

FRANCHISE DISCLOSURE DOCUMENT



Door Renew International, LLC

A Delaware Limited Liability Company
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A Door Renew franchised business offers residential and commercial restoration work of doors, buildings, homes, windows, and other items. Door Renew provides a professional restoration alternative to replacement. Using techniques adapted from the wooden boat industry and not commonly used by painters, carpenters, and handymen, Door Renew is able to restore doors and other items at a fraction of replacement costs. A focused marketing approach is designed to attract qualified prospects.

The total investment necessary to begin operation of a Door Renew Franchised Business is \$78,900 to \$214,900. This includes \$63,700 that must be paid to the franchisor and its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Michael Shinabarger at (door renew email address) 19500 Victor Parkway, Livonia, MI 48152.

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

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

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

ISSUANCE DATE: December 28, 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:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or EXHIBIT H.
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 J 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 Door Renew 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 Door Renew International , LLC franchisee?	Item 20 or EXHIBIT H and EXHIBIT I 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 Michigan. 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 Michigan 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.

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

The Franchisor.

To simplify the language in this disclosure document, “Door Renew International, LLC,” “Door Renew,” “we,” or “us” means Door Renew International, LLC, the franchisor. “You” means the business entity that buys the franchise and includes each partner, shareholder, member, or another owner of that entity. Door Renew International, LLC is a Delaware Limited Liability Company formed on January 11, 2014. Our principal office is located at 119500 Victor Parkway, Livonia, MI 48152. Our agents for service of process are listed in EXHIBIT G.

Predecessors, Parents, and Affiliates.

Longe Acquisitions LLC, with a principal business address at 450 W. 4th Street, Royal Oak, Michigan 48067, is our parent. In July of 2021, we acquired the assets of our predecessor, American Franchise Group.

Our affiliate, Fetch! Pet Care, Inc. is a California corporation with a principal address of 19500 Victor Parkway, Livonia, Michigan, which offers Fetch! Pet Care franchises. As of December 31, 2020, there were 77 Fetch! Pet Care franchises.

Our affiliate, Furry Cuts! Petmobile International, LLC is a Delaware Limited Liability Company with a principal address of 19500 Victor Parkway, Livonia, Michigan, offers Furryland franchises. As of March 30, 2021, there were no Furryland franchises.

Our affiliate, Door Renew Managed Services LLC, is the non-exclusive supplier of Management Services to Door Renew franchises.

Our Other Business Activities.

We do not offer franchises in any other line of business. We do not provide any products or services to our franchisees.

Our Business and the Franchise Offered.

We do business under the name Door Renew and no other names. A Door Renew franchised business offers residential and commercial restoration work of doors, buildings, homes, windows, and other items. Door Renew provides a professional restoration alternative to replacement. Using techniques adapted from the wooden boat industry and not commonly used by painters, carpenters, and handymen, Door Renew is able to restore doors and other items at a fraction of replacement costs. A focused marketing approach is designed to attract qualified prospects. We offer the franchises under the form of the franchise agreement attached to this disclosure document (the “Franchise Agreement”).

As a Door Renew franchisee, you will use specialized business formats and systems, called the “System,” which we may modify, supplement, and update. You will use certain service or trademarks and other commercial symbols referring to the Door Renew brand, products, and services, which we call the “Marks.” Door Renew Franchised Businesses must provide all and only Door Renew products and services unless we consent in writing.

You have no obligation or right to open any additional Door Renew Franchised Businesses.

Industry-Specific Regulations.

In addition to laws governing business generally, such as the Americans with Disabilities Act, Federal Wage and Hour Laws, and the Occupation, Health and Safety Act, your Door Renew Franchised Business will be subject to and have to comply with waste disposal statutes and regulations.

There may also be state and local statutes, regulations, laws, licensure requirements, and ordinances specific to your state or local area. It is your responsibility to investigate and comply with all laws affecting your Franchised Business.

General Description of the Market and Competition.

The restoration and door replacement industry are developed with limited niche competition from national hardware and door replacement brand and local general contractor or handymen. The restoration and door replacement industry are not seasonal, although demand is stronger in non-winter months.

The target audience for Door Renew businesses is residential homeowners and commercial property owners.

Prior Business Experience.

Door Renew franchises, as described in this disclosure document, have been offered since August of 2014.

ITEM 2. BUSINESS EXPERIENCE

Gregory A. Longe – Chief Executive Officer

Mr. Longe has served as the company’s Chief Executive Officer since July 2021. Mr. Longe is also the Chief Executive Officer of Fetch! Pet Care, Inc since March 2020, and Furry Cuts! Petmobile International, LLC since March 30, 2021. Mr. Longe is also the Chief Executive Officer and the President of medspa810 since November 2019 and Door Renew Managed Services LLC since January of 2022. Prior to that, he served as Chief Executive Officer for British Swim School from April 2019 to July 2019. Prior to that, he served as Chief Operating Officer of Martinizing International, LLC from November 2014 to April 2019 and President

from July 2015 to April 2019 as well as its affiliates 800DC (1-800-DryClean and Bizzie brands) starting in March 2013 and P4T starting in May 2014.

Maria Shinabarger – President

Ms. Shinabarger has served as the company's President since July 2021. Ms. Shinabarger is also the President of Fetch! Pet Care, Inc. since March 2020, and Furry Cuts! Petmobile International, LLC since March 30, 2021. Ms. Shinabarger is also the Vice President of Operations for medspa810 since January 2020. Prior to that, she served as President of British Swim School from April 2019 to July 2019. Prior to that, she served as Vice President of Martinizing International, LLC from November 2014 to April 2019 as well as Manager of Business Development from April 2013 to 2015, Regional Manager, then Director of Retail Operations starting in March 2016 for its affiliates 800DC (1-800-DryClean and Bizzie brands) and P4T.

Shelly Chavez – Director of Operations

Ms. Chavez has served as the company's Director of Operations since July 2021. Ms. Chavez is also the Director of Operations for Fetch! Pet Care, Inc since March 2020, and Furry Cuts! Petmobile International, LLC since March 30, 2021. Prior to that, she was the owner of Pressed 4 Time from August 2008 until October 2019.

Michael Shinabarger – Vice President of Franchise Administration

Mr. Shinabarger has served as the company's Vice President of Franchise Administration since October of 2021. Prior, he was Director of Franchise Administration from July 2021 to October 2021. Mr. Shinabarger is also Vice President of Franchise Administration for Fetch! Pet Care, Inc. and has been since October of 2021. He was Director of Franchise Administration for Fetch! Pet Care, Inc. from March of 2020 to October 2021. Before that, he was a route driver for Huntington Cleaners from April 2013 until March 2020.

Steven Longe - Director of Business Development

Mr. Longe has served as the company's Director of Business Development since October of 2021. Prior, he was Business Development Manager from October of 2021 to July 2021. Mr. Longe is also the Director of Business Development for Fetch! Pet Care, Inc, and Furry Cuts! Petmobile International, LLC since March 30, 2021. He was Development Manager for Fetch! Pet Care, Inc. from December 2020 to October of 2021. Prior to that, he worked as Outside Sales Manager for Holbrook Auto Parts starting in May 2020. From November 2018 to April 2020, Mr. Longe was an Account Manager for Flex N Gate, managing the Ford Transit account and all metal parts associated. Prior to that, from May 2017 to November 2018, he was a National Account Manager for TMD Friction, Inc. Prior to that, he was a student at Northwood University from August 2013 to May 2017.

Erica Poynter- Vice President of Franchise Development

Ms. Poynter has served as the company's Vice President of Franchise Development since October of 2021. She was our Director of Franchise from July 2021 to October of 2021. Ms. Poynter is also the Vice President of Franchise Development for Fetch! Pet Care, Inc and Furry Cuts! Petmobile International, LLC since March 30,2021. She was Director of Franchise Development for Fetch! Pet Care, Inc. from April 2020 to October of 2021. Prior to that, she served as the Director of Franchise Development for FranDevCo from January 2020 to March 2020. Prior to that, she served as the Director of Franchise Development of Floor Coverings International from May 2019 to January 2020. Erica also served as the Director of Franchise Development of Shapes Franchising, LLC from August 2017 to April 2019 and as the Franchise Development and Marketing Coordinator at Welcomemat Services from September 2016 to August 2017. Prior to her franchising career, Erica held the positions of Executive Assistant and Business Development at Audientis, LLC from 2010 to 2016. Erica earned her bachelor's degree in Marketing from Georgia State University in 2017.

Riley McEntire — Director of Marketing

Mr. McEntire has served as the company's Director of Marketing since 2021. Prior, he was Brand Manager from July 2021 to October of 2021. Mr. McEntire is also Director of Marketing for Fetch! Pet Care, Inc. since October 2021, and Furry Cuts! Petmobile International, LLC since March 30,2021 and he was the Brand Manager for Fetch! Pet Care, Inc. from January 2021 to October of 2021. Mr. McEntire has been with Fetch since August of 2020 in other capacities. His experience and previous roles range from General Manager, Director of Operations, and Multi-Unit Manager for a large hospitality chain between 2013 and 2018. Between 2018 and 2020, Mr. McEntire worked at a restaurant incubator called Fort Street Galley helping up-and-coming Chefs develop their menus, brands, and marketing programs. He eventually transitioned to the pet care space in 2019 and has worked for a number of companies including Canine to Five, Paws & Unwind, and Walk City Detroit. Mr. McEntire has also consulted for other businesses in the pet care space to help develop their brands and service offerings.

Mathew Eggenberger- Training & Operations

Mr. Eggenberger has served as the company's Training & Operations since July 2021. Prior to that Mr. Eggenberger was the co-founder, President, and Secretary since our inception in January of 2014. Mr. Eggenberger is also the Owner and Operator of our affiliate, Eggenberger Enterprises, LLC, and has been since its inception in June of 2000.

John Eggenberger- Training & Operations

Mr. Eggenberger has served as the company's Training & Operations since July 2021. Prior to that, Mr. Eggenberger was the co-founder, President, and Secretary since our inception in January of 2014. Mr. Eggenberger is also and has been the Owner and Operator of our affiliates, Property Service Professionals, LLC, since February of 2001.

ITEM 3. LITIGATION

Arthur Buckland and Green DryCleaning L3, Inc. (“Claimants”) v. Wayne Wudyka, Jessica McGrath, Greg Longe, Joshua Titler, and Kostopoulos Rodriguez PLLC (American Arbitration Association, Case No. 01-20-0005-6078). On June 16, 2020, Claimants filed a claim with the American Arbitration Association against several current and former officers of Martinizing International, LLC (“Martinizing”), including our President and CEO Greg Longe, stemming from Claimants’ purchase of a Martinizing Dry Cleaning franchise in 2018. Claimants’ claims are for negligent misrepresentation, fraudulent misrepresentation, and violations of the Michigan Franchise Investment Law. Claimants are seeking monetary damages, including enhanced damages, as provided for under applicable law, plus interest, arbitration fees and costs, and attorneys’ fees and costs. This case stems from an ongoing arbitration filed on December 31, 2018, by Martinizing against Claimants for breach of contract (“Prior Action”). Claimants commenced this action after their attempt to add Mr. Longe as a party to the Prior Action was denied by the arbitrator. On August 21, 2020, the arbitrator issued an Order asking the parties for briefs due November 10, 2020, with responses due November 24, 2020. Per a Stipulated Order of Dismissal dated December 30, 2021, all claims asserted by Claimants against Respondents Wayne Wudyka, Jessica McGrath, Greg Longe, and Joshua Titler were hereby dismissed with prejudice. Mr. Longe denies the allegations and intends to vigorously defend the matter.

Tankersley et al. v. Lynch et al.; Case No. 11-12847, (E.D. Mich., July 1, 2011). This Case was filed by previous franchisees of Collision on Wheels International, LLC, located at 5523 E. Nine Mile Road, Warren Michigan, 48091 (“Collision on Wheels”), a company our CEO Greg Longe previously worked for, alleging violations of the Michigan Franchise Investment Law against certain then-current officers and directors of Collision on Wheels, including Gregory Longe. On or about March 1, 2013, the plaintiffs settled their claim with three of the four officers, including Mr. Longe, for \$275,000 on their initial claim for \$566,820.21. The parties agreed that the settlement agreement should not be taken or construed as an admission that Mr. Longe breached any duty owed to the plaintiffs. Mr. Longe was removed as a party on May 2, 2013. The case was terminated on June 28, 2013.

In the Matter of Collision on Wheels, Debtor, Fred J. Deery, Trustee, vs. John Lynch et al.; Adversary Proceeding No. 12-05334-wsd (E.D. Bkcty. Mich., July 21, 2012). On July 21, 2012, Fred J. Deery, the Trustee in the bankruptcy proceeding in In re Collision on Wheels International, LLC, (No. 10- 63350-wsd, Bkrcy, E.D. Mich. S.D. Detroit, July 20, 2010) described below in Item 4, filed a Complaint against 29 defendants, including Roosters MGC International, LLC and Gregory Longe, the then-current President of Roosters MGC International, LLC, who was also co-President and Chief Executive Officer of the debtor at the time the debtor filed its bankruptcy petition, and who is one of the two largest creditors of the debtor. The complaint alleges fraudulent transfers, preferential transfers, turnover of property of the estate, conversion, embezzlement, and breach of fiduciary duty related to amounts the defendants allegedly received from the debtor’s franchisees and failed to pay to the debtor. On or about

March 4, 2013, the plaintiff/trustee settled his claim with three of the four officers, including Mr. Longe, for less than \$63,000 on his initial claim in excess of \$7,000,000. The parties agreed that the Settlement Agreement shall not be taken or construed as an admission that Mr. Longe breached any duty owed to Collision on Wheels or any other party. Mr. Longe was removed as a party to the proceeding as of April 9, 2013. The case was dismissed on May 10, 2013, and terminated on May 20, 2014.

No other litigation is required to be disclosed in this item.

ITEM 4. BANKRUPTCY

In re Chavez, Case No. 13-23243 (U.S. Bankruptcy Court for the District of Kansas, December 18, 2013). Our Director of Operations, Shelly Chavez, personally filed a bankruptcy petition under Chapter 13 of the U.S. Bankruptcy Code on December 18, 2013. On March 26, 2019, the bankruptcy court entered a discharge.

In re Collision on Wheels International, LLC, Case No. 10-63350-wsd (U.S. Bankruptcy Court for the E.D. Mich. S.D., July 20, 2010). Collision on Wheels filed a petition under Chapter 7 of the U.S. Bankruptcy Code under the name and caption listed above. Gregory Longe was Co-President and Chief Executive Officer of Collision on Wheels International, LLC at the time it filed the bankruptcy petition. Mr. Longe was also one of the two largest creditors in the case. The case was terminated on December 10, 2014. Since this was a chapter 7 filing of a corporation, no discharge was entered.

No other bankruptcy is required to be disclosed in this disclosure document.

ITEM 5. INITIAL FEES

Initial Franchise Fee.

The Door Renew initial franchise fee is \$62,500 for a single Market Area, \$100,000 for two Market Areas, \$135,000 for three Market Areas, \$165,000 a four Market Areas, and \$20,000 for each additional Market Area beyond four. The initial franchise fee is uniformly charged for all franchises currently being offered. You must pay the initial franchise fee in full when you sign the franchise agreement. The initial franchise fee is considered fully earned and is nonrefundable.

The initial fees are not refundable under any circumstances. Except as explained and listed above, the Initial fees are uniformly calculated for all Franchised Businesses currently being offered.

Sales and Market Fee

You must pay us a Sales and Market Fee of 5% of Gross Revenues or the Minimum Operations Fee of \$50 per week in year 1; \$100 per week in year 2; and in year 3 and thereafter \$300 per week, whichever is greater (or 5% of Gross Revenues or \$1,200 for 3 months) for access to and use of certain technology, including the Sales & Marketing Center, support from the franchisor, and access to the local marketing library. Sales and Market fees are not refundable under any circumstances are uniformly calculated for all Franchised Businesses currently being offered.

ITEM 6. OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of weekly Gross Revenues for the preceding week or a minimum payment, whichever is greater. For purposes of calculating the amount due each week, a week is considered to be the seven-day period between Sunday and Saturday. In Year 1, the weekly minimum is \$115 per week; in Year 2, the weekly minimum is \$231 per week; and in Year 3, the weekly minimum is \$415 per week.	Thursday of each week	Payment is by automatic virtual check debt.
Sales and Market Fee	5% of Gross Revenues or the Minimum Operations Fee of \$50 per week in year 1; \$100 per week in year 2; and in year 3 and thereafter \$300 per week, whichever is greater.	Thursday of each week	This fee is for access to and use of certain technology, including the Sales & Marketing Center, support from the franchisor, and access to the local marketing library.
Brand Development Fund Contribution	1% of Gross Revenues or \$50 per week in year 1; and in year 2 and thereafter \$100 per week, whichever is greater	Thursday of each week	This fee includes a contribution to the Brand Development Fund

Name of Fee	Amount	Due Date	Remarks
Local Advertising	\$1,000 a month for the vehicle and \$500 a month for every vehicle thereafter	As incurred	It is required that you spend this amount locally to promote your Franchised Business.
Management Fee	5% of Gross Revenues	5 th of Month	If you choose to receive Management Service from our affiliate, Door Renew Managed Services LLC, you must pay this fee monthly
Late Fees	\$25 per week	Upon demand	A late fee must be paid on any payment to us that is not paid when due.
Interest	18% per annum	Upon demand	In addition to the Late Fee, interest is assessed on the unpaid balance of any payment to us that is not paid when due. The interest accrues from the date the payment was due.
Insurance ¹	Amount of premium paid by Door Renew International, LLC plus 20%	Upon demand	If you do not purchase insurance coverage as required, you must reimburse us this amount to secure insurance coverage.
Additional Training ²	\$600 per day plus travel expenses and \$150 per day per additional, new, or replacement initial training attendees}	Upon your registration for the program or meeting	For training beyond the initial training, you must pay the current training fee.

Name of Fee	Amount	Due Date	Remarks
Transfer Fee	\$7,500	Prior to the transfer of a franchise	A transfer includes any sale, assignment, conveyance, giving away, pledging, mortgaging, or otherwise encumbering any interest in ownership in the Franchised Business or Franchise Agreement, assets outside of the normal course of business or ownership rights.
Renewal Franchise Fee	\$10,000	At least 9 months before the expiration of the franchise	In addition to paying this fee, other conditions must be met, as listed in the Franchise Agreement.
Interim Franchise Royalty Fees	Franchisor's then-current Royalty Fee plus 2%	Thursday of each week when applicable	An Interim Franchise Fee applies if your Franchise Agreement expires, no renewal franchise agreement is signed, and you continue operation of the Franchised Business.
Relocation Fee	\$250	When applicable	If you relocate your franchise business, you must pay us this amount for the cost and expense we incur in connection with your relocation.
Step-In Right Expenses ³	Amounts will vary	As incurred	
Audit	Amounts owing plus interest at prime (as stated in the Wall St. Journal) plus 3% per year plus the cost of the	At the time of audit.	If the audit finds an understatement in any payment of 3% or more, franchisee shall pay the

Name of Fee	Amount	Due Date	Remarks
	audit in some circumstances. The range of cost for the audit is from \$1,500 to \$4,500.		costs and expenses of the audit.
System Standard Violation	All costs of inspection and audit	Upon demand	If you fail to adhere to the System Standards, you must reimburse us for any, and all costs and expenses associated with counsel, inspection, support, assistance, enforcement rendered to and against Franchisee regarding said System Standards violation and/or non-compliance.
Outside of Territory Fee	Up to 100% of any revenue generated from one client, and up to 300% of revenue generated from more than one client, from another franchisee's Target Area.	As set by us periodically. Currently: 10 days after notice from us	Imposition of any fee is at our sole discretion.
Cost of Enforcement	Cost including attorney fees	Upon demand	You must reimburse us for all costs to enforce obligations under the Franchise Agreement if we prevail.
Indemnification	Cost including attorney fees	Upon demand	You must defend suits at your cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Business. Payable as incurred by us

Name of Fee	Amount	Due Date	Remarks
Sales/Use Taxes ⁴	will vary under the circumstances	Payable with your royalty fee or Brand Development Fund Contributions	You must pay any state or local sales or use tax that may be assessed on fees paid to us.

Notes:

¹ You must purchase insurance in the following amounts and coverage: (1) "all risk" property insurance coverage for assets of the franchised business; (2) workers' compensation insurance and employer liability coverage with a minimum limit of \$100,000 or higher if your state law requires; (3) comprehensive general liability insurance with a minimum liability coverage of \$500,000 per occurrence, or higher if your state law requires; (4) automobile liability insurance of at least \$500,000 or higher if your state law requires; and (5) insurance coverage for contractual indemnity. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in the franchise agreement. The policy or policies will insure against Our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against You.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

Your insurance policies must insure us, you, and our respective affiliates, subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death or property damage that may accrue due to your operation of your Business. Your policies of insurance will contain a separate endorsement naming us and our affiliates as additional named insureds. You are required to submit an insurance certificate to Our office on an annual basis.

² We provide a tuition-free initial Door Renew training program which includes orientation to the Door Renew system; customer service; operational management; financial management; computer software use; advertising and marketing; and reporting procedures. The training lasts up to 4 weeks or less depending on your existing experience level. We provide 3 days of free of cost onsite assistance upon opening. We may provide additional onsite assistance at our then current rate, which currently is \$600 per day plus travel expenses, We offer Initial Franchise Training for \$150 per day per additional, new, or replacement initial training attendees.

³ We may step in to operate your Business if we deem necessary to prevent any interruption or harm to Your Business or to the Door Renew System. Reasons may include Our determination

that you: are incapable of operating the franchise; are absent or incapacitated because of illness or death; have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time. All revenue derived from our operation of Franchised Business will be credited to a separate account for your benefit, but we may pay from that account all expenses, debts and liabilities that we incur during our operation of Franchised Business.

⁴ The royalties or other fees you pay to us may be entirely or partially subject to state or local sales or use tax, depending upon the laws in your state. If we are required to pay these taxes in your state, you must add the tax to what you pay us.

All fees are nonrefundable and uniformly imposed on all new franchisees. Some franchisees under future versions of our franchise agreement may be obligated to pay more, less, or different fees than what is listed here.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Initial Franchise Fee ¹	\$62,500 to	\$165,000	Lump-sum via virtual check debt or Wire	Upon Signing the Franchise Agreement	Us
Leasehold Improvements	\$2,000 to	\$5,000	As incurred	Before Beginning Operations	Lessor or Contractors
Real Estate/Rent ²	\$1,000 to	\$6,000	As incurred	Before Beginning Operations	Lessor

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Utility Deposits ³	\$0 to	\$1,000	As incurred	Before Beginning Operations	Utilities
Furniture, Fixtures & Equipment ⁴	\$1,000 to	\$7,500	As incurred	Before Beginning Operations	Suppliers
Vehicle ⁵	\$1,500 to	\$3,500	As Arranged	Before Beginning Operations	Auto Leasing Company
Insurance ⁶	\$200 to	\$2,000	As incurred	Before Beginning Operations	Insurance Companies
Signage ⁷	\$500 to	\$1,000	As incurred	Before Beginning Operations	Suppliers
Office, Equipment, Supplies, and Initial Inventory ⁸	\$2,000 to	\$2,500	As incurred	Before Beginning Operations	Suppliers
Pre-Opening Expenses ⁹	\$500 to	\$2,000	As incurred	Before Beginning Operations	Us and/or Suppliers

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
Computer Equipment (Hardware, Software, POS System, etc.) ¹⁰	\$0 to	\$1,200	As incurred	Before Beginning Operations	Suppliers
Training ¹¹	\$500 to	\$2,000	As incurred	Before Beginning Operations	Airlines, Hotels, other Suppliers
Licenses & Permits ¹²	\$200 to	\$700	As incurred	Before Beginning Operations	Licensing Authorities
Legal & Accounting ¹³	\$1,000 to	\$2,000	As incurred	Before Beginning Operations	Attorney, Accountant
Grand Opening Advertising ¹⁴	\$6,000 to	\$6,000	As incurred	Before opening and during the first 3 months of operation	Vendors
Additional Funds – three months ¹⁵	\$0 to	\$7,500	As incurred	As Necessary	Us, Vendors, Lessor, Etc.
TOTAL	\$78,900 to	\$214,900			

Notes:

¹ The Door Renew initial franchise fee is \$62,500 for a single Market Area, \$100,000 for two Market Areas, \$135,000 for three Market Areas, \$165,000 for four Market Areas, and \$20,000 for each additional Market Area beyond four. A Market Area is defined as geographic area encompassing 25,000 to 35,000 households with a minimum home value of at least \$175,000 or other such home values based on local median home values. The initial franchise fee is uniformly charged for all franchises currently being offered. You must pay the initial franchise fee in full when you sign the franchise agreement. The initial franchise fee is considered fully earned and is nonrefundable. While we are not currently offering a discount, we have given discounts to prospective franchisees where there was no payment of a broker commission due pursuant to their purchase of a franchise.

² The site for your Franchised Business is a shop and mobile vehicle. The shop is a approximately 1,500 square feet space equipped with water, electricity, and an adequate ventilation system. In addition, operation of the Franchised Business necessitates a branded van approved by us with sufficient enclosed carrier area for tools and door transport. Some lessors may refund the security deposit if you cancel the lease before you occupy the sites.

³ If you are a new customer of your local utilities, you will generally have to pay deposits to obtain services, including electric, telephone, gas and water. The amount of the deposit and whether the deposit is refundable will vary on the local utilities. You should contact your local utilities for more information.

⁴ You must purchase and/or lease and install furniture, fixtures and equipment and décor necessary to operate your Business from us, our affiliate, or an approved supplier. The cost of the furniture, fixtures and equipment will vary according to local market conditions, the size of the facility, suppliers and other related factors. We do not know if the amounts you pay for furniture, fixtures or equipment are refundable. Factors determining whether furniture, fixtures and equipment are refundable typically include the condition of the items, level of use, length of time of possession and other variables. You should inquire about the return policy of the suppliers at or before the time of purchasing or leasing. We reserve the right to require that you purchase your furniture, fixtures and equipment from us or our affiliate.

⁵ You must lease a van that is branded and with sufficient enclosed carrier area for tools and door transport approved by us. The range reflects payment per vehicle to the Auto Leasing Company.

⁶ You must purchase insurance in the following amounts and coverage: (1) "all risk" property insurance coverage for assets of the franchised business; (2) workers' compensation insurance and employer liability coverage with a minimum limit of \$100,000 or higher if your state law requires; (3) comprehensive general liability insurance with a minimum liability coverage of \$500,000 per occurrence, or higher if your state law requires; (4) automobile liability insurance of at least \$500,000 or higher if your state law requires; and (5) insurance coverage for contractual indemnity. The amounts you pay for insurance are typically non-refundable.

You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

The insurance will not be limited in any way because of any insurance we maintain. Maintenance of the required insurance will not diminish your liability to us under the indemnities contained in the franchise agreement. The policy or policies will insure against our vicarious liability for actual and (unless prohibited by applicable law) punitive damages assessed against you.

We may require you to increase the minimum limits of and types of coverage to keep pace with regular business practice and prudent insurance custom.

Your insurance policies must insure us, you, and our respective affiliates, subsidiaries, owners, officers, directors, partners, members, employees, servants, and agents against any loss, liability, products liability, personal injury, death or property damage that may accrue due to your operation of your Business. Your policies of insurance will contain a separate endorsement naming us and our affiliates as additional named insureds. You are required to submit an insurance certificate to our office on an annual basis.

⁷ This range includes the cost of all signage used in your Business. The signage requirements and costs will vary based upon the size and location of the Site, local zoning requirements, landlord requirements and local wage rates for installation. The amounts you pay for signage are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchase. We must approve all signage before you order it.

⁸ You must purchase general office supplies and inventory including stationery, business cards, materials, finishes, varnishes, and other typical office equipment and inventory. Factors that may affect your cost of office equipment and supplies include market conditions, competition amongst suppliers and other factors. We do not know if the amounts you pay for inventory, office equipment and supplies are refundable. Factors determining whether inventory, office equipment and supplies are refundable typically include the condition of the items at time of return, level of use and length of time of possession. You should inquire about the return and refund policy of the suppliers at or before the time of purchase.

⁹ Included in this estimate are expenses related to pre-opening payroll, cleaning and preparation, telephone and other communication expenses, and electricity.

¹⁰ You must purchase the computer equipment, hardware and software necessary for operating the franchise. We currently require you to have and use a computer with Windows 10, or greater, operating system; smartphone; printer and scanner; and fax is optional.

We do not know if the amounts you pay for the computer equipment may be refundable. The amounts you pay for computer equipment are typically non-refundable, or if refundable, may be subject to a "restocking" fee. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing. You must use the POS system that we designate.

¹¹ The cost of initial training for you and your Franchised Business Designated Manager is included in the Initial Franchise Fee. This amount reflects your travel and stay expenses during the training period. You must pay us additional tuition for additional trainees beyond you and your designee at our then-current rate, which is currently \$150 per day per training, per person and \$600 per day plus travel expenses for onsite training.

¹² State and local government agencies typically charge fees for occupancy permits, operating licenses, health department licenses and construction permits. Your actual costs may vary from the estimates based on the requirements of state and local government agencies. These fees are typically non-refundable. You should inquire about the cancellation and refund policy of the agencies at or before the time of payment.

¹³ You will need to employ an attorney, an accountant and other consultants to assist you in establishing your franchise. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants and consultants. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring.

¹⁴ This is the required amount that you spend on advertising upon opening. The range will depend on your Territory and local market demographics.

¹⁵ We recommend that You have a minimum amount of money available to cover operating expenses, including additional inventory, supplies, professional fees, and employees' salaries for the first 3 months that your Business is open. These are only estimates based on our affiliate's experience in opening and operating a similar business. The predominant factors for calculating the 3-month estimate are amounts paid for employee wages and inventory. We cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if sales are low or operating costs are high. These expenses are typically non-refundable.

In compiling this chart, we relied on research and investigation regarding the operating history, knowledge and experience of similar Businesses and the startup operation of Door Renew businesses. The amounts shown are estimates only and may vary for many reasons, including the size and condition of your Site, the capabilities of your management team, and your business experience and acumen. These figures are estimates only and we cannot guarantee that You will not have additional expenses in starting the franchise.

The total figure listed in the table above does not include compensation for your time or labor. Nor does the total figure take into account any finance charges, interest, debt service, or other costs which you may incur to finance all or any portion of your investment. In addition to the initial investment itemized in the table above, you must have additional monies available, whether in cash or through a line of credit, or have other assets that you can liquidate or against which you can borrow, to cover your personal living expenses and any operating losses sustained during the initial phase of your business. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer direct or indirect financing for any of your initial investment. All amounts paid to us are nonrefundable. Typically, amounts paid to third parties will not be refundable unless agreed.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Specifications.

Every detail of Door Renew Franchised Businesses is important, not only to your Franchised Business but also to us and other Door Renew franchisees, in order to develop and maintain high and uniform operating standards, to increase the demand for the products and services offered by all franchisees, to establish and maintain a reputation for uniform, efficient, high-quality products and services, and to protect the goodwill of all Door Renew franchises. You agree to comply with Door Renew uniform specifications, standards, operating procedures, and rules for the development and operation of your Door Renew Franchised Businesses (collectively referred to as System Standards). System Standards are described in the Door Renew Operating Manual and otherwise communicated to you. The Door Renew System and Operating Manual are occasionally updated, supplemented, modified, and enhanced.

Current Specification.

Below is a listing of Door Renew specifications and System Standards for the identified categories.

Insurance.

You must obtain and provide us with evidence of insurance in at least the minimum amounts and with the coverage as follows: (1) "all risk" property insurance coverage for assets of the franchised business; (2) workers' compensation insurance and employer liability coverage with a minimum limit of \$100,000 or higher if your state law requires; (3) comprehensive general liability insurance with minimum liability coverage of \$500,000 per occurrence, or higher if your state law requires; (4) automobile liability insurance of at least \$500,000 or higher if your state law requires; and (5) insurance coverage for contractual indemnity. The Franchisee shall maintain Workers' Compensation, Unemployment Compensation, disability insurance, social security, and other similar types of insurance coverage in such amounts as may now or hereafter be required by any applicable law.

Evidence of this insurance must be initially provided at least 10 days before you begin the operation of your Door Renew Franchise Business. A certificate of renewal must be provided no later than 10 days before the expiration date of each policy. Each required policy of liability insurance must name us as an additional insured and must provide that we will be given at least 30 days' notice before cancellation, modification, or amendment of the policy.

The site of the Franchise Business.

The site for your Franchised Business is a shop and mobile vehicle (“Site”). For leasehold Site improvements, we provide specifications for your real property space, and we provide branding specifications for your mobile vehicle. The Site, which includes the shop and each vehicle, must be approved by us.

Supplies, Fixture, Equipment, Inventory.

All the equipment, supplies, fixtures, inventory, products for your Franchised Business must comply with Door Renew Standards and specifications.

Advertising.

You shall use, display, and publish the Door Renew Marks per System Specification. All of your Door Renew advertising in any medium must be conducted in a dignified manner, be completely accurate and truthful and conform to all applicable laws and regulations relating to consumer advertising and Door Renew System Standards. You must submit to us and obtain our prior approval for all advertising and promotional plans and materials and all other materials displaying the Door Renew Marks. You may not use your advertising materials unless we issue you written approval to do so. Post submission to us, we shall within fifteen (15) days notify you of approval or disapproval of advertisements.

Computer System.

You must buy and use a computer with Windows 10 or greater operating system, smartphone, printer, and scanner; and fax is optional. You may not install, or permit to be installed, any devices, software, or other programs not approved by us for use with the communication and information system. We may, from time to time, develop or authorize others to develop proprietary software programs for use in the Door Renew System, which you may be required to purchase or license and use. You may be required to execute any license, sublicense, or maintenance agreement and pay any applicable fees, including maintenance, upgrade and support fees required by us or any other approved licensor or approved supplier of such proprietary software programs.

Designated and Approved Suppliers

For any product or service that we designate an approved supplier, you may not purchase these products and services from any other suppliers. We may designate new or different approved suppliers, including designating ourselves or one of our affiliates as an approved supplier of any goods or services.

We do not provide any products or services to our franchisees. Our affiliate, Door Renew Managed Services LLC, is the non-exclusive supplier of Management Services to Door Renew franchises.

The criteria for designating approved suppliers include a supplier’s ability to meet quality standards, availability, and consistency of the products or services. The criteria for

designating and approving suppliers are not published and are not made available to franchisees. Franchisees may not contract with alternative suppliers for designated products or services.

To approve a supplier, we require a sample of the product(s), information regarding the product or service's quality standards, availability, terms and conditions of purchase, and other information as we may request. If desired, we may request a physical inspection of the supplier's place of business or manufacturing facility. Upon submission of samples and information required for approval, we will provide notification within 30 days of our approval or disapproval of a supplier. As a condition of approval, we require the reimbursement of any costs or expenses we incur in approving the supplier. We may revoke the approval of any supplier upon 30 days written notice to franchisees.

We estimate that assuming the estimated minimum initial costs to begin operations and other financial obligations are within the ranges described in Item 7 of this disclosure document, the proportion of your purchases and leases of goods and services from approved suppliers or of products that meet our specifications to be approximately 80% to 100% of all the purchases and leases in establishing your Door Renew Franchised Business and approximately 80% to 100% of your ongoing costs of operating your Door Renew Franchised Business.

Door Renew International, LLC, did not derive any revenue from required purchases and leases to Door Renew franchisees or suppliers in the calendar year 2020. However, Franchisor reserves the right to derive revenues from you or vendors that provide services to Door Renew in the future.

None of the Door Renew International, LLC officers, directors, or managers have an interest in any of the Door Renew approved or designated vendors.

You are required to purchase brands of finishes, cleaners, polishes, and other restoration products that we specify from suppliers and vendors that we designate or approve.

Currently, there are no formal or mandatory purchasing or distribution cooperatives, but we reserve the right to institute them in the future.

We do not provide a material benefit to franchisees based on a franchisee's purchases of particular products or services or the use of particular suppliers.

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 under these agreements and in other items of this disclosure document.

The Section references are to those in the Franchise Agreement and unless otherwise noted.

Obligation	Section in Franchise Agreement	Item in This Disclosure Document
a. Site selection and acquisition/lease	Article II	Items 6 and 11
b. Pre-opening purchase/leases	Section V(B)	Item 8
c. Site development and other pre-opening requirements	Article V	Items 6, 7, and 11
d. Initial and ongoing training	Article VI	Item 11
e. Opening	Section V(E) and Section V(F)	Item 11
f. Fees	Article IV	Items 5 and 6
g. Compliance with standards and policies/operating manual	Article VII and Article XIV	Item 11
h. Trademarks and proprietary information	Article XIII	Items 13 and 14
i. Restrictions on products/services offered	Section VII(C)	Item 16
j. Warranty and customer service requirements	Section VIII(G)	Item 11

Obligation	Section in Franchise Agreement	Item in This Disclosure Document
k. Territorial development and sales quotas	Section VII(C)	Item 12
l. Ongoing product/service purchases	Article X, Article VII	Item 8
m. Maintenance, appearance, and remodeling requirements	Section V(H)	Item 11
n. Insurance	Article XII	Items 6 and 8
o. Advertising	Article XVI	Items 6 and 11
p. Indemnification	Article XIII	Item 6
q. Owner's participation/management/staffing	Section VIII(A)	Items 11 and 15
r. Records and reports	Article XI	Item 6
s. Inspections and audits	Section XI(B)	Item 17
t. Transfer	Article XVII	Item 17
u. Renewal	Section III(B)	Item 17
v. Post-termination obligations	Article XIX	Item 17

Obligation	Section in Franchise Agreement	Item in This Disclosure Document
w. Non-competition covenants	Article XX	Item 17
x. Dispute resolution	Article XXI	Item 17
y. Other:	Not Applicable	Not Applicable

ITEM 10. FINANCING

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

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

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

Pre-Opening Obligations

1. The site for your Door Renew Franchised Business is a shop and mobile vehicle (Site). We do not select the site for your Door to Renew Franchised Business. We approve the Site, including your shop and each vehicle for your Franchised Business (Section IV of the Franchise Agreement).
2. For your Site, we provide specifications for your real property space and we provide branding specifications for your mobile vehicle (Section IV of the Franchise Agreement). If you elect to receive Management Services from our affiliate, Door

Renew Managed Services LLC, will aid you in securing your shop and mobile vehicle (Management Agreement Provision 2(a)).

3. We provide you with the standards, specifications, and a list of designated and approved suppliers for all décor, equipment, signs, fixtures, opening inventory, supplies, products, and other materials you will need to operate the franchised business. We do not deliver or install equipment for your site. We do not have any affiliates, parents, or predecessors that provide products or services to our franchisees. We do not provide any products or services to our franchisees. (Section VI of the Franchise Agreement).
4. We provide a listing of all products and services that your Franchised Business may offer (Franchise Agreement Article VI). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will aid you in purchasing and securing products and services for your Franchised Business (Management Agreement Section 2).
5. We provide final written approval prior to the opening of your Door Renew Franchised Business. (Section IV of the Franchise Agreement).
6. We provide 3 days of free of cost onsite assistance upon opening. We may provide additional onsite assistance at our then-current rate, which currently is \$600 per day plus travel expenses (Section IV of the Franchise Agreement).
7. We approve the Designated Manager of your Franchised Business. We do not select or hire your employees. (Section VII of the Franchise Agreement). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will recruit and aid you in the training and scheduling of your Franchised Business staff (Management Agreement Section 2).
8. We provide you with an initial training program as further described in this item (Section V of the Franchise Agreement).
9. We loan or make available to you a copy of the Door Renew Operating Manual, which is confidential and will remain our property. We may modify the Operating Manual from time to time, but the modification will not alter your status and rights under the Franchise Agreement. (Section XIV of the Franchise Agreement). The table of contents is listed in EXHIBIT K 275 total number of pages in the Operating Manual.

After the Franchised Business Opens

1. In the event of relocation, additional replacement of the shop or vehicle, we do not select the site for your Franchised Business. We approve the Site, including the shop and vehicles for your Franchised Business (Section IV of the Franchise Agreement). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will aid you in securing and maintain your shop and mobile vehicle(Management Agreement Section 2).

2. For your Site, we provide specifications for your real property space, and we provide branding specifications for your mobile vehicle for the site of your Franchised Business upon relocation or remodeling or updating upon the relocation. (Section IV of the Franchise Agreement).
3. We maintain and provide updated standards, specifications, and designated and approved suppliers for all the equipment, supplies, products, and other materials you will need to operate the franchised business (Section VI of the Franchise Agreement).
4. We maintain and provide an updated listing of all products and services that your Franchised Business may offer (Franchise Agreement Article VI). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will aid you in purchasing and securing products and services for your Franchised Business (Management Agreement Section 2).
5. We provide initial training for replacement staff and managers (Section V of the Franchise Agreement). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will recruit, aid in the training, and scheduling of your Franchised Business staff (Management Agreement Section 2).
6. We may provide additional and ongoing training for staff and managers (Section V of the Franchise Agreement).
7. We may organize an annual conference for all Door Renew franchisees and staff (Section V of the Franchise Agreement).
8. If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will you in aid billing and collecting fees for the services, or for other goods or services sold (Management Agreement Section 2).
9. If you do not resolve a dispute with a client, we may investigate the matter and resolve the dispute (Franchise Agreement VII).
10. We provide continuing assistance in operating your Door Renew Franchise Business (Section V of the Franchise Agreement).
11. If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will perform bookkeeping and accounting for the Franchised Business operations (Management Agreement Section 2).
12. We loan or make available to you any updates and changes to the Door Renew Operating Manual (Section XV of the Franchise Agreement).
13. We review your Door Renew advertising material (Section XV of the Franchise Agreement). If you elect to receive Management Services from our affiliate, Door Renew Managed Services LLC, will manage and establish advertising, promotions, and marketing programs for your Franchised Business, subject to your confirmation as to compliance with applicable laws, rules, and regulations (Management Agreement Section 2).

14. We provide recommended and suggested pricing for the Franchised Business products and services. You must fully participate, honor, and comply with any and all System, local, regional, seasonal, promotional, and other programs, initiatives, and campaigns adopted by us that we require you to participate in (Section VI of the Franchise Agreement).

15. We approve any replacement Designated Manager of your Franchised Business. We do not select or hire your employees. (Section VIII of the Franchise Agreement).

Advertising.

At your request, we will provide marketing consultation, general advertising strategy, promotional planning, and budgeting. We are not obligated to conduct advertising or spend any amount of money on advertising in your Territory or area.

Your Advertising.

You must submit to us for our prior approval samples of all advertising and promotional plans, materials, and all other materials displaying the Marks, and we will provide you with written approval or disapproval in 15 days. You may not use your own advertising materials or other materials that bear the Marks unless you have received our prior written approval.

You may not establish or maintain a domain name, an internet website, or webpage that relates to or advertises your Door Renew Franchised Business or displays the Marks, as we reserve the exclusive right to control any websites or web pages concerning Door Renew Franchised Businesses and the Marks. We have the right to use and have ownership of any Franchisee developed advertising.

Local Advertising.

You must expend sufficient monies, resources and conduct advertising and public relations within the local area to promote your Door Renew Franchised Business. Currently, it is required you spend \$1,000 a month for the vehicle and \$500 a month for every vehicle thereafter on local advertising (Local Advertising).

Grand Opening.

It is required that you spend at least \$6,000 on grand opening advertising during the first 3 months of operation. You may choose to spend more. Factors that may affect your decision on the actual amount to spend include local media cost, the location of the Franchised Business, and customer demographics in the surrounding area.

Regional and Local Advertising Cooperatives.

You are not required to participate in any Regional and Local Advertising Cooperatives.

Brand Development Fund.

You must pay us a Brand Development Fund Contribution of 1% of Gross Revenues or \$50 per week in year 1, and in year 2 and thereafter \$100 per week, whichever is greater. All Door Renew Brand Development Fund Contributions are maintained in a separate account and may be used for maintaining, administering, researching, directing, and preparing advertising and/or promotional activities, including, without limitation, the costs of preparing and conducting advertising campaigns, which may be local, regional or national, in various media; direct mail and outdoor billboard advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; product development; and developing and providing promotional and other marketing materials for franchisees in the System. We are reimbursed for any labor or services that we provide to the fund and for any costs that we incur for or on behalf of the fund. For each of our company-owned locations (if any), we will pay a Brand Development Fund Contribution on the same basis as assessments required of comparable franchises within the System. Franchisees that contribute to the fund may obtain a copy of the unaudited financial statements of the fund after April 30th of each year upon written request to us. Except as disclosed above, neither we nor any affiliate of ours will receive any payment from the fund. We do not use any Brand Development Fund Contribution dollars for soliciting new franchise sales. (Sections IV of the Franchise Agreement).

During 2020 the branding and marketing fund spent were \$11,915.59, and of the total expenditures, 42% was for payments to independent advertising or public relations agencies; 8% internet advertising or search engine optimization including domain names, website hosting, cloud storage space for photos, Square Space expense for on-line lead forms; and 50% advertising and promotion. If all advertising Brand Development Fund Contributions were not spent in the fiscal year in which they accrue, expenditures made from the fund in the following year would be made first out of accumulated earnings from previous years (if any), next out of earnings in the current year, and finally from Brand Development Fund Contributions.

If excess amounts remain in the Brand Development Fund at the end of the year, the unused monies shall be retained by the Brand Development Fund, and all expenditures in the following year(s) shall be made first out of accumulated earnings from the previous year(s), next out of earnings in the current year, and finally from Brand Development Fund Contributions.

Franchise Advisory Council.

We may establish a Franchise Advisory Council. The purpose of the Franchise Advisory Council is to facilitate communication between our franchisees and us, which will lead to mutual growth, development, and profitability of the entire Door Renew System. You shall participate, at your sole expense, in local, regional, and national franchise advisory committees or councils if established or sanctioned by us. The Council serves in an advisory capacity only and does not have the authority to establish or modify our policies. We have the power to determine membership, the election of Council Officers, and change or dissolve the Franchise Advisory Council.

Computer Requirements.

You must have or buy and use a computer with Windows 10 or greater operating system; smartphone; printer and scanner; and fax is optional. We estimate the cost of leasing or purchasing the computer system to be \$0 to \$800.

It is your obligation to maintain, repair, upgrade, and update your computer system. Without a contractual limit on frequency and cost, you are required to lease, buy, use, update, and upgrade the computer hardware and software that we designate and stipulate. We are not required, and we do not require our affiliates or third parties to maintain, repair, upgrade, and update your computer system. We estimate the annual costs of any optional or required maintenance updating, upgrading, or support contracts for the cash register or computer systems to be \$0 to \$800. Article X of the Franchise Agreement.

You will use your computer system to maintain information about your customers, prepare proposals and invoices, maintain the financial records of the franchised business, access internet sites, and communicate with prospective and current customers, suppliers, us, and others via e-mail. You must provide us with independent access to all of the information that will be generated and stored on your computer system if we request it, including the delivery of a backup of your database. There are no contractual limitations on our right to access the information.

Site Selection and Opening.

The site for your Franchised Business is a shop and mobile vehicle (Site). The shop is approximately 1,500 square feet space equipped with water, electricity, and an adequate ventilation system. In addition, the operation of the Franchised Business necessitates a branded van approved by us with sufficient enclosed carrier area for tools and door transport. We do not select your site. Your site is subject to our approval (Section IV of the Franchise Agreement). To obtain our approval, you must provide all information and documents about the site that we require. The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms. The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. For your Site, we provide specifications for your real property space and we provide branding specifications for your mobile vehicle for the Site of your Franchised Business (Section IV of the Franchise Agreement). You are responsible for obtaining any required permits for construction or remodeling. We may but are not obligated to provide you with assistance to ensure that your Site conforms to local ordinances and building codes and obtain any required permits for construction or remodeling.

The typical length of time between the signing of the Franchise Agreement, or the first payment of consideration for the franchise, and opening the franchised business varies, but you should be able to commence operation within 150 days after signing as required by the Franchise Agreement. Factors affecting this time period include how long it takes to complete any modification of your Door Renew site, completion of financing arrangements, compliance with local ordinances and obtained permits, obtained and installed equipment, your previous employment commitments (if any), your ability to complete our training program, and/or hiring and training personnel.

If you do not secure a Site, or we do not approve a Site for your Franchised Business within 30 days, or you do not open your Franchised Business within 150 days, we may terminate your Franchise Agreement and retain all monies that you have paid us or our affiliates.

Training Program.

We provide a tuition-free initial Door Renew training program, which includes orientation to the Door Renew International, LLC system; customer service; operational management; financial management; computer software use, advertising and marketing, and reporting procedures. The training lasts up to 4 weeks or less, depending on your existing experience level. It is currently held at our Livonia, Michigan location, but we may hold the training at one of our other locations in the future. Instructional materials may include manuals, videos, scripts, and PowerPoint presentations. Training is not scheduled on a regular basis but will be offered to you before opening the franchised business. You and your Franchised Business Designated Manager must attend and successfully complete to our satisfaction the initial training at least one week but not more than six weeks before the opening of the franchised business. You must pay for all travel, lodging, and other costs of initial training attendance. Thereafter, we may charge a fee for attendance of the initial training for new and replacement managers. Our current fee for a replacement and new managers is \$150 per day per trainee.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Sales and Marketing	4		Your location Independent Study
Sales and Marketing		1	Livonia, Michigan
Managing Finances	4		Your location Independent Study
Managing Finances		1	Livonia, Michigan
Managing Your Territory	2		Your location Independent Study

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Performing Restoration	6		Your location Independent Study
Performing Restoration		36	Livonia, Michigan
Safety Program	1		Your location Independent Study
Safety Program		2	Livonia, Michigan
Total	17 Hours	40 Hours	

Instructor for Initial Franchise Training are:

Mathew Eggenberger, our Co-founder and President, has more than 5-year years of restoration experience and 10 years of business development management and operation.

John Eggenberger, our Co-founder and Vice President, who has more than 5-year years of restoration experience and 10 years of business development management and operation

We may change, add to, or make substitutions for the subjects and instructors listed in the tables and above as necessary or appropriate. Minimally, per our standards, all instructors and substitute instructors will have experience in the operations and standards of the Door Renew System.

We may provide additional training programs at reasonable times and at locations selected by us during the term of the Franchise Agreement and will host national conventions at times and locations selected by us. You must attend the national convention. We may require attendance at other additional training programs. You must pay for all travel, lodging, and other costs of attending training and the national convention. We may charge a reasonable per diem fee for other training programs.

You are encouraged to schedule your training as soon as possible after executing the Franchise Agreement. We will not be liable for your costs or expenses if we terminate the Franchise Agreement because mandatory training is not completed to our satisfaction.

You are responsible for all expenses you and your employees incur to attend the initial training, including wages, benefits, transportation, meals, accommodations, and entertainment. Other than providing initial training, we do not provide any other assistance with the hiring or training of your employees.

ITEM 12. TERRITORY

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

Your Door Renew Franchised Business will operate from a shop and mobile vehicle (Site). We approve the Site for your Franchised Business.

You may relocate the Site of your Franchised Business so long the new Site meets our then-current Site requirements, and you must pay us \$250 for any costs and expenses we incur in your relocation. Currently, for relocation and Site selection, the Site must be approved by us, and we provide specifications for your real property space and we provide branding specifications for your mobile vehicle. As a relocation fee, you are obligated to pay us \$250 for any cost and expense that we incur reviewing or approving your relocation.

Subject to the Franchise Agreement Terms, you are granted a protected territory (“Territory”) that is composed of a Demographic Market Area (“Market Area”) as defined by Nelson Media research. You may advertise, solicit, offer, accept orders, and sell within the Territory. You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you written consent to serve another specified area where no other Door Renew franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to pay royalty fees and other fees to us for the services performed or products sold.

We promise and agree not to operate a business using the Door Renew System and the Marks within the Territory or authorize anyone else to operate a business using the Door Renew System and the Marks within the Territory during the term of the Franchise Agreement if you meet performance standards set forth in your Franchise Agreement and if you are complying with the Franchise Agreement and subject to these limitations. We are not obligated to ensure that no other franchise will conduct operations in your Territory. Although such activities are discouraged, we reserve the right to determine how to respond to any such situation. We are not required to pay you any compensation for us or other franchisees soliciting or accepting orders in your Territory.

We reserve the right to limit your Territory as follows:

Own, acquire, establish, and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks outside the Territory.

Acquire a system of Competitive Businesses with units located within your Territory or outside the Territory.

Sell or franchise others to sell the services and products authorized for Door Renew Franchised Businesses using the Marks or other trademarks, service marks, and commercial symbols through alternate channels of distribution; venues; site or location models other than the model concepts of your Franchised Business, which is a shop and mobile vehicle; joint marketing with partner companies; direct mail; catalog sales; internet sites; and co-branding strategies, pursuant to such terms and conditions as Franchisor deems appropriate.

Advertise, promote, market, or sell goods or services using the Door Renew Marks over the internet, the World Wide Web, or any other electronic network.

Offer and sell the services and products authorized for Franchised Business using the Door Renew Marks or other trademarks, service marks, and commercial symbols to Special Accounts.

We nor our affiliates operate or have plans to operate or franchise others to operate a business selling the same goods or products under a different name or solicit customers within your Territory except as stated above.

Special Accounts

The Franchisor has the exclusive right to contract with customers whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Door Renew territory or the trading area of a single Franchise, Franchisor-owned or Affiliate-owned business (referred to herein "Special Accounts"). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts will be included in Franchisee's Gross Revenues for purposes of calculating Royalties other fees due under this Agreement.

If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through another Door Renew Franchisee, a Franchisor or Affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

Acquisition of Competing System

If you are in compliance with the Franchise Agreement and we acquire a system of Competitive Businesses (an “Acquired Systems”) during the term of the franchise agreement, we will offer you the option to purchase and operate, as a Door Renew Franchise, any unit of the Acquired Systems (an “Acquired Unit”) that is both purchased by us for operation by us or our Affiliate (e.g., the unit will not be operated by a licensee of the Acquired Systems) and is located within your Territory. We shall provide you with written notice of our purchase of the Acquired Systems, the terms and conditions applicable to your option to purchase Acquired Units, and such other information that we believe is necessary to be included in the notice. If you do not elect to purchase or fail to complete the purchase of an Acquired Unit within two (2) months after notice, we can operate through an Affiliate or third-party licensee, the Acquired Unit under any trade name or trademark other than Door Renew Marks. You have no right to purchase, and we are not obligated to offer you any option to purchase any Acquired Unit that is operated by a licensee under the Acquired Systems. We may license such units to be operated under any trade name or trademarks other than Door Renew Marks and may also license additional units of the Acquired Systems to be developed and operated within your Territory.

If you are in good standing under the Franchise Agreement and otherwise meet our financial qualifications, you may request that we sell you another Door Renew franchise. We reserve the right to determine whether to sell you another franchise. If you buy an additional franchise, it will be under the then-current form of Franchise Agreement and other applicable agreements that may be different from those described in this disclosure document.

Your Franchise Agreement does not give you any other options, rights of first refusal, or similar rights to acquire additional franchises within the territory or contiguous territories. We may establish another franchise or company-owned location in the Territory if you do not meet the Market Area Development Schedule or you fail to comply with the Franchise Agreement. Except as disclosed in Item 12, there are no other circumstances that permit us to modify your territorial rights.

ITEM 13. TRADEMARKS

Our trademark, Door Renew (the “Mark”), is registered with the United States Patent and Trademark Office (the “Trademark Office”) on the registry as stated below:

Mark	Registration Number or Serial Number if Registration is Pending	Class	Registration Date	Registry
Door Renew	4613151	IC 037	September 30, 2014	Principal

We have filed all required affidavits and renewals with respect to these registrations.

The trademark is owned by us.

There are no currently effective material determinations of the Trademark Office, the Trademark Trial and Appeal Board, or any other trademark administrator or any court, pending interference, opposition, or cancellation proceeding, or any pending material litigation involving the Marks.

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

Your use of the Door Renew Marks is limited to use in connection with the operation of your Door Renew Franchised Business within the Territory as described in the Franchise Agreement and as set forth in the Door Renew Operating Manual. You must promptly notify us of any use of the Door Renew Marks or any colorable variation by any person or legal entity or any litigation instituted by any person or legal entity against you or us involving the Door Renew Marks. We will control any litigation or proceeding. We are not required to defend the Door Renew Marks. In the event we undertake the defense, prosecution, or settlement of any litigation relating to the Door Renew Marks, you agree to assist as necessary to carry out such defense, prosecution, or settlement. In the event that any party demonstrates to us a superior right to use any of the Door Renew Marks, you shall, upon demand by us, discontinue use of such Door Renew Mark(s) and adopt, at your sole cost and expense, any Mark(s), if any, selected by us to replace such discontinued Mark(s).

You shall not use any of the Door Renew Marks, or any derivative or a colorable variation thereof: (i) as part of your corporate or other legal names; (ii) on or as part of any Web Site, domain name, URL, web page, electronic mail address, listing, banner, advertisement or any other service or link on, to or with the internet, World Wide Web, internet service providers, electronic mail services, communication providers, search engines, or other similar services (without our prior written consent); (iii) with any prefix, suffix (including, but not limited to, the word "Inc."), or other modifying words, terms, designs, or symbols; or (iv) in any modified form. Franchisee shall not register any of the Marks, or any derivative or a colorable variation thereof, as a service mark, trademark, or internet domain name, or hold out or otherwise employ the Marks to perform any activity or to incur any obligation or indebtedness in such a manner as could reasonably result in making Franchisor liable therefore or that may harm, tarnish, or impair Franchisor reputation, name, services or Marks. The provisions of this paragraph shall survive the expiration, termination, or cancellation of this Agreement.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents material to the franchise. We do not own any copyright registration material to the franchise. We do have unregistered copyrights in the Door Renew Operating Manual, and all printed, audiovisual, and other materials developed and distributed for use by our franchisees or us (collectively called the "Proprietary Information"). Information

not protected by copyright, but which is confidential to us, such as information about our methods, policies, and marketing programs, is also part of the Proprietary Information.

There are no administrative or judicial determinations relating to the copyrights nor any agreements that limit the use of them. We are not obligated to protect these copyrights.

You will not acquire any interest in the Proprietary Information. All Proprietary Information must be returned to us immediately upon the termination of the Franchise Agreement for any reason. The Proprietary Information is disclosed to you solely on the condition that you (1) will not use it in any other business or capacity; (2) will maintain the absolute confidentiality of the information during and after the term of your Franchise Agreement; (3) will not make unauthorized copies of any portion of the Operating Manual or any other written communication from us; (4) will not disclose or duplicate any part of the Proprietary Information other than disclosure to an employee of the franchised business to the extent necessary to do his or her job; and (5) will adopt and implement all reasonable procedures we may require preventing unauthorized use or disclosure of the information, including restrictions on disclosure of the information to employees of the franchised business and the use of nondisclosure and non-competition clauses in employment agreements. All shareholders, officers, directors, partners, and members of the franchise are presumed to have access to Proprietary Information and must sign a Nondisclosure and Noncompetition Agreement to maintain the confidentiality of the Proprietary Information and conform to the noncompetition covenants.

You must inform us in writing if anyone breaches the Nondisclosure and Noncompetition Agreement or if there is any other violation of the obligations regarding any of the Proprietary Information or if you learn about any improper use of any of it.

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

You must maintain a designated full-time manager of the franchised business who is approved by us who devotes his/her full time and energy to the operation of the Franchised Business and successfully complete the initial training program to our satisfaction. The designated on-site manager must sign a confidentiality, non-solicitation, and non-competition agreement in a form that is satisfactory to us. The manager need not have an ownership interest in the franchise. No individual franchisee or any shareholder, partner, member, or other owner of a business entity franchisee may compete with us or own an interest in any competitor of ours anywhere during the term of your Franchise Agreement or within 25 miles of any Door Renew franchise territory for two years after the expiration or termination of your Franchise Agreement.

Each shareholder, partner, member, and other equity owners of the franchise, and each individual shareholder, partner, member, and other equity owners of any shareholder, partner, member, and other equity owners that is itself a business entity, must personally guarantee all of the franchisee's obligations and performance under the Franchise Agreement.

To prevent any interruption of the Franchised Business that may cause harm to the Franchised Business and to the Door Renew system and lessen their value, we may step in to operate the Franchised Business when we deem necessary. Reasons may include our determination that you: are incapable of operating the franchise; are absent or incapacitated because of illness or death; have failed to pay when due any taxes or assessments against the franchise or property used in connection with the franchise; have failed to pay when due any liens or encumbrances of every kind placed upon or against your business property; or we decide that operational problems require us to operate the franchise for a time.

All Revenue derived from our operation of the Franchised Business will be for your account. We may pay from that Revenue all expenses, debts, and liabilities we incur during our operation of the Franchised Business. We will keep account all Revenue generated by the operation of the Franchised Business, less the expenses of the business, including reasonable compensation and expenses for us and our representatives.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all products and services, and only those products and services, authorized by us and specified in the Door Renew Operating Manual or as designated in writing by us (the “Permitted Products and Services”). Without limit, we have the right to change, add and delete products or services to or from the Door Renew Permitted Products and Services at any time. We may also designate any products or services as optional.

You may advertise, solicit, offer, accept orders, and sell within the Territory unless we give you written consent to serve another specified area where no other Door Renew franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to pay royalty fees and other fees to us for the services performed or products sold. You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you written consent to serve another specified area where no other Door Renew franchise or company-owned unit is located.

You must participate in and fully comply with any customer warranty or guaranty or customer satisfaction program we may establish from time to time.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

References are to sections in the Franchise Agreement unless otherwise noted.

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Term of the franchise	Section II(A)	10 years from the date that we sign the Franchise Agreement.
b. Renewal or extension of the term	Section II(B)	Upon the expiration of the initial term or any renewal term of the Franchise Agreement, you may, at its option, renew the Franchise Agreement for an additional term of 10 years (the "Successor Franchise"), provided that at the end of each term you meet conditions listed including paying a Successor Fee.
c. Requirements for you to renew or extend	Section II(B)	In order to renew, we must be offering Door Renew Franchises; you must give us written notice between 6 months to 1 year prior to the end of the term; you must not be in default under any provision of The Franchise Agreement or any other agreement between you and our affiliates, and have substantially complied with all of the terms and conditions of Franchise Agreement; or a suitable substitute location that is approved by us and meets our then-current specifications and standards, for the entire term of the Successor Franchise; you must refurbish your Door Renew Franchised Business to conform to the then-current Door Renew trade dress, color schemes, and presentation of the Marks and Door Renew Systems Standards; you must sign the then-current Door Renew franchise agreement terms of which may differ from the terms of the Franchise Agreement; you must pay us a Successor Franchise Fee of \$10,000; unless prohibited by the laws, you must sign a general release; and you must comply with then-current Door Renew qualifications and training requirements. When renewing, you may be asked to sign a contract with materially

Provision	Section in Franchise Agreement	Summary
		different terms and conditions than your original contract.
d. Termination by you	Section XVII(A)	We will be considered in default of the Franchise Agreement if we breach any material obligations of the Franchise Agreement and fail to cure the default within 60 days of written notice from you.
e. Termination by us without cause	None	Not applicable
f. Termination by us with cause	Section XVII(B)	We can terminate only if you default.
g. "Cause" defined -- defaults which can be cured	Section XVII(B)	We may elect to terminate your Door Renew Franchise Agreement if you fail to pay, when due, any sum required to be paid under the Franchise Agreement or any other agreement between us after written notice and ten (10) days opportunity to cure; or if you fail to perform, or the breach, any other provision of your Door Renew Franchise Agreement or of any other agreement or instrument between us; or you fail to operate the Franchised Business in full compliance with the Franchise Agreement, the Door Renew Operating Manual, or Door Renew System Standards; or fail to cure any such breach within thirty (30) days from notice of the breach.
h. "Cause" defined defaults which cannot be cured	Section XVII(B)	We may elect to terminate your Door Renew Franchise Agreement, without opportunity to cure if you fail to locate and secure a Site or fail to open the Franchised Business within the time limits prescribed by the Franchise Agreement; you fail to satisfy all of the training obligations on three (3) or more separate occasions within any period of twelve (12) consecutive months; you fail to submit reports or other information or supporting records

Provision	Section in Franchise Agreement	Summary
		<p>when due or otherwise fail to comply with the Franchise Agreement, whether or not such failures to comply are corrected after notice; you fail to operate your Door Renew Franchised Business for more than two (2) consecutive days, or otherwise abandon the Franchised Business; you provide for offers or sales of any Permitted Products and Services at or from a location that is within the franchise territory of another Door Renew franchisee (except as expressly stated in this Agreement, the Operating Manual, or any other written agreement between Franchisor and Franchisee), or otherwise infringes upon rights granted by us under franchise agreements with other franchisees of Franchisor; you fail to achieve or exceed the Minimum Performance Standards for two (2) consecutive calendar years; you fail to achieve or exceed System Standards in two (2) inspections in any twenty four (24) month period; you are declared bankrupt or insolvent or you are the debtor in a voluntary or involuntary bankruptcy proceeding under the U.S. Bankruptcy Code; a receiver is appointed for you or for any part of your property, or you make any assignment for the benefit your creditors, if not dismissed within fifteen (15) days; you lose the right to possession of the premises upon which the Franchised Business is located, or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located; Franchisee fails, for a period of ten (10) days after receipt of notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Franchised Business; you make any transfer or attempted transfer that fails to comply with this Agreement; the Franchised Business is seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lien holder or lessor; a final judgment against you remains unsatisfied for thirty (30) days (unless superseded as or other appeal bond has been</p>

Provision	Section in Franchise Agreement	Summary
		<p>filed), or a levy of execution has been made upon the franchise granted by this Agreement or upon any property used in the Franchised Business that is not discharged within five (5) days of such levy; any conduct or activity by you or any of your Principals, directors, or officers that Franchisor believes is reasonably likely to have an adverse effect or reflect unfavorably on the Franchised Business, us, the Door Renew System, the Marks, or the goodwill associated; you knowingly maintain false books or records, or knowingly submit any false reports to us, or knowingly understate your Gross Revenues reported to Franchisor; any threat or danger to public health or safety resulting from the construction, maintenance, or operation of the Franchised Business, and you have not immediately commenced actions to cure the problem or have not promptly cured or corrected the problem or activity that gave rise to the threat or danger; you make or attempt to make any transfer or assignment of the Franchised Business, Franchise business assets, rights under the Agreement, or ownership the Franchised Business contrary to the Franchise Agreement; or you or any of your Principals violate any of the Covenants of the Franchisee, commit an infringement of the Proprietary Marks, or communicate, divulge, or use Confidential Information contrary to the Franchise Agreement.</p>
<p>i. Your obligations on termination or nonrenewal</p>	<p>Article XX</p>	<p>Upon the termination, you must: cease to operate your Franchised Business and not hold itself out as a present or former Door Renew franchisee of Franchisor; cease to use the Door Renew System or Door Renew Marks; make modifications to the Franchised Business Site to prevent the operation of any business on the Site that might be deemed substantially similar to the Door Renew Franchised Business; at our option, assign to us (i) telephone numbers of the Franchised Business and all related Yellow Pages, White Pages and other business listings, and (ii) Web Sites, web pages, listings,</p>

Provision	Section in Franchise Agreement	Summary
		banners, URLs, advertisements, or any other services and links, and sell to us the assets of the Franchised Business; turn over the Door Renew Operating Manual, records, customer and other files, instructions, correspondence, and software provided and/or licensed by us; cancel any assumed name or equivalent registration that contains the Door Renew Marks; pay all sums due and owed to us; obtain and maintain professional liability or errors and omissions insurance and general liability insurance for a period of time not less than the applicable statute of limitations in the jurisdiction in which the Franchised Business is located; appoint us as the true and lawful attorney-in-fact and agent for Franchisee to carry out Franchisee obligations under the terms of termination.
j. Assignment of contract by us	Section XVI(A)	We have the right to transfer or assign all or any part of our rights and/or obligations to any person or legal entity.
k. "Transfer" by you definition	Section XVI(B)	A transfer includes any sales assignment, transfer, convey, give away, pledge, mortgage, or otherwise encumbrance of any interest therein or in Franchise or Franchisee assets.
l. Our approval of transfer by franchisee	Section XVI(B)	We have the right to approve all transfers but may not unreasonably withhold consent.
m. Conditions for Door Renew International, LLC approval of transfer	Section XVI(B)	All outstanding obligations related to the Franchised Business must be paid, and the transferor's right to receive compensation must be subordinated and secondary to our rights. You must sign a general release; the transferee must pay a transfer fee; the transferee must sign written assumption; the transferee must meet Door Renew standards; the transferee must sign a then-current

Provision	Section in Franchise Agreement	Summary
		Door Renew franchise agreement, and such other ancillary agreements; the transferee must successfully complete Door Renew initial training, and you must pay a transfer fee.
n. Our right of first refusal to acquire your business	Section XVI(D)	We have the right, exercisable by written notice to you, to purchase such rights or interests for the price and on the terms and conditions contained in any offer for your Franchised Business, except we may substitute equivalent cash for any form of payment proposed in such offer. Any purchase by us must be completed within ninety (90) days after your receipt of our written notice. If we do not exercise our right of first refusal, you may complete the sale of interest to the bona fide purchaser, subject to our approval; however, if the sale to the purchaser is not completed within one hundred twenty (120) days after the delivery of the offer to us, we will again have the right of first refusal.
o. Our option to purchase your business	Section XX (8)	Upon termination or expiration of your Franchise Agreement, at our option (to be exercised within thirty (30) days after termination), you must sell to us any or all of the furnishings, equipment, signs, fixtures, supplies, or inventory related to the operation of your Franchised Business, at the depreciated book value.
p. Your death or disability	Section XVI(E)	Must transfer to an approved 3rd party within 6 months subject to all conditions except transfer fee.
q. Noncompetition covenants during the term of the franchise	Section XIX(A)(3)	No involvement in a competing business; cannot assist or deal with a competing business; cannot infringe on another franchisee's territorial rights.

Provision	Section in Franchise Agreement	Summary
r. Noncompetition covenants after the franchise is terminated or expires	Section XIX(B)	No involvement in a competing business for 2 years in or within 25 miles of any Door Renew; no solicitation of customers of your franchise for 2 years.
s. Modification of the agreement	Section XXII(A)	The Agreement may not be modified or amended except by a written instrument signed by each of the parties hereto, expressing such amendment or modification.
t. Integration/merger clauses	Section XXII(A)	The Agreement, together with the exhibits attached hereto, constitutes the entire Agreement between the parties hereto and supersedes any prior agreements between such parties except those disclosures which are included in the Franchisor's now current Franchise Disclosure Document. Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representation made in this Franchise Disclosure Document. Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article XX	Any claim or controversy arising out of or related to this Agreement must be settled by mandatory binding arbitration in Wayne County, Michigan.
v. Choice of forum	Section XXII(D)	Any and all suits, actions, or other proceedings with respect to, arising out of, or in connection with this Agreement shall be litigated in courts

Provision	Section in Franchise Agreement	Summary
		having a situs within Wayne County, Michigan (subject to applicable state law).
w. Choice of law	Section XXII(D)	The state of Michigan (subject to applicable state law).

A provision in your Franchise Agreement that terminates the franchise on your bankruptcy may not be enforceable under federal bankruptcy law.

ITEM 18. PUBLIC FIGURES

We do not use any public figures 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 the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about a possible performance at a particular location or under particular circumstances.

Below are the results of a Franchisee Survey taken November 7, 2021. There were 8 open and operating franchisees at the time the survey was taken, of which 7 franchisees responded to the survey.

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Results of Franchisee Survey November 7, 2021

	Average	Median	Highest	Lowest	Total # of Outlets	# of Outlets Reporting	# of Outlets that met or exceeded Average	# of Outlet that met or exceeded Median
Total Profit per Ticket	\$1,428	\$1,745	\$2,483	\$1,237	8	7	4	4
Labor								
Installer Labor	\$105	\$120	\$152	\$90	8	6	3	3
Finishing Labor	\$75	\$80	\$90	\$70	8	4	4	1
Insurance: Work Comp (per ticket)	\$28	\$28	\$40	\$16	8	2	2	1
Insurance: Liability (per ticket)	\$25	\$28	\$66	\$7	8	6	3	3
Expenses								
Finishing Supplies & Tools	\$145	\$190	\$190	\$40	8	5	4	3
Office Supplies	\$7	\$24	\$56	\$5	8	6	5	3
Marketing (per ticket)	\$88	\$200	\$219	\$23	8	3	2	2
Other (phone service & Internet) / month	\$72	\$72	\$90	\$54	8	2	2	1
*Royalty 6%	\$86	\$105	\$149	\$74				
*Sales & Marketing Center 5%	\$71	\$87	\$124.	\$62				
*Brand Development Fee 1%	\$14	\$17	\$25	\$12				

*You will incur these fees as a franchisee. Our current franchisees may not be subject to these fees.

Results of Franchisee Survey November 7, 2021							
	Average Total Profit minus average expenses	Median Total Profits minus median Labor and Expenses	Highest Total Profits minus highest Labor and Expenses	Lowest Total Profits minus lowest Labor and Expenses			
Total Profit per Ticket Minus Labor and Expenses Above	\$710.82	\$793.60	\$1,281.87	\$783.76	8	7	4

The term "Total Revenue" means the total revenue derived from the sale of goods or services less sales tax, discounts, allowances, and returns.

Our management prepared this financial performance representation based on survey results provided to us by franchisees. Written substantiation for the financial performance representation will be made available to you upon a reasonable request.

Some outlets have Earnings this amount. Your individual results may differ. There is no assurance you'll earn as much.

Other than the preceding financial performance representation, Door Renew International, LLC does 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 Michael Shinabarger at (door renew email address) 19500 Victor Parkway, Livonia, MI 48152, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
SYSTEMWIDE OUTLET SUMMARY
For Years 2018 to 2020

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2018	1	2	+1
	2019	2	5	+3
	2020	5	7	+2
Company-Owned	2018	2	2	0
	2019	2	2	0
	2020	2	0	-2
TOTAL OUTLETS	2018	3	4	+1
	2019	4	7	+3
	2020	4	7	0

Table No. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(Other than Franchisor)
For Years 2018 to 2020

State	Year	Number of Transfers
All States	2018	0
	2019	0
	2020	0
TOTAL	2018	0
	2019	0
	2020	0

Table No. 3
STATUS OF FRANCHISED OUTLETS
For Years 2018 to 2020*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Michigan	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
Kentucky	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
Ohio	2018	0	0	0	0	0	0	0
	2019	0	2	0	0	0	0	2
	2020	2	1	0	0	0	0	3
Louisiana	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
TOTAL	2018	1	1	0	0	0	0	2
	2019	2	3	0	0	0	0	5
	2020	5	2	0	0	0	0	7

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

Where a franchise territory covers more than one state, the franchise, for purposes of this table, is assigned to the state where it has the bulk of its operation, which is not necessarily the same state shown in the business address in the list of franchisees, EXHIBIT I.

Table No. 4
STATUS OF COMPANY-OWNED OUTLETS
For Years 2018 to 2020

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Michigan	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2020	1	0	0	0	1	0
Ohio	2018	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
	2019	1	0	0	0	0	1
	2020	1	0	0	0	1	0
TOTAL	2018	2	0	0	0	0	2
	2019	2	0	0	0	0	2
	2020	2	0	0	0	2	0

Table No. 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 Outlet in the Next Fiscal Year
Ohio	0	1	0
Louisiana	0	0	0
Georgia	0	1	0
Tennessee	0	1	0
Texas	0	1	0
Michigan	0	0	0
TOTAL	0	3	0

The number of new franchised locations projected to be opened in the next fiscal year, as presented in the table above, is an estimate based on the best information we have as of the date of this disclosure document. There is no assurance that the actual number of openings, or the states in which we projected the openings, will be the same as our estimates.

A list of the names, addresses, and telephone numbers of all Door Renew franchisees is attached to this disclosure document as EXHIBIT J. A list of the names, last known home addresses, and telephone numbers of every Door Renew franchise that has had their franchise 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 has not communicated with us within 10 weeks of the date of this disclosure document, is attached to this disclosure document as EXHIBIT J. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Our Franchise Advisory Council has not been established as of the date of this document.

As of the date of this disclosure document, there are no other trademark-specific franchisee organizations associated with the Door Renew franchise system that we have created, sponsored, or endorsed, and there are no independent trademark-specific franchisee organizations that have asked to be included in our disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Our audited financials as of July 23, 2021, are attached to this disclosure document as EXHIBIT K.

Our fiscal year ends on December 31.

The franchisor has not been in business for three years or more; and, therefore, cannot include all financial statements required.

ITEM 22. CONTRACTS

The following exhibits to this disclosure document are the contracts used by us in offering franchises:

EXHIBIT A	FRANCHISE AGREEMENT
EXHIBIT B	PERSONAL GUARANTY
EXHIBIT C	RESTRICTIVE COVENANT AGREEMENT
EXHIBIT D	POWER OF ATTORNEY TO ASSIGN TELEPHONE NUMBER
EXHIBIT E	FRANCHISEE DISCLOSURE QUESTIONNAIRE
EXHIBIT F	RELEASE OF CLAIMS
EXHIBIT G	MANAGEMENT AGREEMENT

ITEM 23. RECEIPT

The Receipt page is attached to the last page of this disclosure document. You must sign the receipt to acknowledge your receipt of this disclosure document.



EXHIBIT A. FRANCHISE AGREEMENT

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

Franchise Agreement

BETWEEN

**DOOR RENEW INTERNATIONAL, LLC
FRANCHISOR**

AND

FRANCHISEE

(Common Territory Name)

DATED

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Exhibits

EXHIBIT 1. SITE AND TERRITORY

DOOR RENEW FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the Agreement), made by and between Door Renew International, LLC, a Delaware Limited Liability Company (the Franchisor), and _____, a(n) _____ (the Franchisee) on the date signed herein by the franchisor herein _____ (the Effective Date).

WITNESSETH:

WHEREAS Franchisor has dedicated time, skill, effort, and money to create and develop and continues to develop a system (the System) for the establishment and operation of a distinctive type of business (referred to as a Door Renew or the Franchised Business) that offers residential and commercial restoration work of doors, buildings, and homes, windows, and other items. Door Renew provides a professional restoration alternative to replacement. Using techniques adapted from the wooden boat industry and not commonly used by painters, carpenters, and handymen, Door Renew is able to restore doors and other items at a fraction of replacement costs. A focused marketing approach is designed to attract qualified prospects; and

WHEREAS, the System consists of distinctive methods and procedures for marketing and advertising; specially designed business forms and procedures for the efficient operation of the Franchised Business; an operation manual (the Operating Manual); and specially designated equipment, techniques, and procedures for the promotion and provision of Franchisee's services; and

WHEREAS, Franchisor has invested substantial amounts of money in developing, and continues to develop, use and control the use of the marks Door Renew design, stylized, any derivatives thereof, and certain other trade names, business names, service marks, trademarks, logos, designs and trade symbols (collectively referred to as the Marks) to identify to the public the source of services marketed thereunder and through the Door Renew System and to represent the Door Renew uniform and high standards of quality; and

WHEREAS, Franchisor has applied to register the mark Door Renew with the United States Patent and Trademark Office, and claims the exclusive right to use all of the Marks and any derivatives thereof in connection with the operation of the Door Renew System, as are now or may from time to time be designated in writing by Franchisor for use in connection with the operation of the System, and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high standards of quality and service, the necessity of opening and operating the Franchised Business in conformity with Franchisor's standards and specifications as presented in Franchisor's Operating Manual and updates, and preserving the confidentiality of the System; and

WHEREAS, Franchisee has applied for a Door Renew Franchise. In reliance upon all of the representations made by Franchisee in the application and in this Agreement, Franchisor has approved Franchisee's application;

NOW, THEREFORE, in consideration of the above Recital, which is incorporated herein as if fully rewritten, and the mutual promises contained herein, the parties agree as follows:

I. APPOINTMENT

A. Grant of Franchise

Subject to the terms and conditions of this Agreement, Franchisor hereby grants to Franchisee the right to operate, and Franchisee undertakes the obligation to establish and operate in the market area designated in Exhibit 2 of this Agreement (the “**Territory**”) the number of Door Renew Franchised Business vehicles specified in the market area development schedule on Exhibit 2 (the “**Market Area Development Schedule**”) under the System and the Marks and using the system standards set (referred herein as “**System Standards**” which include the terms of this Agreement, the Operating Manual (as defined here), other directives provided by Franchisor).

You may advertise, solicit, offer, accept orders, and sell within the Territory. You do not have the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory unless we give you written consent to serve another specified area where no other Door Renew franchise or company-owned unit is located. If you are granted consent to service another specified area, you shall be obligated to pay royalty fees and other fees to us for the services performed or products sold. If Franchise offers, solicits, or accepts, or performs service outside of the Franchised Business Territory, Franchisor may in its discretion, but is not obligated to do so, in addition all other remedy provided for in this Agreement or in law or equity, assess Outside of Territory Fee up to or equal to 100% of any revenue generated from one customer, and up to 300% of revenue generated from more than one customer, from another Territory (“**Out-of-Territory Fee**”) and Franchisee covenants and agrees to pay said Out-of-Territory Fee.

B. Area Market Development Schedule

Franchise must open and operate Door Renew Franchised Business vehicles in accordance with the deadlines set forth in the Area Market Development Schedule (“AMD Deadline”) as set forth in Exhibit 2 of this Agreement.

Franchisee acknowledges and agrees that in order to remain in good standing and maintain the Territory rights granted hereunder, Franchisee must open and operate Door Renew Franchised Business vehicles in accordance with the AMD Deadline set forth in the Area Market Development Schedule. Failure to meet the AMD Deadline for six consecutive months is a material default of this Agreement, and Franchisor may terminate this Agreement for failure to open and operate Door Renew Franchised Business vehicles in accordance with the AMD Deadlines.

C. Franchisor Restrictions

Provided that Franchisee meets the Market Area Development Opening Deadline set forth in Exhibit 2 and Franchisee is not in breach of this Agreement, and except as otherwise set forth herein, Franchisor shall not establish or franchise another to establish a Door Renew within the

Territory so long as Franchisee meets the Minimum Performance Standards as set forth in this Agreement. If for any reason the boundaries of the Territory are moved, altered, or eliminated, Franchisor shall re-define the boundaries of the Territory to correspond as nearly as possible, in Franchisor's discretion, to Franchisee's original Territory, and Franchisor's decision shall be final and binding upon both Franchisor and Franchisee. Franchisor is not obligated to ensure that no other franchise will conduct operations in your Territory. Although such activities are discouraged, we reserve the right to determine how to respond to any such situation. Franchisor is not required to pay Franchisee any compensation for Franchisor or other franchisees soliciting or accepting orders in Franchisee's Territory.

D. Reserved Rights

Franchisor specifically reserves all rights not expressly granted to Franchisee in this Agreement. Without limiting the generality of the preceding sentence, Franchisor has the right to:

1. Own, acquire, establish and operate, and license others to establish and operate, businesses like the Franchised Business or substantially similar to the Franchised Business, whether under the Marks or other proprietary marks outside the Territory.
2. Acquire a system of Competitive Businesses (as defined herein) with units located within the Territory or outside the Territory, subject to the provisions of this Agreement.
3. Sell or franchise others to sell the services and products authorized for Door Renew Franchised Business using the Marks or other trademarks, service marks, and commercial symbols through alternate channels of distribution, venues, site, or location models other than the model concept of your Franchised Business, joint marketing with partner companies, direct mail, catalog sales, internet sites, and co-branding strategies, pursuant to such terms and conditions as Franchisor deems appropriate.
4. Offer and sell the services and products authorized for Franchised Business using the Marks or other trademarks, service marks, and commercial symbols to Special Accounts as defined and a per the conditions set forth in this Agreement.

E. Special Accounts

The Franchisor has the exclusive right to contract with customers whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Door Renew territory or the trading area of a single Franchise, Franchisor-owned or Affiliate-owned business (referred to herein "**Special Accounts**"). If Franchisor establishes a contract for facilities of a Special Account located in the Territory, Franchisor shall offer Franchisee the first option of providing the services to the Special Account at those facilities in the Territory at the prices and subject to the contract requirements negotiated by Franchisor with the Special Account. If Franchisee accepts the project, Franchisor will collect all amounts due from the Special Account and remit to Franchisee the amount due for products and services rendered. All amounts collected from Special Accounts on Franchisee's behalf or by Franchisee from Special Accounts will be included in Franchisee's Gross Revenues for purposes of calculating Royalties other fees due under this Agreement.

If Franchisee declines to accept the project, Franchisor will have the unfettered right to fulfill the contract requirements to the Special Account in the Territory in any manner it deems suitable, including through another Door Renew Franchisee, a Franchisor or Affiliate-owned business, or a third-party contractor. Additionally, if at any time a Special Account for any reasonable requests that services in the Territory be provided by someone other than Franchisee, Franchisor may revoke Franchisee's option or right to provide or continue to provide the services and may fulfill the contract requirements of the Special Account in the Territory in any manner Franchisor deems suitable.

F. Acquisition of Competing System

If Franchisee is in compliance with this Agreement and Franchisor acquires a system of Competitive Businesses (an "**Acquired System**") during the term of this Agreement, the following terms apply:

1. Franchisor shall offer Franchisee the option to purchase and operate, as a Door Renew Franchise, any unit of the Acquired System (an "**Acquired Unit**") that is both purchased by Franchisor for operation by Franchisor or an Affiliate (e.g., the unit will not be operated by a licensee of the Acquired Systems) and is located within the Territory. Franchisor shall provide Franchisee with written notice of Franchisor's purchase of the Acquired System, the terms and conditions applicable to Franchisee's option to purchase Acquired Units, and such other information that Franchisor deems necessary to be included in the notice. The terms and conditions offered to Franchisee will include, without limitation, the following: (i) the purchase price of the unit; and (ii) the requirement that Franchisee enters into Franchisor's then-current form of the franchise agreement for the Acquired Unit, provided that Franchisee shall not be required to pay an Initial Franchise Fee for an Acquired Unit. If Franchisee does not elect to purchase or fails to complete the purchase of an Acquired Unit within two (2) months after its receipt of the notice, Franchisor has the right to operate itself, or through an Affiliate or third-party licensee, the Acquired Unit under any trade name or trademark other than the Marks.

2. Franchisee has no right to purchase, and Franchisor is not obligated to offer Franchisee any option to purchase any Acquired Unit that is operated by a licensee under the Acquired Systems. Franchisor may license such units to be operated under any trade name or trademarks other than the Marks and may also license additional units of the Acquired Systems to be developed and operated within the Territory.

II. TERM AND RENEWAL

A. Initial Term

Except as otherwise provided, the term of this Agreement shall be for a period of 10 years commencing on the date set forth on the cover hereof.

B. Renewal

Upon the expiration of the initial term or any renewal term hereof, Franchisee may, at its option, renew this Agreement for an additional term of 10 years (the "**Successor Franchise**"), provided that at the end of each term:

1. Franchisor is still offering Franchises at the time of each renewal period;
2. Franchisee has given Franchisor written notice of its election to renew not less than six (6) months, but not more than one (1) year, prior to the end of the preceding term;
3. Franchisee is not in default under any provision of this Agreement, any amendment or successor thereto, or any other agreement or instrument between Franchisee and Franchisor or its affiliates, approved suppliers of the System and had substantially complied with all of the terms and conditions of all such agreements during the then-current terms;
4. Franchisee shall refurbish the Franchised Business to conform to the then-current trade dress, color schemes, and presentation of the Marks and Systems Standards;
5. Franchisee executes Franchisor's then-current form of franchise agreement and all other agreements and contracts that are normally and customarily signed by franchisees, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement, including, without limitation, different royalty and Brand Development Fund Contributions; provided, however, the agreement offered Franchisee upon renewal shall not require Franchisee to pay the initial franchise fee again;
6. Franchisee must pay Franchisor a Successor Franchise Fee of \$10,000 at the same time that Franchisee gives Franchisor the written request required by this Section. If Franchisor refuses to grant Franchisee a Successor Franchise, Franchisor shall, at the same time, Franchisor notifies Franchisee of the refusal, refund the Successor Franchise Fee paid by Franchisee. The Successor Franchise Fee is not refundable under any other circumstances;
7. Unless prohibited by the laws of the state in which Franchisee is located, Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its subsidiaries and affiliates, and their respective officers, directors, shareholders, partners, members, agents and employees, in their corporate and individual capacities; and
8. Franchisee shall comply with Franchisor's then-current qualification and training requirements, including, without limitation, any training requirements specifically designated for renewing Franchisees.

C. Interim Term

If Franchisee does not execute a Successor Agreement before the expiration of the Agreement and Franchisee continues to accept the benefits of this Agreement after the expiration, then at Franchisor's option, this agreement may be treated either as: (i) expired as of the expiration date, with Franchisee then operating without a franchise to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis (the "**Interim Term**") until terminated by either party with at least one month written notice. In the latter case, all of Franchisee's obligations will remain in full force and effect during the Interim Term as if this agreement had not expired, except Royalty Fees, and all other fees shall be at the Franchisor's then-current rates and amounts plus an additional 2% royalty on gross revenues, and all obligations and restrictions imposed on Franchisee upon the expiration of this agreement will

be deemed to take effect upon termination of the Interim Term. Except as described in this paragraph, Franchisee has no right to continue to operate the Franchised Business following the expiration of the Initial Term. If any applicable Franchise Law requires a longer notice period, the one-month period will be deemed modified to be the shortest notice period required by the Franchise Law.

III. INITIAL AND ONGOING FEES

A. Initial Franchise Fee

Franchisee shall pay Franchisor an initial franchise fee of \$62,500 for a single Market Area, \$100,000 for two Market Areas, \$135,000 for three Market Areas, \$165,000 for four Market Areas, and \$20,000 for each additional Market Area beyond four in cash or by check, money order, or bank draft. The initial franchise fee is fully earned, due, and payable to Franchisor upon the execution of this Agreement, in consideration of, among other things, the administrative and other expenses incurred by Franchisor in furnishing items to Franchisee as described herein and for Franchisor's lost or deferred opportunity to franchise to others. Except as provided below, the initial franchise fee is not refundable.

B. Royalty Fee

Following the commencement of the Franchised Business and in consideration of Franchisee's continued right to utilize the System and the Marks and Franchisor's ongoing assistance as described herein, Franchisee shall pay Franchisor 6% of weekly Gross Revenues for the preceding week or a minimum payment, whichever is greater. For purposes of calculating the amount due each week, a week is considered to be the seven-day period between Sunday and Saturday. In Year 1, the weekly minimum is \$115 per week; in Year 2, the weekly minimum is \$231 per week, and in Year 3, the weekly minimum is \$415 per week and thereafter for the term of the Franchise Agreement, whichever is greater, each month and every month thereafter} (the "Royalty Fee"). Royalty Fees are due and payable by the Thursday of each week based upon Franchisee's Gross Revenues for the preceding week. Franchisee shall also pay all federal, state, and local sales or use taxes that may be levied or assessed, in whole or in part, on the Royalty Fees payable to Franchisor, regardless of whether such taxes be assessed against or payable by Franchisor or Franchisee.

C. Brand Development Fund

Franchisee shall pay a Brand Development Fund Contribution of 1% of Gross Revenues or \$50 per week in year 1; and in year 2 and thereafter \$100 per week, whichever is greater. Brand Development Fund Contributions are due and payable by Thursday of each week based upon Franchisee's Gross Revenues for the preceding week. Franchisee shall also pay all federal, state, and local sales or use taxes that may be levied or assessed, in whole or in part, on the Brand Development Fund Contributions payable to Franchisor, regardless of whether such taxes be assessed against or payable by Franchisor or Franchisee.

D. Sales and Market Fee

Franchisee shall pay Franchisor a Sales and Market Fee of 5% of Gross Revenues or the Minimum Operations Fee of \$50 per week in year 1; \$100 per week in year 2; and in year 3 and thereafter \$300 per week, whichever is greater (or 5% of Gross Revenues or \$1,200 for 3 months) for access to and use of certain technology, including the Sales & Marketing Center, support from the franchisor, and access to the local marketing library.

E. Late Payments

Franchisee shall pay Franchisor a late fee of \$25 per week plus interest at of the rate of 18% on the unpaid balance for each Royalty Fee or Brand Development Fund Contribution that is not received by Franchisor when due or the highest rate allowed by law, whichever is lower, from the date payment is due to the date payment is received by Franchisor, regardless of any subordinate agreement that may be in effect to postpone payment of fees.

F. Gross Revenues

The term “**Gross Revenues**,” as used in this Agreement, shall mean all sales and other income (recognized on an accrual basis), whether cash or credit or barter for exchange (regardless of the collection in the case of credit), arising from the operation of the Franchised Business, less (i) all refunds and discounts made to customers in good faith and in accordance with Franchisor’s policies, and (ii) any sales or excise taxes that are separately stated and that Franchisee may be required to and does collect from customers and pays to any federal, state, or local taxing authority.

G. Method of Payment

Franchisee agrees to remit fees and any other amounts due to Franchisor hereunder via virtual check debt or other means as Franchisor may stipulate. Franchisee agrees to execute and deliver to Franchisor an authorization for electronic transfer of funds for direct debits from Franchisee’s business bank operating account and to comply with procedures specified by Franchisor and perform such acts as may be necessary to accomplish payment by electronic fund transfer. Franchisee authorizes Franchisor to initiate debit entries and/or correction entries to a designated checking account for payment of royalties or any other fees and amounts payable to Franchisor, including, but not limited to, attorney fees and interest. Franchisee shall make funds available to Franchisor for withdrawal by electronic transfer no later than the due date for payment, therefore. If Franchisee has not timely reported Franchisee’s Gross Revenues to Franchisor for any reporting period, then Franchisor shall be authorized to debit Franchisee’s account in an amount equal to 125% of the Royalty Fees and other fees and amounts payable by Franchisee for the last reporting period for which a statement of operations was received from Franchisee. Nothing contained in this paragraph shall be construed to waive Franchisee’s obligations to submit any reports, records, or other materials required by this Agreement or waive any remedy available to Franchisor for Franchisee’s failure to make timely payments.

IV. OPENING OF FRANCHISED BUSINESS

A. Site

Franchisee shall solely operate the Franchised Business from a shop and mobile vehicles that are approved by and meets Franchisor's then-current site requirements (Site) and is identified in Exhibit 2 to this Agreement.

Franchisee acknowledges and agrees that Franchisor's approval of the Site is solely based upon the Site conforming to System Standards and is not intended as and should not be interpreted as an opinion, Testament, or assurances regarding the success or profitability of the specific Site.

Franchisee may relocate the Site of the Franchised Business so long the new Site meets Franchisor's then-current Site requirements and is approved by Franchisor and Franchisee reimburses Franchisor for any costs and expenses incurred by Franchisor in the Franchised Business relocation.

B. Schedule of Equipment

Franchisor shall provide, at no charge to Franchisee, a schedule of all equipment necessary to operate the Franchised Business.

C. Franchisee Obligations

Franchisee shall comply with all federal, state, and local laws, codes, and regulations, including the applicable provisions of the OSHA and ADA regarding the construction, design, and operation of the Franchised Business. In the event Franchisee receives any complaint, claim, or other notice alleging a failure to comply with the OSHA and ADA, Franchisee shall provide Franchisor with a copy of such notice within five days after receipt thereof.

D. Opening Date

Franchisee shall complete all pre-opening requirements hereunder before opening the Franchised Business, and Franchisee shall open the Franchised Business, in accordance with the requirements contained herein, in the Operating Manual, and/or elsewhere in writing by Franchisor, not later than 150 days after the execution of this Agreement. Time is of the essence.

E. Notice and Franchisor's Final Inspection Approval

In connection with the opening of the Franchised Business, Franchisee shall provide at least thirty (30) days prior notice to Franchisor of the date on which Franchisee proposes first to open the Franchised Business for business. Franchisee agrees not to open Franchised Business without first obtaining Franchisor's final written inspection approval.

V. TRAINING AND ASSISTANCE

A. Initial Training

Prior to opening the Franchised Business, you and/or your Designated Manager shall attend and successfully complete, to Franchisor's satisfaction, the initial training program offered by Franchisor at a location designated by Franchisor. If any required attendee does not satisfactorily complete such training, Franchisor may require that a replacement person attends and successfully completes, to Franchisor's satisfaction, the initial training program.

Franchisee acknowledges that the grant of the franchise under this Agreement is conditioned upon the successful completion of Franchisor's initial training program by Franchisee or if Franchisee is other than an individual, the Designated Manager. If, during the course of the initial training program or within fifteen (15) days thereafter, Franchisor concludes that Franchisee or the Designated Manager, as the case may be, has not exhibited the aptitude, abilities, or personal characteristics necessary or desirable to successfully operate a Door Renew Franchised Business in accordance with the standards and procedures of the Door Renew Methods and the System, Franchisor may, in its sole discretion and judgment, cancel this Agreement and all rights hereunder by giving notice to Franchisee. Upon the cancellation of this Agreement pursuant to this paragraph, Franchisee shall return to Franchisor the Operating Manual and all other materials, information, and other items that Franchisee received from Franchisor, including all copies thereof and notes thereon. Franchisee agrees to maintain the confidentiality of all information strictly received relating to the Door Renew Method and not to use, in connection with the offering or selling of restoration and door replacement, or similar business, any trade secrets or confidential information obtained from Franchisor.

B. Training of Replacement Personnel

If Franchisee's Designated Manager or Franchised Business Manager ceases active employment in the Franchised Business, Franchisee shall designate a new Designated Manager who meets Franchisor's then-current training requirement and is approved by Franchisor within a reasonable amount of time after the cessation of such former Designated Manager's employment, but no later than forty-five (45) days. Franchisor reserves the right to review any Franchisee-trained personnel and require that such persons attend and complete, to Franchisor's satisfaction, the initial training programs offered by Franchisor at a location designated by Franchisor.

C. Ongoing Training.

Franchisor may also require that Franchisee (and/or its Designated Manager), employees, and contractors attend such refresher courses, seminars, and other training programs as Franchisor may reasonably require from time to time.

D. Annual Meeting

Franchisee (or if Franchisee is other than an individual, the Designated Manager) may attend regional and/or national meetings of Door Renew franchisees at a location within the United States designated by Franchisor as Franchisor may host or require. Franchisor reserves the

right to charge Franchisee a fee for such meetings. This provision shall not be construed to require Franchisor to hold, provide, sponsor, host, or organize any such meetings.

E. Continuing Assistance

Franchisor will provide Franchisee, at no charge to Franchisee, periodic and continuing advisory assistance with technical, operational, sales, personnel, accounting, or other issues affecting the day-to-day operation of the Franchised Business in such manner and frequency as Franchisor deems advisable.

F. Training Costs

For all training courses, seminars, and programs, Franchisor shall provide instructors and training materials, provided that Franchisor reserves the right to charge a fee for a refresher, remedial, and additional training it provides. Franchisee shall bear the cost of all other expenses for its attendees during the training period, including, without limitation, the costs of transportation, lodging, meals, wages, and workers' compensation insurance.

VI. SYSTEM STANDARDS

A. Standards

Franchisee acknowledges and agrees that every detail of the System is important, not only to Franchisee but also to Franchisor and other Door Renew franchisees, in order to develop and maintain high and uniform operating standards, to increase the demand for the products and services offered by all franchisees, to establish and maintain a reputation for uniform, efficient, high-quality products and services, and to protect the goodwill of all Door Renew franchises. Franchisee further acknowledges and agrees that a fundamental requirement of the System, this Agreement, and other Door Renew franchises are adherence by all Franchisees to the uniform specifications, standards, operating procedures, and rules prescribed by Franchisor for the development and operation of the Franchised Business (collectively referred to as System Standards).

Accordingly, Franchisee agrees to comply with each and every System Standard, as periodically modified and supplemented by Franchisor in its sole and absolute discretion, during the term of this Agreement. Franchisee further agrees that System Standards prescribed from time to time in the Operating Manual or otherwise communicated to Franchisee in writing shall constitute provisions of this Agreement as if fully set forth in this Agreement. All references to this Agreement include all System Standards as periodically modified.

Franchisee agrees to comply with System Standards and not to deviate from Franchisor's specifications or procedures. In addition to all other remedies provided herein or otherwise, if franchisee fails to adhere to the System Standards or Franchisee is found in violation of the System Standards, Franchisee shall reimburse Franchisor for any and all cost and expenses associated with counsel, inspection, support, assistance, enforcement rendered to and against Franchisee regarding said System Standards violation and/or non-compliance.

B. Supplier Approval

Franchisee shall purchase all supplies, equipment, marketing materials, and other products and materials required for the operation of the Franchised Business as the Franchisor designates from time to time solely from vendors and suppliers who demonstrate to Franchisor's continuing reasonable satisfaction the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; and who have been approved, in writing, by Franchisor and not thereafter disapproved. If Franchisee desires to purchase any items from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval or shall request the supplier itself to do so. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered, at Franchisor's option, either to Franchisor or to an independent certified laboratory designated by Franchisor, for testing, and the actual cost of the tests shall be paid by Franchisee or the supplier. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's criteria. Franchisor may charge a reasonable fee for inspection, review, and approval of suppliers. Franchisor may revoke supplier approval at any time for any reason upon notice to the franchisees.

C. Products and Services

Franchisee shall offer and sell all products and services, and only those products and services authorized by Franchisor and specified in the Operating Manual or as designated in writing by Franchisor (the "**Permitted Products and Services**"). Franchisor may unilaterally add and delete products or services to or from the Permitted Products and Services at any time. Franchisor may also designate any products or services as optional.

D. Pricing

Franchisor has the right to provide recommended and suggested pricing for the Franchised Business products and services.

E. Promotions

Franchisee shall fully participate, honor, and comply with any and all System, local, regional, seasonal, promotional, and other programs, initiatives, and campaigns adopted by Franchisor that Franchisor requires Franchisee to participate in.

F. Fixtures and Furnishings

Franchisee shall purchase and install, at Franchisee's expense, all fixtures, furnishings, signs, communication and information system, and other equipment as may be specified by the System Standards from time to time; and shall not permit the installation of any fixtures, furnishings, signs, communication and information system, or other equipment is not conforming to the System Standards.

G. Maintenance Standards

Franchisee shall at all times maintain the Franchised Business in a high degree of cleanliness, repair, and condition, and in connection therewith and shall make such additions, alterations, repairs, and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, fixtures, equipment, and décor as Franchisor may direct.

H. Refurbishing

At the request of Franchisor, which may be made once every (2) year during the term of this Agreement (excluding any periods of renewal of the franchise rights, for which additional refurbishment may be required), Franchisee shall refurbish the Franchised Business at its own expense to conform to the trade dress, color schemes, and presentation of the Marks in a manner consistent with the image than in effect for the new Door Renew Franchised Business under the System. Such refurbishment may include structural changes, installation of new equipment and signs, remodeling, redecoration, and modifications to existing improvements. Franchisee shall complete the refurbishing within the time period specified by Franchisor.

I. Variance

Franchisee acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege to vary System Standards for any Door Renew Franchisee based upon any condition that Franchisor deems to be of importance to the successful operation of such franchisee's business.

VII. FRANCHISED BUSINESS OPERATIONS

A. Business Operation

After opening, Franchisee shall maintain the Franchised Business in continuous operation during all normal business hours as provided for in the Operating Manual during the term of this Agreement. Franchisee shall use its best efforts to promote and develop the market for the Permitted Products and Services. The Franchised Business must at all times be under the direct supervision of Franchisee, the Designated Manager, or the Franchised Business Manager, who must devote his/her full time and energy to the operation of the Franchised Business is approved by Franchisor and has successfully completed Franchisor's initial training.

B. Inspection

To ensure compliance with this Agreement and System Standards, Franchisor or its designated agents have the right, at any reasonable time and without prior notice, to (i) inspect the Franchised Business; (ii) observe Franchise Owner and its employees during the performance of work; (iii) confer with the Franchise Owner, and its employees; (iv) contact and interview customers and suppliers/distributors of Franchise Owner; (v) inspect, inventory, and check any and all inventory, equipment, signage, fixtures, furniture and operating methods of the

Franchise Owner; (vi) test products and supplies; and (vii) conduct online or other surveys and secret shoppers, including recorded and interviews. Franchisor may require that Franchisee furnishes its customers with an evaluation form specified by the Franchisor pre-addressed to the Franchisor. Franchisee agrees to fully cooperate with representatives of the Franchisor, making any inspection or observing or evaluating the work of Franchisee or its employees. If any inspection conducted by Franchisor or its designee reveals that the Franchised Business fails to meet System Standards, Franchisor may charge the then-current standard re-inspection fee. Franchisee's failure to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period is a material breach of this agreement, for which Franchisor, in addition to its other legal and equitable remedies, may terminate this Agreement, refuse to renew the Franchise granted under this agreement, or reduce the geographic size of the Territory.

C. Performance Standard

Franchisee acknowledges and agrees that in order to remain in good standing and maintain the Territory right granted hereunder, the Franchised Business must achieve \$50,000 in sale for calendar years 3-5 post the signing of the franchise agreement and \$75,000 for calendar years 6-10 or greater. Failure to meet the Performance Standards is a material default of this Agreement, and Franchisor may grant a franchise to another to open a Door Renew within the Territory.

Franchisee acknowledges that the Performance Standard amounts do not constitute and are not in the nature of "earnings claims" or "financial performance representations." Franchisor disclaims any representation, warranty, or guarantee that Franchisee can or will achieve levels of sales necessary to comply with the Performance Standard amounts above, or any other level or range of sales, income, or other measures of performance. As a practical business matter, Franchisor is unable to reliably estimate or predict the future financial or other results of any Door Renew Franchisee and is unable to estimate or predict Franchisee's potential results reliably.

D. Payment of Liabilities

Franchisee shall at all times pay its distributors, lessors, contractors, suppliers, trade creditors, employees, and other creditors promptly as the debts and obligations to such persons become due and hold Franchisor harmless therefrom. Franchisee's failure to do so shall constitute a breach of this Agreement. In the event Franchisee shall fail to pay any such obligations promptly as the debts to such persons or entities become due, Franchisor shall, in addition to its other remedies provided in this Agreement, have the right, at its election and without being obligated to do so, to pay such obligations and the amount or amounts paid therefore shall be paid by Franchisee to Franchisor with the next succeeding payment due Franchisor under this Agreement, together with interest at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less, from the date of payment by Franchisor to the date of reimbursement by Franchisee.

E. Payment of Taxes

Franchisee shall at all times pay its taxes on real and personal property, leasehold improvements, and fixtures and equipment, and all sales, payroll, and other taxes promptly when due and hold Franchisor harmless therefrom. Franchisee's failure to do so shall constitute a breach of this Agreement. All taxes shall be paid directly to the taxing authorities prior to the delinquent date. If any taxes become delinquent, Franchisor may elect to pay the delinquent tax on behalf of Franchisee, together with penalties and interest, if any, and Franchisee agrees, upon demand of Franchisor, to reimburse Franchisor for any sums so paid by Franchisor, together with interest at the rate of eighteen percent (18%) per annum, or the highest rate allowed by law, whichever is less, from the date of payment by Franchisor to the date of reimbursement by Franchisee.

F. Compliance with Law

Franchisee agrees to comply with all laws, regulations, and requirements of federal, state, municipal, and other governmental entities and agencies (including, but not limited to, Title VII of the Civil Rights Act, the OSHA, the ADA, the Age Discrimination in Employment Act, and any other federal, state or local employment laws relating to occupational hazards and health, consumer protection, employment discrimination, and sexual harassment), and to obtain and maintain any and all licenses and permits required by any governmental agencies or otherwise necessary to conduct the Franchised Business in any jurisdiction in which it operates. Franchisee agrees and acknowledges that Franchisee alone shall be responsible for compliance with the obligations under this paragraph and that Franchisor shall have no obligation with respect thereto.

G. Client Service

Franchisee acknowledges that client satisfaction is essential to Franchisee's success as well as the reputation and success of the Marks, the System, and other Door Renew franchisees. Accordingly, Franchisee agrees to (i) use its best efforts to ensure the satisfaction of each of Franchisee's customers; (ii) use good faith and fair dealing in all dealings with customers, potential customers, suppliers, and creditors; (iii) respond to client complaints in a courteous, prompt, and professional manner; and (iv) use its best efforts to promptly and fairly resolve client disputes in a mutually agreeable manner. If Franchisee fails to resolve a dispute with a client, for any reason whatsoever, Franchisor, in its sole discretion, may (but shall not be obligated to) investigate the matter and require Franchisee to take such actions as Franchisor deems necessary or appropriate to resolve the dispute fairly and promptly. Nothing contained in this Section, or any other provision of this Agreement shall be construed to impose liability upon Franchisor to any third party for any action by or obligation of Franchisee.

Franchisee agrees to participate in and fully comply with any customer warranty or guaranty, or customer satisfaction program Franchisor may establish from time to time.

H. Minimum Annual Gross Revenues

Franchisee's Gross Revenues for each calendar year must equal or exceed the applicable "Minimum Annual Gross Revenues" as outlined below. Franchisee's failure to achieve or exceed

the Minimum Annual Gross Revenues for two (2) consecutive calendar years is a material breach of this agreement, for which Franchisor, in addition to its other legal and equitable remedies, may terminate this Agreement, refuse to renew the Franchise granted under this agreement or reduce the geographic size of the Territory: \$50,000 in sale for calendar years 3-5 post the signing of the franchise agreement and \$75,000 for calendar years 6-10

Franchisee acknowledges that the Minimum Annual Gross Revenues amounts in the above table do not constitute and are not in the nature of “earnings claims” or “financial performance representations.” Franchisor disclaims any representation, warranty, or guarantee that Franchisee can or will achieve levels of sales necessary to comply with the Minimum Annual Gross Revenues amounts above, or any other level or range of sales, income, or other measures of performance. As a practical business matter, Franchisor is unable to reliably estimate or predict the future financial or other results of any Door Renew Franchisee and is unable to estimate or predict Franchisee's potential results reliably.

VIII. MANAGEMENT AND STAFFING

A. Non-Individual Franchisee

If Franchisee is other than an individual, it shall comply with the following requirements prior to its execution of this Agreement:

- 1.** Franchisee shall be newly organized, and its charter, articles of organization, bylaws, partnership agreement, or operating agreement shall provide that its activities are confined exclusively to operating the Franchised Business;
- 2.** Franchisee, prior to the execution of this Agreement, shall have provided Franchisor with written information as to each shareholder, member or partner of Franchisee (“Principals”), and the interest of each and shall promptly notify Franchisor of any changes in any such information during the term of this Agreement;
- 3.** All Principals of Franchisee shall enter into an agreement, in a form satisfactory to Franchisor, unconditionally guaranteeing the full payment and performance of Franchisee’s obligations to Franchisor;
- 4.** Each ownership certificate of Franchisee, if any, shall have conspicuously endorsed upon its face the following legend:

“The transfer, sale, or pledge of these shares is subject to the terms and conditions of a Franchise Agreement with Door Renew dated _____.”

- 5.** Copies of Franchisee’s articles of incorporation or organization, bylaws, partnership agreement, operating agreement, and other governing documents, including the resolutions of

the Principals or Board of Directors authorizing the execution of this Agreement, shall be furnished to Franchisor for its approval; and

6. Franchisee's name shall not consist of or contain the Marks or any colorable variation thereof or any other mark in which Franchisor has or claims a proprietary interest.

B. Designated Manager

If Franchisee is other than an individual, prior to beginning the initial training program, Franchisee shall designate, subject to Franchisor's approval, an individual (the "**Designated Manager**") who shall be responsible for general oversight and management of the operations of the Franchised Business on behalf of Franchisee. Criteria for Franchisor's approval of the Designated Manager may include completion of the Franchisor's initial training and other criteria as stipulated by Franchisor. Franchisee acknowledges and agrees that Franchisor shall have the right to rely upon the Designated Manager to have been given, by Franchisee, decision-making authority and responsibility regarding all aspects of the Franchised Business. In the event that the person designated as the Designated Manager dies, becomes incapacitated, leaves Franchisee's employ, transfers his/her interest in Franchisee, or otherwise ceases to supervise the operations of the Franchised Business, Franchisee shall promptly, but no event later than forty-five (45) days, designate a new Designated Manager, subject to Franchisor's approval.

C. Franchised Business Staff

Franchisee shall maintain a competent, conscientious, trained staff (who shall have been adequately trained per Franchisor Standards) in numbers sufficient to service customers promptly and properly, including at least a trained manager (or other trained supervisory employees in accordance with the Operating Manual) on duty at all times at which the Franchised Business is open (including daily Franchised Business opening and closing procedures), and take such steps as are necessary to ensure that its employees preserve good customer relations and comply with such dress code as Franchisor may prescribe.

D. Compliance with the USA Patriot Act

Franchisee certifies that neither Franchisee nor any of its Affiliates, Principals, employees, or other persons associated with Franchisee is an Embargoed Person. Franchisee shall not hire or have any dealings with an Embargoed Person or permit an Embargoed Person to hold an Ownership Interest in or position as a director or officer of Franchisee. Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee or any of its Affiliates, Principals, employees, or other persons associated with Franchisee being an Embargoed Person. Franchisee shall comply with and assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the Anti-Terrorism Laws. In connection with that compliance, Franchisee certifies, represents, and warrants that none of its property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its Affiliates and Principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities so stated in this agreement include Franchisee's obligations

under this paragraph. Any misrepresentation by Franchisee under this paragraph or any violation of the Anti-Terrorism Laws by Franchisee, its Affiliates, Principals or employees, will constitute grounds for immediate termination of this Agreement and any other agreement between any Franchisor-Related Person and Franchisee or any of its Affiliates, Principals or employees.

IX. COMMUNICATIONS AND INFORMATION SYSTEMS

A. Computer System

To ensure the efficient management and operation of the Franchised Business and the transmission of data to and from Franchisor, Franchisee, at its own expense, shall install, prior to opening the Franchised Business, and shall maintain and utilize during the term of this Agreement, such communication and information system as may be specified by the System Standards from time to time.

- 1.** As used in this Agreement, the term communication and information system shall mean hardware (including without limitation one or more computers and/or other computer components); software designated for the management and operation of the Franchised Business, as well as reporting and sharing information with Franchisor; and communication systems (including, without limitation, digital and analog modems, satellite, cable, and other systems).
- 2.** Franchisee shall use communication and information system as designated by Franchisor and as may be so required lease and/or purchase its communication and information system only from Franchisor Approved vendor or vendors or suppliers. Franchisee shall not install, or permit to be installed, any devices, software, or other programs not approved by Franchisor for use with the communication and information system.
- 3.** Franchisor may, from time to time, develop or authorize others to develop proprietary software programs for use in the System, which Franchisee may be required to purchase and/or license, and use, in connection with the Franchised Business. Franchisee agrees that it shall execute any license, sublicense, or maintenance agreement and pay any applicable fees required by Franchisor or any other approved licensor or approved vendor of such proprietary software programs.
- 4.** If required by Franchisor, Franchisee shall obtain and maintain a contract with a vendor that Franchisor has approved in writing for software maintenance, support, and upgrade services for Franchisee's communication and information system and to provide Franchisee with such assistance as Franchisee and Franchisee's employees may require. Franchisee acknowledges that Franchisor may be one of or the only approved vendor for such services, and if Franchisee obtains these services from Franchisor, then Franchisee agrees that it shall pay Franchisor the maintenance fee and help desk fee specified by Franchisor for such services. Notwithstanding these rights of Franchisor, Franchisor shall not at any time be obligated to

provide any such services or support for the hardware or software used in the communication and information system.

5. Franchisee shall upgrade and update its communication and information system in the manner and when specified by Franchisor in writing.

6. Franchisee shall have the sole and complete responsibility for the manner in which Franchisee's communication and information system interfaces with other systems, including those of Franchisor and other third parties, as well as any and all consequences that may arise if Franchisee's communication and information system is not properly operated, maintained, and upgraded.

7. Franchisee shall: (a) promptly enter, into its communication and information system, and maintain all information required to be entered and maintained by Franchisor; (b) provide to Franchisor such reports as Franchisor may request from the data so collected and maintained, and (c) permit Franchisor to access Franchisee's communication and information system at all times via modem or other means specified by Franchisor from time to time. Franchisee shall cooperate with Franchisor and shall execute all documents required by Franchisor to permit access to Franchisee's communication and information system and data contained therein. The reporting requirements set forth in this Section shall be in addition to and not in lieu of the reporting requirements set forth otherwise in this Agreement.

8. Any and all data collected or provided by Franchisee, downloaded from Franchisee's communication and information system, and otherwise collected from Franchisee's system by Franchisor and/or provided to Franchisor is and shall be owned exclusively by Franchisor, and Franchisor shall have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee, including, but not limited to, the disclosure or distribution of such information to other franchisees of Franchisor, or the disclosure of such information to prospective franchisees of Franchisor, by inclusion in Franchisor's franchise disclosure document or otherwise; however, Franchisee is hereby licensed (without any additional fee) to use such data solely for the purpose of operating the Franchised Business, and such license shall automatically and irrevocably expire when this Agreement terminates or expires, without additional notice.

B. Telephone

Franchisee shall maintain telephone lines and features for use exclusively by the Franchised Business as required by Franchisor in the Operating Manual or otherwise communicated to Franchisee from time-to-time.

1. Prior to opening the Franchised Business and thereafter at all times during the term of this Agreement, Franchisee shall obtain and maintain an e-mail account as specified by Franchisor that is capable of receiving and sending attached files of a size specified by Franchisor in the Operating Manual or otherwise communicated to Franchisee from time-to-time, along with an internet connection via a commercial internet service provider.

2. Franchisor shall have the right, but not the obligation, to establish a Web Site and/or other electronic system providing private and secure communications (e.g., an extranet)

between Franchisor, Franchisee, other franchisees, and other persons and entities as determined by Franchisor, in its sole discretion. If required by Franchisor, Franchisee shall establish and maintain access to the extranet in the manner specified by Franchisor and shall, from time to time, execute such agreements and/or acknowledge and agree to comply with such policies concerning the use of the extranet as Franchisor may prepare.

X. RECORDS AND REPORTS

A. Records

During the term of this Agreement, Franchisee shall maintain and preserve, for at least seven (7) years from the date of their preparation, full, complete, and accurate books and records of accounts, prepared in accordance with generally accepted accounting principles, and client files and records pertaining to the Franchised Business granted pursuant to this Agreement, all in the form and manner prescribed by Franchisor in the Operating Manual or otherwise in writing. In connection with its maintenance of such accounts and records, Franchisee, at its expense, shall:

- 1.** Submit to Franchisor, on or before the Tuesday of the week during the term of this Agreement, a Gross Revenue Report and statement of operations in the form prescribed by Franchisor and certified by Franchisee or the Designated Manager, accurately reflecting Franchisee's Gross Revenues and the results of operations of the Franchised Business, respectively, during the preceding period, along with such other data or information as Franchisor may require.
- 2.** Submit to Franchisor monthly, quarterly, and/or annual financial reports, including balance sheets, cash flow statements, profit and loss statements, and other reports as required by Franchisor. All reports shall be submitted timely in accordance with Franchisor's schedule, and all reports shall be certified by Franchisee or the Designated Manager to accurately reflect, respectively, the financial condition of the Franchised Business.
- 3.** Submit to Franchisor signed copies of the federal income tax returns for the previous tax year, as filed with the Internal Revenue Service, of Franchisee and of any Principal who owns an ownership interest in Franchisee greater than or equal to fifty percent, on or before April 30 of each year, or, if the taxpayer has received an extension of time to file and submits to Franchisor a signed, file-stamped copy of IRS Form 4868 or 2688, as applicable, then within fifteen (15) days after the final due date for such return, but in no event later than October 30th.
- 4.** Submit to Franchisor, for review or auditing, such other forms, reports, bank statements, client files, records, information, and data as Franchisor may designate, in the form and at such times and places as Franchisor may request.
- 5.** Purchase and install such equipment as Franchisor may require automating the reporting of financial information and payment of recurring fees pursuant to this Agreement, including,

but not limited to, internet or intranet reporting and pre-authorization of electronic fund transfer or bank debit.

B. Franchisor Audits and Inspection

At all times during the term of this Agreement and for a period of three (3) years after the termination or expiration of this Agreement, Franchisee covenants and agrees to permit Franchisor or its designated agents at all reasonable times to examine, at Franchisor's expense and at such location as Franchisor may reasonably select, Franchisee's books and records of accounts, bank statements, canceled checks, client files, federal, state, and local income tax, sales and use tax, and payroll tax returns, the federal income tax returns of any Principal who owns an ownership interest in Franchisee greater than or equal to fifty percent, and any other information or records pertaining to the Franchised Business (collectively referred to as Franchisee's Business Records). If such an inspection should reveal that Gross Revenues have been understated in any report to Franchisor, then Franchisee shall immediately pay the amount of Royalty and other fees and amounts due with respect to such understatement plus the late fees and interest as provided by this Agreement. In addition, if the audit is initiated due to franchisee's non-compliance with the terms herein or the Operating Manual or if an inspection reveals an understatement of Gross Revenues of three percent (5%) or more for any monthly period so inspected, or if an inspection is prompted by Franchisee's failure to maintain any records or to timely submit any report or other information required by this Agreement, then Franchisee shall also reimburse Franchisor for any and all costs and expenses of such inspection (including, without limitation, wages paid by Franchisor to its employees, travel expenses, and reasonable accounting and attorneys' fees). The foregoing remedies shall be in addition to any other remedies Franchisor may have. Franchisor shall also have the right, at any time, to have an independent audit made of Franchisee's Business Records.

XI. INDEMNIFICATION AND INSURANCE

A. Indemnification

Franchisee is responsible for all losses or damages from contractual liabilities to third persons from the possession, ownership, and operation of the Franchised Business and all claims or demands for damages to property or for injury, illness, or death of persons, directly or indirectly arising out of, or in connection with, possession, ownership or operation of the Franchised Business or the actions or omissions of Franchisee, its employees, officers, managers, representatives, and agents. Franchisee shall provide written notice to Franchisor of any and all demands for damages, claims, civil, administrative, or regulatory suits, complaints, or action, demands for arbitration, mediation, filed against Franchisee or Franchisee's owners, employees, or agents no more than 14 days from service of any of the aforementioned.

Franchisee agrees to indemnify, hold harmless and, at the Franchisor's request, defend the Franchisor and its affiliates and franchisees, and their agents, employees, attorneys, successors, and assigns against any and all claims, suits, demands, losses, damages, or liabilities, and all related expenses, including reasonable attorneys' fees and court costs, which directly or indirectly arising out of, in connection with, or as a result of possession, Franchisee's ownership or operation of the Franchised Business or the acts or omissions of Franchisee. This indemnity obligation will continue in full effect even after the expiration, transfer, or

termination of this Agreement. The Franchisor's right to indemnity under this Agreement will arise and be valid notwithstanding that joint or concurrent liability may be imposed on the Franchisor by statute, ordinance, regulations, or other laws.

B. Insurance

Franchisee must obtain and provide Franchisor with evidence of insurance in at least the minimum amounts and with the coverages specified in the Operating Manual or otherwise by Franchisor. Evidence of this insurance must be initially provided before beginning the operation of the Franchise Business. Certificates of renewal must be provided no later than 10 days before the expiration date of each policy. If Franchisee does not provide the Franchisor with evidence of any required insurance policies at any due date, Franchisor may purchase that insurance at the Franchisee's expense. Franchisee shall reimburse Franchisor on demand for Franchisor's cost in obtaining this insurance together with interest at the rate of eighteen percent (18%) per annum or the highest rate allowed by law, whichever is less, from the date of payment by Franchisor to the date of reimbursement by Franchisee. Each required policy of liability insurance must name Franchisor as an additional insured and must provide that Franchisor will be given at least 30 days' notice before cancellation, modification, or amendment of the policy.

XII. PROPRIETARY MARKS

A. Use by Franchisee

Franchisee's right to use the Marks as granted in this Agreement is limited to their use in connection with the operation of the Franchised Business within the Territory and otherwise as described herein and as set forth in the Operating Manual or as may be prescribed in writing by Franchisor from time to time.

B. Exclusive Property of Franchisor

Franchisee acknowledges Franchisor's right, title, and interest in and to the Marks, along with the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in the System are exclusive to Franchisor. Except as expressly provided by this Agreement, Franchisee shall acquire no right, title, or interest therein, and any and all goodwill associated with the system and the Marks shall inure exclusively to Franchisor's benefit. Upon the expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the system or the Marks.

C. Infringement by Franchisee

Franchisee acknowledges that the use of the Marks outside of the scope of this Agreement without Franchisor's prior written consent is an infringement of Franchisor's rights, title, and interest in and to the Marks. Franchisee expressly covenants that during the term of this Agreement and after the expiration or termination hereof, Franchisee shall not, directly or indirectly, commit an act of infringement or contest or aid in contesting the validity or ownership of the Marks or take any other action in derogation thereof.

D. Infringement by Others

Franchisee shall promptly notify Franchisor of any use of the Marks or any colorable variation thereof by any person or legal entity other than Franchisor or any of its representatives and agents or other Franchisees, or any other mark in which Franchisor has or claims a proprietary interest. Franchisee further agrees to notify Franchisor promptly of any litigation instituted by any person or legal entity against Franchisor or Franchisee involving the Marks. In the event Franchisor, in its sole discretion, undertakes the defense, prosecution, or settlement of any litigation relating to the Marks, Franchisee agrees to execute any and all documents and to render such assistance as may, in the opinion of Franchisor, be reasonably necessary to carry out such defense, prosecution or settlement. In the event that any party demonstrates, to Franchisor's sole satisfaction, a superior right to use any of the Marks, Franchisee shall, upon demand by Franchisor, discontinue its use of such Mark(s) and adopt, at Franchisee's sole cost and expense, any Mark(s), if any, selected by Franchisor to replace such discontinued Mark(s).

E. Improper Use

Franchisee shall not use any of the Marks, or any derivative or a colorable variation thereof: (i) as part of Franchisee's corporate or other legal names; (ii) on or as part of any Website, domain name, URL, web page, electronic mail address, listing, banner, advertisement or any other service or link on, to or with the internet, World Wide Web, internet service providers, electronic mail services, communication providers, search engines, or other similar services (without Franchisor's prior written consent); (iii) with any prefix, suffix (including, but not limited to, the word "Inc. or LLC"), or other modifying words, terms, designs, or symbols; or (iv) in any modified form. Franchisee shall not register any of the Marks, or any derivative or a colorable variation thereof, as a service mark, trademark, or internet domain name, or hold out or otherwise employ the Marks to perform any activity or to incur any obligation or indebtedness in such a manner as could reasonably result in making Franchisor liable therefore or that may harm, tarnish, or impair Franchisor's reputation, name, services or Marks. The provisions of this paragraph shall survive the expiration, termination, or cancellation of this Agreement.

F. Non-exclusive Use

Franchisee expressly acknowledges and agrees that this license to use the Marks is non-exclusive, and Franchisor has and retains the rights, among others:

1. To grant other licenses for the use of the Marks, in addition to those already granted to existing franchisees and to Franchisee; and
2. To develop and establish other systems and programs utilizing the same or similar Marks, or any other proprietary marks, and to grant franchises therein without granting Franchisee any rights therein;

G. Use by Others.

Franchisee shall not permit any third party to imprint the Marks on any products, materials, documents, and supplies utilized by Franchisee in connection with the operation of the

Franchised Business without first obtaining the consent of Franchisor and causing such third party to execute a license agreement as specifically provided for in this Section of this Agreement.

XIII. CONFIDENTIAL OPERATING MANUAL

A. Business Operations

In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Marks, Franchisee shall conduct its operations hereunder in accordance with Franchisor's Operating Manual, as the same may be amended or modified from time to time.

B. Confidentiality

The Operating Manual shall, at all times, remain the sole property of Franchisor. Franchisor treats the Operating Manual and all information contained therein as confidential and proprietary. Franchisee shall treat the Operating Manual and all information contained therein as confidential and proprietary and shall use all reasonable efforts to maintain such information as confidential and proprietary. Franchisee shall also ensure that its employees treat the Operating Manual and all information contained therein as confidential and proprietary. Franchisee shall not at any time copy, duplicate, record, or otherwise make the same available to any unauthorized person. The foregoing provisions shall survive the expiration, termination, or cancellation of this Agreement.

C. Modification

Franchisor shall have the right to add to or otherwise modify the Operating Manual from time to time to reflect changes in any of the System Standards, provided that no such addition or modification shall alter Franchisee's fundamental status and rights under this Agreement. Without limiting the generality of the foregoing, Franchisor may, during the term of this Agreement, require Franchisee to modify, enhance and/or replace all or any part of Franchisee's communication and information system at Franchisee's expense, and Franchisee agrees to acquire (or acquire the right to use for the remainder of the term of this Agreement), within one hundred twenty (120) days after receipt of written notice from Franchisor, the modified, enhanced or replacement version of the communication and information system specified by Franchisor. Franchisee further agrees to take all other actions as may be necessary to enable the modified, enhanced, or replacement communication and information system to operate as specified by Franchisor. Any such modifications, enhancements, and replacements may require Franchisee to incur costs to purchase, lease, and/or license new or modified computer hardware and/or software or other equipment and to obtain different and/or additional services and support services during the term of this Agreement. Franchisee acknowledges that Franchisor cannot estimate the costs of future maintenance, enhancements, modifications, and replacements to the communication and information system or other items and that such maintenance, enhancements, modifications, and replacements required by Franchisor may involve additional investment by Franchisee during the term of this Agreement. Franchisee shall at all times ensure that its copy of the Operating Manual is kept secure, current, and up to date, and in the event of any dispute as to the contents of the Operating

Manual, the terms of the master copy of the Operating Manual maintained by Franchisor at Franchisor's home office shall be controlling. Upon Franchisor's request, Franchisee will cooperate in the efficient return of all Operating Manuals that have been identified by the Franchisor as obsolete.

XIV. CONFIDENTIAL INFORMATION

A. Use of Confidential Information

Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or corporation, any confidential information, knowledge, or know-how concerning the Door Renew Method, the System, or the methods of operation hereunder that may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's business operations under the terms of this Agreement. Franchisee shall divulge such confidential information only to such of its employees as must have access to it in order to operate the Franchised Business as described herein. In connection therewith, Franchisee shall be fully responsible for ensuring that its employees comply with this Section.

B. Use of and Improvements to the Method

In order to assure maximum uniformity of quality and service in all treatments provided by all Door Renew employees and staff, Franchisee agrees to follow the procedures prescribed by Door Renew methods strictly. As Franchisor develops or learns of improvements, enhancements, or innovations in the procedures and techniques embodied in the Door Renew Method, Franchisor will disseminate such information to all franchisees of the system and authorize their use in the Franchised Business. In return and in consideration, therefore, Franchisee agrees that any idea or suggested innovation or variation that may tend to enhance or improve the Door Renew Method that Franchisee develops, discovers, or otherwise becomes aware of during the term of this Agreement shall be submitted to Franchisor for its evaluation for adoption and use, and Franchisee agrees that all proprietary rights to such ideas, innovations, improvements, enhancements, or variations created or acquired by Franchisee or any of its employees shall belong exclusively to Franchisor and may be made available to all Door Renew franchisees.

C. Remedies

Franchisee acknowledges that any failure to comply with this Section will cause Franchisor irreparable injury, and Franchisee consents to the issuance of and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, specific performance of, or any injunction against a violation of, the requirements of this Section.

D. Preservation of Confidentiality

Franchisee shall require Franchisee's Principals directors, officers, and managers, at the time of the commencement of their association with Franchisee, to execute confidentiality agreements, in a form approved by Franchisor, requiring that all information is proprietary or confidential hereunder that may be acquired by or imparted to such persons in connection with

their association with Franchisee be held in strict confidence and used solely for the benefit of Franchisee and Franchisor, at all times during their association with Franchisee and thereafter. Such covenants shall include specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce the same.

XV. ADVERTISING

A. Advertising

Recognizing the value of advertising and the importance of consistency of advertising and promotion to the furtherance of the goodwill and public image of the System, the parties agree that Franchisor shall conduct, determine, maintain, and administer all general, national, and/or regional advertising funds that are or may hereafter be established pursuant to this Section, and shall have sole discretion over the concepts, materials, media, type, nature, scope, frequency, place, form, copy, layout, and content of all general, national, regional, and local advertising, and accordingly agree as follows:

B. Brand Development Fund

Franchisee shall pay a Brand Development Fund Contribution of 1% of Gross Revenues or \$50 per week in year 1; and in year 2 and thereafter \$100 per week, whichever is greater (“**Brand Development Fund Contribution**”) as Franchisor may establish for advertising for the System.

- 1.** The Brand Development Fund shall be maintained and administered by Franchisor as follows:
- 2.** Franchisee agrees and acknowledges that the Brand Development Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of all franchisees within the System or within a region, as the case may be, and that Franchisor is not obligated in administering the Brand Development Fund Contribution to make expenditures for Franchisee that are equivalent or proportionate to Franchisee’s Brand Development Fund Contribution or to ensure that any particular franchise benefits directly or pro-rata from the placement of advertising.
- 3.** The Brand Development Fund, all Brand Development Fund Contributions thereto, and any earnings thereon shall be used exclusively to meet any and all costs of maintaining, administering, researching, directing, and preparing advertising and/or promotional activities, including, without limitation, the costs of preparing and conducting advertising campaigns in various media; television, online, social media, internet, search engine optimization, key work placement, direct mail, and outdoor billboard advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; product development; and

developing and providing promotional and other marketing materials for franchisees in the System.

4. Franchisor shall, for each of its company-owned locations (if any), make Brand Development Fund Contributions to the Brand Development Fund on the same basis as assessments required of comparable franchisees within the System.

5. Franchisee shall contribute to the Brand Development Fund by separate transaction made payable to the Door Renew Brand Development Fund or such other designation as Franchisor may from time to time prescribe. All sums paid by Franchisee to the Brand Development Fund shall be maintained in an account separate from the other money of Franchisor. Such sums shall not be used to defray any of Franchisor's expenses, except for such reasonable salaries, overhead, and administrative, accounting, legal (including, without limitation, the defense of any claims against Franchisor and/or Franchisor's designee regarding the management of the Brand Development Fund) and other costs, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Brand Development Fund or advertising programs for franchisees and the System, including the costs of enforcing the payment of Brand Development Fund Contributions required under this Agreement and the costs of preparing a statement of operations. The Brand Development Fund Contribution and its earnings shall not otherwise inure to the benefit of Franchisor.

6. If, however, excess amounts remain in the Brand Development Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from the previous year(s), next out of earnings in the current year, and finally from Brand Development Fund Contributions.

7. Franchisee agrees that Franchisor (and any designee of Franchisor) shall not have any direct or indirect liability or obligation to Franchisee, the Brand Development Fund, or otherwise with respect to the management, maintenance, direction, administration, or otherwise of the Brand Development Fund. Franchisee further agrees that Franchisor shall not be liable for any act or omission, whether with respect to the Brand Development Fund or otherwise, which is consistent with this Agreement or other information provided to Franchisee, or which is done in subjective good faith. Franchisee and Franchisor, each having a mutual interest and agreeing on the critical practical business importance of his or her relationship being governed solely by written instruments signed by the parties to be bound (and not having either party subject to the uncertainty inherent in the application of legal or other concepts not expressly agreed to in writing by both parties), agree that their rights and obligations with respect to the Brand Development Fund and all related matters are governed solely by this Agreement and that neither this Agreement nor the Brand Development Fund are in the nature of a "trust," "fiduciary relationship" or similar special arrangement, but is only an ordinary commercial relationship between independent businesspersons for their independent economic benefit.

8. The Brand Development Fund Contribution is not and shall not be an asset of Franchisor.

9. Although Franchisor intends the Brand Development Fund to be of perpetual duration, Franchisor maintains the right to terminate any Fund. No Fund shall be terminated, however, until all money in the Fund has been expended for advertising and/or promotional purposes or

returned to contributors on the basis of their respective Brand Development Fund Contributions.

C. Franchise Advisory Council

Franchisee shall participate, at Franchisee's sole expense, in local, regional, and national franchise advisory committees or councils if established or sanctioned by Franchisor. The Council shall serve in an advisory capacity only and will not have the authority to establish or modify our policies or to direct or control the uses of our Marketing. Franchisor shall have the power to determine membership, the election of Council Officers, and to change or dissolve the Franchise Advisory Committees.

D. Advertising Materials

In addition to any other advertising requirements described in this Agreement, Franchisee shall obtain and maintain an adequate supply of brochures, pamphlets, and special promotional materials of such kind and size as Franchisor may reasonably require from time to time in the Operating Manual or otherwise in writing.

E. Delegation of Franchisor's Duties

Franchisor shall have the right to delegate and redelegate its responsibilities and duties under this Agreement to any designee(s) of its choosing, provided, however, that the right of final approval of all advertising programs shall be retained at all times by Franchisor.

F. Web Site

Franchisee specifically acknowledges and agrees that any Website (as defined below) is "advertising" under this Agreement and is subject to (among other things) Franchisor's approval. As used in this Agreement, the term Website means an interactive electronic document, a series of symbols, or otherwise, that is contained in a network of computers or other devices linked by communication software. The term Website includes, but is not limited to, the internet, World Wide Web home pages, URL addresses, and Social Media accounts and pages. In connection with any Website, Franchisee agrees to the following:

- 1.** Franchisor shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Marks, any or all of the Permitted Products and Services, Door Renew Franchised Business, the franchising of Door Renew Franchised Business, and/or the System. Franchisor shall have the sole right to control all aspects of the Website, including, but not limited to, its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage. Franchisor shall also have the right to discontinue the operation of the Website.
- 2.** Franchisee shall not establish a separate Website or Social Media account or page without Franchisor's prior written approval.
- 3.** Franchisor shall have the right, but not the obligation, to designate one or more web pages to describe Franchisee, the Franchise, or the Franchised Business, with such web pages

to be located within Franchisor's Web site. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance, and content of any such web pages, and Franchisor shall have the right to limit and discontinue the content and operation of such a Website and web pages.

4. Franchisor shall have the right to modify the provisions of this Section relating to Web sites as Franchisor shall solely determine if it is necessary or appropriate for the best interests of the System.

G. Approval of Advertising

All advertising by Franchisee in any medium shall be conducted in a dignified manner, shall be completely accurate and truthful, shall conform to all applicable laws and regulations relating to consumer advertising and to such standards and requirements as Franchisor may specify from time to time in writing, and shall give notice that the Franchised Business is independently owned and operated. Franchisee shall submit to Franchisor, for Franchisor's prior approval (except with respect to prices to be charged), samples of all advertising and promotional plans and materials (including, but not limited to, signs and vehicles), and all other materials displaying the Marks that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. Unless Franchisee receives a written objection thereto from Franchisor within fifteen (15) days after the date Franchisor received such plans and materials, Franchisor shall be deemed to have given the required approval. Franchisee shall display the Marks in the manner prescribed by Franchisor on all signs and all other advertising and promotional materials used in connection with the Franchised Business.

H. Copyright to Advertising

Franchisee acknowledges and agrees that any and all copyrights in and for advertising and promotional materials developed by or on behalf of Franchisee which bear the Marks shall be the sole property of Franchisor, and Franchisee agrees to execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision. Any advertising, marketing, promotional, public relations, or sales concepts, plans, programs, activities, or materials proposed or developed by Franchisee for the Franchised Business or the System and approved by Franchisor may be used by Franchisor and other franchisees of Franchisor without any compensation to Franchisee.

I. Local Advertising

Franchisee shall conduct advertising, promotion, and public relations within the local area to be serviced by the Franchised Business (Local Advertising). It is required that Franchisee spends at least \$1,000 a month for the vehicle and \$500 a month for every vehicle thereafter for Local Advertising to generate public interest and awareness of the Franchised Business and to adequately penetrate the market for Franchisee's products and services within Franchisee's trading area. Upon request, Franchisee shall submit proof of local advertising spend to franchisor by the 5th day following the end of each fiscal quarter.

J. Grand Opening

Franchisee acknowledges and agrees that it is required Franchisee spends at least \$6,000 on grand opening advertising before opening the Franchised Business and/or during the first 3 months of operation. You may choose to spend more. Factors that may affect your decision on the actual amount to spend include local media cost, the location of the Franchised Business, and customer demographics in the surrounding area.

XVI. TRANSFERABILITY OF INTEREST

A. Transfer by Franchisor

Franchisor shall have the right to transfer or assign all or any part of its rights and/or obligations herein to any person or legal entity, including a subfranchisor specifically responsible for assisting Franchisee. Franchisee agrees to execute any forms that Franchisor may reasonably request to effectuate any transfer or assignment by Franchisor.

B. Transfer by Franchisee

Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and, if Franchisee is other than an individual, Franchisee's Principals, and that Franchisor has entered into this Agreement in reliance upon the business skills and financial capacity of Franchisee and if Franchisee is other than an individual, Franchisee's Principals. Accordingly, neither Franchisee, nor any Principal of Franchisee, nor any immediate or remote successor to any part of Franchisee's interest in the Franchise, shall sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any interest therein or in Franchisee without the prior written consent of Franchisor. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of Franchisor, shall be null and void and shall constitute a material breach of this Agreement, for which Franchisor may then terminate without the opportunity to cure. Franchisor shall not unreasonably withhold its consent to a transfer of any interest in Franchisee or in this Franchise; provided, however, that prior to the transfer, Franchisor may, in its sole discretion, require that:

- 1.** All of Franchisee's accrued monetary obligations to Franchisor and all other outstanding obligations related to the Franchised Business shall have been satisfied.
- 2.** The transferor's right to receive compensation pursuant to any agreement for the purchase of any interest in Franchisee or in the Franchised Business shall be subordinated and secondary to Franchisor's rights to receive any outstanding monetary obligations or other outstanding obligations due from the transferor or Franchisee pursuant to this Agreement, whether arising before or after the transfer.
- 3.** Unless prohibited by the laws of the state in which Franchisee is located, Franchisee and, if Franchisee is other than an individual, Franchisee's Principals shall have executed a general release in a form satisfactory to Franchisor, effective as of the date of transfer, of any and all claims against Franchisor and its subsidiaries and affiliates, and their respective officers, directors, shareholders, partners, members, agents, and employees, in their corporate and

individual capacities, including, without limitation, claims to arise under federal, state and local laws, rules and ordinances.

4. The transferee franchisee shall enter into a written assumption, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement prior to and after the date of the assumption.

5. The transferee franchisee shall demonstrate to Franchisor's satisfaction that it meets Franchisor's educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise) and has adequate financial resources and capital to operate the Franchised Business.

6. The transferee franchisee shall execute Franchisor's then-current form of the franchise agreement and such other ancillary agreements as Franchisor may require for a term ending on the expiration date of this Agreement and with such renewal term(s) as provided in the then-current Franchise Agreement.

7. At the transferee franchisee's expense, and upon such other terms and conditions as Franchisor may reasonably require, the transferee Franchisee, its Designated Manager, and other persons that are normal and customary required to attend training must satisfactorily complete Franchisor's training requirements then in effect for franchisees.

8. Any right of Franchisee to any payments from the transferee franchise resulting from the transfer shall be subordinate to any claim or right of Franchisor against the transferee franchisee subsequent to the effective date of the transfer, and Franchisee and the transferee Franchisee shall execute any and all instruments reasonably required by Franchisor to evidence such liability.

9. Transferee franchisee shall pay Franchisor a transfer fee of \$7,500. No transfer fee will be required in the case of a transfer of Franchisee's interest under this Agreement to an entity formed solely for the convenience of ownership in accordance with the provisions of this Agreement.

10. Notwithstanding the provisions of Subsection above, neither Franchisee nor any Principal of Franchisee, nor any immediate or remote successor to any part of Franchisee's interest in the Franchised Business, shall pledge, mortgage, grant a security interest, or otherwise encumber any interest in this Agreement, in the franchise granted hereunder, or in Franchisee (whether or not in connection with an absolute transfer of an interest in the Franchised Business). Franchisor shall not be obliged to consent to any such transfer.

C. Transfer to Controlled Entity

In the event that Franchisee proposes to transfer all of its interest in the Franchised Business to an entity formed solely for the convenience of ownership, Franchisor's consent to such transfer may, in its sole discretion, be conditioned on the following requirements:

1. Franchisee shall own a controlling interest in the transferee entity;

2. The transferee entity shall be newly organized, and its charter, articles of organization, bylaws, partnership agreement, or operating agreement shall provide that its activities are confined exclusively to operating the Franchised Business;
3. Franchisee, prior to the transfer, shall have provided Franchisor with written information as to each Principal of the transferee entity, and the interest of each, and shall promptly notify Franchisor of any changes in any such information during the term of this Agreement;
4. The transferee entity shall designate a Designated Manager in compliance with this Agreement;
5. All Principals of the transferee entity shall enter into an agreement, in a form satisfactory to Franchisor, unconditionally guaranteeing the full payment and performance of the transferee entity's obligations to Franchisor;
6. Each ownership certificate of the transferee entity, if any, shall have conspicuously endorsed upon its face the following legend:

"The transfer, sale or pledge of these shares is subject to the terms and conditions of a Franchise Agreement with Door Renew International, LLC dated _____."
7. Copies of the transferee entity's articles of incorporation or organization, bylaws, partnership agreement, operating agreement, and other governing documents, including the resolutions of the Principals or Board of Directors authorizing the execution of this Agreement, shall be furnished to Franchisor for its approval; and
8. The transferee entity's name shall not consist of or contain the Marks or any colorable variation thereof or any other mark in which Franchisor has or claims a proprietary interest.

D. Franchisor's Right of First Refusal

If Franchisee or its Principals shall at any time decide to sell, transfer or assign any right or interest under this Agreement and/or the franchise granted pursuant hereto, Franchisee or its Principals shall first obtain a bona fide, executed, written offer from a responsible and fully disclosed purchaser and shall submit an exact copy thereof to Franchisor. For a period of thirty (30) days after the date of delivery of such offer to Franchisor, Franchisor shall have the right, exercisable by written notice to Franchisee or any of its officers, to purchase such rights or interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute equivalent cash for any form of payment proposed in such offer. Any purchase by Franchisor must be completed within ninety (90) days after Franchisee's receipt of Franchisor's written notice of its intent to purchase. If Franchisor does not exercise its right of first refusal, Franchisee or its Principals may complete the sale of such interest to the bona fide purchaser, subject to Franchisor's approval of the purchaser as provided herein; provided, however, that if the sale to such purchaser is not completed within one hundred twenty (120) days after the delivery of the offer to Franchisor, Franchisor shall again have the right of the first refusal herein provided.

E. The right of Franchisee's Heirs upon Death or Disability of Franchisee

A transfer to the heirs, surviving spouse, or personal or other legal representatives of Franchisee (collectively, Involuntary Transferees) upon the death or legal disability of Franchisee shall not be subject to Franchisor's right of first refusal above or right to terminate for failure to obtain written approval for Transfer as provided herein, so long as the Involuntary Transferees (i) satisfy Franchisor that they are qualified to act as a franchisee, and (ii) perform all other applicable acts required of a Transferee and Transferor as prescribed this Agreement. Such transfer shall be made within one hundred eighty (180) days after the death or disability of Franchisee, or Franchisor, at its option, may terminate this Agreement, whereupon all rights granted to Franchisee hereunder shall revert to Franchisor. Any subsequent sale or other transfer by any Involuntary Transferee shall be subject to Franchisor's right of written approval set forth in this Section in this Agreement and to Franchisor's right of first refusal set forth above. Transfer to Involuntary Transferees shall not require the payment of the transfer fee required by this Agreement. Actual legal costs incurred by Franchisor to approve and effect the transfer will be charged, however.

XVII. TERMINATION

A. Termination by Franchisor

Franchisor may elect to terminate this Agreement, without prejudice to any other legal or equitable rights or remedies upon the occurrence of any one or more of the following events:

1. Franchisee fails to timely (i) locate and secure a Site as so required by this Agreement, or (ii) open the Franchised Business within the time limits prescribed by this Agreement.
2. Franchisee fails to satisfy all of the training obligations herein.
3. Franchisee fails to pay when due any sum required to be paid by Franchisee under this Agreement or any other agreement or instrument between Franchisor and Franchisee.
4. Franchisee is late for more than 10 days on any payment due and owing to a Door Renew approved or designated vendor or supplier.
5. Franchisee fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, Royalty Fees or other fees and payments when due to Franchisor or any Affiliate of Franchisor, or commits (3) defaults or more under this agreement or any other agreement with Franchisor or any Affiliate of Franchisor, whether or not such defaults or such failure to pay or submit information is corrected after notice thereof is delivered to Franchisee.
6. Franchisee (or an affiliate of Franchisee) defaults under any other agreement between Franchisor (or an affiliate or Franchisor) such that Franchisor or its Affiliate as the case may be, has the right to terminate the said agreement or said agreement automatically terminates.
7. After 30 days' notice, Franchise fails to meet the AMD Deadline for 6 consecutive months.
8. Franchisee fails to operate the Franchised Business in full compliance with the terms of

this Agreement, the Operating Manual, or the System Standards.

9. Franchisee fails to operate the Franchised Business for more than two (2) consecutive days that the Franchised Business is required or is customarily open in the ordinary course of business or otherwise abandons the Franchised Business.

10. Franchisee provides, offers, or sells products or services other than those who are Permitted Products and Services and/or Franchisee fails to provide, offer, or sell any one, some, or all of the Permitted Products and Services.

11. Franchisee provides offers or sells any Permitted Products and Services at or from a location that is within the franchise territory of another Door Renew franchise (except as expressly stated this Agreement, the Operating Manual, or any other written agreement between Franchisor and Franchisee), or otherwise infringes upon rights granted by Franchisor under franchise agreements with other franchisees of Franchisor.

12. Franchisee fails to meet or exceed the AMD Deadline for six consecutive months.

13. Franchisee fails to achieve or exceed System Standards in two (2) inspections in any twenty (24) month period.

14. Franchisee is declared bankrupt or insolvent, or Franchisee is the debtor in a voluntary or involuntary bankruptcy proceeding under the U.S. Bankruptcy Code (this provision may not be enforceable under federal bankruptcy law).

15. A receiver is appointed for Franchisee or for any part of its property, or Franchisee makes any assignment for the benefit of its creditors, if not dismissed within fifteen (15) days.

16. Franchisee loses the right to possession of the Site upon which the Franchised Business is located, or otherwise forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located unless such default results from circumstances beyond the control of Franchisee and does not arise from any action taken or failure to act by Franchisee or Franchisee's failure to cure or correct the circumstances that led to such default (provided, however, that if through no fault of Franchisee, the Site is damaged or destroyed by an event such that repairs or reconstruction cannot be completed within ninety (90) days thereafter, or if the Site is acquired pursuant to a government taking of property, then Franchisee shall have thirty (30) days after such event in which to apply for Franchisor's approval to relocate the Franchised Business or reconstruct the Franchised Business, which approval shall not be unreasonably withheld).

17. Franchisee fails, for a period of ten (10) days after receipt of notification of noncompliance, to comply with any federal, state, or local law or regulation applicable to the operation of the Franchised Business.

18. Franchisee makes any transfer or attempted transfer that fails to comply with this Agreement.

19. The Franchised Business is seized, taken over, or foreclosed by a government official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lienholder, or lessor;

a final judgment against Franchisee remains unsatisfied for thirty (30) days (unless a supersedeas or other appeal bond has been filed), or a levy of execution has been made upon the franchise granted by this Agreement or upon any property used in the Franchised Business that is not discharged within five (5) days of such levy.

20. Franchisee or any Principal violates the restrictive covenants of the confidentiality, solicitation, competition as set forth in this agreement or otherwise directly or indirectly uses or discloses Confidentiality Information to or for the benefit of it, his/her, or benefit of another or publishes causes to be published Confidential Information without the expressed written consent of Franchisor.

21. Any conduct or activity by Franchisee or any Principal, director, or officer of Franchisee that Franchisor believes is reasonably likely to have an adverse effect or reflect unfavorably on the Franchised Business, Franchisor, the System, the Marks, or the goodwill associated therewith, including, but not limited to, any criminal misconduct for which Franchisee or any Principal, director, or officer of Franchisee is convicted.

22. Franchisee knowingly maintains false books or records, or knowingly submits any false reports (including, but not limited to, the information provided as part of Franchisee's application for this franchise) to Franchisor, or understates its Gross Revenues reported to Franchisor by more than five percent (5%) and any given 180-day period.

23. Any threat or danger to public health or safety resulting from the construction, maintenance, or operation of the Franchised Business, and Franchisee has not immediately commenced actions to cure the problem or has not promptly cured or corrected the problem or activity that gave rise to the threat or danger.

24. Franchisee fails to perform or breaches any other provision of this Agreement or of any other agreement or instrument between Franchisor and Franchisee and fails to cure any such breach within thirty (30) days from notice of the breach.

B. Notice of Default

If Franchisee fails to cure any default within thirty (30) days (or such longer period as may be required by applicable law) after its receipt of a written notice of default from Franchisor, Franchisor may terminate this Agreement, except that no written notice of default or opportunity to cure shall be required in the case of a default described in immediately preceding subsections above. If Franchisee breaches the same term of this Agreement three (3) times within any twelve (12) month period, for each of which Franchisee was given notice and an opportunity to cure as provided herein, Franchisor may terminate this Agreement upon any subsequent breach of the same term within such twelve (12) month period, without providing notice or opportunity to cure. Termination of this Agreement shall be effective automatically upon the expiration of the time period specified above (or such longer period as may be required by applicable law) or, if no notice of default is required, immediately upon Franchisee's receipt of a written notice of termination.

C. Liability for Default

If Franchisee fails to cure any default within the applicable time period set forth in this Section, Franchisee shall pay all damages, costs, and expenses incurred by Franchisor as a result of any such default, including, but not limited to, reasonable attorney and accounting fees. This provision shall apply regardless of whether or not Franchisor exercises its right to terminate this Agreement or initiate legal or arbitration proceedings against Franchisee.

D. Our Step-In Rights

The parties herein want to prevent any operation or interruption of the Franchised Business that would cause harm to the Franchised Business and to System and lessen their value. Therefore, Franchisee authorizes Franchisor to step in to operate the Franchised Business for as long as Franchisor believes necessary and practical in Franchisor's exclusive judgment. Franchisor may do so without waiving any other rights or remedies that Franchisor may have.

Cause for stepping-in may include Franchisor's determination that: Franchisee is incapable of operating the Franchised Business; Franchisee is absent or incapacitated because of illness or death; Franchisee has failed to pay when due any real property, equipment rent or lease payments, suppliers, or inventory payments; Franchisee has failed to pay to Franchisor when due any franchise, royalty, advertising, or other fees; Franchisee has failed to pay when due any taxes or assessments against the Franchised Business or property used in the Franchised Business; Franchisee has failed to pay when due any liens or encumbrances placed upon or against Franchised Business property; Franchised Business activities are having a negative impact on the value of System or Franchisor decides that significant operational problems require Franchisor to operate the Franchised Business for a time.

All Revenue from Franchisor's operation of the Franchised Business will be for Franchisee's exclusive account. Franchisor will pay from that Revenue all expenses, debts, and liabilities Franchisor incur during Franchisor's operation of the Franchised Business. This will include Our personnel and administrative and travel costs, plus fifteen percent (15%) of that Revenue to cover Franchisor overhead expenses. In addition, Franchisor will have the option, but not the obligation, to pay for Franchisee any claims owed by Franchisee to any creditor or employee of the Franchised Business. Franchisee will reimburse Franchisor upon demand, including at the rate set forth above for overdue amounts.

Our exercise of these Step-In Rights, Franchisee agrees to hold Franchisor harmless for all acts, omissions, damages, or liabilities arising during Franchisor's operation of the Franchised Business. Our operation of the Franchised Business will not operate as an assignment to Franchisor of any lease or sublease of Franchised Business property. Franchisor will have no responsibility for payment of any rent or other charges owing on any lease for Franchisee property, except as the charges relate to the period of Franchisor's operation of the Franchised Business. You agree to pay Franchisor's legal and accounting fees and costs Franchisor incurs because of Franchisor's exercise of these Step-In Rights.

XVIII. OBLIGATIONS UPON TERMINATION

Upon the termination or expiration of this Agreement, for any reason, Franchisee shall forthwith:

- 1.** Cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor.
- 2.** Immediately and permanently cease to use, by advertising or in any manner whatsoever, any equipment, materials, confidential methods, procedures, or techniques associated with the System or that display the Marks, or any other distinctive forms, slogans, signs, symbols, or devices associated with or belonging to Franchisor.
- 3.** Make such modifications or alterations to the Site of the Franchised Business, including the improvements thereon, as may be necessary or requested by Franchisor (including, but not limited to, changing the telephone number) to prevent the operation of any business on the Site upon which the Franchised Business is located that might be deemed substantially similar to that of the Franchised Business or any other franchisee of Franchisor. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor shall have the right to enter the Site, without being guilty of trespass or any other tort or crime, for the purposes of making or causing to be made such changes as may be required, at the expense of Franchisee.
- 4.** Turnover to Franchisor the Operating Manual, records, customer and other files, instructions, correspondence, and software provided and/or licensed by Franchisor, including, without limitation, brochures, agreements, disclosure statements, and any materials relating to the business operated hereunder, which may be in Franchisee's possession, together with all copies thereof (all of which Franchisee acknowledges to be Franchisor's sole property).
- 5.** At the option of Franchisor, assign to Franchisor or Franchisor's designee all of Franchisee's rights, title and interest in and to any and all (i) telephone numbers of Franchisee's franchise and all related Yellow Pages, White Pages and other business listings, and (ii) Web Sites, web pages, listings, banners, URLs, advertisements, or any other services and links related to the Franchised Business or the use of Franchisor's trademarks, service marks or other logos, on or with the internet, World Wide Web, internet service providers, electronic mail services, communication providers, search engines or other similar services.
- 6.** At the option of Franchisor (to be exercised within thirty (30) days after termination), sell to Franchisor any or all of the furnishings, equipment, signs, fixtures, supplies, or inventory of Franchisee related to the operation of the Franchised Business, at Franchisee's depreciated book value.
- 7.** Take such action as may be necessary to cancel any assumed name or equivalent registration that contains the mark Door Renew or any of the other Marks, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within fifteen (15) days after termination or expiration of this Agreement.
- 8.** Immediately pay all sums due and owing to Franchisor, including, but not limited to, any unpaid Royalty Fees other fees and monies.
- 9.** Obtain and maintain in effect all coverage for the professional liability or errors and omissions insurance and general liability insurance by this Agreement, to extend the period in

which claims may be made for a period of time not less than the applicable statute of limitations in the jurisdiction in which the Franchised Business is located.

10. Franchisee does hereby irrevocably constitute and appoint Franchisor as the true and lawful attorney-in-fact and agent for Franchisee to carry out Franchisee's obligations under this Section. Franchisee agrees to promptly execute, acknowledge, and deliver to Franchisor any and all such documents as may be required to carry out Franchisee's obligations hereunder. The provisions of this Section shall survive the expiration, termination, or cancellation of this Agreement.

XIX. COVENANTS OF FRANCHISEE

A. Management of Franchise

Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, the Franchised Business shall at all times be under the direct supervision of Franchisee, the Designated Manager, or the Franchised Business Manager, who shall devote his/her full time, energy, and best efforts to the management and operation of the Franchised Business.

B. Covenants during Term of Franchise Agreement

Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, information regarding the design, development, and operation of the Franchised Business, procedures and techniques of the Door Renew Method, and sales, promotional, and marketing methods and techniques of Franchisor and the System. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with, any person, persons, partnership, or corporation:

- 1.** divert or attempt to divert any business or client of the Franchised Business or of any other franchisee of Franchisor to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or
- 2.** own, maintain, engage in, or have any interest in any business offering restoration and door replacement, or any other products or services that are offered in the Franchised Business ("Competitive **Business**"), unless otherwise consented to in writing by Franchisor.

C. Covenants after Termination of Franchise Agreement

Franchisee further covenants that, except as otherwise approved in writing by Franchisor, Franchisee shall not, directly or indirectly, for itself or through, on behalf of, or in conjunction with any person, persons, partnership or corporation:

1. for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement (regardless of the cause for termination) and continuing for two (2) years thereafter, own, maintain, operate, engage in, or have any interest in any business offering restoration and door replacement, or any other services that had been offered by the Franchised Business, within twenty-five (25) miles of any Door Renew Franchised Business; or
2. for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement (regardless of the cause for termination) and continuing for two (2) years thereafter, directly or indirectly solicit or perform services for any person who was a client of the Franchised Business at any time during the term of this Agreement.
3. Franchisee and Franchisor agree that the covenants contained in this Section shall survive the expiration, termination, or cancellation of this Agreement.

D. Exclusion for Publicly Traded Company

This Section shall not apply to the beneficial ownership by Franchisee of less than five percent (5%) of the outstanding equity securities of any corporation that is registered under the Securities and Exchange Act of 1934.

E. Independent Covenants; Severability

The parties agree that each of the covenants in this Section shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenants subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this Section.

F. Reduction of Covenants by Franchisor

Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions hereof.

G. Claims Against Franchisor No Defense

Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.

H. Injunctive Relief

Franchisee acknowledges that its violation of the terms of this Section would result in

irreparable injury to Franchisor for which no adequate remedy at law may be available; and Franchisee accordingly consents to the issuance of and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section.

I. Execution of Covenants by Key Personnel

At the request of Franchisor, Franchisee shall provide Franchisor with executed Restrictive Covenant Agreements, containing covenants similar in substance to those set forth in this Section (including covenants applicable upon the termination of a person's relationship with Franchisee), from each manager, officer, director, and Principal of Franchisee. With respect to each person who becomes associated with Franchisee in one of the capacities enumerated above subsequent to the execution of this Agreement, Franchisee shall require and obtain such covenants from them and promptly provide Franchisor with executed copies thereof. In no event shall any person enumerated above be granted access to any confidential aspect of the System or the Franchised Business prior to their execution of such a covenant. All covenants required by this Section shall be in a form satisfactory to Franchisor, including, without limitation, the specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them. The failure by Franchisee to obtain the execution of the covenants required by this Section and provide the same to Franchisor shall constitute a material breach of this Agreement.

XX. ENFORCEMENT

A. Injunctive Relief

Franchisor shall be entitled, without bond, to the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to (a) Franchisee's use of the Marks; (b) the obligations of Franchisee upon the termination or expiration of this Agreement; (c) Covenants of Franchisee; (d) any assignment or transfer of this Agreement or any ownership interest contrary to this Agreement; or (e) as necessary to prohibit any act or omission by Franchisee or its employees or agents: (i) that would constitute a violation of any applicable law, ordinance, or regulation; (ii) that is dishonest or misleading to Franchisor and/or Franchisor's other franchisees; or (iii) that, in Franchisor's reasonable judgment, may harm, tarnish, impair or reflect unfavorably upon the reputation, name, services or operation of the Franchised Business, Franchisor, the System or the Marks.

B. Arbitration

Except as otherwise provided herein, any claim or controversy arising out of or related to this Agreement, or the breach thereof, shall be settled by mandatory binding arbitration in Wayne County Michigan, in accordance with the U.S. Arbitration Act, if applicable, and the Rules of the American Arbitration Association (in accordance with the rules relating to the arbitration of disputes arising from franchise and license agreements, if any, or otherwise in accordance with the general rules of commercial arbitration), provided that at the option of Franchisor or Franchisee the arbitrator shall be selected from a list of retired federal or state judges supplied by the American Arbitration Association (if obtainable, or otherwise in accordance with the customary procedures for selecting an arbitrator). The arbitrator shall allow discovery in

accordance with the Federal Rules of Civil Procedure and may apply the sanctions relating to noncompliance with discovery orders therein provided. The arbitrator shall issue a written opinion explaining the reasons for his or her decision and award, and the arbitrator shall have the right to award or include in the award the specific performance of this Agreement. Judgment upon the award of the arbitrator will be entered in any court having competent jurisdiction thereof or of the Franchisor or Franchisee. During the pendency of any arbitration proceeding hereunder, Franchisee and Franchisor shall fully perform their respective obligations pursuant to the terms and conditions of this Agreement. All arbitration proceedings will be individual proceedings between Franchisor and Franchisee and will not be conducted on a "class" basis or include any other of our franchisees as named parties unless Franchisor and Franchisee each agree. The arbitration proceedings shall take place in Wayne County, Michigan, or the county of the state where the Franchisor is then headquartered.

C. Cumulative Rights and Remedies

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

FRANCHISEE AND FRANCHISOR EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IF THERE IS A DISPUTE WITH THE OTHER, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED. FRANCHISEE WAIVES AND DISCLAIMS ANY RIGHT TO CONSEQUENTIAL DAMAGES IN ANY ACTION OR CLAIM AGAINST FRANCHISOR CONCERNING THIS AGREEMENT OR ANY RELATED AGREEMENT. IN ANY CLAIM OR ACTION BROUGHT BY FRANCHISEE AGAINST FRANCHISOR CONCERNING THIS AGREEMENT, FRANCHISEE'S CONTRACT DAMAGES SHALL NOT EXCEED AND SHALL BE LIMITED TO REFUND OF FRANCHISEE'S FRANCHISE FEE PAYMENTS.

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

D. Limitations of Claims

Except for claims against Franchisee concerning the underreporting of gross sales and for claims against Franchisee by Franchisor relating to third party claims or suits brought against Franchisor; as a result, Franchisee's operation of the franchise business, any and all claims arising out of or relating to this Agreement or the relationship between the parties hereto shall be barred unless an arbitration or legal proceeding is commenced within one (1) year from the date Franchisee or Franchisor knew or should have known of the facts giving rise to such claims.

XXI. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

It is understood and agreed that nothing in this Agreement shall create a partnership, employment, or agency relationship between Franchisor and Franchisee, or authorize

Franchisee to make any contract, agreement, warranty, or representation on Franchisor's behalf or to incur any debt or other obligation in Franchisor's name. Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action by Franchisee. Franchisor shall not be liable to any third party for any act or omission of Franchisee in any of its operations hereunder (including, without limitation, any claim or action against Franchisee for negligent hiring, sexual harassment, or employment discrimination) or any claim or judgment arising therefore against Franchisee. Franchisee shall indemnify and hold Franchisor harmless from and against any and all claims, debts, liabilities or obligations arising directly or indirectly from, as a result of or in connection with Franchisee's operation of the Franchised Business (excluding, however, liabilities caused by (i) Franchisee's improper reliance on or use of procedures or materials provided by Franchisor or (ii) Franchisor's negligence), and shall pay all costs (including, without limitation, attorney and accountant fees) incurred by Franchisor in defending against and/or responding to them. FRANCHISEE SHALL DISPLAY PROMINENTLY AT ITS PLACE OF BUSINESS, ON ALL CORRESPONDENCE WITH THIRD PARTIES, AND IN ANY PRINTED MATERIALS BEARING ITS NAME OR BUSINESS LOCATION, A STATEMENT THAT THE FRANCHISED BUSINESS IS INDEPENDENTLY OWNED AND OPERATED BY FRANCHISEE.

XXII. MISCELLANEOUS

A. Nature of Agreement

This Agreement, together with the exhibits attached hereto, constitutes the entire Agreement between the parties hereto and supersedes any prior agreements between such parties except those disclosures which are included in the Franchisor's now current Franchise Disclosure Document. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. This Agreement may not be modified or amended except by a written instrument signed by each of the parties hereto, expressing such amendment or modification. No failure on the part of any party hereto to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

B. Benefit

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement shall not be assigned by Franchisee without the prior written consent of Franchisor.

C. Construction

This Agreement was accepted by Franchisor in Michigan. Except to the extent governed by the U.S. Trademark Act of 1946, this Agreement shall be governed by and construed in accordance with the laws of the State of Michigan; provided, however, that if any of the covenants contained in this Agreement would not be enforceable under the laws of Michigan and the Franchised Business is located outside of Michigan, then such covenants shall be interpreted and construed under the laws of the state in which the Franchised Business is located. Michigan

law shall prevail in the event of any conflict of law, except as specifically provided otherwise by any applicable state franchise investment laws, rules or regulations. If any provision of this Agreement relating to termination, nonrenewal, or assignment of the franchise, or choice of law, jurisdiction, or venue is inconsistent with any applicable state franchise investment law, rules or regulations, such applicable state law shall apply. Any addendum to this Agreement required by the regulatory authorities of any state for the purpose of disclosing salient provision of such state's law is hereby made a part hereof.

D. Jurisdiction and Venue

Franchisee hereby irrevocably agrees that subject to Franchisor's sole and absolute election, any and all suits, actions, or other proceedings with respect to, arising out of or in connection with this Agreement shall be litigated in courts having a situs within Wayne County Michigan. Franchisee hereby consents and agrees that the following courts shall have personal jurisdiction over Franchisee in all lawsuits relating to or arising out of this Agreement, and hereby submits to the jurisdiction of the following courts and irrevocably waives any defense Franchisee may have or lack of personal jurisdiction in any such lawsuits filed in these courts: (a) all courts included within the state court system of the State of Michigan; and (b) all courts of the United States of America sitting within the State of Michigan, including, without limitation, all United States District Courts within the State of Michigan. Franchisee hereby consents and agrees that venue shall be proper in any of the following courts in all lawsuits relating to or arising out of this Agreement and hereby irrevocably waives any right Franchisee may have to transfer or change the venue in any such lawsuits filed in these courts: (a) the state court of the county where Franchisor has its principal place of business. In the event any of these courts are abolished, Franchisee agrees that venue shall be proper in the state or federal court in Michigan that most closely approximates the subject matter jurisdiction of the abolished court as well as any of these courts that are not so abolished. Any and all lawsuits filed by Franchisee against Franchisor (whether in breach of the arbitration provisions of this Agreement or not) relating to or arising out of this Agreement shall be required to be filed in one of these courts. Any and all lawsuits filed by Franchisor against Franchisee may be filed in any of these courts or in any court in which jurisdiction and venue are proper. In all lawsuits relating to or arising out of this Agreement, Franchisee consents and agrees that Franchisee may be served with process outside the State of Michigan in the same manner of service that may be made within the State of Michigan by any person authorized to make service by the laws of the state, territory, possession or country in which service is made or by any duly qualified attorney in such jurisdiction. Franchisee hereby waives any defense it may have of insufficiency of service of process relating to such service. This method of service shall not be the exclusive method of service available in such lawsuits and shall be available in addition to any other method of service allowed by law.

E. Headings

The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provision of this Agreement.

F. Notices

All payments shall be made to, and all notices, requests, demands and other communications

hereunder shall be deemed to have been duly received by, the person to whom addressed when personally delivered or forty-eight (48) hours after deposit in the United States mail, postage prepaid, addressed:

in the case of Franchisor: **Door Renew International, LLC**
119500 Victor Parkway, Livonia MI 48152

or to such other persons or address as Franchisor may from time to time furnish to Franchisee;

in the case of Franchisee: _____ at the address
is:

G. Severability

In the event that any provision of this Agreement, in whole or in part (or the application of any provision to a specific situation), shall be held, by the final judgment of a court of competent jurisdiction after appeal or the time for appeal has expired, to be invalid, unenforceable or in violation of any federal, state or local law, regulation or ordinance applicable to this Agreement, such invalidity shall be limited to such specific provision or portion thereof (or to such situation), and this Agreement shall be construed and applied in such manner as to minimize such invalidity. All other provisions of this Agreement shall otherwise remain in full force and effect.

If any applicable and binding law or regulation of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or regulation of any jurisdiction any provision of this Agreement or any specification, standard, or operating procedure prescribed by Franchisor is invalid or unenforceable, then the prior notice and/or other action required by such law or regulation shall be substituted for the comparable provisions hereof, and Franchisor shall have the unlimited right to modify such invalid or unenforceable provision, specification, standard, or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it was separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or from any specification, standard, or operating procedure prescribed by Franchisor, any portion or portions that a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order. Any such modifications to this Agreement shall be effective only in such jurisdiction, unless Franchisor elects to give them greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions.

H. Survival of Covenants

All provisions of this Agreement which, by their terms, are intended to survive the termination or expiration of this Agreement (such as, by way of illustration and not limitation, the provisions relating to confidential information, indemnification, post-termination competition, and the Marks), and all provisions hereof necessary to enforce and interpret such provisions (such as, by way of illustration and not limitation, the provisions relating to arbitration and injunctive relief), shall survive the termination, expiration or cancellation of this Agreement or the franchise granted hereunder.

I. No Third-Party Beneficiaries

Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or entity, not a party hereto.

J. Counterparts.

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

K. Acknowledgment of Franchisee

1. Franchisee acknowledges receipt of Franchisor's Franchise Disclosure Document for Prospective Franchisees and exhibits thereto (including a list of Franchisees, Franchisor's financial statements, and a copy of this Agreement) at least fourteen (14) calendar days prior to the execution of this Agreement.

2. Franchisee acknowledges and agrees that Franchisor's sales staff are not authorized to bind Franchisor in any way.

3. FRANCHISEE ACKNOWLEDGES THAT THERE HAVE BEEN NO REPRESENTATIONS, WARRANTIES, INDUCEMENTS, PROFORMAS, FORECASTS, ESTIMATES OR ANY OTHER INDUCEMENT OR STATEMENT MADE BY FRANCHISOR OR ITS AGENTS, SALES STAFF, DIRECTORS, OFFICERS, OR EMPLOYEES, OR ANY OTHER SALES STAFF OR OTHER PERSON OR ENTITY REGARDING FINANCING, NET PROFITS, GROSS PROFITS, NET SALES, GROSS SALES, COSTS OR EXPENSES OF FRANCHISOR'S FRANCHISES GENERALLY OR OF ANY SPECIFIC DOOR RENEW FRANCHISEE, NOR HAS FRANCHISEE RELIED UPON ANY REPRESENTATIONS, WARRANTIES, INDUCEMENTS, PROFORMAS, FORECASTS, ESTIMATES OR ANY OTHER INDUCEMENT OR STATEMENT MADE BY FRANCHISOR OR ITS AGENTS, DIRECTORS, OFFICERS, EMPLOYEES OR SALES STAFF OR OTHER ASSOCIATES REGARDING FINANCING, NET PROFITS, GROSS PROFITS, NET SALES, GROSS SALES, COSTS OR EXPENSES OF FRANCHISOR'S FRANCHISES GENERALLY OR OF ANY SPECIFIC DOOR RENEW FRANCHISEE OR WITH RESPECT TO ANY OTHER MATERIAL FACT RELATING TO THE DEVELOPMENT OF FRANCHISOR'S FRANCHISES IN THE AREA WHEREIN FRANCHISEE INTENDS TO LOCATE ITS DOOR RENEW FRANCHISED BUSINESS OR ANY OTHER MATTER PERTAINING TO FRANCHISOR.

4. THERE IS NO OTHER AGREEMENT, REPRESENTATION, OR WARRANTY MADE BY FRANCHISOR OR ANY OTHER ENTITY OR PERSON ASSOCIATED WITH FRANCHISOR OTHER THAN CONTAINED

IN THIS AGREEMENT OR FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT FOR PROSPECTIVE FRANCHISEES.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed by their duly authorized agents, as of the date first written above.

FRANCHISOR: DOOR RENEW INTERNATIONAL, LLC **FRANCHISEE:**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

INDIVIDUAL FRANCHISEE: **INDIVIDUAL FRANCHISEE:**

Signature

Signature

Print Name

Print Name

Date: _____

Date: _____

EXHIBIT 1. SITE AND TERRITORY

TO THE DOOR RENEW FRANCHISE AGREEMENT

1. The Site for the Franchised Business shall be:

2. The Territory referenced in the Franchise Agreement shall consist of the following:

Development Schedule (Section I(B)). Franchisee agrees to establish and operate a total of _____ Door Renew Franchised Businesses vehicles in accordance with the timetable set forth below.

The Cumulative Minimum Number of Door Renew Franchised Businesses vehicles required in Compliance by Each Opening Deadline	Deadline from the Effective Date

Franchisor and Franchisee further agree that this Exhibit shall be attached to, incorporated in, and made a part of said Franchise Agreement between Franchisor and Franchisee.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed by their duly authorized agents, as of the date first written above.

**FRANCHISOR: DOOR RENEW
INTERNATIONAL, LLC**

FRANCHISEE:

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

INDIVIDUAL FRANCHISEE:

INDIVIDUAL FRANCHISEE:

Signature

Signature

**Print
Name**

**Print
Name**

Date: _____

Date: _____

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT



EXHIBIT B. PERSONAL GUARANTY

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

PERSONAL GUARANTY

IN CONSIDERATION for, and as an inducement for Door Renew International, LLC (**Franchisor**) to enter into a Door Renew franchise agreement and any powers of attorney and other instruments dated concurrently herewith (collectively the **Franchise Documents**) between Franchisor and the business entity identified below (**Franchisee**), the undersigned (**Guarantors**) hereby jointly and severally guarantee to Franchisor, and to Franchisor's successors and assigns: (a) the timely payment of all Royalty Fees, late fees, interest charges, and all other fees and charges provided for under the Franchise Agreement; and (b) the timely performance of all of the provisions of the Franchise Documents for and during the term thereof (including all renewals thereof, if any). Guarantors further specifically agree to be individually bound by all covenants, obligations, and commitments of Franchisee contained in each of the Franchise Documents to the same extent as if each of the Guarantors had individually executed the same as Franchisee.

Guarantors understand and agree that any modification of the Franchise Documents, including any addendum thereto, or waiver by Franchisor of the performance by Franchisee of its obligations thereunder, or the giving by Franchisor of any extension of time for the performance of any of the obligations of Franchisee thereunder, or any other forbearance on the part of Franchisor or any failure by Franchisor to enforce any of its rights under the Franchise Documents, including any addendum thereto, shall not in any way release Guarantors from liability hereunder or terminate, affect or diminish the validity of this Guaranty, except to the same extent, but only to such extent, that the liability or obligation of Franchisee is so released, terminated, affected or diminished. Notice to Guarantors of any such modification, waiver, extension, or forbearance under the terms thereof is hereby waived.

Guarantors hereby waive any and all notice of default on the part of Franchisee; waive exhausting of recourse against Franchisee; and consent to any assignment of the Franchise Documents, in whole or in part, that Franchisor or its assignees may make. Guarantors agree to pay all costs, including reasonable attorneys' fees, incurred by Franchisor to collect or otherwise enforce the terms of this Guaranty. This Guaranty has been delivered in the State of Michigan and shall be construed and enforced in accordance with the laws thereof. Jurisdiction and venue in any action to enforce this Guaranty shall be in any state or federal court within the State of Michigan in the judicial district where Franchisor has its principal place of business. Guarantors consent to the exercise of personal jurisdiction by any such court and waive any defense of lack of personal jurisdiction or improper venue.

GUARANTOR: _____
_____, Individually

GUARANTOR: _____
_____, Individually

FRANCHISEE: _____

By: _____

Its: _____

Date: _____



EXHIBIT C.RESTRICTIVE COVENANT AGREEMENT

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT, by and between, _____
(**Franchisee**), a [corporation] [partnership] [limited liability company] organized under the laws
of the State of _____, and _____
(**Covenantor**), an individual resident of the State of _____,

WITNESSETH:

WHEREAS, pursuant to that certain Franchise Agreement dated _____ (the
Franchise Agreement), Door Renew International, LLC (**Franchisor**) granted Franchisee a
franchise to operate a Door Renew Franchised Business (the **Franchise**), using Franchisor's
unique franchise system and Franchisor's trade name and service mark Door Renew and other
proprietary marks; and

WHEREAS, Covenantor is the owner (or spouse of the owner) of the Franchisee.

WHEREAS, Franchisor has expended substantial amounts of time and money in developing the
Marks (as hereinafter defined) and Franchisor's distinctive franchise system, including, without
limitation, unique sales and marketing methods, pricing techniques, promotional materials,
new product development, financial information, and procedures for the efficient operation of
a Door Renew Franchised Business, all of which Covenantor acknowledges to be confidential
and proprietary information; and

WHEREAS, in connection with the operation of the Franchise, Covenantor will have access to
such confidential and proprietary information; and

WHEREAS, as a condition precedent to granting the Franchise to Franchisee, all shareholders,
officers, partners, or members of Franchisee must execute the covenants contained herein;

NOW, THEREFORE, as additional consideration and inducement for granting the Franchise to
Franchisee, Covenantor hereby agrees and covenants to Franchisee as follows:

1. Confidentiality. Covenantor acknowledges the proprietary and confidential nature of
Franchisor's Operating Manual, which Franchisee has received on loan from Franchisor, unique
sales and marketing methods, pricing techniques, promotional materials, new product
development, financial information, client or referral lists, procedures for the efficient
operation of a Door Renew Franchised Business, and any other methods, procedures, processes,
techniques, information, knowledge, or know-how concerning Franchisor's franchise system or
Franchisee's Franchise, in particular, that may not be commonly known to the public or to
Franchisor's or Franchisee's competitors and that Franchisor or Franchisee has identified or
may identify as proprietary and confidential information (**Trade Secrets**). Covenantor shall use
such Trade Secrets solely for Franchisee's benefit and shall not, during the term of the Franchise
Agreement or at any time thereafter, communicate, divulge, or use any Trade Secrets to or for
the benefit of any other person, entity, or organization.

2. Proprietary Marks. Covenantor acknowledges Franchisor's right, title, and interest in
and to the service, mark Door Renew Systems, Franchisor's stylized design, and certain other

proprietary service marks, logos, symbols, and trade names presently used by Franchisor or that Franchisor may hereafter use or provide for use by Franchisee, and the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in Franchisor's franchise system (the Marks). Covenantor further acknowledges that any use of the Marks outside the scope of the Franchise Agreement without Franchisor's prior written consent would be an infringement of Franchisor's rights in the Marks. Covenantor expressly covenants that he/she shall not, directly or indirectly, commit an act of infringement or contest, or aid in contesting, the validity or ownership of the Marks or take any other action in derogation thereof during the term of the Franchise Agreement or after the expiration or termination thereof.

3. Non-solicitation. Covenantor covenants that he/she shall not, during the term of the Franchise Agreement and for a continuous and uninterrupted period commencing upon the expiration or termination of the Franchise Agreement (regardless of the cause for termination) and continuing for the periods indicated below, either directly or indirectly, for him/herself or through, on behalf of, or in conjunction with, any person, entity or organization for a period of two (2) years, divert or attempt to divert any business or client of Franchisee's business, or of any other Franchisee of Franchisor, to any competitor or to Covenantor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act that may be injurious or prejudicial to the goodwill associated with the Marks and Franchisor's franchise system; or

4. Non-competition. Covenantor covenants that, during the term of the Franchise Agreement and for a continuous and uninterrupted period commencing upon the expiration or termination of the Franchise Agreement (regardless of the cause for termination) and continuing for two (2) years thereafter, directly or indirectly, for him/herself or through, on behalf of, or in conjunction with any person, entity or organization, own, maintain, operate, engage in, or have any interest in, any business offering restoration and door replacement or any other products or services that have been offered by the Franchised Business, within twenty-five (25) miles of any Door Renew Franchised Business. This restriction shall not apply to the beneficial ownership by Covenantor of less than five percent (5%) of the outstanding equity securities of any corporation whose securities are registered under the Securities and Exchange Act of 1934.

5. Remedies. Covenantor acknowledges that his/her violation of any of the covenants contained in this Agreement would result in irreparable injury to Franchisor and Franchisee, for which no adequate remedy at law may be available, and accordingly consents to the issuance of, and agrees to pay all court costs and reasonable attorney fees incurred by Franchisor or Franchisee in obtaining, an injunction enjoining any conduct by Covenantor prohibited by the terms of this Agreement. This remedy shall be in addition to any and all other remedies that may be available to Franchisor or Franchisee.

6. Severability. The parties agree that each of the covenants contained in this Agreement shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant contained herein is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision, Covenantor expressly agrees to be bound by any lesser covenants subsumed within the terms of such covenant that imposes

the maximum duty permitted by law, as if the resulting covenants were separately stated in and made a part of this Agreement.

7. Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns.

8. Construction. The parties agree that this Agreement shall be deemed to have been entered into in and shall be governed by and construed in accordance with the laws of the State of Michigan.

9. Jurisdiction. The parties agree that any action based upon this Agreement brought by any party hereto against any other party hereto may be brought within the State of Michigan in the judicial district in which Franchisor has its principal place of business, and hereby consent to the exercise of personal jurisdiction by any such court and waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

10. Legal Expenses. In the event a dispute arises under this Agreement, the prevailing party shall be entitled to recover its expenses, including reasonable attorney and accountant fees, in addition to any other relief to which it may be found entitled.

11. Franchisor Third-Party Beneficiary. Covenantor and Franchisee acknowledge and intend that the covenants contained in this Agreement shall directly benefit Franchisor, who shall be a third-party beneficiary thereof, entitled to enforce the provisions thereof in Franchisor's own name without Franchisee as a party in any action filed for such purpose, and shall further be entitled to all remedies provided in Section 5 hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement or caused it to be executed by their duly authorized representative, as of the dates set forth below.

FRANCHISEE:

Date: _____

By: _____

Its: _____

Date: _____

COVENANTOR



EXHIBIT D. POWER OF ATTORNEY TO ASSIGN TELEPHONE
NUMBER

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

POWER OF ATTORNEY TO ASSIGN TELEPHONE NUMBER

The undersigned Door Renew franchisee (**Assignor**) does hereby irrevocably constitute and appoint Door Renew International , LLC, a Delaware limited liability company (**Assignee**), the true and lawful attorney-in-fact and agent for Assignor and in Assignor's name, place and stead, to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of Assignee, may be necessary or advisable for the sole purpose of assigning to Assignee or Assignee's designee all of Assignor's right, title and interest in and to any and all telephone numbers of Assignor's Door Renew Franchised Business and all related Yellow Pages, White Pages and other business listings, including but not limited to, the execution and delivery of any Transfer of Service Agreement and any other transfer documentation required by the applicable telephone service company providing telephone services for Assignor, hereby granting unto Assignee full power and authority to do and perform any and all acts and things which, in the sole discretion of Assignee, are necessary or advisable to be done as fully to all intents and purposes as Assignor might or could itself do, hereby ratifying and confirming all that Assignee may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney and regardless of whether Assignor has designated any other person to act as its attorney-in-fact and agent, no person, firm, or corporation dealing with Assignee will be required to ascertain the authority of Assignee, nor to see to the performance of the agency, nor be responsible in any way for the proper application of funds or property paid or delivered to Assignee. Any person, firm, or corporation dealing with Assignee shall be fully protected in acting and rely on a certificate of Assignee that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and Assignor will not take any action against any person, firm or corporation acting in reliance on such a certificate or a copy of this Power of Attorney. Any instrument or document executed on behalf of Assignor by Assignee will be deemed to include such a certificate on the part of Assignee, whether or not expressed. This paragraph will survive any termination of this Power of Attorney.

This power of Attorney will terminate two (2) years following the expiration or termination of that certain Franchise Agreement dated evenly herewith by and between Assignee and Assignor. Such termination, however, will not affect the validity of any act or deed that Assignee may have affected prior to such date pursuant to the powers herein granted.

This instrument is to be construed and interpreted as an irrevocable Power of Attorney coupled with an interest. It is executed and delivered in the State of Michigan and the laws of the State of Michigan and will govern all questions as to the validity of this Power of Attorney and the construction of its provisions.

ASSIGNOR (Franchisee):

 [Name of Franchisee]

By: _____

Its: _____



EXHIBIT E. FRANCHISEE DISCLOSURE QUESTIONNAIRE
TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you are aware, you are preparing to enter into a Franchise Agreement with Door Renew International, LLC Door Renew (**Franchisor**) for the operation of a Door Renew franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate, or misleading.

Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed our Franchise Agreement and each exhibit and schedule attached to it?

YES _____ NO _____ Your Initials _____

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

YES _____ NO _____ Your Initials _____

If "No," what parts of the Franchise Agreement do you NOT understand? (Attach additional pages if necessary.)

3. Have you received and personally reviewed the Disclosure Document we provided to you?

YES _____ NO _____ Your Initials _____

4. Do you understand all of the information contained in the Disclosure Document?

Yes _____ No _____ Your Initials _____

If "No," what parts of the Disclosure Document do you not understand?(Attach additional pages, if necessary)

5. Have you discussed the benefits and risks of operating a Franchised Business with an attorney, accountant or other professional advisor and do you understand those risks?

YES _____ NO _____ Your Initials _____

6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

YES _____ NO _____ Your Initials _____

7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Franchised Business operated by us or our franchisees?

YES _____ NO _____ Your Initials _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the Franchised Business that is contrary to, or different from, the information contained in the Disclosure Document?

YES _____ NO _____ Your Initials _____

9. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a Franchised Business?

YES _____ NO _____ Your Initials _____

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue a Franchised Business will generate?

YES _____ NO _____ Your Initials _____

11. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating a Franchised Business that is contrary to, or different from, the information contained in the Disclosure Document?

YES _____ NO _____ Your Initials _____

12. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

YES _____ NO _____ Your Initials _____

13. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish you that is contrary to, or different from, the information contained in the Disclosure Document?

YES _____ NO _____ Your Initials _____

14. If you have answered "Yes" to any of questions 7 through 13, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.)

If you have answered "No" to all of questions 7 through 13, please leave the following lines blank.

15. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and the Franchisor?

YES _____ NO _____ Your Initials _____

You understand that your answers are important to us and we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

Franchise Applicant - Signature

Print Name

Date



EXHIBIT F. RELEASE OF CLAIMS

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

RELEASE OF CLAIMS

The undersigned Franchisee and Principals, for themselves and for their agents, employees, legal representatives, heirs and assigns, and the successors, heirs and assigns of each of them, hereby release Door Renew International, LLC, a Delaware Limited Liability Company ("Franchisor"), its shareholders, directors, officers, employees, agents, legal representatives, insurers, successors and assigns (the "Released Parties"), from any and all debts, claims, demands, damages, losses, liabilities, rights, actions, causes of action, expenses, contracts, obligations, promises, judgments, awards and suits of any kind whatsoever ("Claims") that the undersigned may now have against any of the Released Parties arising from any right, duty, or obligation granted or imposed by the Franchise Agreement or by the sale of the franchise granted thereunder, including, by way of illustration and not limitation, any misrepresentations in or omissions from the franchise disclosure document received by Franchisee, any act or omission that may constitute a violation of the Federal Trade Commission rule relating to Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures, 16 CFR 436, or any amendment or successor thereto, and claims or causes of action arising under any state statute.

The undersigned expressly acknowledge and agree that the Claims are intended to and do include any and all claims of every nature and kind whatsoever, whether known or unknown, suspected or unsuspected, foreseen or unforeseen, accrued or contingent, intentional or unintentional, and liquidated or unliquidated, that they may have against any of the Released Parties up to and including the date hereof. The undersigned further acknowledge and agree that they may hereafter discover facts different from or in addition to those which they now know or believe to be true with respect to the Claims, and they agree that, in such event, this Release shall nevertheless be and remain in full force and effect and be binding in all respects, regardless of such different or additional facts or the discovery thereof.

The undersigned acknowledge and represent that they have consulted independent legal counsel, or knowingly waive the opportunity to be represented by independent legal counsel, in connection with their review and execution of this Release, that they have read and understood the terms of this Release, and that they sign the same willingly and without undue influence or coercion.

Notwithstanding the above, nothing contained herein shall act as a release, estoppel, or waiver of any claim or liability arising under the California Franchise Relations Act, Illinois Franchise Disclosure Act, Indiana Franchise Disclosure Law, Indiana Deceptive Franchise Practices Law, Maryland Franchise Registration, and Disclosure Law, Michigan Franchise Investment Law, Minnesota Franchise Act, North Dakota Franchise Investment Law, New York State Franchise Sales Act, Rhode Island Franchise Investment Protection Act, South Dakota Franchise Act, Virginia Retail Franchising Act, Washington Franchise Investment Protection Act, Wisconsin Franchise Investment Law, or Wisconsin Fair Dealership Law.

The Releasing Parties expressly assume the risk of any mistake of fact or fact of which they may be unaware of that the true facts may be other than any facts now known or believed to exist by them, and it is their intention to settle forever, adjust and compromise any and all present and 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 Releasing Parties are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands, and causes of action that exist, or might have existed, on the date of this release. The Releasing Parties 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 release as the Releasing Parties, in their independent judgment, belief necessary or appropriate. The Releasing Parties have not relied on any statement, promise or representation, whether of fact or law or lack of disclosure of any fact or law, by the Franchisor-Related Persons or anyone else, not expressly set forth herein, in executing this document and the related releases.

The Releasing Parties represent and warrant that there has been, and there will be, no assignment or other transfer of any interest in any Claims that the Releasing Parties may have against any or all of the Franchisor-Related Persons, all Claims having been fully and finally extinguished, and the Releasing Parties shall forever indemnify and hold the Franchisor-Related Persons harmless from any liability, claims, demands, damages, losses, costs, expenses or legal fees incurred by any of the Franchisor-Related Persons as a result of any Person asserting any interest in any of the Claims 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 as a condition precedent to recovery against the Releasing Parties under this indemnity.

The releases granted hereunder will be deemed effective as to each of the Releasing Parties as of the date this document is signed by each of the Releasing Parties. The liabilities and obligations of each of the Releasing Parties (and any other Person providing releases to the Franchisor-Related Persons) will be joint and several.

IN WITNESS WHEREOF, the undersigned have executed this Release as of the date(s) below.

FRANCHISEE:

Date: _____

By: _____

Its: _____

Date: _____

_____, individually

Date: _____

_____, individually

Date: _____

_____, individually



EXHIBIT G. MANAGEMENT AGREEMENT

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

MANAGEMENT AGREEMENT

This Management Agreement (the "Agreement"), made to be effective as of _____, by and between Door Renew Managed Services LLC, which with its successors and assigns is herein called "Management Company," and _____, which with its successors and assigns is herein called "Franchisee," is to EVIDENCE THAT:

WHEREAS, Franchisee has entered into a Franchise Agreement (the "Franchise Agreement") with Door Renew International, LLC ("Franchisor"), dated as of the date of this Agreement, whereby Franchisor grants to Franchisee a franchise (the "Franchisee") to operate a Door Renew Franchised Business and the right to use Door Renew 's business model, services and products (the "System") and Marks as identified herein;

WHEREAS, Franchisee desires and requires the provision of certain management, administrative, and similar services; and

WHEREAS, Management Company and Franchisee desire to enter into an arrangement under the terms and conditions stated in this Agreement whereby Management Company can provide (or cause to be provided) certain the management, administrative and similar services requested by Franchisee (the "Franchised Business").

NOW, THEREFORE, in consideration of the foregoing statements and the mutual covenants and promises made in this Agreement and for other valuable consideration (the receipt and sufficiency of which are hereby acknowledged), Management Company and Franchisee (herein collectively called the "Parties" and individually called a "Party") hereby agree as follows:

1. Agreement Term.

1.1 The initial term of this Agreement shall be for a five (5) year period commence as of the date first written above and continue until five (5) years, unless terminated or renewed as provided in this Agreement.

1.2 This Agreement will automatically renew for an additional one (1) year following the end of the initial term unless the Management Company or Franchisee provides written notice of non-renewal at least 60 days before the end of the initial term or current renewal term.

1.3 The initial term and any renewal terms are referred to herein as the

"Agreement
Term."

2. Management Company Responsibilities.

2.1 For purposes of this Agreement, the phrase "Management Company Services" specifically includes the following

(a) Acquiring the shop and mobile vehicle for Site Franchised Business Site for Management Company under the Franchise Agreement (the "Site"). The Site shall comply in all respects with Door Renew 's System requirements. Management Company shall perform all tenant responsibilities under the lease agreement for the Site (or similar responsibilities if Management Company owns the Site), including, but not limited to, paying rent, acquiring and maintaining connections to utilities, phone, and internet services, and performing, or causing to be performed, maintenance, repair, replacement, and janitorial services;

(b) Acquiring all fixtures, equipment, and furnishings necessary for the operation of aDoor Renew Site and the operation of the Franchised Business, and maintaining, repairing, and replacing such fixtures, equipment, and furnishings;

(c) Developing and implementing a business plan for the Franchised Business and managing the operational workflow of the Franchised Business, specifically, scheduling customer appointments and responding to customer inquiries, determining fees charged for the provision of supplies and products to customers, assisting the Franchisee in the billing and the collection of fees payable for Franchisee's provision of the services, products, and supplies to customers, including maintaining customer records under the direction of Franchisee, according to Franchisee's obligations herein;

(d) Providing office management for the Franchised Business, including purchasing supplies, computer, and peripherals, practice management software, general secretarial services, answering telephones, and responding to emails and facsimiles;

(e) Recruiting, training, and scheduling Franchised Business staff of the Franchised Business. Franchisee, and not Management Company, shall be solely employer or independent contract holder of staff responsible for hiring, firing, and supervising staff for the Franchised Business;

(f) Processing payroll and all insurance and fringe benefit plans of Franchisee and any employees of Franchisee at Franchisee's direct;

(g) Billing and collecting fees charged by Franchisee for the services, or for other goods or services sold at or through the Franchised Business depositing payments made by customers and third-party payors to the Franchised Business into a bank account (the "Franchisee Account");

(h) Performing all bookkeeping and accounting for the Franchised Business operations, including maintaining records, preparing any required financial reports, billing, and collection of expenses, preparing, and filing all federal, state, and local sales, payroll, and business tax returns of the Franchisee as certified and executed by Franchisee, except such fees which shall remain the responsibility of Franchisee;

(i) Managing and establishing advertising, promotions, and marketing programs for the Franchised Business, subject to Franchisee's confirmation as to compliance with applicable laws, rules, and regulations;

(j) Obtaining and managing Franchisee's insurance and other necessary insurance coverages outlined in the Franchise Agreement and/or the Door Renew Operations Manual, including the payment of applicable premiums and deductibles; and

(k) Applying funds transfers and otherwise making payments from the Franchisee Account to pay the designated operating expenses of the Franchised Business and other costs and expenses provided for and/or listed herein.

2.2 During the Agreement Term, Franchisee hereby grants to Management Company the right and authority and designates Management Company as its attorney-in-fact, to sign all documents on behalf of Franchisee to the extent necessary to provide the Management Company Services to Franchisee hereunder and to perform Management Company's duties and obligations under this Agreement.

3. Franchisee Responsibilities.

During the Agreement Term, Franchisee shall provide the Franchisee Services in compliance with the terms and conditions outlined in this Agreement and all applicable laws, rules, and regulations. For purposes of this Agreement, the phrase "Franchisee Services" specifically includes the following: residential and commercial restoration work of doors, buildings, homes, windows, and other items

(a) Offer residential and commercial restoration work of doors, buildings, homes, windows, and other items (collectively, the "Services"). Franchisee shall devote his/her/its best efforts to the Franchised Business and any additional services required by the Management Company, in a professional manner, in compliance with all laws, rules, and regulations, applicable System requirements, all requirements under third party payor contracts, and the generally accepted standards;

(b) Maintaining at all times during the Agreement Term all licenses, certifications, and accreditations necessary to provide the Services;

(c) Granting Management Company such rights as are necessary for Management Company to have access to all information regarding the Franchisee Account and to cause funds to be transferred or paid daily as necessary or desirable;

(d) Reviewing and approving all marketing and advertising material and promotions for compliance with applicable laws, rules, and regulations; and

(e) Hiring, firing, supervising, and employing staff necessary and desirable for the operation of the Franchised Business to meet customer demand and provide optimal efficiency and quality of Services;

(f) Paying all other necessary fees and charges that are not the responsibility of Management Company, specifically including Franchisee's salary and fringe benefits (and, if applicable, the Franchised Business's employees' salary and wages and fringe benefits), the Franchised Business's payroll taxes and other withholding items, and Franchisee's and/or the Franchised Business's income taxes;

3.1 Franchisee agrees that during the term of this Agreement, it will not obtain from any third parties any services that are the same as, or similar to, the Management Company Services.

4. Fees and Other Charges for Management and Administrative Services.

In consideration for Management Company's performance of the Management Company Services set forth herein, Franchisee hereby agrees to pay Management Company a management fee (herein called the "Management Fee"), which shall be the amount equal to 5% of Gross Revenues.

4.1 The term "Gross Revenues," as used in this Agreement, shall mean all sales and other income (recognized on an accrual basis), whether cash or credit or barter for exchange (regardless of the collection in the case of credit), arising from the operation of the Franchised Business, less (i) all refunds and discounts made to customers in good faith and accordance with Franchisor's policies, and (ii) any sales or excise taxes that are separately stated and that Franchisee may be required to and does collect from customers and pays to any federal, state, or local taxing authority.

4.2 The Management Fee shall be paid to Management Company from the money transferred 5th of each month from Franchisee's Account into Management Company's operating account.

4.3 The Management Fee, or any other fees due and payable under this Agreement, are not intended to be, and shall not be interpreted to be, payment for the referral of customers or recommendation of a referral of customers from Management Company to

Franchisee or from Franchisee to Management Company.

5. Representations and Warranties.

5.1 Franchisee hereby makes the following representations and warranties:

(a) Franchisee (or, if Franchisee is an entity, all owners, members, or individuals employed of/by Franchisee who will be providing the Services under this Agreement) is not a party to any agreement or instrument that would prevent Franchisee from entering into or performing Franchisee's duties in any way under this Agreement. Franchisee and/or its authorized employees are duly licensed and in good standing to provide the Services in the state in which the Site is located and will remain licensed and in good standing at all times during the Agreement Term;

(b) If Franchisee is an entity, this Agreement has been authorized by all necessary corporate action of Franchisee and is a valid and binding agreement of Franchisee enforceable in accordance with its terms, and the individual signing on behalf of Franchisee is duly authorized to enter into and executed this Agreement; and

(c) Franchisee shall immediately disclose to Management Company in writing as soon as is possible after, but in any case within 5 days of, (1) the commencement of any action, suit, or proceeding, and/or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental units (including regulatory boards or professional groups), that may adversely affect Franchisee and/or the Franchised Business's operation, financial condition, or reputation, including, without limitation, any and all claims brought against Franchisee or any person affiliated with Franchisee, regardless of the nature of the claim, anticipated outcome or remedies sought; and/or (2) Franchisee's receipt or knowledge any notice of violation of any law, ordinance, or regulation relating to health or safety.

5.2 Management Company hereby makes the following representations and warranties:

(a) This Agreement has been authorized by all necessary corporate action of Management Company and is a valid and binding agreement of Management Company enforceable in accordance with its terms, and the individual signing on behalf of Management Company is duly authorized to enter into and execute this Agreement; and

(b) The Franchise Agreement is in full force, and effect and Franchisor have been provided with a true, correct, and complete copy of this Agreement and has approved it as to form and content (provided, however, that Franchisee and Management Company acknowledge and agree that such consent does not mean Franchisor has reviewed or approved the legality of this Agreement with respect to applicable state or local laws governing Franchisee or agreements of this nature).

5.3 The Parties expressly acknowledge and agree that Management Company makes no express or implied warranties regarding the quality of Management Company Services rendered to Franchisee under this Agreement or with respect to the income or profit to be earned by Franchisee or the Franchised Business.

6. Insurance.

6.1 During the Agreement Term, Franchisee must maintain in force insurance coverages outlined in the Franchise Agreement and/or the Door Renew Operations Manual. Each required policy must name Management Company as an additional insured and must provide that Management Company be given at least 30 days' notice before cancellation, modification, or amendment of the policy.

6.2 Franchisee obligation to maintain insurance coverage as described in this Agreement will not be reduced in any manner by reason of any separate insurance Management Company maintains on Management Company's own behalf, nor will Management Company's maintenance of Management Company's insurance relieve Franchisee of any obligations under this Agreement.

7. Relationship of Parties.

7.1 The Parties hereto are independent contractors, and nothing in this Agreement shall be deemed to create any association, partnership, joint venture, principal and agent relationship, master and servant relationship, or employer and employee relationship between the Parties or to provide either Party with the right, power, or authority, whether express or implied, to create any such duty or obligation on behalf of the other Party.

7.2 Franchisee further agrees not to be treated, or seek to be treated, as an employee of Management Company for any purpose, including disability income, social security taxes and benefits, Federal unemployment compensation taxes, State unemployment insurance benefits, and Federal income tax withholding. Franchisee hereby understands and agrees to maintain timely payments of all income taxes due to the Internal Revenue Service and all other government agencies.

7.3 Franchisee and Management Company acknowledge and agree that Franchisor is not a party to this Agreement. That Franchisee has no contract or other rights against Franchisor with respect to any matter including, without limitation, the operation or profitability of the Franchised Business, any employee-related matters, and any marketing or other System materials, methods, or guidelines.

8. Indemnification.

8.1 Franchisee agrees to defend, indemnify and hold harmless Management

Company, Franchisor and their respective owners, directors, officers, employees, agents, successors, and assigns (each a "Management Indemnified Party"), from and against any and all claims, lawsuits, demands, actions, causes of action or other events, and for all costs and expenses incurred by the Management Indemnified Party in connection therewith, including without limitation actual and consequential damages, reasonable attorneys', accountants', and/or expert witness fees, cost of investigation and proof of facts court costs, other litigation expenses, and travel and living expenses, to the extent caused by, relating to or otherwise arising out of (1) the effects, outcomes and consequences of Franchisee's acts and omissions and the acts and omissions of Franchisee's employees, representatives and agents in connection with or relating to the provision of the Franchisee Services or the operation of the Franchised Business, (2) any agreements, representations, or warranties Franchisee makes to third parties that are not expressly authorized under this Agreement, (3) any damages to any person or property directly or indirectly arising out of the performance of the Franchisee Services or the operation of the Franchised Business, whether or not caused by Franchisee's negligent or willful action or failure to act or acts or omissions, and/or (4) Franchisee's breach of any provision of this Agreement. Franchisor shall be deemed a third-party beneficiary of all of the covenants contained in this Section.

8.2 The indemnification obligations described in this Section will continue in full force and effect after, notwithstanding, the expiration, renewal, or termination of this Agreement.

9. Default and Termination.

9.1 Franchisee will be deemed to be in default under this Agreement, and Management Company will have the right to terminate this Agreement effective upon delivery of notice of termination to Franchisee, subject only to any right to cure to the extent expressly set forth below, if:

(a) Franchisee assigns or transfers this Agreement, or the ownership of Franchised Business changes, without the prior written consent of Management Company;

(b) Franchisee or, if Franchisee is an entity, any of its owners, is adjudged a bankrupt, becomes insolvent or makes a general assignment for the benefit of creditors, or fails to satisfy any judgment rendered against it for 30 days after all appeals have been exhausted;

(c) Franchisee or, if Franchisee is an entity, any of its owners, is convicted of or pleads no contest to a felony or are convicted or plead no contest to any crime or offense that is likely to adversely affect the reputation of Management Company, the Franchised Business, Franchisor, and/or the goodwill associated with the System or the Marks, or otherwise engages in any dishonest, unethical or other conduct that is reasonably likely to reflect materially and unfavorably on the goodwill or reputation of Management Company, the

Franchised Business, the System or the Marks;

(d) Franchisee (or any of Franchisee's employees) violates any health or safety law, ordinance or regulation, or performs the Franchisee Services in a manner that presents a health or safety hazard to customers or the public;

(e) Franchisee does not pay when due any monies owed to Management Company, including the Management Fee, and does not make such payment within 2 days after written notice is given to Franchisee;

(f) Franchisee (or, if Franchisee is an entity, its owners, shareholders, partners, or members) fails to comply with any other provision of this Agreement, any other agreement with Management Company, or any mandatory specification, program, standard or operating procedure within 10 days after written notice of such failure to comply is given to Franchisee; or

(g) Franchisee, if an individual, dies, becomes permanently disabled, or is temporarily disabled such that he/she fails to operate the Franchised Business on a full-time basis for more than 10 scheduled business days in any 3 calendar month period.

9.2 This Agreement may be terminated by either Party (a) in its sole and absolute discretion upon sixty (60) days written notice to the other Party, or (b) immediately by written notice to the other Party if such Party reasonably believes, based upon an opinion of qualified legal counsel, that this Agreement is in violation of applicable law; provided, however, that the Parties will negotiate in good faith to amend the Agreement to comply with all such applicable law while still achieving the primary purposes hereof, or (c) immediately by written notice to the other Party upon the termination of the Franchise Agreement.

9.3 This Agreement may be terminated by Franchisee in the event Management Company fails to comply with any provision of this Agreement within 60 days after written notice of such failure to comply is given to Management Company.

10. Waiver of Certain Damages; Waiver of Trial by Jury.

10.1 Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any indirect, special, consequential, incidental, punitive, exemplary, or treble damages, and other forms of multiple damages, against Management Company and/or Franchisor, including without limitation, any economic loss, property damage, physical injury, or lost profits arising out of this Agreement, Franchisee's use of the Marks or other elements of the System, or Management Company's provision of the Management Company Services, regardless of whether arising under breach of contract, warranty, tort, strict liability or any other legal or equitable theory or claim, even if such loss or damage could have been reasonably foreseen. Further, Franchisee agrees that, except to the extent provided to the contrary in this Agreement, in the event of a dispute between the Parties, Franchisee will be

limited to the recovery of any actual damages sustained by Franchisee. The Parties irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either Party.

11. Miscellaneous.

11.1 This Agreement may not be amended or modified except by a written agreement that specifically references this Agreement and is signed by each Parties.

11.2 This Agreement constitutes the entire Agreement between the Parties regarding the subject matter hereof. All prior or contemporaneous oral or other written agreements, negotiations, representations, and arrangements regarding the subject matter hereof are hereby merged into and superseded by this Agreement.

11.3 The provisions of this Agreement are severable, and if any provision should, for any reason, be held invalid or unenforceable in any respect, it will not invalidate, render unenforceable or otherwise affect any other provision, and such invalid or unenforceable provision will be construed by limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law.

11.4 For purposes of this Agreement, the singular includes the plural and vice-versa and the feminine, masculine and neuter include each other. The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation.

11.5 All notices and other communications hereunder will be in writing and will besent either by (a) certified mail, postage prepaid, return receipt requested; (b) an overnight express courier service that provides written confirmation of delivery; or (c) facsimile or email with written confirmation by the sending machine or with telephone confirmation of receipt, addressed as follows:

For the Management Company: Door Renew
Managed Services LLC

For the Franchisee:

Attn: _____

Attn: _____

Any Party may change its address for receiving notice by giving notice of a new address in the manner provided herein. Any notice given under this Section will be deemed to be delivered on the third business day after the same is deposited in the United States Mail, on the next business day if sent by overnight courier, or on the same business day if sent by facsimile before

the close of business of the recipient, or the next day, if sent by facsimile after the close of business of the recipient.

11.6 No course of dealing between the Parties, no waiver by either Party and no refusal or neglect of either Party to exercise any right hereunder or to enforce compliance with the terms of this Agreement shall constitute a waiver of any provision herein unless such waiver is expressed in writing by the waiving Party and is clearly designated as a waiver to a specific provision(s) of this Agreement.

11.7 The laws of the state in which the Site is located shall govern all disputes, controversies, and litigation arising under this Agreement.

11.8 This Agreement may be executed in one or more counterparts, including by facsimile or electronic signature included in an Adobe PDF file, each of which shall be an original and all of which together shall constitute one and the same Agreement. The execution of counterparts shall not be deemed to constitute delivery of this Agreement by any party until all of the parties have executed and delivered their respective counterparts.

11.9 The Parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement.

11.10 No Party hereto may assign any of its rights or benefits or delegate any of its duties, obligations or liabilities under this Agreement without the prior consent of each of the other Parties hereto; provided, however, that Management Company may assign all of its right, title and interest, in whole or in part, to Franchisor or Franchisor's designee at any time. This Agreement will apply to, be binding in all respects upon, and inure to the benefit of the heirs, executors, trustees, guardians, personal representatives, successors, and permitted assigns of the parties.

11.11 No course of dealing between the Parties, no waiver by either Party and no refusal or neglect of either Party to exercise any right hereunder or to enforce compliance with the terms of this Agreement shall constitute a waiver of any provision herein unless such waiver is expressed in writing by the waiving Party and is clearly designated as a waiver to a specific provision(s) of this Agreement.

11.12 The laws of the state in which the Site is located shall govern all disputes, controversies, and litigation arising under this Agreement.

11.13 This Agreement may be executed in one or more counterparts, including by facsimile or electronic signature included in an Adobe PDF file, each of which shall be an original and all of which together shall constitute one and the same Agreement. The execution

of counterparts shall not be deemed to constitute delivery of this Agreement by any party until all of the parties have executed and delivered their respective counterparts.

11.14 The Parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement.

11.15 No Party hereto may assign any of its rights or benefits or delegate any of its duties, obligations, or liabilities under this Agreement without the prior consent of each of the other Parties hereto; provided, however, that Management Company may assign all of its right, title, and interest, in whole or in part, to Franchisor or Franchisor's designee at any time. This Agreement will apply to, be binding in all respects upon, and inure to the benefit of the heirs, executors, trustees, guardians, personal representatives, successors, and permitted assigns of the parties.

IN WITNESS WHEREOF, the Parties have set their hands as of the day and year first above written.

By: _____

By: _____

Its: _____

Its: _____

-Management Company-

-Franchisee-



EXHIBIT H. STATE FRANCHISE REGULATORS AND AGENTS FOR
SERVICE OF PROCESS

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

STATE FRANCHISE REGULATORS

California

Department of Business Oversight
One Sansome Street Suite 600
San Francisco, CA 941404-4428
1-866-275-2677

Connecticut

Securities & Business Investments
Division
Department of Banking
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230

Florida

Dept. of Agriculture and Consumer
Services
Division of Consumer Services
227 N. Burrough Street
City Centre Building, 7th Floor
Tallahassee, FL 32301
(904) 922-2770

Georgia

Governor's Office of Consumer
Affairs
2 Martin Luther King, Jr. Drive SE
356 West Tower
Atlanta, GA 30334-4600
(404) 651-8600

Hawaii

Dept. of Commerce & Consumer
Affairs
Business Registration Division
1010 Richards Street
Honolulu, HI 96813
(808) 586-2021

Illinois

Office of the Attorney General
Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana

Indiana Securities Division
302 West Washington Street
Room E111
Indianapolis, IN 46204
(317) 232-6681

Kentucky

Office of the Attorney General
Consumer Protection Division
P.O. Box 2000
Frankfort, KY 40602-2000
(502) 573-2200

Louisiana

Office of the Attorney General
Consumer Protection Section
PO Box 94005
Baton Rouge, LA 70804-9005
(225) 326-6460

Maryland

Office of the Attorney General
Securities Division
200 Saint Paul Place
Baltimore, MD 21202-2020
(410) 576-6360

Michigan

Department of Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
670 Law Building
Lansing, MI 48913
(517) 373-7117

Minnesota

Department of Commerce
Registration Division
85 7th Place East, Suite 500
St. Paul, MN 55101-2198
(651) 296-4026

Nebraska

Dept. of Banking & Finance
1200 N Street, Suite 311
P.O. Box 95006
Lincoln, NE 68509
(402) 471-3445

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21st Fl
New York, NY 10005
212-416-8236

North Carolina

Department of the Secretary of State
Securities Division
300 N. Salisbury Street
Raleigh, NC 27603-5909
(919) 733-3924

North Dakota

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

Rhode Island

Department of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910
(401) 462-9587

South Carolina

Secretary of State
1205 Pendleton Street
525 Edger Brown Building
Columbia, SC 29201
(803) 734-1958

South Dakota

Dept. of Labor and Regulations
Division of Securities
124 S. Euclid, Suite 104
Pierre, SD 57501
(605) 773-48233

Texas

Secretary of State
Statutory Document Section
P.O. Box 13563
Austin, TX 78711
(513) 475-1769

Utah

Department of Commerce
Division of Consumer Protection
160 East 300 South
P.O. Box 45804
Salt Lake City, UT 84145-0804
(801) 530-6601

Virginia

State Corporation Commission
Division of Securities & Retail
Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9276

Washington

Department of Financial Institutions
Securities Division
150 Israel Road, SW
Tumwater, WA 98501
(360) 902-8760

Wisconsin

Department of Financial Institutions
Division of Securities
345 West Washington Avenue, 4th
Floor
Madison, WI 53703
(608)266-1064

AGENTS FOR SERVICE OF PROCESS

California

Commissioner of Corporations
1515 K Street, Suite 200
Sacramento, CA 95814-4052

Hawaii

Commissioner of Securities
335 Merchant Street, Room 203
Honolulu, HI 96813

Illinois

Illinois Attorney General
500 South Second Street
Springfield, IL 62706

Indiana

Administrative Office of the Secretary of
State
201 State House
Indianapolis, IN 46204

Maryland

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

Minnesota

Minnesota Commissioner of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198

New York

New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor

Albany, NY 12231-0001
(518) 473-2492

North Dakota

Securities Commissioner
5th Floor, 600 East Boulevard
Bismarck, ND 58505-0510

Rhode Island

Dept. of Business Regulation
Securities Division
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910

South Dakota

Division of Securities
Dept. of Labor and Regulations
124 S. Euclid Suite 104
Pierre, SD 57501

Virginia

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

Washington

Director of Dept. of Financial Institutions
Security Division
150 Israel Rd SW
Tumwater WA 98501

Wisconsin

Commissioner of Securities
101 East Wilson Street
Madison, WI 53703



EXHIBIT I. LIST OF FRANCHISEES

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

Door Renew Franchisees as of December 31, 2020

State	City	Name	Address	Telephone
KY	Northern Kentucky	Barbara Downie	5019 Wesley Ave. Norward, OH 45212	513-209-3334 859-432-4786
LA	Baton Rouge	Gary Shetler	3120 Cresthaven Ave. Baton Rouge, LA 70810	225-320-2268
MI	Ann Arbor	John Eggenberger	1147 Roosevelt Ypsilanti, MI 48197	734-678-7602
MI	Pinckney	Jack and Joanne Eggenberger	9072 Dexter-Pinkney Pinckney, MI 48169	734-751-2401
OH	Cincinnati	Matthew Wheeler	3485 Verbena Cincinnati, OH 45241	513-410-8823
OH	Cincinnati North	Matt Eggenberger	11830 Surfwood Lane Cincinnati, OH 45241	513-919-2670
OH	St. Louisville	Angela Davis	267 Moreland St., St. Louisville, OH, 43071	740-627-6627



EXHIBIT J. LIST OF FRANCHISEES THAT LEFT THE SYSTEM
TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

There were no Franchisees who left the system during the most recently completed fiscal year or who have not communicated with the franchisor within 10 weeks of the disclosure document issuance date.

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



EXHIBIT K. FINANCIAL STATEMENTS

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

The franchisor has not been in business for three years or more; and, therefore, cannot include all financial statements required.

**DOOR RENEW INTERNATIONAL, LLC
LIVONIA, MICHIGAN**

**BALANCE SHEET
AS OF JULY 23, 2021**

DOOR RENEW INTERNATIONAL, LLC

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Rochester

1214 N. Main Street
Rochester, MI 48307
248.601.9500 ~ 248.601.9501
fax
www.mkgpc.com

Mattina, Kent & Gibbons, P.C.



Certified Public Accountants

Lapeer

951 S. Main Street, Suite 3
Lapeer, MI 48446
810.664.4470 ~ 810.664.3601
fax
www.mkgpc.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
Door Renew International, LLC
19500 Victor Parkway, Suite 350
Livonia, MI 48152

We have audited the accompanying balance sheet of Door Renew International, LLC (a Delaware Limited Liability Company), as of July 23, 2021, and the related notes (the financial statement).

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement 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 the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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 statement referred to above presents fairly, in all material respects the financial position of Door Renew International, LLC as of July 23, 2021, in conformity with accounting principles generally accepted in the United States of America.

Mattina, Kent & Gibbons, P.C.

Mattina, Kent & Gibbons, P.C.

Certified Public Accountants

Lapeer, Michigan

December 20, 2021

FINANCIAL STATEMENT

DOOR RENEW INTERNATIONAL, LLC
BALANCE SHEET
JULY 23, 2021

ASSETS

CURRENT ASSETS	
Cash	\$ 43,750
TOTAL CURRENT ASSETS	43,750
OTHER ASSETS	
Amortizable Intangible Assets	525,000
Less: Accumulated Amortization	<u> -</u>
TOTAL OTHER ASSETS	<u>525,000</u>
TOTAL ASSETS	<u><u>\$ 568,750</u></u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES	
Current Portion of Long-term Debt	\$ 6,448
TOTAL CURRENT LIABILITIES	6,448
LONG-TERM LIABILITIES	
Notes Payable, Net of Current Portion	97,910
Notes Payable - Members, Net of Current Portion	<u>245,642</u>
TOTAL LONG-TERM LIABILITIES	<u>343,552</u>
TOTAL LIABILITIES	350,000
MEMBERS' EQUITY	<u>218,750</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 568,750</u></u>

See Accompanying Notes and Independent Auditor's Report.

NOTES TO FINANCIAL STATEMENT

DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business and Method of Accounting

Door Renew International, LLC (the Company) is organized as a Delaware limited liability company and began operating effective June 28, 2021. The Company owns and operates a business which develops, markets, services and sell services in connection with door refinishing and restoration; and shall offer and grant to franchisees and others to offer the services and to use the proprietary property of the Company in connection with the services. The Company does not operate any outlets. The Company has 8 franchised locations within the United States of America.

Accounting Method

The accompanying financial statement has been prepared on the accrual method of accounting.

Cash and Equivalents

The Company considers all highly liquid investments purchased with original maturities of ninety days or less to be cash equivalents. The Company maintains its cash in bank deposit accounts which, from time to time throughout the year, may exceed amounts insured by the Federal Deposit Insurance Corporation.

Long Lived Assets

The impairment of long-lived assets is reviewed whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimate future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. The Company has not identified any such impairment losses.

Amortizable Intangibles

The Company paid for goodwill related to an asset purchase in 2021 of an existing franchisor's operations. The Company has elected the accounting alternative provided by ASU 350-20-15-4 which allows for the amortization of goodwill. The purchased goodwill is being amortized over 10 years for book purposes and 15 years for tax purposes.

The costs of purchased trademarks, existing franchise agreements and other intellectual property are being amortized over the lesser of their estimated useful lives or their legal life on a straight-line basis.

As of July 23, 2021, the following are included in amortizable intangibles:

	<u>July 23, 2021</u>
Purchased Goodwill	
At cost	\$ 420,000
Less accumulated amortization	-
	<u>420,000</u>
Other Amortizable Intangible Assets	
At cost	105,000
Less accumulated amortization	-
	<u>105,000</u>
Net book value of amortizable intangibles	<u>\$ 525,000</u>

DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business and Method of Accounting

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The costs of purchased trademarks, existing franchise agreements and other intellectual property are being amortized over the lesser of their estimated useful lives or their legal life on a straight-line basis.

As of July 23, 2021, the following are included in amortizable intangibles:

	<u>July 23, 2021</u>
Purchased Goodwill	
At cost	\$ 420,000
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	<u>420,000</u>
Other Amortizable Intangible Assets	
At cost	105,000
Less accumulated amortization	-
	<u>105,000</u>
Net book value of amortizable intangibles	<u>\$ 525,000</u>

DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customers (Topic 606) (codified as ASC 606), which, along with subsequent amendments issued after May 2014, replaced substantially all the relevant U.S. GAAP revenue recognition guidance. ASC 606, as amended, is based on the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services utilizing a new five-step revenue recognition model, the steps include (i) identify the contract(s) with a customer; (ii) identify the performance obligations (promise to provide a distinct good or service, or a series of distinct goods or services) in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfied a performance obligation.

The company has determined the following in respect to the above five step model.

The company has determined that the franchise agreements entered by the company with the franchisees meet the definition of a contract as defined under Topic 606, and hence ASC 606 needs to be incorporated in the financial statement.

Included within the franchise agreement are the following bundle of promises that the company accounted for as a single distinct performance obligation under the License to the Franchisor’s Intellectual Property.

- Franchise license
- Advertising and marketing services
- Use of centralized concierge center
- Ongoing operational support

The transaction price includes the initial franchise fee (as defined in the franchise agreement), weekly/monthly royalty (as defined in the franchise agreement) of the franchisee’s sales for the term of the agreement, and weekly/monthly franchise operations fee (as defined in the franchise agreement) of the franchisee’s sales for the term of the agreement. The Company determined that the franchise license is the predominant item in the arrangement. Therefore, the guidance for a sales-based or usage-based royalty in FASB ASC 606-10-55-65 applies. The weekly/monthly royalty and weekly/monthly franchise operations fees (variable consideration) are not estimated and are not included in the transaction price at contract inception until sales occur. The weekly/monthly fees will be allocated to appropriate performance obligations as the sales occur.

The transaction price is allocated to the performance obligation (License to Franchisor’s IP) as follows:

- Initial Franchise Fee – The Company determines that the initial franchise fee (as defined in the franchise agreement) relates to the pre-opening services and the franchise license, which are bundled together in one performance obligation

DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, Revenue from Contracts with Customers (Topic 606) (codified as ASC 606), which, along with subsequent amendments issued after May 2014, replaced substantially all the relevant U.S. GAAP revenue recognition guidance. ASC 606, as amended, is based on the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services utilizing a new five-step revenue recognition model, the steps include (i) identify the contract(s) with a customer; (ii) identify the performance obligations (promise to provide a distinct good or service, or a series of distinct goods or services) in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfied a performance obligation.

The company has determined the following in respect to the above five step model.

The company has determined that the franchise agreements entered by the company with the franchisees meet the definition of a contract as defined under Topic 606, and hence ASC 606 needs to be incorporated in the financial statement.

Included within the franchise agreement are the following bundle of promises that the company accounted for as a single distinct performance obligation under the License to the Franchisor’s Intellectual Property.

- Franchise license
- Advertising and marketing services
- Use of centralized concierge center
- Ongoing operational support

The transaction price includes the initial franchise fee (as defined in the franchise agreement), weekly/monthly royalty (as defined in the franchise agreement) of the franchisee’s sales for the term of the agreement, and weekly/monthly franchise operations fee (as defined in the franchise agreement) of the franchisee’s sales for the term of the agreement. The Company determined that the franchise license is the predominant item in the arrangement. Therefore, the guidance for a sales-based or usage-based royalty in FASB ASC 606-10-55-65 applies. The weekly/monthly royalty and weekly/monthly franchise operations fees (variable consideration) are not estimated and are not included in the transaction price at contract inception until sales occur. The weekly/monthly fees will be allocated to appropriate performance obligations as the sales occur.

The transaction price is allocated to the performance obligation (License to Franchisor’s IP) as follows:

- Initial Franchise Fee – The Company determines that the initial franchise fee (as defined in the franchise agreement) relates to the pre-opening services and the franchise license, which are bundled together in one performance obligation

DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

- Sales-Based Fees: Royalty and Franchise Operations – The Company concludes that the sales-based fees should be allocated entirely to the franchise license because the variable consideration relates entirely to the Company’s promise to grant the franchise license. The sales-based fees are allocated to the franchise license bundle performance obligation as the sales occur

The franchise license provides the franchisee customer with a right to access the franchisor’s IP. The Company should account for a promise to provide a customer with a right to access the Company’s IP as a performance obligation satisfied over time because the customer simultaneously will receive and consume the benefit from the Company’s performance of providing access to its IP as the performance occurs. The franchisor recognizes the fixed consideration (initial franchise fee) allocable to the franchise license bundle performance obligation over the period of time that the franchisee customer has access to the IP, which would be 5 to 10 years (as agreed to in the franchise agreement). The Company will use time as its measure of progress and will recognize the initial franchise fee on a straight-line basis.

Initial Franchise Fee

The Company grants Door Renew Franchises to approved Franchisees. The Franchise includes the license to use the brand, initial and ongoing training, access to branded websites and marketing materials, use of proprietary client and employee scheduling software, established business processes and procedures, ongoing business consultation and support, and a protected Target Area territory, among other features and benefits. A military discount is available when applicable.

Royalty Income

Pursuant to various franchise agreements, franchisees are required to pay the Company royalties based on a percentage of gross sales, as defined in the individual agreements. These amounts are recognized in the current year as they pertain to current year percent of sales. The ongoing royalty fee is 6% of sales.

Income Taxes

The Company, with consent of its members, has elected under the Internal Revenue Code to be an S Corporation. In lieu of corporation income taxes, the stockholders of an S Corporation are taxed on their proportionate share of the Company’s taxable income. Therefore, no provision or liability for federal income taxes has been included in the financial statement.

The Company evaluates all significant tax positions as required by generally accepted accounting principles in the United States. As of July 23, 2021, the Company has not filed nor been required to file a tax return. The Company’s income tax returns are subject to examination by the appropriate tax jurisdictions. As of July 23, 2021, the Company’s federal and various state tax returns generally remain open for the last three years.

Date Of Management’s Review

Management has evaluated subsequent events through December 20, 2021, the date on which the financial statement were available to be issued, and found no significant events requiring disclosure.

**DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT**

NOTE 2 – NOTES PAYABLE

Notes payable as of July 23, 2021 are as follows:

	2021
The Company has a note payable to American Franchise Group, LLC (15% owner of the Company) dated July 1, 2021, with an original principal amount of \$250,000, bearing interest at 7% per annum, monthly payments are to commence on May 1, 2022 in the amount of \$2,093 including principal and interest, this note matures April 1, 2025 with an estimated balloon payment of \$195,229, this note is not secured or guaranteed.	\$ 250,000
The Company has a note payable to a 3 rd party individual dated July 1, 2021, with an original principal amount of \$50,000, bearing interest at 6% per annum, monthly interest only payments of \$250 are due beginning August 1, 2021, monthly principal and interest payments of \$421.93 commence on February 1, 2022, this note matures January 1, 2026 with an estimated balloon payment of \$41,121. This note is secured by the personal guaranty of Greg Longe (CEO of Door Renew and 68.24% owner of Longe Home Services Acquisition, which is 85% owner of Door Renew).	50,000
The Company has a note payable to a 3 rd party individual dated July 1, 2021, with an original principal amount of \$50,000, bearing interest at 6% per annum, monthly interest only payments of \$250 are due beginning August 1, 2021, monthly principal and interest payments of \$421.93 commence on February 1, 2022, this note matures January 1, 2026 with an estimated balloon payment of \$41,121. This note is secured by the personal guaranty of Greg Longe (CEO of Door Renew and 68.24% owner of Longe Home Services Acquisition, which is 85% owner of Door Renew).	50,000
Total Notes Payable	350,000
Less Current Portion	6,448
Note Payable, Less Current Portion	\$ 343,552

**DOOR RENEW INTERNATIONAL LLC
NOTES TO FINANCIAL STATEMENT**

NOTE 2 – NOTES PAYABLE (Continued)

The scheduled future minimum principal maturities for the notes payable are as follows:

Year Ending December 31,	
2022	\$15,672
2023	23,232
2024	24,866
2025	204,396
2026	81,834
Thereafter	-
Face Amount of Notes	\$350,000

NOTE 3 – COMMITMENTS

The Company has commitments to its Franchisees as detailed in their Franchise Agreements.

NOTE 4 – CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Company to a concentration of credit risk consist of cash held in banks. The Company invests available cash in banks with high credit ratings and generally maintains cash balances within FDIC limits, however from time to time this limit may be exceeded.

NOTE 5 – RELATED PARTY TRANSACTIONS

The Company has a note payable to one of its members (American Franchise Group, LLC), which owns 15% of Door Renew. No amounts had been paid or had been required to be paid as of July 23, 2021. The balance of this note as of July 23, 2021 was \$250,000. See Note 2 for additional information on this note.



EXHIBIT L. TABLES OF CONTENTS OF OPERATING MANUAL
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EXHIBIT M. STATE SPECIFIC ADDENDUMS

TO THE DOOR RENEW FRANCHISE DISCLOSURE DOCUMENT

CALIFORNIA STATE ADDENDUM DISCLOSURES:

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the franchise disclosure document.
2. The franchisor, any person or franchise broker in Item 2 of the UFOC is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
3. California Business and Professions Code 20000 through 20043 provides rights to the franchise concerning termination, transfer, or nonrenewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
4. 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.).
5. The franchise agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
6. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
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. The franchise agreement requires the application of the laws of Michigan. This provision may not be enforceable under California law.
9. Section 31125 of the California Corporations Code requires us to give you a disclosure document in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
10. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).
11. "The earnings claim figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information."

12. Our website has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the contents of the website may be directed to the California Department of Business Oversight at www.dbo.ca.gov.

HAWAII ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Hawaii Franchise Investment Law:

The following list reflects the status of our franchise registrations in the states which have franchise registration laws:

- This registration is effective in the states of Florida, Indiana, Kentucky, Nebraska, Texas, and Virginia.
- There are no states which have refused, by order or otherwise, to register these franchises.
- There are no states which have revoked or suspended the right to offer these franchises.

The release required as a condition of renewal, assignment, and transfer will not apply to any liability arising under the Hawaii Franchise Investment Law.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise offering circular, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

HAWAII ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Hawaii Franchise Investment Law:

1. In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Revised Statutes, Title 26, Chapter 482E *et seq.*, the Franchise Agreement is amended as follows:

(a) The Hawaii Franchise Investment Law provides rights to you concerning non-renewal, termination, and transfer of the Franchise Agreement. If the Franchise Agreement contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

(b) A general release required as a condition of the renewal, assignment, or transfer of the Franchise Agreement or the franchise granted hereunder shall not apply to any claim or liability arising under the Hawaii Franchise Investment Law.

2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Illinois Franchise Disclosure Act of 1987, as amended, and the Illinois Disclosure Rules and Regulations:

815 ILCS 705/41 provides that any condition, stipulation or provision in the franchise agreement that requires you to waive any of your rights under, or the franchisor's obligation to comply with any provision of, the Illinois Franchise Disclosure Act of 1987, as amended, the Illinois Disclosure Rules and Regulations, or any other law of Illinois, is void.

Nonrenewal of your franchise must comply with 815 ILCS 705/20. Termination of your franchise must comply with 815 ILCS 705/19.

Any provision in the franchise agreement that requires the application of the laws of another state is void with respect to a claim otherwise enforceable under the Illinois Franchise Disclosure Act.

Any provision in the franchise agreement that designates jurisdiction or venue in a forum outside the State of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

The Choice of Forum stated in Item 17v is modified to state that

All claims must be brought in Wayne County, Michigan, or in the County in the state of Illinois where your franchise is located.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT AND OTHER AGREEMENTS

The Franchise Agreement to which this addendum is attached, which may have been entered into by and between the below-undersigned parties incident to the execution of the Franchise Agreement (collectively referred to as the “Franchise Related Agreements”) are amended as follows to comply with the Illinois Franchise Disclosure Act of 1987, as amended, and the Illinois Disclosure Rules and Regulations:

1. Notwithstanding any other provision of the Franchise Agreement or any exhibit or attachment thereto, Franchisee is not obligated to pay Franchisor, and Franchisor may not accept from Franchisee, any fees until Franchisor has performed all of its pre-opening obligations to Franchisee under the Franchise Agreement and Franchisee has opened the Franchised Business.
2. Termination and nonrenewal of the Franchise Agreement must comply with 815 ILCS 705/20.
3. A general release required as a condition of renewal, assignment, or transfer does not apply to any claim or liability arising under the Illinois Franchise Disclosure Act.
4. Any provision in the Franchise Agreement and Related Franchise Agreements that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Illinois is void with respect to a claim otherwise enforceable under the Illinois Franchise Disclosure Act.
5. The representations in Section 18.14 of the Franchise Agreement do not act as a release, estoppel, or waiver of any claim or liability arising under the Illinois Franchise Disclosure Act.
6. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act and the Illinois Disclosure Rules and Regulations are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement, Related Franchise Agreements, or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement and Related Franchise Agreements in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement and Franchise Related Agreements to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

.

INDIANA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law:

THE STATE OF INDIANA HAS STATUTES WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE [INDIANA CODE §§23-2-2.5-1 THROUGH 23-2-2.5-50]. THIS STATE ALSO HAS COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF INDIANA HAS A STATUTE WHICH RESTRICTS OR PROHIBITS THE IMPOSITION OF LIQUIDATED DAMAGE PROVISIONS [INDIANA CODE §23-2-2.7(10)]. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATES THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101.

A general release required as a condition of renewal, assignment, or transfer shall not apply to any claim or liability arising under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.

The franchise agreement does not expressly give you the right to terminate, but Indiana law may give you the right to terminate if we commit a substantial breach of the franchise agreement.

Any provision in the franchise agreement that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Indiana is void with respect to a claim otherwise enforceable under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law.

In the event of a conflict of laws, the provisions of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law will prevail.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise offering circular, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

INDIANA ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.

1. A general release required as a condition of renewal, assignment, or transfer shall not apply to any claim or liability arising under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law.
2. Any provision in the Franchise Agreement that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Indiana is void with respect to a claim otherwise enforceable under the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law.
3. In the event of a conflict of laws, the provisions of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law shall prevail.
4. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Maryland Franchise Registration and Disclosure Law:

ITEM 17

The general release required as a condition of renewal, assignment, or transfer does not apply to any claims that arise under the Maryland Franchise Registration and Disclosure Law.

The franchise agreement provision 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.).

You may sue us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached are amended as follows to comply with the Maryland Franchise Registration and Disclosure Law:

1. A general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
2. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
3. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
4. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
6. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

FOR RESIDENTS OF THE STATE OF MICHIGAN

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

1. A prohibition on the right of a franchisee to join an association of franchisees.
2. A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
3. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for a 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.
4. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or another commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
5. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
6. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
7. 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 of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 8. (a) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(b) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(c) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

9. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in paragraph 3 above.

10. 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.

11. If the Franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000 the Franchisee may request the Franchisor to arrange for the escrow of initial investment and other funds paid by the Franchisee until the obligations, if any, of the Franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the Franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding the notice of this offering on file with the attorney general should be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913 (517) 373-7117.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Minnesota Franchise Law:

The Minnesota Department of Commerce requires that the franchisor indemnifies Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes trademark rights of the third party. The franchisor does not indemnify against the consequences of the franchisee's use of the franchisor's trademark except in accordance with the requirements of the franchise.

Minnesota Rules, 1989, Department of Commerce, Chapter 2860, Section 4400D prohibits a franchisor from requiring a franchisee to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, Section 80C.01 to 80C.22; provided, that this part shall not bar the voluntary settlement of disputes.

Minn. Rule 2860.4400J states that it is unfair and inequitable for a franchisor to require a franchisee to waive his or her rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of Minnesota, or to consent to liquidated damages, termination penalties, or judgment notes. Any language found in the disclosure document or Franchise Agreement contrary to this rule is amended so that it does not apply to Minnesota franchisees.

THE STATE OF MINNESOTA HAS STATUTES WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF MINNESOTA ALSO HAS COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. WITH RESPECT TO FRANCHISES GOVERNED BY MINNESOTA LAW, THE FRANCHISOR MUST COMPLY WITH MINNESOTA STATUTE 80C.14, SUBDIVISIONS 3, 4 AND 5, WHICH REQUIRE, EXCEPT IN CERTAIN SPECIFIC CASES, THAT A FRANCHISEE BE GIVEN 90 DAYS NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS NOTICE FOR NONRENEWAL OF THE FRANCHISE AGREEMENT. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATES THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101. THE STATE OF MINNESOTA HAS COURT DECISIONS LIMITING THE FRANCHISOR'S ABILITY TO RESTRICT YOUR ACTIVITY AFTER THE FRANCHISE AGREEMENT HAS ENDED. LIQUIDATED DAMAGE PROVISIONS ARE VOID UNDER MINNESOTA LAW.

Pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, the requirement that all litigation must take place in California shall not in any way abrogate or reduce any rights of the franchise as provided for in Minnesota Statutes, Chapter 80C.

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 is given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Minnesota Franchise Law:

1. A general release required as a condition of renewal, assignment, or transfer does not apply to any claim or liability arising under the Minnesota Franchise Law.
2. Franchisor shall protect the right of Franchisee to use the Marks in accordance with the requirements of the Franchise Agreement.
3. The final two paragraphs of provision XXI(B) is hereby deleted.
4. Section XXIII(D) does not apply to any action to enforce any liability created by the Minnesota Franchise Law. Any claim arising under the Minnesota Franchise Law may be brought in the state of Minnesota.
5. The representations contained in section XXIII(A) of the Franchise Agreement do not act as a release, estoppel, or waiver of any liability arising under the Minnesota Franchise Law.
6. Pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, the Franchise Agreement does not in any way abrogate or reduce any rights of Franchisee as provided for in Minnesota Statutes, Chapter 80C. These statutes prohibit Franchisor from requiring litigation to be conducted outside Minnesota or abrogating or reducing any of Franchisee's rights to any procedure, forum, or remedies provided for by the laws of Minnesota.
7. With respect to franchises governed by Minnesota law, Franchisor shall comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5, which require, except in certain specified cases, that a franchisee is given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.
8. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR 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 ST. 21ST FLOOR NEW YORK, NY 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 WHICH 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:

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 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 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.

You may terminate the agreement on any grounds available by law.

1. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by 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.

2. 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.

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the North Dakota Franchise Investment Law:

Covenants restricting or prohibiting your right to compete after the termination or expiration of your franchise agreement are generally considered unenforceable in the State of North Dakota.

The release required as a condition of renewal and/or assignment/transfer will not apply to any liability arising under the North Dakota Franchise Investment Law.

Any provision of the franchise agreement restricting jurisdiction or venue to a forum outside the State of North Dakota or requiring the application of the laws of a state other than North Dakota is void.

Any mediation, if necessary, will take place at the American Arbitration Association office nearest your business Site.

Any provision of the franchise agreement requiring you to waive the right to a trial by jury is void.

Any provision of the franchise agreement requiring you to waive exemplary or punitive damages is void.

Any provision of the franchise agreement requiring you to consent to a statute of limitations that is shorter than the applicable North Dakota statute of limitations is void.

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the North Dakota Franchise Investment Law:

1. A general release required as a condition of renewal and/or assignment/transfer shall not apply to any claim or liability arising under the North Dakota Franchise Investment Law.
2. Any provision of this Agreement restricting jurisdiction or venue to a forum outside the State of North Dakota or requiring the application of the laws of a state other than North Dakota is void.
3. Section 15.1 is amended by the addition of the following sentence:
“Covenants not to compete such as the one described above are generally considered unenforceable in the State of North Dakota.”
4. The final two paragraphs of provision XXI(B) are hereby deleted.
5. Section XXIII(D) does not apply to any action to enforce any liability created by the Minnesota Franchise Law. Any claim arising under the Minnesota Franchise Law may be brought in the state of North Dakota.
6. The parties are signing this addendum simultaneously with the Franchise Agreement to which it is attached.

DOOR RENEW INTERNATIONAL , LLC **BUSINESS ORGANIZATION FRANCHISEE:**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

INDIVIDUAL FRANCHISEE: **INDIVIDUAL FRANCHISEE:**

Signature

Signature

Date: _____

Date: _____

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Rhode Island Franchise Investment Act:

A condition, stipulation or provision requiring a franchise to waive compliance with or relieving a person of a duty of liability imposed by or a right provided by this act or a rule or order under this act is void.

A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this act.

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Rhode Island Franchise Investment Act.

1. A general release requiring as a condition of renewal, assignment, or transfer shall not apply to any claim or liability arising under the Rhode Island Franchise Investment Act.
2. Any provision in the Franchise Agreement that requires the application of the laws of another state or designates jurisdiction or venue in a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following statements are added to Item 17.h.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the development agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Washington Franchise Investment Protection Act:

The State of Washington has a statute, R.C.W. 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 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 involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 R.C.W., 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 collectible to the extent that they reflect the Franchisor's reasonably estimated or actual costs in effecting a transfer.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Washington Franchise Investment Protection Act:

1. The State of Washington has a statute, RCW 19.100.180, that 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 that may supersede the franchise agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.

2. In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of arbitration, or as determined by the arbitrator.

3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

4. 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 that 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.

5. Transfer fees are collectible to the extent that they reflect the Franchisor's reasonably estimated or actual costs in effecting a transfer.

6. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

WISCONSIN ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following additional disclosures are required by the Wisconsin Franchise Investment Law and the Wisconsin Fair Dealership Law:

THE WISCONSIN FAIR DEALERSHIP LAW SUPERSEDES ANY PROVISION OF THE FRANCHISE AGREEMENT THAT IS INCONSISTENT WITH THAT LAW. THE STATE OF WISCONSIN MAY ALSO HAVE COURT DECISIONS WHICH MAY SUPERSEDE THE FRANCHISE RELATIONSHIP IN RELATIONSHIP WITH THE FRANCHISOR, INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THE STATE OF WISCONSIN MAY HAVE COURT DECISIONS WHICH RESTRICT THE IMPOSITION OF LIQUIDATED DAMAGES. THE IMPOSITION OF LIQUIDATED DAMAGES IS ALSO RESTRICTED BY FAIR PRACTICE LAWS, CONTRACT LAW, AND STATE AND FEDERAL COURT DECISIONS. A PROVISION IN THE FRANCHISE AGREEMENT WHICH TERMINATED THE FRANCHISE UPON THE BANKRUPTCY OF THE FRANCHISEE MAY NOT BE ENFORCEABLE UNDER TITLE 11, UNITED STATES CODE §101. THE STATE OF WISCONSIN MAY HAVE COURT DECISIONS LIMITING THE FRANCHISOR'S ABILITY TO RESTRICT YOUR ACTIVITY AFTER THE FRANCHISE AGREEMENT HAS ENDED.

We may revoke our approval of any previously approved supplier at any time if the quality of the product or the supplier's financial condition or ability to satisfy your requirements do not continue to meet our satisfaction.

To the extent, this addendum is inconsistent with any terms or conditions of the franchise disclosure document, the Franchise Agreement, or any of their exhibits or attachments, the terms of this Addendum control.

WISCONSIN ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement to which this addendum is attached is amended as follows to comply with the Wisconsin Fair Dealership Law:

1. The Wisconsin Fair Dealership Law, Chapter 135, Stats., supersedes any inconsistent provisions of the Franchise Agreement.
2. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently of this addendum. To the extent, this addendum is inconsistent with any term or condition of the Franchise Agreement or its exhibits or attachments, the terms of this Addendum control. Franchisor and Franchisee hereby ratify and affirm the Franchise Agreement in all other respects.

The parties are signing this addendum concurrently with the Franchise Agreement to which it is attached.

FRANCHISOR:
DOOR RENEW INTERNATIONAL , LLC

FRANCHISEE:

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

Item 23. RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Door Renew International , 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, or sooner if required by applicable state law.

[New York, Oklahoma and Rhode Island require that Door Renew International , LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

[Iowa and California require that Door Renew International , LLC gives you this disclosure document at the earlier of the first personal meeting or 14 days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

[Michigan and Oregon require that Door Renew International , LLC gives you this disclosure document at least 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

If Door Renew International , 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit I.

The name, principal business address and telephone number of each franchise seller offering the franchise is: Gregory A. Longe – Chief Executive Officer, Maria Shinabarger – President, Shelly Chavez – Director of Operations, Steven Longe - Business Development Manager, Erica Poynter- Director of Franchise Development, Riley McEntire – Brand Manager, Mathew Eggenberger- Training & Operations and John Eggenberger- Training & Operations at 119500 Victor Parkway, Livonia MI 48152, Ohio, 513-399-6635, and: _____.

Issuance Date: December 28, 2021. Our registered agents authorized to receive service of process for us are listed in Exhibit H. I have received a disclosure document dated December 28, 2021. This disclosure document included the following Exhibits:

- | | |
|--|--|
| EXHIBIT A. FRANCHISE AGREEMENT | EXHIBIT H. STATE FRANCHISE REGULATORS AND AGENTS FOR SERVICE OF PROCESS |
| EXHIBIT B. PERSONAL GUARANTY | EXHIBIT I. LIST OF FRANCHISEES |
| EXHIBIT C. RESTRICTIVE COVENANT AGREEMENT | EXHIBIT J. LIST OF FRANCHISEES THAT LEFT THE SYSTEM |
| EXHIBIT D. POWER OF ATTORNEY TO ASSIGN TELEPHONE NUMBER | EXHIBIT K. FINANCIAL STATEMENTS |
| EXHIBIT E. FRANCHISEE DISCLOSURE QUESTIONNAIRE | EXHIBIT L. TABLES OF CONTENTS OF OPERATING MANUAL |
| EXHIBIT F. RELEASE OF CLAIMS | EXHIBIT M. STATE SPECIFIC ADDENDUMS |
| EXHIBIT G. MANAGEMENT AGREEMENT | |

_____	_____	_____
Date	Signature	Print Name
_____	_____	_____
Date	Signature	Print Name

KEEP THIS COPY FOR YOUR RECORDS

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_____	_____	_____
Date	Signature	Print Name

_____	_____	_____
Date	Signature	Print Name

RETURN TO: Door Renew International , LLC at 119500 Victor Parkway, Livonia MI 48152