area Developer acknowledges and agrees that notwithstanding anything to the contrary in Paragraph A of the Preamble, the In-Store franchised locations are not permitted to sell accessories. Further, the stores franchised under this concept shall also be known as In-Store franchises and In-Store franchise locations.
2. Notwithstanding anything to the contrary in **Paragraph B** of the Preamble to the Area Development Agreement, Area Developer desires to have the right and obligation to open a specified number of Techy In-Store franchise locations (rather than Techy Stores) in a designated territory on or before certain dates.
3. In **Paragraph 1.1 A.** of the Area Development Agreement, notwithstanding anything to the contrary, Area Developer is granted a limited right to open Techy In-Store franchises at locations within the Designated Development

Area and such In-Store franchises will only be located within Walmart stores within the Designated Development Area.

4. In **Paragraph 1.1 B.** of the Area Development Agreement, notwithstanding anything to the contrary, you commit to sign the then current version of Franchisor's Franchise Agreement and In-Store Addendum to Techy, LLC Franchise Agreement (and all related documents then customarily in use by Franchisor) and pay the full Initial Franchise Fees, sign a sublease agreement with DrPhoneFix, Inc. and engage DrPhoneFix, Inc. to perform turn-key services to prepare the subleased premises for each location in a ready to use condition, and open and operate the number of Techy In-Store franchise locations by no later than the dates provided in Exhibit 1.2 of the Area Development Agreement, herein the "Development Stores" and "Development Schedule". Our current form of Techy Franchise Agreement and Addendum has been fully reviewed and approved by Area Developer. Terms not defined in this Addendum have the same meaning as the Area Development Agreement and In-Store Addendum for Techy, LLC Area Development Agreement.

5. **Paragraph 1.1 C.** is amended in its entirety to read as follows:
 - 1.1 C. Only Techy In-Store franchise locations, newly established by you in the Designated Development Area will count to satisfy the requirements of this Agreement and the Development Schedule. Any franchises acquired by transfer or to be located outside the Designated Development Area will not satisfy such requirements.

6. In **Paragraph 4.1 A.** you must enter into a sublease agreement with DrPhoneFix, Inc. for the In-Store franchise premises.

THIS ADDENDUM shall be considered an integral part of the Area Development Agreement between the parties. Except as modified or supplemented by this Addendum, all of the rights and obligations of the parties set out in the Area Development Agreement are binding on the parties hereto.

To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of the Area Development Agreement or Exhibits or Attachments thereto, the terms of this Addendum shall govern.

[Signatures on page that follows.]

IN WITNESS WHEREOF, Franchisor has caused these presents to be executed in its name and on its behalf by its proper corporate officer, and Franchisee has hereunder affixed his/her/its hand and seal all on the day and year first above written.

AREA DEVELOPER (Individual)

WITNESS

(Signature)

(Signature)

(Printed Name)

WITNESS

(Signature)

(Signature)

(Printed Name)

AREA DEVELOPER (Corp., LLC or Partnership)

(Legal Name of Franchisee Entity)

ATTEST

a _____
(Jurisdiction of Formation) (Corp., LLC or Partnership)

By: _____
(Name)

(Signature)

Its: _____
(Title)

**FRANCHISOR
TECHY, LLC**

ATTEST

By: _____

Its: _____

EXHIBIT "G" TO THE DISCLOSURE DOCUMENT

**LIST OF STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS**

State Agencies/Agents for Service of Process		
STATE	ADDRESS	PHONE
California - Los Angeles Department of Business Oversight	320 West 4th Street, Suite 750 Los Angeles, CA 90013-1105	213-576-7500
California - Sacramento	1515 K Street, Suite 200 Sacramento, CA 95814-4017	916-445-7205
California - San Diego	1350 Front Street, Room 2034 San Diego, CA 92101-3697	619-525-4233
California - San Francisco	One Sansome Street, Suite 600 San Francisco, CA 94104-4428	415-972-8565
Hawaii Commissioner of Securities	335 Merchant Street, Room 203 Honolulu, HI 96813-2921	808-586-2722
Illinois Illinois Attorney General	500 South Second Street Springfield, IL 62706	217-782-4465
Indiana Secretary of State	200 West Washington Street, Room 201 Indianapolis, IN 46204	317-232-6681
Maryland Administrator: Office of the Attorney General Securities Division	200 St. Paul Place, 20th Floor Baltimore, MD 21202-2020	410-576-6360
Agent for Service of Process Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020	
Michigan Department of Commerce, Corporations and Securities Bureau	525 W. Ottawa Street Lansing, MI 48913	517-373-7117
Minnesota Minnesota Commissioner of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198	651-539-1600
New York Administrator: New York State Department of Law Investor Protection Bureau	28 Liberty Street, 21 st Floor New York, NY 10005	212-416-8236
Agent for Service of Process Secretary of State	99 Washington Avenue Albany, NY 1223	212-416-8211
North Dakota North Dakota Securities Commissioner	600 East Boulevard Avenue, State Capital, 5th Floor Bismarck, ND 58505	701-328-2910
Oregon	Labor & Industries Building Salem, OR 97310	503-378-4387
Rhode Island Department of Business Regulation	1511 Pontiac Avenue Cranston, RI 02920	401-462-9587
South Dakota Director of Division of Securities	124 S. Euclid Ave., Suite 104 Pierre, SD 57501-3185	605-773-4823
Virginia Clerk of the State Corporation Commission	1300 E. Main Street, 1 st Floor Richmond, VA 23219-3630	804-371-9051
Washington Director of Dept. of Financial Institutions	150 Israel Road, SW Tumwater, WA 98501	360-902-8760
Wisconsin	345 W. Washington Ave., 4th Floor Madison, WI 53703	608-266-8557

EXHIBIT “H” TO THE DISCLOSURE DOCUMENT

**STATE SPECIFIC AND OTHER
ADDENDA AND RIDERS**

CALIFORNIA ADDENDUM

The following modifications are to the Techy, LLC Franchise Disclosure Document, Franchise Agreement and Area Development Agreement and may supersede, to the extent then required by valid applicable state law, certain provisions of the Franchise Agreement.

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.

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement or Area Development Agreement contains provisions that are inconsistent with the law, the law will control.
2. 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.).
3. The Franchise Agreement contains covenants not to compete which extend beyond the termination of the agreements. These provisions may not be enforceable under California law.
4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.
5. Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.
6. You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
7. 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.
8. You will not receive an exclusive territory. You may face competition from other channels of distribution or competitive brands that we control.
9. **OUR WEBSITE, <http://www.TechyCompany.com> 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.

- 10. In Item 6, the maximum interest allowed in California is 10% per annum. Item 6 is modified in California to comply with California law and charging a maximum of 10% per annum for "Late Payment Charges".
- 11. The Franchise Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damage clauses are unenforceable.
- 12. The Franchise Agreement requires binding arbitration. The arbitration will occur in Broward County, Florida with cost being borne by each respective party unless the claim is for amounts owed by franchisee to franchisor, in which case all cost and expenses relating to the claim shall be borne by franchisee if franchisor prevails on the claim. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professional Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement restricting venue to a forum outside the State of California.
- 13. **The Franchise Agreement requires application of the laws of Florida. This provision may not be enforceable under California law.**

It is agreed that the applicable foregoing state law Addendum, supersede any inconsistent portion of the Disclosure Document or Franchise Agreement, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

Dated this ____ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**ILLINOIS
ADDENDUM TO
TECHY, LLC FRANCHISE AGREEMENT**

This addendum to the Franchise Agreement is agreed to by and between Techy, LLC and the Franchisee identified below, to amend and revise said Franchise Agreement as follows:

1. Illinois law governs the relationship between the parties to the franchise.
2. 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.
3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. 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.

To the extent this Addendum shall be deemed to be inconsistent with any term or conditions of said Franchise Agreement or Exhibits or attachments thereto, the terms of the Illinois Franchise Disclosure Act as stated in this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms, and agrees it shall become effective the ___ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**ILLINOIS
ADDENDUM TO
TECHY, LLC AREA DEVELOPMENT AGREEMENT**

This addendum to the Area Development Agreement is agreed to by and between Techy, LLC and the Franchisee identified below, to amend and revise said Area Development Agreement as follows:

1. Illinois law governs the relationship between the parties to the franchise.
2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Area Development Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, an area development agreement may provide for arbitration to take place outside of Illinois.
3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. 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.

To the extent this Addendum shall be deemed to be inconsistent with any term or conditions of said Area Development Agreement or Exhibits or attachments thereto, the terms of the Illinois Franchise Disclosure Act as stated in this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms, and agrees it shall become effective the ___ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**ILLINOIS
ADDENDUM TO
TECHY, LLC DISCLOSURE DOCUMENT**

1. Your rights upon termination and non-renewal of a Franchise Agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a Franchise Agreement that designates jurisdiction or venue outside of the State of Illinois is void. However, a Franchise Agreement may provide for arbitration in a venue outside of Illinois.

2. Illinois law governs the relationship between the parties to this franchise.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

**MARYLAND
ADDENDUM TO
TECHY, LLC FRANCHISE AGREEMENT**

This addendum to the Franchise Agreement is agreed to by and between TECHY, LLC and the Franchisee identified below, to amend and revise said Franchise Agreement as follows:

The Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

Any limitation on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the 3 year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Any 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.

The acknowledgments or representations of the franchisee made in the franchise agreement and questionnaire which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

To the extent this Rider shall be deemed to be inconsistent with any term or conditions of said Franchise Agreement or Exhibits or attachments thereto, the terms and conditions as stated in this Rider shall govern.

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

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Rider, understands and consents to be bound by all of its terms, and agrees it shall become effective the ___ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**MARYLAND
ADDENDUM TO
TECHY, LLC DISCLOSURE DOCUMENT**

Anything to the contrary in the Techy, LLC disclosure document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Maryland:

Item 17 is amended to state:

“Any 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.”

Item 17 is amended to add:

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

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

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

**STATE AMENDMENT TO THE FRANCHISE AGREEMENT
TECHY, LLC
PURSUANT TO
THE MINNESOTA FRANCHISE DISCLOSURE LAW**

This Rider to the Franchise Agreement by and between TECHY, LLC and Franchisee is dated _____, 20__.

1. The Franchise Agreement is amended by the inclusion of the following:

The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

2. The Franchise Agreement is amended by the inclusion of the following:

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C, 14 Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

3. The Franchise Agreement is supplemented by the inclusion of the following:

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 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.

4. The Franchise Agreement is amended by the inclusion of the following:

Under Minn. Rule 2860.4400J, a franchisee cannot waive any rights, the franchisee cannot consent to the franchisor obtaining injunctive relief, although the franchisor may seek injunctive relief and a franchisee cannot be required to consent to waiver of a jury trial. In addition, a court will determine if a bind is required.

5. The Franchise Agreement is amended by the inclusion of the following:

Under Minn. Rule 2860.4400D, we are prohibited from requiring you to sign a general release.

All initially capitalized terms not defined herein shall have the same meaning as ascribed to them in the Franchise Agreement. Except as expressly modified hereby, the Franchise Agreement shall remain in full force and effect per its terms

**ADDENDUM TO
TECHY, LLC DISCLOSURE DOCUMENT
AS REQUIRED BY THE STATE OF MINNESOTA**

Minnesota law provides franchisees with certain rights regarding termination and nonrenewal of their franchises. As in effect in November 1990, Minn. Stat. Ann. Sec. 80.C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of a franchise agreement.

The franchisor will protect the franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Under Minn. Rule 2860.4400J, (1) a franchisee cannot waive any rights, (2) the franchisee cannot consent to the franchisor obtaining injunctive relief, although the franchisor may seek injunctive relief, and (3) a franchisee cannot be required to consent to waiver of a jury trial. In addition, a court will determine whether a bond is required.

Minn. Stat. §80C.21 and Minn. Rule 2860.440J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the DISCLOSURE DOCUMENT or 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. Under Minn. Rule 2860.4400D, we are prohibited from requiring you to sign a general release.

**ADDENDUM TO OFFERING PROSPECTUS
FOR THE STATE OF NEW YORK**

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 SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WITH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought

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

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

5. The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

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

6. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by you (franchisee)**”:

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the “Summary” section of Item 17(j), titled “**Assignment of contract by us (franchisor)**”:

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

8. The following is added to the end of the “Summary” sections of Item 17(v), 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

WASHINGTON
ADDENDUM TO
TECHY, LLC FRANCHISE AGREEMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

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.

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.

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.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

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.

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.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum concurrently with the execution of the Franchise Agreement on this ____ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**WASHINGTON
ADDENDUM TO
TECHY, LLC AREA DEVELOPMENT AGREEMENT**

This Addendum to the Area Development Agreement by and between Techy, LLC and Developer is dated _____, 20__.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the Area Development 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 Area Development Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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 Area Development 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.

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.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

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 Area Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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 Area Development Agreement or elsewhere are void and unenforceable in Washington.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum concurrently with the execution of the Area Development Agreement on _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

**WASHINGTON
ADDENDUM TO
TECHY, LLC DISCLOSURE DOCUMENT**

The State of Washington has a statute, RCW 19.100,180, which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your Franchise. There also may 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.

For Washington Franchisees, the site of mediation or arbitration shall be determined by the mediator or arbitrator at the time of mediation or arbitration.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 10.100 RCW shall prevail.

A release or waiver of rights executed by a Franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they may reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this ____ day of _____, 20__.

TECHY, LLC
A Florida limited liability company

FRANCHISEE

By: _____

(Signature)

Title: _____

(Print Name)

EXHIBIT "I" TO THE DISCLOSURE DOCUMENT

SECURED PROMISSORY NOTE

GUARANTY

For value received and in consideration of any extension made by or upon the within Secured Promissory Note and Security Agreement (the "NOTE"), the undersigned (if more than one, jointly and severally) hereby (a) unconditionally guarantees to the PAYEE hereof, its successors and assigns, and every subsequent holder of the note (all collectively called the "PAYEE"), irrespective of the genuineness, validity, regularity, or enforceability thereof, or the obligations evidenced thereby, or of any collateral therefore, or the existence or extent of any such collateral, and irrespective of any other circumstances or condition, that all sums stated therein to be payable thereunder (principal, interest and charges) shall be promptly paid in full when due, in accordance with the provisions thereof at maturity, by acceleration or otherwise, and in case of extension of time of payment in whole or in part, all said sums shall be promptly paid when due, in accordance with the provisions thereof at maturity by acceleration or otherwise; (b) consents that from time to time, without notice to the undersigned, payment of any of said sums may be extended in whole or in part by indulgence, or otherwise, and also that any of said collateral may be sold or exchanged; and (c) agrees that the obligations of the undersigned shall be and remain unaffected (i) by any understanding or agreement that any other person, firm, or corporation was or is to sign or become bound on or for the NOTE; or (ii) by the death or bankruptcy of any one or more of the undersigned, if more than one, and in case of any such death or bankruptcy, by failure of the PAYEE to file claim against the estate of said decedent or bankrupts, as the case may be, for the amount of such decedent's or such bankrupt's liability hereunder; or (iii) by the failure of PAYEE to perfect any security interest in any collateral securing this NOTE, to the existence or extent of any such collateral. This instrument is executed under the seal of each of the undersigned.

WITNESSES:

_____	_____ (SEAL)
	(Signature)

	(address) (city) (state) (zip)
_____	_____ (SEAL)
	(Signature)

	(address) (city) (state) (zip)

EXHIBIT “J” TO THE DISCLOSURE DOCUMENT

SECURITY AGREEMENT

SECURITY AGREEMENT

THIS SECURITY AGREEMENT made and entered into this the ____ day of _____, 20 ____, by and between _____, _____, _____, spouse (hereinafter collectively referred to as “DEBTOR”) and Techy, LLC (hereinafter referred to as “SECURED PARTY”);

W I T N E S S E T H:

WHEREAS:

(a) A Franchise Agreement (hereinafter sometimes “Agreement”) for a Techy franchise has been contemporaneously entered into; and

(b) Pursuant to the terms of that Agreement, and a Secured Promissory Note also executed contemporaneously herewith, DEBTOR is justly indebted to SECURED PARTY in a sum certain as set forth in the Secured Promissory Note; and

(c) In order to assure the payment of the indebtedness referred to in (b) above, DEBTOR is granting unto SECURED PARTY a security interest in and to certain collateral as hereafter defined.

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

1. **GRANT OF SECURITY INTEREST:** Debtor hereby grants to the SECURED PARTY a security interest in and to all accounts, as hereinafter defined, together with any and all additions thereto (hereinafter collectively referred to as “Accounts”). Accounts used herein shall mean a contract right to payment not yet earned by performance of services for a customer, and the accounts receivable growing from said right, together with the DEBTOR work papers for the operation of the Techy franchise pursuant to the Franchise Agreement executed contemporaneously herewith, plus the intangible rights that flow from the existence of each and every account, including without limitation, future accounts that are obtained thereby. DEBTOR further grants to SECURED PARTY a security interest in and to all furniture, fixtures, equipment, inventory, new or hereafter existing or acquired, and all proceeds thereof, contract rights, general intangibles, chattel paper, documents thereby, products and proceeds whether now or hereafter existing or acquired, all of which or any portion of which may be located at the DEBTOR address set forth in the Franchise Agreement executed contemporaneously herewith, and proceeds from the sale thereof and any property which may be described under the heading “Description of Property” or “Additional Security” below (hereinafter referred to as “COLLATERAL”). The SECURED PARTY shall enjoy all of the rights contained in the Security Agreement or provided in any COLLATERAL documents executed by DEBTOR or SECURED PARTY in connection with any obligations created hereunder.

Description of Property	New or Used	Make	Model	Vehicle License #	Vehicle Identification Number	Primary Use Of Collateral

As “Additional Security” DEBTOR agrees to execute and deliver to SECURED PARTY a mortgage, trust deed, assignment of interest or covenant not to convey or encumber any real estate owned by DEBTOR or any guarantor. This includes property beneficially owned by DEBTOR as guarantor. The form of said instrument shall be determined by Secured Party. In conjunction with said mortgage or trust deed, DEBTOR warrants that said real

estate located at _____ is unencumbered other than a mortgage to _____ in the approximate amount of \$_____ and that said real estate has an approximate market value of \$_____. (Attach a separate sheet to show same data concerning all other pieces of real estate).

2. INSURANCE: The DEBTOR agrees to maintain the COLLATERAL subject to this Security Agreement in good condition and not to sell or dispose of same without prior written approval of SECURED PARTY. DEBTOR further agrees to secure the COLLATERAL and keep it insured under the Security Agreement against all loss, damage or destruction due to fire, theft and all types of physical damage, in the sum and by policies adequate at all times to protect the interest of the SECURED PARTY hereunder and otherwise satisfactory to the SECURED PARTY. DEBTOR shall, upon request, furnish the SECURED PARTY evidence of such insurance. Upon failure of DEBTOR to do so, the SECURED PARTY may procure such insurance, and in that event, DEBTOR shall pay the premium therefore upon demand, as an additional part of the obligation secured hereunder.

3. OTHER OBLIGATIONS: This Security Agreement will further cover DEBTOR'S obligations under that certain Franchise Agreement being executed contemporaneously herewith including the obligation and duty to make Royalty payments pursuant to Section 9.2 of the Franchise Agreement and Advertising Fund payments pursuant to Section 11.1 of the Franchise Agreement, both as to existing and future payments.

4. RISK OF LOSS: Under no circumstances shall SECURED PARTY be deemed to assume any responsibility for or any obligation or duty with respect to any part or all of the COLLATERAL of any nature or time whatsoever or any matters or proceedings arising out of or relating thereto. The SECURED PARTY shall not be required to take any action of any kind to collect or protect any interest in the COLLATERAL. The SECURED PARTY shall not be liable or responsible in any way for the safe keeping, care or custody of any of the COLLATERAL or for any of the loss or damage thereto, or for any diminution in the value thereof, or for any act or default of any agent or bailee of the SECURED PARTY or for the collection of any proceeds, but the same shall be at the DEBTOR'S sole risk at all times.

5. ATTACHMENT TO PROCEEDINGS: Upon the sale, exchange or other disposition of any of the COLLATERAL, the security interest created hereunder shall, without breaking continuity, and without further formality or act, continue in and attach to the instruments for the payment of money, accounts receivable, contract rights, documents of title, shipping documents, chattel paper and all other cash and non-cash proceeds of such sale, exchange or disposition. Upon loss, destruction or physical damage to the COLLATERAL, the security interest shall continue in and attach to any insurance proceeds payable as a result of such occurrence.

6. FURTHER WARRANTIES AND AGREEMENTS OF DEBTOR:

(a) The DEBTOR will not cancel or abandon the COLLATERAL nor will DEBTOR use the COLLATERAL in violation of any law nor give a security interest in, assign, sell, lease, transfer or mortgage or in any way encumber the COLLATERAL without the prior written consent of SECURED PARTY. DEBTOR will perform or comply with the terms of any lease covering the premises wherein the COLLATERAL is located and any other orders, ordinances or laws of any governmental body or agency concerning such premises or the conduct of business therein. DEBTOR agrees to pay all rents, taxes, assessments and charges levied against the COLLATERAL and other claims which are or may become liens against the COLLATERAL or any part hereof and for the use, storage, maintenance or repair thereof, and upon DEBTOR'S failure to do so, SECURED PARTY may pay them, and when paid, the same shall be added to the unpaid principal balance due hereunder; however, SECURED PARTY shall be under to duty to pay them.

(b) That DEBTOR will take care of the COLLATERAL, will not commit or permit any waste thereon, will keep the same repaired, and will at all times maintain the same in as good condition as it is now in, reasonable wear and tear excepted.

(c) DEBTOR will allow SECURED PARTY, in its sole discretion and before or after default: to inspect the COLLATERAL and inspect and copy all records relating to the COLLATERAL and the obligations; to terminate, on notice to DEBTOR, DEBTOR'S authority to sell, lease, otherwise transfer, manufacture, process or assemble, or furnish under contracts of service, any COLLATERAL as to which any such permission has been given; to require DEBTOR to give possession or control of the COLLATERAL to SECURED PARTY; to take any action DEBTOR is normally required to take in order to obtain, preserve and enforce the security interest created by this

agreement, and to maintain and preserve the COLLATERAL without notice to DEBTOR, and to add the costs of same to the obligations (but SECURED PARTY is under not duty to take such actions).

(d) That without the necessity for notice of or consent of DEBTOR, SECURED PARTY may exercise any rights of DEBTOR with respect to any COLLATERAL including, without limitation thereto, the following rights: (a) to record or register in, or otherwise transfer into, the name of SECURED PARTY or its nominee any part of COLLATERAL without disclosing that SECURED PARTY'S interest is that of a secured party; (b) to pledge or otherwise transfer any or all of the obligations and/or COLLATERAL whereupon any pledgee or transferee shall have all the rights of SECURED PARTY hereunder, and SECURED PARTY shall thereafter be fully discharged and relieved from all responsibility and liability for the COLLATERAL so transferred but shall retain all rights and powers hereunder as to all COLLATERAL not so transferred; (c) to take possession of any COLLATERAL and to receive any proceeds of any dividends and income on any COLLATERAL including money, and to hold the same as collateral or apply the same to any of the obligations, the manner, order and extent of such application to be in the sole discretion of SECURED PARTY; (d) to exercise any and all rights of voting, conversion, exchange, subscription or other rights or options pertaining to any COLLATERAL (e) and to liquidate, demand, sue for, collect compromise, receive and receipt for the cash or surrender value of any COLLATERAL.

(e) To give notice in writing by Certified Mail to SECURED PARTY within 24 hours of the date of repossession as to any property of DEBTOR alleged to have been left on, upon or in the COLLATERAL at the time of repossession and such notice shall be an express condition precedent to any action or suit for loss or damage, and DEBTOR further agrees that SECURED PARTY may hold any such property without liability until a reasonable time after any such notice is received. DEBTOR expressly agrees if the COLLATERAL is repossessed at a time when DEBTOR is not in default, or there is a dispute as to this issue and notice of this fact is received by SECURED PARTY in writing and thereafter the COLLATERAL is returned to DEBTOR, then the damages therefore, if any, shall not exceed the fair rental value of the COLLATERAL for the time it was repossessed. DEBTOR hereby expressly consents to and invites SECURED PARTY and its agents to come upon any and all premises upon which the COLLATERAL is placed and warrants that any entry for the purpose of repossession of the COLLATERAL after default shall not be a trespass upon the premises and any such repossession shall not be a conversion of the COLLATERAL and agrees to indemnify and hold SECURED PARTY harmless against any actions, costs or expenses arising directly or remotely out of any attempt to enter such premises and repossess the COLLATERAL after default.

(f) That SECURED PARTY shall be deemed to have exercised reasonable care in the custody and preservation of the COLLATERAL in its possession if it takes such reasonable actions for that purpose as DEBTOR shall request in writing, but SECURED PARTY shall have sole power to determine whether such actions are reasonable. Any omission to do any act not requested by DEBTOR shall not be deemed a failure to exercise reasonable care. DEBTOR shall be responsible for the preservation of the COLLATERAL and shall take all steps to preserve rights against prior parties. SECURED PARTY shall have the right to, but shall not be obligated to, preserve rights against prior parties; nor shall SECURED PARTY be liable for any failure to realize upon, or to exercise any right or power with respect to, any of the obligations or COLLATERAL, or for any delay in so doing.

7. **DEFAULT:** In the event the DEBTOR defaults on any of the obligations secured by this security interest created hereunder, including but not limited to default in any of the provisions of the Secured Promissory Note executed contemporaneously herewith, the SECURED PARTY shall be entitled to any and all rights and remedies of a secured party or holder under the DEBTOR'S state Uniform Commercial Code, including, but not limited to, the repossession or taking of the COLLATERAL (if not already in its possession). Upon demand by SECURED PARTY, DEBTOR shall assemble the COLLATERAL and make it available to SECURED PARTY at a place designated by SECURED PARTY. Sale of the COLLATERAL may be made at any time and from time to time at any public or private sale, at the option of SECURED PARTY, without advertisement or notice to DEBTOR, except such notice as is required by law and cannot be waived. SECURED PARTY may purchase the COLLATERAL at any such sale (unless prohibited by statute) free from any equity of redemption and from all other claims. After deducting all expenses, for retaking, maintaining and selling the COLLATERAL, including court costs and attorneys' fees, and for collecting the proceeds of sale, SECURED PARTY shall have the right to apply the remainder of said proceeds in payment of, or as a reserve against any of the indebtedness owed SECURED PARTY by DEBTOR or obligations of DEBTOR to SECURED PARTY, the manner, order, and extent of such application to be in the sole discretion of SECURED PARTY. To the extent notice of any sale or other disposition of the COLLATERAL is required by law to be given to DEBTOR, the requirement of reasonable notice shall be met by sending such notice, as provided above, at least ten (10) days before the time of sale or disposition. DEBTOR shall remain liable to SECURED PARTY for the payment of any deficiency with interest as herein provided. However, SECURED PARTY shall not be obligated to

resort to any COLLATERAL but, at its election, may proceed to enforce any of the obligations in default against DEBTOR. Any notice required to be given to any person shall be deemed sufficient if mailed, postage paid, to such person's address as it appears in the Franchise Agreement, or, if none appears to any address in SECURED PARTY'S file.

8. GENDER: Plural or singular words used herein to designate, the DEBTOR shall be construed to refer to the maker or makers of this Security Agreement, whether one or more; and all covenants and agreements herein made by DEBTOR shall bind the heirs, personal representatives, successors, and assigns of DEBTOR and every option, right and privilege herein reserved or secured to SECURED PARTY shall inure to the benefit of or may be exercised by its successors and assigns.

9. AMENDMENT: No provision of this Security Agreement shall be modified, altered or limited in any way except by a written instrument expressly referring to this Security Agreement and to the provisions so modified, altered or limited, and signed by the DEBTOR and SECURED PARTY, or by their heirs, personal representatives, successors, assigns and guarantors.

10. APPOINTMENT: DEBTOR hereby irrevocably constitutes and appoints the SECURED PARTY Debtor's lawful Attorney-In-Fact for the purpose of executing form UCC-1 financing statements, continuation statements, and any other papers or documents necessary to protect the security interests created hereunder.

11. WAIVER: SECURED PARTY shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid unless in writing and signed by SECURED PARTY. All rights and remedies of SECURED PARTY under this Agreement and under any statute or rule of law shall be cumulative and may be exercised successively or concurrently. This Agreement shall continue in force and effect and shall secure any obligations of DEBTOR to SECURED PARTY, incurred or arising prior to the filing of record of a termination statement with respect hereto. SECURED PARTY shall have the right to correct patent errors herein.

If any term of the Security Agreement shall be held to be invalid, illegal or unenforceable under state or federal laws, the validity of all other terms hereof shall in no way be affected thereby.

12. MISCELLANEOUS PROVISIONS:

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

(b) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one in the same instrument.

(c) The headings in the paragraphs of this Agreement are inserted for convenience only and shall not constitute a part hereof.

[Signatures on page that follows.]

IN WITNESS WHEREOF, the DEBTOR has executed or caused this Security Agreement to be executed on the day and year first above written.

WITNESSES:

_____(SEAL)
Signature

(Address) (City)(State)(Zip)

_____(SEAL)
Signature (Spouse)

(Address) (City)(State)(Zip)

_____ COUNTY)

STATE OF _____)

Subscribed and sworn to before me this the _____ day of _____, 20____.

NOTARY PUBLIC

MY COMMISSION EXPIRES:_____

EXHIBIT “K” TO THE DISCLOSURE DOCUMENT

RECEIPTS

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below.

State	Effective
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

RECEIPT
(Retain this copy for your records)

This disclosure document summarizes certain provisions of the Franchise Agreement, Area Development Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Techy, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement for 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 execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Techy, 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, DC 20580 and the state agency in Exhibit “G”.

The franchisor is Techy, LLC located at 3000 South West 4th Avenue, Fort Lauderdale, FL 33315. Its telephone number is (954) 931-6671.

Issuance Date: April 2, 2021 Amended September 1, 2021

The franchise seller for this offering is Daniel Daragan whose principal business address is 3000 South West 4th Avenue Fort Lauderdale, Florida 33315 and telephone number is (877) 928-8905.

Techy, LLC authorizes the respective state agencies identified in Exhibit “G” to receive service of process for it in their particular state.

I received a disclosure document dated April 2, 2021 Amended September 1, 2021 that included the following Exhibits:

- Exhibit A Franchisee Operations Manual Table of Contents
- Exhibit B List of Current Franchisees
- Exhibit C List of Franchisees Who Have Left the System
- Exhibit D Financial Statements
- Exhibit E Franchise Agreement
- Exhibit E-1 In-Store Addendum to Franchise Agreement
- Exhibit E-2 Turn-Key Addendum to Franchise Agreement
- Exhibit F Area Development Agreement
- Exhibit F-2 In-Store Addendum to Area Development Agreement
- Exhibit G List of State Agencies/Agents for Service of Process
- Exhibit H State Specific and other Addenda and Riders
- Exhibit I Secured Promissory Note
- Exhibit J Security Agreement
- Exhibit K Receipt

Date Received

Prospective Franchisee Signature

RECEIPT
(Sign, date, and return this copy to us)

This disclosure document summarizes certain provisions of the Franchise Agreement, Area Development Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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Prospective Franchisee Signature