



MINNESOTA
DEPARTMENT OF
COMMERCE

85 7th Place East, Suite 500
St. Paul, Minnesota 55101-3165
www.commerce.state.mn.us
651.296.4026 FAX 651.297.1959
An equal opportunity employer

October 9, 2008

RICHARD D CHOI

840 WEST LONG LAKE ROAD SUITE 200
TROY, MI 48098

Re: F-5201

VICTORY LANE QUICK OIL CHANGE INC
VICTORY LANE QUICK OIL CHANGE INC F/A

Dear Mr. Choi:

The Annual Report has been reviewed and is in compliance with Minnesota Statute Chapter 80C and Minnesota Rules Chapter 2860.

This means that there continues to be an effective registration statement on file and that the franchisor may offer and sell the above-referenced franchise in Minnesota.

As a condition of continued registration, the franchisor is required to post a Franchise Surety Bond.

As a reminder, the next annual report is due within 120 days after the franchisor's fiscal year end, which is June 30, 2009.

Sincerely,

GLENN WILSON
Commissioner

By:

Daniel Sexton
Commerce Analyst Supervisor
Registration Division
(651) 296-4520

GW:DES:dlw

UNIFORM FRANCHISE REGISTRATION APPLICATION

SEP 29 2008

(Insert file number
of previous filings
of Applicant) F-5201

Rec'd \$ 200

FEE: \$200
(Enclosed when
application is
initially filed)

APPLICATION FOR (Check only one):

REGISTRATION OF AN OFFER AND SALE OF FRANCHISES

REGISTRATION RENEWAL STATEMENT OR ANNUAL REPORT

POST-EFFECTIVE

AMENDMENT NUMBER 2 TO APPLICATION
FILED UNDER SECTION §80C.07

POST-EFFECTIVE

DATED _____

1. Name of Franchisor. (If applicant is subfranchisor, the name of the subfranchisor.)
Victory Lane Quick Oil Change, Inc.

Name under which the Franchisor is doing or intends to do business.
Victory Lane Quick Oil Change, Inc.

2. Franchisor's principal business address.
405 Little Lake Drive
Ann Arbor, MI 48103

(Handwritten signature)

Name and address of Franchisor's agent in the State of (Name of State) authorized to receive process.
Commissioner of Securities
Minnesota Department of Commerce
85 – 7th Place East, Suite 500
St. Paul, MN 55101

3. Name, address and telephone number of subfranchisors, if any, for this state.

4. Name, address and telephone number of person to whom communications regarding this application should be directed.
Richard D. Choi
840 West Long Lake Road, Suite 200
Troy, MI 48098
248-267-3329

10-9-08

(Handwritten initials)

6/30



MINNESOTA
DEPARTMENT OF
COMMERCE

85 7th Place East, Suite 500
St. Paul, Minnesota 55101-3165
www.commerce.state.mn.us
651.296.4026 FAX 651.297.1959
An equal opportunity employer

September 30, 2008

Richard D. Choi
840 West Long Lake Road, Suite 200
Troy, MI 48098

Re: F-5201, Victory Lane Oil Change, Inc.

Dear Mr. Choi:

We have examined the annual report and amendment submitted for the above-referenced franchise registration. We find it deficient as follows:

Please submit the auditor's consent (or photocopy) to the use of the latest audited financial statements in the offering circular.

In responding to the above deficiencies, please submit only the marked pages (one set).

The Commissioner may withdraw an application in which no activity has occurred for 120 days (Minnesota Statutes, Section 80C.05, Subd. 4). If an Order of Withdrawal is issued, the franchisor must reapply with a new application.

Sincerely yours,

GLENN WILSON
Commissioner

BY:

DANIEL E. SEXTON
Commerce Analyst Supervisor
Market Assurance Division
(651) 296-4520
GW/DES/st

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

Miller, Canfield, Paddock and Stone, P.L.C.
840 West Long Lake Road, Suite 200
Troy, Michigan 48098
TEL (248) 879-2000
FAX (248) 879-2001
www.millercanfield.com

MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Kalamazoo • Lansing
Saginaw • Troy

FLORIDA: Naples

ILLINOIS: Chicago

MASSACHUSETTS: Cambridge

NEW YORK: New York

CANADA: Toronto • Windsor

POLAND: Gdynia
Warsaw • Wroclaw

RICHARD D. CHOI
TEL (248) 267-3329
FAX (248) 879-2001
E-MAIL choi@millercanfield.com

October 7, 2008

Daniel E. Sexton
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 596-6328

Re: F-5201, Victory Lane Quick Oil Change, Inc. franchise registration deficiencies.

Dear Mr. Sexton:

In response to your letter dated September 30, 2008, enclosed please find the auditor's consent to the use of the latest audited financial statements in the franchise disclosure document.

Please feel free to contact me if you have any questions or concerns.

Respectfully,

Miller, Canfield, Paddock and Stone, P.L.C.

By: 

Richard D. Choi

RDC/rdc
enclosures
BHLIB:616017.1M34091-00002

RECEIVED

OCT 19 2008

MN DEPT OF COMMERCE

STEFFORIA & ASSOCIATES, P.C.

Certified Public Accountants
2144 S. State Street, Suite D
Ann Arbor, MI 48104
(734) 747-8863

September 17, 2008

Board of Directors
Victory Lane Quick Oil Change, Inc.
405 Little lake Drive
Ann Arbor, MI 48103

We hereby consent to the use in franchise registration, and in your Franchise Disclosure Document, our report dated September 17, 2008 relating to the audited financial statements of Victory Lane Quick Oil Change, Inc. as of June 30, 2008, and the period then ended, provided that the report is presented together with the financial statements and all the notes related thereto.

The financial statements have been prepared in conformity with generally accepted accounting principles.

Stefforia & Associates, P.C.

Stefforia & Associates, P.C.
Certified Public Accountants



85 7th Place East, Suite 500
St. Paul, Minnesota 55101-3165
www.commerce.state.mn.us
651.296.4026 FAX 651.297.1959
An equal opportunity employer

September 30, 2008

Richard D. Choi
840 West Long Lake Road, Suite 200
Troy, MI 48098

Re: F-5201, Victory Lane Oil Change, Inc.

Dear Mr. Choi:

We have examined the annual report and amendment submitted for the above-referenced franchise registration. We find it deficient as follows:

Please submit the auditor's consent (or photocopy) to the use of the latest audited financial statements in the offering circular.

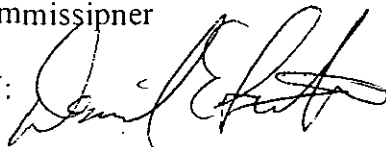
In responding to the above deficiencies, please submit only the marked pages (one set).

The Commissioner may withdraw an application in which no activity has occurred for 120 days (Minnesota Statutes, Section 80C.05, Subd. 4). If an Order of Withdrawal is issued, the franchisor must reapply with a new application.

Sincerely yours,

GLENN WILSON
Commissioner

BY:


DANIEL E. SEXTON
Commerce Analyst Supervisor
Market Assurance Division
(651) 296-4520
GW/DES/st

Founded in 1852
by Sidney Davy Miller

MILLER CANFIELD

RICHARD D. CHOI
TEL (248) 267-3329
FAX (248) 879-2001
E-MAIL choi@millercanfield.com

Miller, Canfield, Paddock and Stone, P.L.C.
840 West Long Lake Road, Suite 200
Troy, Michigan 48098
TEL (248) 879-2000
FAX (248) 879-2001
www.millercanfield.com

MICHIGAN: Ann Arbor
Detroit • Grand Rapids
Kalamazoo • Lansing
Saginaw • Troy

FLORIDA: Naples

ILLINOIS: Chicago

MASSACHUSETTS: Cambridge

NEW YORK: New York

CANADA: Toronto • Windsor

POLAND: Gdynia
Warsaw • Wroclaw

September 26, 2008

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 596-6328

Re: Renewal to Franchise Registration for Victory Lane Quick Oil Change, Inc.

Dear Madam/Sir:

Enclosed please find the documents needed for purposes of renewing Victory Lane Quick Oil Change, Inc.'s franchise registration.

1. Application (Renewal) page (Form A)
2. Supplemental Information page (Form B)
3. Certification page (Form C)
4. Uniform Consent to Service of Process (Form D)
5. Sales Agent Disclosure forms for Derrick Oxender, Jay Roberts, Robert Kohler, and Jim Harrington
6. Franchise Disclosure Document and exhibits
7. Rediine of Franchise Disclosure Document and exhibits
8. Check for the renewal in the amount of \$200 made payable to the Minnesota Department of Commerce

Please note that due to the close timing of our Amendment (July 30, 2008) and this Renewal, there are very few changes to this FDD against the FDD submitted with our Amendment Application. Feel free to contact me if you have any questions or concerns.

Respectfully,

Miller, Canfield, Paddock and Stone, P.L.C.

By: _____

Richard D. Choi

RDC/rdc
enclosures

BHLIB:614677.1\134091-00002

SUPPLEMENTAL INFORMATION

1. Disclose:
 - A. The states in which this proposed registration is effective.
Minnesota
 - B. The states in which this proposed registration application is or will be shortly on file.
California, Florida, Hawaii, Illinois, Indiana, Maryland, Michigan, New York,
North Dakota, Rhode Island, Utah, Virginia, Washington, Wisconsin
 - C. The states that have refused to register this franchise offering.
None
 - D. The states that have revoked or suspended the right to offer franchise.
None
 - E. The states in which this proposed registration of these franchises has been withdrawn
within the last five years, and the reasons for revocation or suspension.
None

2. Source of Funds for Establishing New Franchises.

Disclose franchisor's total costs for performing its pre-opening obligations to provide goods or services in connection with establishing each franchise, including real estate, improvements, equipment, inventory, training and other items stated in the offering. State separately the sources of all required funds.

**FINANCING REQUIRED OF
VICTORY LANE QUICK OIL CHANGE, INC.
TO MEET ITS OBLIGATIONS**

SOURCE


Obligation	Total Funds Required	Financing	Initial Fee	Initial Package Fee	Royalty Fee	Franchisor's Working Capital
1. Training	\$7,500		X			
2. Pre-Opening Assistance	\$2,000		X			
2. Plans and Specifications	\$2,000		X			
4. Manuals and Other Miscellaneous Written Materials	\$2,000					
5. Initial Package	\$5,000			X		

BHLIB:599801.1\134091-00002

I certify under penalty of law that I have read and know the contents of this application and the documents attached as exhibits and incorporated by reference and that the statements in all these documents are true and correct.

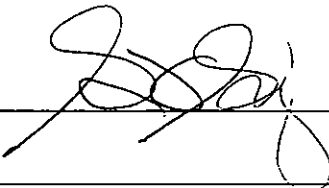
Executed September 3, 2008

Victory Lane Quick Oil Change, Inc.

By  _____
Derrick Oxender
President of Victory Lane Quick Oil Change, Inc.

STATE OF Michigan)
) ss.
COUNTY OF Washtenaw)

Personally appeared before me this 3rd day of September, 2008 the above-named Derrick Oxender to me known to be the person(s) who executed the foregoing application (as President of the above-named applicant) and being first duly sworn, stated upon oath that said application, and all exhibits submitted herewith, are true and correct.



(Notary)

Shari L. Sixbery
Notary Public State of Michigan
Livingston County
Expires 07/26/11



FRANCHISE DISCLOSURE DOCUMENT

VICTORY LANE QUICK OIL CHANGE, INC.

405 Little Lake Road
Ann Arbor, MI 48103
(734) 996-1196
www.VictoryLane.net

Victory Lane Quick Oil Change, Inc. franchises quick oil change businesses under the name "Victory Lane Quick Oil Change®" and car wash and cleaning centers under the name "Victory Lane Car Wash®." Victory Lane Quick Oil Change Centers provide quick oil changes and associated automobile products and services, and Victory Lane Car Wash Centers provide car wash services.

The total investment necessary to begin operation of an Oil Change Center is from \$230,500 to \$386,000 if you lease your business premises, and from \$711,000 to \$1,435,000 if you purchase the real estate for your business. The total investment necessary to begin operation of a Car Wash Center is from \$389,400 to \$650,750 if you lease your business premises, and from \$464,000 to \$1,250,750 if you purchase the real estate for your business. This includes \$35,000 that must be paid to the franchisor for an Oil Change Center and \$18,500 that must be paid to the franchisor for a Victory Lane Car Wash Center.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Derrick Oxender at 405 Little Lake Road, Ann Arbor, Michigan, 48103 and (734) 996-1196. The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-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: _____

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DOCUMENT.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE 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 DISCLOSURE DOCUMENT.

RISK FACTORS:

1. THE FRANCHISE AGREEMENT PERMITS YOU TO SUE OR ARBITRATE WITH VICTORY LANE QUICK OIL CHANGE, ETC. ONLY IN THE STATE OF MICHIGAN. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE OR ARBITRATE WITH VICTORY LANE QUICK OIL CHANGE, INC. IN THE STATE OF MICHIGAN THAN IN YOUR HOME STATE. THIS PROVISION OF THE FRANCHISE AGREEMENT MAY BE SUPERSEDED BY APPLICABLE STATE LAW (SEE ARTICLE 29.3 OF THE FRANCHISE AGREEMENT).

2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in the selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

VICTORY LANE QUICK OIL CHANGE, INC.
FRANCHISE DISCLOSURE DOCUMENT

EFFECTIVE DATE FOR THE STATES LISTED BELOW: **June 30, 2008**

ALABAMA		KANSAS		NEW MEXICO
ALASKA		KENTUCKY		NORTH CAROLINA
ARIZONA		LOUISIANA		OHIO
ARKANSAS		MAINE		OKLAHOMA
COLORADO		MASSACHUSETTS		OREGON
CONNECTICUT		MISSISSIPPI		PENNSYLVANIA
DELAWARE		MISSOURI		SOUTH CAROLINA
DISTRICT	OF	MONTANA		TENNESSEE
COLUMBIA		NEBRASKA		TEXAS
GEORGIA		NEVADA		VERMONT
IDAHO		NEW HAMPSHIRE		WEST VIRGINIA
IOWA		NEW JERSEY		WYOMING

OTHER EFFECTIVE DATES:

CALIFORNIA:	October 9, 2007, post-effective amendment pending (FTC Rule) <u>August 11, 2008</u>
FLORIDA:	<u>2008</u>
HAWAII:	September 19, 2007
ILLINOIS:	November 21, 2007, post-effective amendment pending (FTC Rule)
INDIANA:	September 8, 2007, post-effective amendment pending (FTC Rule)
MARYLAND:	October 1, 2007, early renewal pending (FTC Rule)
MICHIGAN:	<u>August 12, 2008</u>
MINNESOTA:	<u>July 31, 2008</u>
NEW YORK:	<u>July 31, 2008</u>
NORTH DAKOTA:	November 21, 2007, post-effective amendment pending (FTC Rule)
RHODE ISLAND:	October 31, 2007
SOUTH DAKOTA:	October 9, 2007, post-effective amendment pending (FTC Rule)
UTAH:	November 21, 2007, post-effective amendment pending (FTC Rule)
VIRGINIA:	<u>August 4, 2008</u>
WASHINGTON:	<u>August 15, 2008</u>
WISCONSIN:	November 21, 2007, post-effective amendment pending (FTC Rule) November 21, 2007, post-effective amendment pending (FTC Rule) Not registered October 4, 2007 November 21, 2007, post-effective amendment pending (FTC Rule) November 21, 2007, post-effective amendment pending (FTC Rule) <u>July 31, 2008</u> October 1, 2007, post-effective amendment pending (FTC Rule) <u>July 31, 2008</u>

VICTORY LANE QUICK OIL CHANGE, INC.
NOTICE REQUIRED BY THE STATE OF MICHIGAN

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

- (A) A prohibition on the right of the Franchisee to join an association of franchisees:
- (B) A requirement that the Franchisee assent to a release, assignment, novation, waiver or estoppel which deprives the Franchisee of rights and protections provided in the Michigan Franchise Investment Law. This section shall not preclude the Franchisee, after entering into the Franchise Agreement, from settling any and all claims.
- (C) A provision that permits the Franchisor to terminate the franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the Franchisee to comply with any lawful provisions of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (D) A provision that permits the Franchisor to refuse to renew the 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 section applies only if:
 - (1) The term of the franchise is less than five years; and
 - (2) 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, logo-type, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise, or the Franchisee does not receive at least six months advance notice of the Franchisor's intent not to renew the franchise.
- (E) A provision that permits the Franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (F) A provision requiring that arbitration or litigation be conducted outside the State of Michigan. This section shall not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside the State of Michigan.
- (G) A provision which permits the Franchisor to refuse to permit a transfer of ownership of the franchise, except for good cause. This section does not prevent the Franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (1) The failure of the proposed transferee to meet the Franchisor's then-current reasonable qualifications or standards.

(2) The fact that the proposed transferee is a competitor of the Franchisor or subfranchisor.

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

(4) The failure of the Franchisee or proposed transferee to pay any sums owing to the Franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(H) A provision that requires the Franchisee to resell to the Franchisor items that are not uniquely identified with the Franchisor. This section does not prohibit a provision that grants to the 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 section 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 section (C).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE MICHIGAN ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE MICHIGAN ATTORNEY GENERAL. ANY QUESTIONS REGARDING THE NOTICE SHOULD BE DIRECTED TO THE MICHIGAN DEPARTMENT OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, FRANCHISE UNIT, 670 LAW BUILDING, LANSING, MI 48913 (517) 373-7117.

TABLE OF CONTENTS

1.	THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	1
2.	BUSINESS EXPERIENCE.....	3
3.	LITIGATION.....	4
4.	BANKRUPTCY.....	4
5.	INITIAL FEES.....	4
6.	OTHER FEES.....	5
7.	YOUR ESTIMATED INITIAL INVESTMENT.....	8
8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	13
9.	FRANCHISEE'S OBLIGATIONS.....	14
10.	FINANCING.....	15
11.	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	16
12.	TERRITORY.....	21
13.	TRADEMARKS.....	22
14.	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	22
15.	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	23
16.	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	23
17.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	23
18.	PUBLIC FIGURES.....	31
19.	FINANCIAL PERFORMANCE REPRESENTATIONS.....	32
20.	OUTLETS AND FRANCHISEE INFORMATION.....	32
21.	FINANCIAL STATEMENTS.....	39
22.	CONTRACTS.....	39
23.	RECEIPT.....	39

ADDENDA.....	40
--------------	----

EXHIBITS

LIST OF FRANCHISEES.....	A
FINANCIAL STATEMENTS.....	B
FRANCHISE AGREEMENT.....	C
ADDENDUM TO FRANCHISE AGREEMENT FOR CONVERSIONS.....	D
MASTER FRANCHISE AGREEMENT.....	E
OPERATIONS MANUAL TABLE OF CONTENTS.....	F
STATE AGENCY EXHIBIT.....	G
FRANCHISEE QUESTIONNAIRE.....	H
RECEIPTS.....	J

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

Franchisor

Victory Lane Quick Oil Change, Inc. ("Victory Lane") is the Franchisor doing business under this name. The franchise offered and sold by Victory Lane is referred to in this Disclosure Document as the "Oil Change Center" for oil change only franchises, the "Oil Change/Car Wash Center" for combination oil change and car wash franchises, "Car Wash Center" for car wash only franchises and generally the "Victory Lane Center" or the "Center." "You" means the person or entity who buys the franchise from Victory Lane. If the franchise is purchased by a corporation, limited liability company, partnership or other entity, then "You" may also mean the shareholders, members, partners or other owners of that entity.

Victory Lane is a Michigan corporation formed in September 1980, under the name "Pit Stop Quick Oil Change, Inc." which was changed to "Victory Lane Quick Oil Change, Inc." in July 1986. The principal business address of Victory Lane is 405 Little Lake Drive, Ann Arbor, Michigan 48103, telephone number (734) 996-1196, www.VictoryLane.net. The agents for service of process for Victory Lane are listed in the State Agency Exhibit attached to this Disclosure Document.

Predecessors and Affiliates of Victory Lane

Victory Lane has no predecessors or affiliates.

Franchised Business

Victory Lane franchises quick oil change businesses under the name "Victory Lane Quick Oil Change®" and car wash and cleaning centers under the name "Victory Lane Car Wash ®." Victory Lane Centers provide quick oil change and associated automobile products and services and car wash services using the unique and distinctive Business System developed by Victory Lane. All Victory Lane Centers are built to meet Victory Lane's specifications as to size, location and interior and exterior decor. The majority are free standing buildings or are located in auto malls. Some are converted gasoline stations. The typical Oil Change Center has at least two bay areas over a zip pit in the floor. The customer drives his or her motor vehicle into the bay and waits in the vehicle while the services are performed. Each Center offers a limited number of services which include changing the oil and oil filter, lubrication of chassis, fuel injection cleaning, radiator, power steering and transmission flushes, replacement of serpentine belts, and checking and replacing as needed other additives, fluids, headlights, light bulbs, tire rotation, windshield wipers, air filters and breather elements. Windshields are cleaned and tire pressure checked and adjusted as necessary. No appointment is necessary for the service and the requested service is usually completed in about 10 minutes. In the typical car wash center, the customer drives his or her car into the automatic bay and waits in the vehicle while the wash is being performed. Each automatic car wash has three types of washes: the basic express includes soap, rinse and drying; the second wash is the basic wash plus rocker and tire blaster, and crystal glaze; the third wash includes the features of the second plus triple foam and spot free rinse.

The services and products of Victory Lane Centers are used primarily by the motoring public for a quick, convenient checking and changing of oil and certain other fluids and filters in their motor vehicles. Most Centers will be located along highways with considerable automobile traffic and in geographic areas with significant residential development.

Starting in 2007, Victory Lane began to offer selected franchises the right to operate a car wash in connection with their Victory Lane Center (“Car Wash Option”) through an addendum to our Franchise Agreement.

Victory Lane also offers to existing independent business owners who provide quick oil change and related services to the public the opportunity to convert their businesses to Victory Lane Centers (“Conversions”). To be eligible to convert, you must have operated your quick oil change business for at least six months at the time of the Conversion. If you convert your business to a franchised Victory Lane Center, you will sign a Franchise Agreement and an Addendum to Franchise Agreement for Conversions. You must conform your business premises to Victory Lane’s prototype plans and specifications, use the Marks and the Business System, and complete the training as described in Item 11 below. Unless otherwise specified, all references to the Victory Lane Center and all information disclosed in this Disclosure Document will also refer to and include Conversions.

Prior Business Experience of Victory Lane

Victory Lane has owned and operated Victory Lane Centers since 1980. As of June 30, 2007, it owned and operated five Victory Lane Centers, all in the State of Michigan (see Item 20). Victory Lane has granted franchises to operate Victory Lane Centers since August 1986. As of June 30, 2007, Victory Lane had 34 franchises in operation (see Item 20). Victory Lane offered and sold “Area Franchises” from 1999 until December 2004. During that period, Victory Lane sold a total of five Area Franchises. Area Franchisees own and operate, and recruit potential franchisees to own and operate, franchised Victory Lane Centers in a defined geographical area. The Area Franchisees are disclosed in Item 2 and Item 20 of this Disclosure Document. Victory Lane no longer offers or sells Area Franchises anywhere. Since 2007, Victory Lane has sold Master Franchises. Victory Lane sold a total of one Master Franchise in 2007. The Master Franchisees are disclosed in Item 2 and Item 20 of this Disclosure Document. Victory Lane has not offered for sale or sold franchises in any other line of business.

Competition

The market for the goods and services offered by Victory Lane Centers is well established and very competitive. Victory Lane Centers compete with national and regional “chains” and local businesses which sell similar products and offer similar services. Some of these competitors include automobile service centers of department stores, car dealerships, service stations, automotive repair centers and similar quick oil change centers owned by oil companies and others. In addition, many consumers can obtain the products offered at the Center from other sources and can perform the services themselves. Additional market development, including development by competitors should be expected. However, customers patronize Victory Lane Centers because it is easy, convenient and the services are performed quickly and in a professional manner.

Industry Specific Laws and Regulations

There are no regulations specific to the operation of a quick oil change, although you will have to comply with all local, state and federal laws, and various environmental laws in the operation of your Victory Lane Center, including laws regulating the disposal or other recycling of used automotive fluids, including oil and anti-freeze. There may be other laws applicable to your business.

Master Franchise Agreement

If selected by Victory Lane in its discretion, and if you meet the qualifications established by Victory Lane, you may enter into a Master Franchise Agreement giving you the right to own and operate multiple

franchised Victory Lane Centers in a designated geographic area, to be negotiated, called a "Master Franchisee Area." Under the Master Franchise Agreement, you must develop an agreed upon number of Victory Lane Centers within an agreed upon period of time called the "Development Period". You will sign a copy of the Master Franchise Agreement attached as an exhibit to this Disclosure Document. The person or entity entering into a Master Franchise Agreement is referred to as the "Master Franchisee". In addition to the Master Franchise Agreement, you must sign a separate Franchise Agreement for each Victory Lane Center you develop under a Master Franchise Agreement. The Master Franchise Agreement gives you the right to solicit, qualify, train and assist Franchisees to build and operate Victory Lane Centers in your Master Franchisee Area. A Master Franchisee will solicit prospective franchisees on behalf of Victory Lane but will not enter into any agreements with prospective franchisees. A Master Franchisee may only offer franchisees for sale in non-registration states and in registration states where Victory Lane has an effective registration. If the Master Franchisee's activities require the registration or filing of information or any disclosure or any other documents, all documents will be prepared and filed by Victory Lane or its designee. The costs of any registrations will be born by the Master Franchisee.

2. BUSINESS EXPERIENCE

Derrick B. Oxender: President and Director

Mr. Oxender founded Victory Lane in 1980, and has been its President and a Director since 1980.

Jane Hall Oxender: Director and Executive Vice President and Director of Marketing

Ms. Oxender is a founder and a Director of Victory Lane, and has been affiliated with Victory Lane in an executive capacity since 1980, most recently as its Executive Vice President and Director of Marketing.

James B. Farley: Corporate Maintenance Supervisor

Mr. Farley has been affiliated with Victory Lane since February 1987, when he became District Manager. He was promoted to the position of Director of Training in June 1993. He has been Corporate Maintenance Supervisor for Victory Lane since June 2000.

Jay Roberts: Director of Operations

Mr. Roberts has been affiliated with Victory Lane since September 1994. He was promoted to the position of Store Manager in March 1997, and became District Manager in February 2000. He was promoted to Franchise Support Manager in August 2002. He assumed his current position as Director of Operations in December 2004.

Robert Kohler: Director of Franchising

Mr. Kohler has been affiliated with Victory Lane since July 2007. He has been a business broker selling small, privately held businesses since 2002. He was self-employed for eight years as co-owner of Technology Applications Group, Inc., Troy, MI a computer-based training and graphics firm. He spent over 25 years in sales and marketing for both public and private firms, acting in executive sales positions beginning in 1980. He holds a BA degree in Political Science from Morehead State University (KY) and attended Detroit College of Law.

James Harrington: Franchise Coordinator

Mr. Harrington has been affiliated with Victory Lane since March 2008. He was self employed as owner of a direct mail company in Metro Detroit beginning in 2006. He spent seven years with Ford Motor

Company in the Climate Control Division. He spent ten years in the quick lube industry, including four years as a district manager.

3. LITIGATION

No litigation is required to be disclosed in this Item, except:

In our last fiscal year, we filed an action against former franchisees for a Lanham Act violation, breach of contract, common law unfair competition, and Federal Trade Dress Infringement. We initiated the action after the defendants began operating a competing quick oil change business notwithstanding the non-compete provisions of the franchise agreement. The defendants also utilize logos and other trade dress which we contend are colorable imitations of Victory Lane's trademarks and trade dress. We sought damages, specific performance, a declaratory judgment, and an injunction. The defendants counterclaimed for tortious interference with a business relationship and breach of the implied covenant of good faith and fair dealing. They sought damages and a declaratory judgment. This action is in discovery and we deny any liability to the defendants. (Victory Lane Quick Oil Change, Inc. v. John Hoss, Roy Starbird and Checkered Flag Oil Change Center, Inc., U.S. Dist. Ct. E.D. Mi., S. Div., Case 07-14463-cv, Filed October 19, 2007).

In a case that was reinstated on November 21, 2007, plaintiffs, former employees of a Victory Lane franchisee, claim race discrimination and national origin discrimination, retaliation, race harassment and national origin harassment, and constructive discharge. This action is pending trial and we deny that we were the plaintiffs' employer and any liability to the plaintiffs. (John Broadus, Eugene Louis and Brad Haniff v. Victory Lane Quick Oil Change, Inc., Cir. Ct. Washtenaw Mi., Case 05-980-CD, Filed September 15, 2005).

4. BANKRUPTCY

No person previously identified in Items 1 or 2 of this Disclosure Document has been involved as a debtor in proceedings under the U.S. Bankruptcy Code or any foreign bankruptcy code that must be disclosed in this Item.

5. INITIAL FEES

Initial Fee

If you sign a Franchise Agreement for a single Oil Change Center, you must pay Victory Lane a nonrefundable initial Fee of \$30,000 when you sign the Franchise Agreement. If you are a converting franchisee, you must pay Victory Lane a nonrefundable Initial Fee of \$30,000 at least 30 days before you convert your business to a franchised Victory Lane Center. If you sign a Franchise Agreement for a single Car Wash Center, you must pay Victory Lane a nonrefundable Initial Fee of \$15,000 when you sign the Franchise Agreement. Except as disclosed below in this Item, the Initial Fee charged by Victory Lane is uniform.

Initial Package Fee

You will purchase from Victory Lane the "Initial Package" for your Oil Change Center for an Initial Package Fee of \$5,000, or for your Car Wash Center for an Initial Package Fee of \$3,500. The Initial Package will include such items as a laptop computer with specialized software (see Item 11) and marketing materials. You will pay the nonrefundable Initial Package Fee within five days after receipt of an invoice from Victory Lane.

Master Franchise Fee

If you and Victory Lane sign a Master Franchise Agreement, you must pay Victory Lane a nonrefundable Master Franchise Fee of \$120,000. You must pay the Master Franchise Fee in full when you sign the Master Franchise Agreement. You must sign a separate Franchise Agreement for each Victory Lane Center you develop under the Master Franchise Agreement. You will purchase from Victory Lane the Initial Package for every Victory Lane Center for the Initial Package Fee of \$5,000. You will pay the nonrefundable Initial Package Fee within five days after receipt of an invoice from Victory Lane. In addition to the Master Franchise Fee, you must also pay an Initial Fee for each Victory Lane Center you develop in accordance with the Minimum Development Obligations according to the following schedule:

Center Number	Amount of Initial Fee
1 st	\$30,000
2 nd	\$27,500
3 rd	\$25,000
4 th	\$22,500
5 th or more	\$20,000

You will pay the applicable Initial Fee each time you sign a Franchise Agreement for a Victory Lane Center you develop according to the development schedule in the Master Franchise Agreement. You must sign your first Franchise Agreement within two hundred and seventy (270) days from the date of signing the Master Franchise Agreement.¹

6. OTHER FEES

Name of Fee	Amount	Date Due	Remarks (1)(2)
Royalty Fees (Oil Change and Oil Change/Car Wash)	The greater of 6% of weekly Revenues or \$250 (3)	By Wednesday of each week for the preceding week by Electronic Funds Transfer (EFT)	Revenue includes the total dollar sales from your Victory Lane Center. It does not include sales, use or gross receipts taxes, coupons or discounts, gift cards, one-time sales of fixtures or equipment, or business interruption insurance payments.
Royalty Fees (Car Wash only)	6% of weekly revenues for an in-bay automatic car wash, and \$100 per month per self serve bay	By Wednesday of each week for the preceding week by EFT. For self serve bays, by the first Wednesday of each month for the preceding month by EFT.	Revenues include the total dollar sales from your Victory Lane Car Wash. It does not include sales, use or gross receipts taxes, coupons or discounts, gift cards, one-time sales of fixtures or equipment, or business interruption insurance payments.
Advertising Fund Contributions	2% of weekly Revenues	By Wednesday of each week for the preceding week	Deposited in the Advertising Fund controlled by Victory Lane (see Item 11). 1% may be reimbursed upon submission of receipts for local and regional advertising. Advertising fees are

¹ Time period may be negotiated between the parties.

Name of Fee	Amount	Date Due	Remarks (1)(2)
			based on Oil Change Center Revenues only. There is no additional advertising fee for a combination Oil Change/Car Wash Center.
Advertising Fmd Contributions (Car Wash)	1% of weekly Revenues for in-bay automatic car wash.	By Wednesday of each week for the preceding week	Deposited in the Advertising Fund controlled by Victory Lane (see Item 11). .5% may be reimbursed upon submission of receipts for local and regional advertising.
Local Advertising	5% of monthly Revenues	Payable to suppliers as incurred	You must spend at least 5% of your monthly Revenues on approved local advertising. When there are two or more Victory Lane Centers in your Designated Market Area ("DMA"), you will contribute Local Advertising Fees of up to 3% of your Revenues to the Local Advertising Association (the "LAA"). Local Advertising Fees may be applied to satisfy your 5% local advertising requirement (see Item 11).
Audit Fees	Amount incurred by Victory Lane to audit your Center, estimated to range from \$500 to \$1,000	Within five days after receipt of an invoice	Payable only if an audit shows that you understated your Revenues by more than 2% in any month or year. These costs may vary greatly depending upon the particular circumstances of the audit.
Assignment Fee	\$5,000	On or before the date of assignment	You must obtain Victory Lane's approval for an assignment; includes training of the assignee. The Assignment Fee does not apply if (a) upon your death or disability, the agreement is assigned to your beneficiary, (b) you assign the agreement to an entity 100% owned by you, or (c) the agreement is assigned to a new entity owned by the same owners as the original entity.
Collection Costs	Amount incurred by Victory Lane to collect unpaid fees, estimated to range from \$500 to \$1,000	On demand	Includes attorneys' fees and costs. These costs may vary greatly depending upon the particular circumstances of the collection action.
Interest Charges	The lesser of 18% per	On demand	Applies to past due payments

Name of Fee	Amount	Date Due	Remarks (1)(2)
	annum or the maximum legal rate allowable by applicable law		payable to Victory Lane
Administrative Fees	\$50 per delinquent payment	Within 10 days after payment due	Applies to past due payments payable to Victory Lane
On-site Training	If the training is conducted at the Franchised Location, then you must pay the then-current training fee, which is currently \$325/day	On demand after training is completed	Payable if you hire a new Manager who is trained at the Franchised Location, if Victory Lane determines that additional training at the Franchised Location is required, or if more than four days of opening assistance is necessary.
Relocation Fee	\$5,000	When you receive approval from Victory Lane to relocate to a new location	Payable only if you request and receive approval from Victory Lane to relocate the Franchised Location.
Reacquisition Fee	15% of then-current Franchise Fee	When you sign a new Franchise Agreement	Payable only if, after the expiration of your Franchise Agreement, you meet all requirements and reacquire the franchise for your Victory Lane Center.
National Convention Registration Fee	Then-current registration fee; currently \$500	Before attending national convention	You or your Manager must attend the national conventions held by Victory Lane
Review of Unapproved Supplier	You must reimburse Victory Lane for the expenses it incurs inspecting an unapproved supplier, estimated to range from \$300 to \$3,250	Within five days after you receive an invoice from Victory Lane	Payable only if you request that Victory Lane review and approve an unapproved supplier.

Footnotes:

- (1) Except for the costs associated with local advertising, each fee is imposed by and payable to Victory Lane.
- (2) All fees are nonrefundable.
- (3) You will not have to pay the minimum weekly Royalty Fee of \$250 per week until your Center has been open for 52 weeks, unless you fail to timely open your Center. You will pay all other fees in the amounts specified in each Franchise Agreement that you sign for the Centers you develop under the Master Franchise Agreement.

7. YOUR ESTIMATED INITIAL INVESTMENT

The following table provides an estimate of your initial investment to open a newly franchised Victory Lane Oil Change Center:

Description of Expense	Estimated Range of Cost (1)		Method of Payment (2)	When Due	To Whom Owed
	Low	High			
Initial Fee	\$30,000	\$30,000	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane
Initial Package Fee	\$5,000	\$5,000	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane
Leasehold Improvements (3)	\$10,000	\$30,000	As Incurred	Before Opening	Suppliers
Architectural and Engineering Fees	\$7,500	\$25,000	As Incurred	Before Opening	Suppliers
Wages, Travel and Living Expenses for You and Your Manager During Training (6)	\$2,000	\$4,000	As Incurred	During Training	Employees, Airlines, Hotels, Restaurants and other Businesses
Furniture, Fixtures and Equipment (7)	\$50,000	\$80,000	As Incurred	As Incurred	Suppliers
Computer System (7)	\$20,000	\$23,000	Lump Sum	Before Opening	Suppliers
Signs (7)	\$12,000	\$30,000	Lump Sum	Before Opening	Suppliers
Initial Inventory and Supplies	\$9,000	\$14,000	Lump Sum	Before Opening	Suppliers
Lease Payments - 3 Months (8)	\$9,500	\$21,000	As Incurred	As Incurred	Landlord
Employee Salaries - 3 Months (9)	\$18,000	\$25,000	As Incurred	As Incurred	Employees
Insurance - 3 Months	\$3,000	\$4,000	As Incurred	As Incurred	Insurance Companies
Miscellaneous Fees (10)	\$2,000	\$5,000	As Incurred	Before Opening or Otherwise as Arranged	Landlord, Utilities, Government Agencies, Attorneys, Accountants and Other Professionals
Opening Advertising (11)	\$7,500	\$15,000	As Incurred	Within 90 days of Opening	Suppliers

Description of Expense	Estimated Range of Cost (1)		Method of Payment (2)	When Due	To Whom Owed
	Low	High			
Additional Funds - 3 Months [these figures have not been offset by operating revenues] (12)	\$35,000	\$65,000	As Incurred	As Incurred	Victory Lane, Suppliers and Utilities
Total if premises leased by you (3)(13) (14)	\$230,50 0	\$386,000			
Total if land purchased and building constructed by you (4)(13)(14)	\$711,00 0	\$1,435,00 0			
Total if land and existing building purchased by you (4)(13)(14)	\$336,00 0	\$1,135,00 0			

The following table provides an estimate of your initial investment in addition to the estimate in the above chart to open a franchised Victory Lane Oil Change/Car Wash Center:

Building	\$60,000	\$100,000	As Incurred	Before Opening	Suppliers
Equipment	\$120,00 0	\$160,000	As Incurred	Before Opening	Suppliers
Total, including if premises is leased by you, from previous chart	\$410,50 0	\$646,000			
Total, if land purchased and building constructed by you, from previous chart	\$891,00 0	\$1,695,00 0			
Total, if land and existing building purchased by you, from previous chart	\$516,00 0	\$1,395,00 0			

The following table provides an estimate of your initial investment to open a franchised Victory Lane Car Wash Center:

Description of Expense	Estimated Range of Cost (1)		Method of Payment (2)	When Due	To Whom Owed
	Low	High			
Initial Fee	\$15,000	\$15,000	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane

Description of Expense	Estimated Range of Cost (1)		Method of Payment (2)	When Due	To Whom Owed
	Low	High			
Initial Package Fee	\$3,500	\$3,500	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane
Building	\$175,000	\$225,000	As Incurred	Before Opening	Suppliers
Equipment	\$120,000	\$250,000	As Incurred	Before Opening	Suppliers
Architectural and Engineering Fees	\$8,000	\$18,000	As Incurred	Before Opening	Suppliers
Wages, Travel and Living Expenses for You and Your Manager During Training (6)	\$2,000	\$3,000	As Incurred	During Training	Employees, Airlines, Hotels, Restaurants and other Businesses
Signs (7)	\$12,000	\$30,000	Lump Sum	Before Opening	Suppliers
Initial Inventory and Supplies	\$2,000	\$5,000	Lump Sum	Before Opening	Suppliers
Lease Payments - 3 Months (8)	\$9,500	\$21,000	As Incurred	As Incurred	Landlord
Employee Salaries - 3 Months (9)	\$4,800	\$6,000	As Incurred	As Incurred	Employees
Insurance - 3 Months	\$600	\$1,250	As Incurred	As Incurred	Insurance Companies
Miscellaneous Fees (10)	\$2,000	\$8,000	As Incurred	Before Opening or Otherwise as Arranged	Landlord, Utilities, Government Agencies, Attorneys, Accountants and Other Professionals
Additional Funds - 3 Months [these figures have not been offset by operating revenues] (12)	\$35,000	\$65,000	As Incurred	As Incurred	Victory Lane, Suppliers and Utilities
Total if premises leased by you (13) (14)	\$389,400	\$650,750			
Total if land and building purchased by you (3)(13)(14)	\$464,400	\$1,250,750			

The following table estimates your initial expenditures if you convert your business to a franchised Victory Lane Oil Change Center:

Description of Expense	Estimated Range of Cost (1)		Method of Payment (2)	When Due	To Whom Owed
	Low	High			
Initial Fee (5)	\$10,000	\$30,000	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane
Initial Package Fee	\$5,000	\$5,000	Lump Sum	See Item 5 of this Disclosure Document	Victory Lane
Leasehold Improvements (5)	\$0	\$20,000	As Incurred	Before Conversion	Suppliers
Architectural and Engineering Fees	\$0	\$5,000	As Incurred	Before Conversion	Suppliers
Wages, Travel and Living Expenses for You and Your Manager During Training (6)	\$2,000	\$4,000	As Incurred	During Training	Employees, Airlines, Hotels, Restaurants and other Businesses
Furniture, Fixtures and Equipment (7)	\$5,000	\$21,000	Lump Sum	Before Conversion	Suppliers
Computer System (7)	\$5,000	\$23,000	Lump Sum	Before Conversion	Suppliers
Signs (7)	\$12,000	\$30,000	Lump Sum	Before Conversion	Suppliers
Initial Inventory and Supplies	\$2,000	\$10,000	Lump Sum	Before Conversion	Suppliers
Miscellaneous Fees (10)	\$2,000	\$8,000	As Incurred	Before Conversion or Otherwise as Arranged	Attorneys, Accountants and Other Professionals
Advertising (11)	\$7,500	\$15,000	As Arranged	Within 90 days of Conversion	Suppliers
Total(13)(14)	\$50,500	\$171,000			

0

Footnotes:

- (1) For the estimated range of costs, Victory Lane relied on its experience in the quick oil change and car wash businesses, as discussed in Item 1 of this Disclosure Document. You should carefully review these figures with your business advisor before making any decision to purchase a franchised Victory Lane Center.
- (2) Payments are not refundable unless otherwise noted. Victory Lane does not offer direct or indirect financing.
- (3) These figures represent the cost to lease and remodel an existing building to a Victory Lane Center. Victory Lane Centers are generally located in free-standing buildings and require from 1,400 square feet to 1,800 square feet of floor space. The rental rate will generally be between \$25 and \$47 per square foot.
- (4) If you choose to purchase the land and building for your Victory Lane Center, your initial costs likely will be significantly higher than if you choose to lease the premises. The parcel required for your Center will require from one-third of an acre to one-half acre of land. Your initial investment if you choose to purchase the land will range from \$100,000 to \$600,000 and \$400,000 to \$500,000 for the cost of construction of the

building. Your initial investment if you choose to purchase the land and an existing building will range from \$100,000 to \$600,000 and \$25,000 to \$200,000 for the cost of remodeling the building. In addition, you may be required to landscape or make other improvements to your site which may range from \$5,000 to \$50,000. Some of your costs for the property, construction or remodeling and other site improvements may be financed through a bank or other financial institution. The cost to purchase land on which to construct a Victory Lane Center may vary widely depending upon the location of the land, the demand for the site, the zoning, the assessed value of the parcel, the attributes of the parcel and related area, such as accessibility and traffic flow, and the general economic conditions. These estimates are based primarily upon Victory Lane's experience in the United States; depending upon your area, your costs may vary.

- (5) For Conversions, Victory Lane will reimburse up to \$20,000 for approved remodeling expenditures to conform your premises to the current Victory Lane image, decor, standards and specifications. Victory Lane will pay you this amount within 30 days after receipt of a written summary of your approved remodeling expenditures. If you submit the written summary before you have to pay the Initial Fee, you may deduct your approved remodeling expenditures from the Initial Fee and pay the remaining balance to Victory Lane.
- (6) You must pay for the salaries, benefits, travel expenses and other expenses while you and your Manager attend the training program.
- (7) Your furniture, fixtures, equipment and signs may be financed through a bank or other financial institution, leased or purchased outright.
- (8) The monthly rental for your Franchised Location may include common area maintenance fees and real estate taxes. The amount indicated also includes a one month advanced rental payment, security deposit and prepaid expenses.
- (9) This estimate does not include the salaries for you or your Manager during training.
- (10) Miscellaneous fees include such items as security, utility and license deposits, and professional services such as attorneys and accountants. You should check with the local agency that issues building permits to determine what licenses and fees might be required for the specific site for your Victory Lane Center.
- (11) You must spend a minimum of \$7,500 on grand opening advertising for your Center.
- (12) During the first three months of operations, you will need additional funds to cover your expenditures for supplies, local advertising, utilities, and other miscellaneous operating costs. This estimate has not been offset by any allowance for your operating revenues during this three month period. Your working capital requirements may increase or decrease depending upon your geographic area, operating revenues and other economic factors.
- (13) These figures are estimates only, and it is possible that you may have additional or greater expenses during this period. Your costs will vary depending on the size of your Victory Lane Center, your geographic area, economic and market conditions, competition, interest rates, wage rates, sales levels attained and other economic factors.
- (14) If you sign a Master Franchise Agreement, you must also pay Victory Lane a nonrefundable Master Franchise Fee of \$120,000. You must pay the Master Franchise Fee in full when you sign the Master Franchise Agreement. You must sign a separate Franchise Agreement for each Victory Lane Center you develop under the Master Franchise Agreement and in addition to the Master Franchise Fee, you must pay an Initial Fee for each Victory Lane Center you develop. You will pay the Initial Fee according to the Master Franchise fee schedule each time you sign a Franchise Agreement for a Victory Lane Center you develop according to the development schedule in the Master Franchise Agreement. You must sign your first Franchise Agreement within two hundred and seventy days from the date of signing the Master Franchise Agreement, or within a time period as otherwise negotiated between the parties.

8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Obligation to Purchase or Lease Products or Services from Victory Lane

Except as set forth in Item 5 of this Disclosure Document, you do not have to purchase or lease any products or services from Victory Lane or any affiliate of Victory Lane.

Obligation to Purchase or Lease Products or Services from Designated or Approved Suppliers

You will have to purchase or lease some products and services from suppliers approved or designated by Victory Lane. Victory Lane will provide a written list of the suppliers for these products and services. Victory Lane will also notify you of any additions to or deletions from this list. Requiring you to purchase or lease certain products and services only from designated or approved suppliers is necessary to ensure that you adhere to the uniformity requirements and quality standards associated with all Victory Lane Centers. Victory Lane estimates that purchases of these products and services from designated or approved suppliers for your Oil Change or Oil Change/Car Wash Center will constitute approximately 60% of your initial investment and approximately 30% of the annual ongoing expenses to operate your Victory Lane Center. Victory Lane estimates that purchases of these products and services from designated or approved suppliers for your Car Wash Center will constitute approximately 10% of your initial investment and approximately 10% of the annual ongoing expenses to operate your Victory Lane Center.

If you want to purchase products or services subject to Victory Lane's approved supplier requirements from a previously unapproved supplier, then you must, at your expense, send representative samples or specifications of that supplier's products or services, and certain information about the supplier's products, to Victory Lane. Victory Lane can inspect the supplier's facilities and you must reimburse Victory Lane for the expenses it incurs if it conducts an inspection. Within 45 days after receiving the necessary samples and information, Victory Lane will notify you in writing whether the products or services of the supplier comply with Victory Lane's uniformity requirements, quality standards and specifications, and whether the supplier's business reputation, delivery performance, credit rating and other relevant information are satisfactory. Victory Lane's criteria for supplier approval is available to you upon request.

You must purchase and use in your Victory Lane Center certain brand name products. Victory Lane will provide a written list of these products, and any additions or deletions from this list. You may purchase these brand name products from any supplier.

Victory Lane may receive income in the form of rebates, discounts, allowances or other payments or credits from certain designated or approved suppliers that sell certain products and services to franchisees.

In some cases, prices charged by suppliers to affiliate-owned businesses may be less than prices charged to franchised businesses based on volume, credits, administrative costs or other factors. If Victory Lane receives any rebates or other payments from a supplier as a result of your purchases from the supplier, those payments will be the exclusive property of Victory Lane. You will not have any right to receive the payments made to Victory Lane by suppliers. During its last fiscal year, Victory Lane did not receive any payments from suppliers based upon franchisee purchases.

Except as set forth above, neither Victory Lane nor any affiliate currently sells or leases products or services to you, has negotiated purchasing arrangements with suppliers of products, equipment and

services, or has established purchasing or distribution cooperatives. Victory Lane does not provide any material benefits to you based upon your use of designated or approved suppliers.

Obligation to Purchase or Lease Products or Services that Meet Victory Lane’s Standards and Specifications

You must purchase or lease certain products and services which satisfy Victory Lane’s written standards and specifications as set forth in the Operations Manuals or otherwise in writing. This will ensure that you adhere to the uniformity requirements and quality standards associated with all Victory Lane Centers. Victory Lane will provide you with written standards and specifications for these products and services. Victory Lane formulates its standards and specifications at its sole discretion. Victory Lane may modify its written standards and specifications and you must comply with any modifications. You must ensure that all products and services you select conform to Victory Lane’s standards and specifications throughout the term of the Franchise Agreement.

Otherwise, you need not purchase any goods or services from designated or approved suppliers according to Victory Lane’s written standards and specifications.

9. FRANCHISEE’S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND THE MASTER FRANCHISE AGREEMENT. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THOSE AGREEMENTS AND IN OTHER ITEMS OF THIS DISCLOSURE DOCUMENT.

Obligation	Article of Agreement	Item in Disclosure Document
a. Site selection and acquisition/lease	Article 10 of Franchise Agreement; Addendum to Franchise Agreement for Conversions	Item 11
h. Pre-opening purchases/leases	Articles 8, 10 and 11 of Franchise Agreement	Items 7 and 8
c. Site development and other pre-opening requirements	Article 10 of Franchise Agreement	Items 7 and 11
d. Initial and ongoing training	Article 14 of Franchise Agreement	Item 11
e. Opening	Article 14 of Franchise Agreement; Article 2 of Master Franchise Agreement	Item 11
f. Fees	Articles 3 and 4 of Franchise Agreement; Article 7 of Master Franchise Agreement	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Articles 7, 8, 9, 10 and 11 of Franchise Agreement; Article 5 of Master Franchise Agreement	Items 8, 11 and 14
h. Trademarks and proprietary information	Articles 9 and 13 of Franchise Agreement; Article 9 of Master Franchise Agreement	Items 13 and 14
i. Restrictions on products/services	Articles 7 and 8 of Franchise	Items 8 and 16

Obligation	Article of Agreement	Item in Disclosure Document
offered	Agreement	
j. Warranty and customer service requirements	Article 7 of Franchise Agreement	Item 16
k. Territorial development and sales quotas	Article 24 of Master Franchise Agreement	Item 12
l. Ongoing product/service purchases	Article 8 of Franchise Agreement	Item 8
m. Maintenance, appearance and remodeling requirements	Article 7 of Franchise Agreement; Addendum to Franchise Agreement for Conversions	Items 7 and 11
n. Insurance	Article 12 of Franchise Agreement	Item 7
o. Advertising	Article 4 of Franchise Agreement; Article 6 of Master Franchise Agreement	Items 6 and 11
p. Indemnification	Article 23 of Franchise Agreement; Article 15 of Master Franchise Agreement	
q. Owner's participation/ management/ staffing	Article 7 of Franchise Agreement	Item 15
r. Records/reports	Articles 3 and 6 of Franchise Agreement	Item 6
s. Inspection/audits	Articles 6 and 10 of Franchise Agreement	Items 6 and 11
t. Transfer	Article 16 of Franchise Agreement; Article 11 of Master Franchise Agreement	Items 6 and 17
u. Renewal	Article 2 of Franchise Agreement; Article 4 of Master Franchise Agreement	Item 17
v. Post-termination obligations	Article 19 of Franchise Agreement; Article 13 of Master Franchise Agreement	Item 17
w. Non-competition covenants	Article 21 of Franchise Agreement; Addendum to Franchise Agreement for Conversions; Article 12 of Master Franchise Agreement	Item 17
x. Dispute resolution	Article 24 of Franchise Agreement; Article 14 of Master Franchise Agreement	Item 17

10. FINANCING

Victory Lane does not offer direct or indirect financing. Victory Lane does not guarantee your notes, leases or other obligations.

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

Except as listed below, Victory Lane need not provide any assistance to you.

Assistance Before Opening - before you open your Victory Lane Center

(1) Victory Lane does not have the experience or expertise to select sites for the Franchised Location in the geographic area where your Center will be located and therefore, Victory Lane has no obligation, duty or liability to you as a result of the site selected by you or the purchase or lease of the Franchised Location. However, Victory Lane may review certain information about the proposed site for the Franchised Location (see Article 10 of the Franchise Agreement). Factors considered by Victory Lane when reviewing the information for a proposed site include accessibility, visibility, potential traffic flows, population trends, number of households, household income and financial statistics, lease terms and other demographic information. The review conducted by Victory Lane is not a warranty, representation or guaranty by Victory Lane that a Victory Lane Center opened at that site will be a financial success. Victory Lane can terminate your Franchise Agreement if you fail to find a site for the Franchised Location within 180 days after the date of the Franchise Agreement. This obligation does not apply to Conversions.

(2) After you sign the Franchise Agreement and pay the Initial Fee, Victory Lane will train you and your Manager for a minimum of 10 days for Oil Change and Oil Change/Car Wash Centers and 4 days for Car Wash Centers (see Article 14 of the Franchise Agreement). All training will be offered as often as Victory Lane deems necessary, and will be held in Ann Arbor, Michigan or at another location designated by Victory Lane. The training program will include classroom and on-the-job instruction on topics selected by Victory Lane.

TRAINING PROGRAM

The following chart summarizes Victory Lane's current initial training program for Oil Change Centers:

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Marketing	3	0	Ann Arbor, Michigan
Training Employees	3	20	Ann Arbor, Michigan
Accounting	8	0	Ann Arbor, Michigan
Hands-on Procedures	4	20	Ann Arbor, Michigan
Shop Procedures	4	20	Ann Arbor, Michigan
Fleet Sales	1	0	Ann Arbor, Michigan
Customer Relations	1	1	Ann Arbor, Michigan

The following chart summarizes Victory Lane's current initial technical training program for Car Wash Centers. This training is also required for Oil Change/Car Wash Centers in addition to the training described above:

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Overview of Equipment	1	0	Ann Arbor, Michigan
Plumbing	2	0	Ann Arbor, Michigan
Electrical	2	0	Ann Arbor, Michigan
Preventative Maintenance and Troubleshooting	3	0	Ann Arbor, Michigan

In addition to the above technical training, you will receive three days of training from the car wash equipment manufacturer.

The following chart summarizes Victory Lane's current initial training program for Car Wash Centers in addition to the technical training described above.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Marketing	1	0	Ann Arbor, Michigan
Training Employees	1	7	Ann Arbor, Michigan
Accounting	4	0	Ann Arbor, Michigan
Hands-on Procedures	2	7	Ann Arbor, Michigan
Shop Procedures	2	7	Ann Arbor, Michigan
Fleet Sales	1	0	Ann Arbor, Michigan
Customer Relations	1	1	Ann Arbor, Michigan

After you sign a Master Franchise Agreement, Victory Lane will train you for approximately 10 days (See Article 5 of the Master Franchise Agreement). All training will be offered as often as Victory Lane deems necessary, and will be held in Ann Arbor, Michigan or at another location designated by Victory Lane. The training program will include classroom and on-the-job instruction on topics selected by Victory Lane.

The following chart summarizes Victory Lane's current additional training program for Master Franchisees:

Subject	Instructional Materials	Hours of Classroom	Hours of On-the-Job
----------------	--------------------------------	---------------------------	----------------------------

		Training	Training
Sales	Master Franchise Manual	6	0
Site Selection	Master Franchise Manual	4	2
Bank Financing	Master Franchise Manual	5	0
Building Process	Master Franchise Manual	5	1
Equipment	Master Franchise Manual	6	2
Grand Opening	Master Franchise Manual	2	0
Support	Master Franchise Manual	4	3

All training will be supervised by Mr. Jay Roberts, Victory Lane's Director of Operations, whose experience with Victory Lane is disclosed in Item 2 of this Disclosure Document, and conducted by Mr. Jay Roberts and other instructors who have experience with the Business System.

Training is provided to you and your Manager at no additional cost to you. However, if Victory Lane conducts additional training at your Center, then you must pay Victory Lane the then-current on-site training fee charged by Victory Lane (see Item 6). You must pay the salaries, benefits, travel expenses and other expenses for all persons who attend training on your behalf. You and your Manager must successfully complete the training program before you open your Center.

The table of contents to the Operations Manual is attached as Exhibit F. The Operations Manual totals 91 pages.

(3) After you and your Manager have successfully completed the training program, Victory Lane will arrange for a Trainer to assist you with opening your Victory Lane Center (see Article 14 of the Franchise Agreement). For a minimum of four days, the Trainer will assist you with implementing the Business System at your Center and training your employees. If more than four days of on-site opening assistance is necessary, you will also pay the then-current per day on-site training fee for each additional day of opening assistance required (see Item 6).

(4) Victory Lane will loan you copies of the Operations Manuals (see Article 9 of the Franchise Agreement). The Operations Manuals are confidential and will remain the property of Victory Lane during and after the term of the Franchise Agreement.

(5) Victory Lane will provide a written schedule of all products, furniture, fixtures, supplies, equipment and services required for your Victory Lane Center (see Article 15 of the Franchise Agreement).

(6) Victory Lane will provide a list of the designated and approved suppliers for the products and services required by Victory Lane for use in your Victory Lane Center (see Articles 8 and 15 of the Franchise Agreement).

(7) Victory Lane will establish the standards and specifications of your office, telecommunications and computer equipment (Article 11 of the Franchise Agreement). Victory Lane recommends that your computer system include Integrated Services, Inc.'s Complete System, and a laptop computer, point-of-sale terminals, printer, database, business management software and marketing software that meet Victory Lane's current specifications. The estimated cost of your computer system is disclosed in Item 7 of this Disclosure Document. You will have a contractual obligation to upgrade or update your computer hardware and software programs during the term of the Franchise Agreement as required by Victory Lane (see Article 11 of the Franchise Agreement). There is no contractual limitation on the frequency or cost of this obligation, although Victory Lane estimates that expenditures for computer system upgrades or updates will generally not exceed \$1,800 each year. You may choose to establish a contractual

relationship with a third party supplier to provide ongoing maintenance, repairs, upgrades or updates, at an estimated annual cost of \$500 to \$1,000. Your computer system will perform word processing, accounting, record keeping, scheduling, Internet access and e-mail functions for your Center. Fax and telecommunications equipment, computer hardware and peripherals, maintenance agreements, and computer software and operating systems are all available through commercial office and telecommunications equipment, and computer hardware and software vendors. Victory Lane will have access to the information and data collected and generated by your computer system.

Generally, the opening of your Victory Lane Center will take place within 6 to 15 months after you sign the Franchise Agreement. Factors which will affect your opening date include selecting and acquiring the location for your Victory Lane Center, remodeling or constructing your business premises, obtaining the required licenses, the delivery of your furniture, fixtures and equipment, acquiring inventory and supplies, obtaining financing (if applicable), hiring and training your employees, and completing the training program. You must obtain written approval from Victory Lane to open your Victory Lane Center.

Assistance During Operation of Business - after the opening of your Victory Lane Center

(1) Victory Lane will provide additional training if, during the term of the Franchise Agreement, you hire a new Manager who has not attended and successfully completed the training program or if Victory Lane determines that additional training is necessary. The training program will be conducted in Ann Arbor, Michigan, at another location designated by Victory Lane, or at your Center at the sole discretion of Victory Lane. If the training program is conducted at your Center, then you must pay Victory Lane the then-current per day on-site training fee (see Item 6). You must pay the salaries, benefits, travel expenses and all other expenses for each new Manager who attends the training program on your behalf (see Article 14 of the Franchise Agreement).

(2) Victory Lane will make available to you basic business and accounting procedures (see Article 15 of the Franchise Agreement).

(3) Victory Lane will make advertising and marketing recommendations (see Article 15 of the Franchise Agreement). You must spend at least 5% of your monthly Revenues on approved local advertising (see Article 4 of the Franchise Agreement). If you fail to meet these minimum requirements, Victory Lane may require you to deposit with Victory Lane the difference between what you should have spent and what you actually spent, which Victory Lane will spend on advertising within your marketing area. You may conduct advertising or promotion for your Victory Lane Center if Victory Lane has approved your advertising and promotion concepts, materials and media.

When there are two or more Victory Lane Centers in your DMA, you will contribute Local Advertising Fees of up to 3% of your Revenues to the Local Advertising Association (the "LAA"). The Local Advertising Fees paid by you to the LAA may be applied to satisfy your monthly local advertising requirement. The LAA will be governed and organized by the terms of the Franchise Agreement and administered by the "Members" of the LAA (see Article 4 of the Franchise Agreement). The Members of the LAA will include the franchised Victory Lane Centers and the Victory Lane Centers owned and operated by Victory Lane or its affiliates in the DMA. Each Member will have one vote for each Victory Lane Center owned by it in the DMA. Victory Lane can form, merge, dissolve or change the LAA.

The LAA will conduct advertising, promotion, marketing and public relations for the benefit of the Victory Lane Centers located in the DMA. The LAA will not conduct any advertising, promotion, marketing or public relations program or campaign for the Victory Lane Centers in the DMA until Victory Lane has given the LAA written approval for all proposed concepts, materials or media. The

LAA will provide a written summary of the Members' contributions to the LAA and an accurate accounting of the LAA's expenditures for approved local advertising and promotion to Victory Lane and its Members within 20 days after the end of each calendar quarter.

(4) Victory Lane has established an Advertising Fund (the "Fund") which is administered and controlled by Victory Lane (see Article 4 of the Franchise Agreement). You will contribute 2% of your weekly Revenues to the Fund (see Item 6) if you own an Oil Change or Oil Change/Car Wash Center. You will contribute 1% of your weekly Revenues to the Fund if you own a Car Wash Center. The Victory Lane Centers owned by Victory Lane or its affiliates will deposit 2% of their weekly Revenues into the Fund. Your requirement to spend at least 5% of your monthly Revenues on advertising includes your contributions to the Fund. Additionally, you are eligible for reimbursement from Victory Lane of up to one-half of your contributions to the Fund for approved local and regional advertising expenditures.

Victory Lane determines how and where the payments deposited into the Fund will be spent. This includes the right of Victory Lane to purchase and pay for product and market research, production development, production materials, ad slicks, local, regional and/or national media advertising, brochures, radio and television commercial production costs, services provided by advertising agencies, in-store advertising, signs, public relations, telemarketing, direct mail advertising, promotional programs, advertising market research, graphics and design costs, creation, maintenance and enhancement of a home page or website, Internet costs, software development and upgrades, services provided by software developers or consultants, special event marketing costs, gift certificate program costs, evaluation services and miscellaneous advertising and production costs. All administrative and other costs associated with or incurred in the administration of the Fund, including marketing and administrative personnel salaries, fringe benefits and travel costs, long distance telephone charges, accounting fees, collection costs (including attorneys' fees paid in collecting past due fees) and office supplies will be paid from the Fund.

Victory Lane does not have to spend the monies in the Fund in any particular market and will not have to spend the Advertising Fund Contributions in your market area in proportion to the Advertising Fund Contributions paid by you. Victory Lane does not have to spend the monies in the Fund in the calendar year in which the payments were made. Payments to the Fund not spent in the calendar year in which they were paid and the interest accrued will remain in the Fund. Victory Lane will not use the monies in the Fund for the direct solicitation of prospective franchisees. A summary showing the income to and the expenditures from the Fund during each calendar year will be available 90 days after Victory Lane's fiscal year end for the preceding fiscal year and copies of the summary will, upon written request, be provided to you. During the last fiscal year, expenditures from the Fund were used in the following manner:

Reimbursement Expense	50%
Production	40%
Media placement	0%
Administrative expenses	5%
Other miscellaneous expenditures	5%
	100%

- (5) Victory Lane will periodically visit and review your Center and render written reports if deemed appropriate by Victory Lane (see Article 15 of the Franchise Agreement).
- (6) Victory Lane will legally protect the Marks and the Business System (see Articles 13 and 15 of the Franchise Agreement).
- (7) Victory Lane may develop and register new Marks (see Articles 13 and 15 of the Franchise Agreement).
- (8) Victory Lane will provide advisory services by telephone or in writing (see Article 15 of the Franchise Agreement).
- (9) Victory Lane will provide the names and addresses of newly approved and designated suppliers for the products and services required by Victory Lane to be used in your Victory Lane Center (see Articles 8 and 15 of the Franchise Agreement).

12. TERRITORY

If you sign a Franchise Agreement, you will operate out of a single "Franchised Location" within an "Exclusive Area." Your Exclusive Area will be the area within a one-mile radius of your Franchised Location. Your Exclusive Area may not be altered or relocated during the term of the Franchise Agreement, except with the prior written approval of Victory Lane. You are not restricted from soliciting or accepting orders outside your Exclusive Area, but you may not sell any of the products or services offered by your Center on a wholesale basis, at any location other than your Franchised Location, or through any other method of sales or distribution. The continuation of your Exclusive Area is not dependent upon your achieving a certain sales volume, market penetration or meeting any other contingency. The Franchise Agreement does not grant any options, rights of first refusal or similar rights to you for the acquisition of additional franchises within your Exclusive Area or contiguous areas.

You may relocate your Center if: (1) you obtain the prior written approval of Victory Lane; (2) the proposed new location will not be located within a three-mile radius of any existing or proposed Victory Lane Center; and (3) you pay Victory Lane a Relocation Fee of \$5,000.

If you enter into Master Franchise Agreement with Victory Lane, you will receive the right to develop and operate Victory Lane Centers, and solicit, qualify, train and assist franchisees to build and operate Victory Lane Centers in a specified geographic area called a "Master Franchise Area." The Master Franchise Area typically contains one or more cities or market areas and will be delineated by specifying the streets or highways, or the county lines, which form the boundaries of the Master Franchise Area. Before you sign the Master Franchise Agreement, a description of the Master Franchise Area will be placed in the Master Franchise Agreement and a map of the Master Franchise Area may also be attached. The size of the Master Franchise Area and the number of Victory Lane Centers you will develop within the Master Franchise Area are determined by your financial condition and its market potential, taking into account demographics, economics, the business climate, competition and other relevant factors. Your Master Franchise Area may not be altered or relocated during the term of the Master Franchise Agreement. You must meet the minimum development obligation in the Master Franchise Agreement or you will lose your right to continue to develop Victory Lane Centers in the Territory.

Victory Lane will not franchise, license, develop, own or operate another Victory Lane Center in your Exclusive Area if you sign a Franchise Agreement, or in your Master Franchise Area if you sign a Master Franchise Agreement. However, Victory Lane has the absolute right to: (1) develop other business concepts under other brand names even if the locations for the concept are within your Exclusive Area or

Master Franchise Area, and (2) market, distribute and sell, on a wholesale or retail basis products and services under any of the Marks, by direct sale, distributors, the Internet, mail order, infomercials, telemarketing or by any other marketing or distribution method, even if the sales are made by distributors or retailers who are located in your Exclusive Area or Master Franchise Area.

13. TRADEMARKS

Under the Franchise Agreement, Victory Lane licenses you to operate your Center under the name "Victory Lane Quick Oil Change®" and to use certain other current and future "Marks." You may only use the Marks in the manner authorized in writing by Victory Lane. You may not use any of the Marks as part of your corporate or other name. You must also follow the instructions of Victory Lane for identifying yourself and for filing and maintaining the requisite trade name or fictitious name registrations.

Victory Lane owns the following service mark registrations on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

Mark	Registration No.	Registration Date
Victory Lane Quick Oil Change (and Design)	1,599,891	June 5, 1990
Where Service is a Sure Thing	2,357,736	June 13, 2000
Victory Lane Car Wash (and Design)	2,326,812	March 7, 2000

All required affidavits have been filed. The Marks are not registered in any state. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator in any state or any court, no pending infringement or opposition proceeding, and no pending material litigation involving the Marks. There are no agreements currently in effect which significantly limit the rights of Victory Lane to use or license the use of the Marks in any manner material to you. To the knowledge of Victory Lane, there are no infringing uses which could materially affect your use of the Marks or other related rights in any state.

You must provide Victory Lane with written notice of any claims made against or associated with the Marks. Victory Lane is obligated under the Franchise Agreement to protect your right to use the Marks and other related rights and to protect you against claims of infringement and unfair competition that result from your use of the Marks. However, if anyone establishes to the satisfaction of Victory Lane that its rights are, for any legal reason, superior to the rights of Victory Lane as to any of the Marks or if you fail to use the Marks in compliance with the Franchise Agreement or in any way, then you must use the variances or other service marks, trademarks or trade names required by Victory Lane to avoid a conflict with the superior rights.

14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Victory Lane does not own any patents. Victory Lane has copyrighted or will copyright advertising copy and design, the Operations Manuals, and other written materials and items. Victory Lane has not applied to the U. S. Copyright Office to register these copyrights.

You must keep confidential the Operations Manuals, any supplements to Operations Manuals, and any other manuals or written materials used in your Victory Lane Center. The Operations Manuals contain information about the Business System developed by Victory Lane. Victory Lane considers this

information a trade secret and extremely confidential. You must use all reasonable means to keep this information confidential and to prevent any unauthorized duplication or reproduction of this information.

You should immediately inform Victory Lane if you learn of any unauthorized use or infringement of, or challenge to, the copyrighted materials or any of the proprietary or confidential information. Victory Lane will take the action it deems appropriate, in its sole discretion. If anyone establishes to the satisfaction of Victory Lane that its rights to the materials are superior, then you must modify or discontinue your use of the materials as required by Victory Lane.

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

Victory Lane recommends that you participate in the operation of your Victory Lane Center. You and your Manager must successfully complete the training program. Your employees do not have to own an equity interest in your Victory Lane Center. Your Center must be open during the business hours as specified in the Operations Manuals.

If the party entering into the Franchise Agreement or the Master Franchise Agreement with Victory Lane is not an individual, then you must personally guarantee all of the obligations to Victory Lane under the applicable agreement. You must also agree that during the term of the agreement you will not participate in any competitive business and that for two years after the expiration or termination of the agreement you will not participate in any competitive business located within 25 miles of your Center or any other Victory Lane Center or within any exclusive area granted by Victory Lane. These covenants not to compete also apply to the personal guarantors and your owners.

16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may only sell the products, services and other items (“products and services”) specified or approved by Victory Lane in writing. You must sell the products and services required by Victory Lane. Victory Lane can change the products and services that you must offer. There is no limitation on the right of Victory Lane to change the products and services offered by Victory Lane Centers. You are not limited to whom you may sell your products and services, but you may not sell any of the products or services offered in connection with your Center on a wholesale basis, at any location other than your Center, or any other method of sales or distribution.

17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement pertaining to renewal, termination, transfer, and dispute resolution. You should read these provisions in the Franchise Agreement attached to this Disclosure Document.

Provision	Article in Franchise Agreement	Summary
a. Term of the Franchise	2.1	10 years.
b. Renewal or extension of the term	2.3	Right to reacquire for one additional period of 10 years.
c. Requirements for you to renew or extend	2.3	You must give 180 days notice; have complied with all material terms and

Provision	Article in Franchise Agreement	Summary
d. Termination by you	18	<p>conditions of your current Franchise Agreement; paid all monetary obligations owed to Victory Lane and timely met your obligations to Victory Lane during the term of the Franchise Agreement; agreed in writing to remodel your Franchised Location; have the right to continue to occupy the Franchised Location; be retrained; sign the then-current standard Franchise Agreement; pay the Reacquisition Fee.</p> <p>If Victory Lane violates any material provision, term or condition of the Franchise Agreement, or fails to timely pay any material uncontested obligation due or owing to you. You may terminate the Franchise Agreement on any grounds available by law.</p>
e. Termination by Victory Lane without cause	Not applicable	
f. Termination by Victory Lane with cause	17.1	If you breach the Franchise Agreement.
g. "Cause" defined - defaults which can be cured	17.1	<p>You will have 30 days to cure if you: provide false or incomplete information to Victory Lane; fail to successfully complete training at least 30 days before your required opening date; fail to find a site for your Center within 180 days; fail to open your Center by the required opening date; violate any material provision of the Franchise Agreement; are convicted of or plead guilty or no contest to any law adversely affecting your Victory Lane Center; fail to pay any fees; are deemed to be insolvent; make an assignment for the benefit of creditors; issue any check which is dishonored; abandon the Franchised Location; materially impair the Marks or the Business System; lose possession of the Franchised Location; fail to provide, or permit Victory Lane to audit, your financial records; violate any material provision three or more times during a 12-month period. You have 10 days to cure a failure to pay any fees due to Victory Lane.</p>
h. "Cause" defined - defaults which	17.5	Victory Lane has the right (subject to

Provision	Article in Franchise Agreement	Summary
cannot be cured		applicable state law) to terminate the Franchise Agreement immediately upon notice if you: provide false or incomplete information to Victory Lane; fail to successfully complete training at least 30 days before your required opening date; fail to find a site for your Center within 180 days; fail to open your Center by the required opening date; are convicted of or plead guilty or no contest to any law adversely affecting your Victory Lane Center; are deemed insolvent; make an assignment for the benefit of creditors; abandon the Franchised Location; fail to provide, or permit Victory Lane to audit, your financial records; materially impair the Marks or the Business System, subject to 24 hour cure period; violate any material provision three or more times during a 12 month period.
i. Your obligations on termination or nonrenewal	19	You must pay what you owe under the Franchise Agreement within five days of termination; immediately remove all printed materials for the Center; cease using the Marks and the Business System; alter the appearance of your Franchised Location; transfer your telephone directory listings to Victory Lane.
j. Assignment by Victory Lane	16.1	No restrictions on the right of Victory Lane to assign the Franchise Agreement.
k. "Transfer" by you — definition	16.2, 16.3, 16.4	Includes assignment upon death or disability, sale of ownership interests, and assignment of rights under the Franchise Agreement.
l. Approval of Victory Lane of a transfer by you	16.3	Victory Lane has the right to approve any assignment made by you but will not unreasonably withhold its consent.
m. Conditions for approval by Victory Lane of a transfer by you	16.3	You must provide Victory Lane with 45 days written notice of the assignment; pay all money owed to Victory Lane; agree to observe all applicable provisions of the Franchise Agreement; sign a joint and mutual release between you and Victory Lane; pay the Assignment Fee. The assignee must meet the standards established by Victory Lane for franchisees; sign the required legal

Provision	Article in Franchise Agreement	Summary
		agreements between the assignee and Victory Lane; acquire the right to occupy the Franchised Location; successfully complete training.
n. Right of first refusal of Victory Lane to acquire your business	20	You must offer the Center to Victory Lane if you receive a bona fide offer to purchase.
o. Option of Victory Lane to purchase your business	20	Victory Lane has the option to purchase at the price and terms stated in the offer.
p. Your death or disability	16.2	If you are an individual, your Franchise Agreement may be transferred to your beneficiary without paying an Assignment Fee to Victory Lane, subject to the requirements described in "m" above.
q. Noncompetition covenants during the term of the Franchise Agreement	21.2	You may not participate in any competitive business.
r. Noncompetition covenants after the Franchise Agreement is terminated or expires	21.3	For a period of two years after the termination of your Franchise Agreement, you may not participate in any competitive business that is within 25 miles of the Franchised Location or any other Victory Lane Center, or within any exclusive area granted by Victory Lane.
s. Modification of the agreement	25.6	Only by written agreement between you and Victory Lane.
t. Integration/merger clauses	25.7	The Franchise Agreement constitutes the entire and complete agreement between you and Victory Lane (subject to applicable state law).
u. Dispute resolution by arbitration or mediation	24	Except for certain claims, all disputes must be submitted to binding arbitration.
v. Choice of forum	24.4, 25.9	Michigan (see Notes following chart for state law modifications).
w. Choice of law	29	Governing law will be the laws of the state in which the Franchised Location is located.

This table lists certain important provisions in the Master Franchise Agreement pertaining to termination, transfer and dispute resolution. You should read these provisions in the Master Franchise Agreement attached to this Disclosure Document.

Provision	Article in Master Franchise Agreement	Summary
a. Term of the Master Franchise Agreement	4	10 years
b. Renewal or extension of the term	4	Right to extend for an additional period of 10 years
c. Requirements for you to renew or extend	2.24	You must notify Victory Lane in writing no more than 180 days and no less than 90 ninety days before the expiration of the initial term.
d. Termination by you	Not applicable	You may terminate the Master Franchise Agreement on any grounds available by applicable law.
e. Termination by Victory Lane without cause	Not applicable	
f. Termination by Victory Lane with cause	13.1	If you breach the Master Franchise Agreement.
g. "Cause" defined - defaults which can be cured	13.1	You will have 30 days to cure if you fail to comply with any provision of the Master Franchise Agreement other than those listed in 13.1. You have 10 days to cure a failure to pay any fees due to Victory Lane.
h. "Cause" defined - defaults which cannot be cured	7.5	Victory Lane has the right (subject to applicable state law) to terminate the Master Franchise Agreement immediately upon notice if you: fail to meet the Minimum Development Obligation in the Master Franchise Agreement; attempt a transfer in violation of the Master Franchise Agreement; make a material misrepresentation or omission; fail to complete initial training; are convicted or pleads guilty or no contest to a felony; fail to maintain insurance; engage in dishonest or other conduct which adversely affects Victory Lane; unauthorized use of Confidential Information; failure to timely submit reports; are deemed insolvent; or make an assignment for the benefit of creditors.
i. Your obligations on termination or nonrenewal	13.2	You must cease using our Marks or Confidential Information; return all marketing materials and manual; and permit inspection by Victory Lane of financial records.
j. Assignment by Victory Lane	11.1	No restrictions on the right of Victory Lane to assign the Master Franchise Agreement.

Provision	Article in Master Franchise Agreement	Summary
k. "Transfer" by you – definition	11.2	Includes assignment upon death or disability, sale of ownership interests, and assignment of rights under the Master Franchise Agreement.
l. Approval of Victory Lane of a transfer by you	11.3	Victory Lane has the right to approve any assignment made by you.
m. Conditions for approval by Victory Lane of a transfer by you	11.3	You must agree to observe all applicable provisions of the Master Franchise Agreement; sign a joint and mutual release between you and Victory Lane; pay all amounts owed to Victory Lane. The assignee must meet the standards established by Victory Lane for master franchisees; sign the legal agreements between the assignee and Victory Lane; successfully complete training.
n. Right of first refusal of Victory Lane to acquire your business	11.6	You must offer the Master Franchise Agreement and your ownership interests to Victory Lane if you receive a bona fide offer to purchase.
o. Option of Victory Lane to purchase your business	11.6	Victory Lane has the option to purchase at the price and terms stated in the offer.
p. Your death or disability	11.5	Your executor or personal representative must transfer your interest to a third party. If a trained manager is not running the day-to-day operations, then your executor or personal representative must appoint a manager that Victory Lane approves to run the business.
q. Noncompetition covenants during the term of the Master Franchise Agreement	12.1	You may not participate in any competitive business without Victory Lane's prior written consent.
r. Noncompetition covenants after the Master Franchise Agreement is terminated or expires	12.2	For a period of two years after the termination of the Master Franchise Agreement, you may not participate in any competitive business that is within the Master Franchise Area, within the Master Franchise Area of any other Master Franchisee or within 25 miles of any Victory Lane Centers.
s. Modification of the agreement	15.11	Only by written agreement between you and Victory Lane.
t. Integration/merger clauses	15.11	The Master Franchise Agreement constitutes the entire and complete agreement between you and Victory Lane (subject to applicable state law).
u. Dispute resolution by arbitration or	14	Except for certain claims, all disputes

Provision	Article in Master Franchise Agreement	Summary
mediation		must be submitted to binding arbitration.
v. Choice of form	15.8	Michigan (see Notes following chart for state law modifications).
w. Choice of law	15.7	Except to the extent governed by certain federal law, Michigan

The following states have statutes which may supersede the provisions of your Franchise Agreement or the Master Franchise Agreement in the areas of termination and renewal: Arkansas [Stat. Section 70-807], California [Bus. & Prof Code Sections 20000-20043], Connecticut [Gen. Stat. Section 42-133e, et seq.], Delaware [Code Section 2552], Hawaii [Rev. Stat. Section 482E-1], Illinois [815 ILCS 705/19 and 705/20], Indiana [Stat. Section 23-2-2.7], Michigan [Stat. Section 19.854(27)], Minnesota [Stat. Section 80C.14], Mississippi [Code Section 75-24-51], Missouri [Stat. Section 407.400], Nebraska [Rev. Stat. Section 87-401], New Jersey [Stat. Section 56:10-1], South Dakota [Codified Laws Section 37-5A-51], Virginia [Code 13.1-557-574-13.1-564], Washington [Code Section 19.100.180], Wisconsin [Stat. Section 135.03]. These and other states may have court decisions which may supersede the provisions of the Franchise Agreement or the Master Franchise Agreement in your relationship with Victory Lane.

The Franchise Agreement and the Master Franchise Agreement provide for termination upon your bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101, et seq.).

Note to California franchisees: The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with a copy of this Disclosure Document.

Neither Victory Lane nor any person identified in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a, et seq., suspending or expelling the person from membership in the association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of your franchise. If the Franchise Agreement or the Master Franchise Agreement contain provisions that are inconsistent with the law, the law still controls.

You must sign a joint and mutual release of claims when you 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).

The provisions of the Franchise Agreement or the Master Franchise Agreement containing covenants not to compete which extend beyond their terms may not be enforceable under California law.

California Corporations Code, Section 31125 requires Victory Lane to give you a disclosure document, approved by the California Department of Corporations, before the solicitation of a proposed material modification of your franchise.

The Franchise Agreement and the Master Franchise Agreement require binding arbitration in Ann Arbor, Michigan. You will bear the costs of the arbitration if Victory Lane prevails. You 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 the Franchise Agreement or the Master Franchise Agreement restricting venue to a forum outside the State of California. The provisions of the Franchise Agreement or the Master Franchise Agreement requiring jurisdiction and venue in Michigan may not be enforceable under California law.

Note to Illinois franchisees: The Franchise Agreement and the Master Franchise Agreement will be governed by Illinois law, including the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1-44 (the "Illinois Act"). Section 4 of the Illinois Act provides that the provisions of the Franchise Agreement and the Master Franchise Agreement which designate jurisdiction or venue in a forum outside of Illinois are void. However, the Franchise Agreement and the Master Franchise Agreement may provide for arbitration in Michigan. Section 41 of the Illinois Act provides that any condition, stipulation or provision purporting to require you to waive compliance with the Illinois Act or any other Illinois law is void. However, you can enter into a settlement agreement, execute a general release of a potential or actual lawsuit, and arbitrate any claim.

Note to Indiana franchisees: The scope of the joint and mutual release executed by you as a condition of assignment of the franchised business will be limited by applicable law. Indiana Code Section 23-2-2.7-1(9) requires that the post termination noncompetition covenant be limited to within your exclusive territory. Under Indiana law, you do not waive any right afforded by Indiana statutes based upon representations made by Victory Lane. Indiana Code Section 23-2-2.7-1(10) requires that litigation between you and Victory Lane will be conducted in Indiana or at a site mutually agreed upon by the parties.

Note to Maryland franchisees: The Uniform Consent to Service of Process which Victory Lane must file to comply with the Maryland Franchise Registration and Disclosure Law (the "Maryland Law") requires that Victory Lane be available for suit in Maryland. You may sue Victory Lane in Maryland for violations of the Maryland Law. Section 14-226 of the Maryland Law prohibits Victory Lane from requiring you to assent to any release, estoppel or waiver of liability under the Maryland Law as a condition of purchasing a franchise. Nothing in this Disclosure Document, the Franchise Agreement or the Master Franchise Agreement will act as a release, estoppel or waiver of any liability under the Maryland Law.

Note to Minnesota franchisees: The scope of the joint and mutual release executed by you as a condition of assignment of the franchised business will be limited by applicable law. Victory Lane will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of your franchise. Minn. Rule 2860.4400D prohibits Victory Lane from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minn. Stat. Secs. 80C.01 to 80C.22. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J provide that provisions of the Franchise Agreement or the Master Franchise Agreement which designate jurisdiction or venue outside of Minnesota are unenforceable, and further provide that no provision of this Disclosure Document, the Franchise Agreement or the Master Franchise Agreement can abrogate or reduce any of the rights as provided for under Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedy provided for by the laws of Minnesota.

Note to New York franchisees: The joint and mutual release signed by you when you transfer the franchised business to third party will not waive any right enjoyed by you or any cause of action arising

in your favor under the laws of the State of New York and the regulations issued under New York law. Modifications to the Operations Manual by Victory Lane will not unreasonably increase your obligations or place an excessive economic burden on your operations. If Victory Lane assigns the Franchise Agreement or the Master Franchise Agreement, the assignee must perform all of Victory Lane's obligations under the agreements.

Note to North Dakota franchisees: The scope of the joint and mutual release executed by you as a condition of assignment of the franchised business will be limited by applicable law. Covenants not to compete are generally unenforceable in North Dakota, except in limited circumstances provided by law.

The North Dakota Securities Commissioner has held that requiring you to consent to the jurisdiction of courts outside of North Dakota is unenforceable. Arbitration hearings will be held in the State of North Dakota or a place mutually agreed upon by the parties at the time of the arbitration. Provisions of the Franchise Agreement or the Master Franchise Agreement which limit the statute of limitations period for claims under the North Dakota Franchise Investment Law (the "North Dakota Law") or rights or remedies under the North Dakota Law, such as the right to recover exemplary or punitive damages or the right to a jury trial, may be unenforceable in North Dakota.

Note to Rhode Island franchisees: Sec. 19-28.1-14 of the Rhode Island Franchise Investment Act provides that any provision of the Franchise Agreement or the Master Franchise Agreement which restricts jurisdiction or venue to a forum outside Rhode Island is void for a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Note to South Dakota franchisees: Covenants not to compete are generally unenforceable in South Dakota, except in limited circumstances provided by law. Any provision of the Franchise Agreement or the Master Franchise Agreement which designates jurisdiction or venue outside South Dakota or requires jurisdiction or venue in a forum outside of South Dakota is void if the cause of action is otherwise enforceable in South Dakota.

Note to Washington franchisees: If there is a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the "Washington Act"), will prevail. A release or waiver of rights executed by you will not include rights under the Washington 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 Washington Act, rights or remedies under the Washington Act such as a right to a jury trial may not be enforceable. Assignment fees are collectable to the extent that they reflect Victory Lane's reasonable estimated or actual costs in effecting an assignment. In any arbitration involving a franchise purchased in Washington, the arbitration site will be either in the State of Washington, in a place mutually agreed upon at the time of the arbitration, or as determined by the Arbitrators.

18. PUBLIC FIGURES

Victory Lane does not use any public figure to promote its franchise. No public figure is involved in the management of Victory Lane.

19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance

information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make 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 our management by contacting Dertick Oxender, Victory Lane Quick Oil Change, Inc., 405 Little Lake Drive, Ann Arbor, Michigan, 48103, (734)996-1196, the Federal Trade Commission and any appropriate state regulatory agency.

20. OUTLETS AND FRANCHISEE INFORMATION

As of June 30, 2007, there were 34 franchised Victory Lane Centers in operation, and eight franchised locations that were not yet operational. See Exhibit A for a list of the names, addresses and telephone numbers of the franchised Victory Lane Centers and the Area Franchisees.

The following chart shows the status of the operational franchised Victory Lane Centers:

Table No. 1
Systemwide Outlet Summary
For Years 2005 to 2007

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2005	27	30	3
	2006	30	35	5
	2007	35	42	7
Company-Owned	2005	5	6	1
	2006	6	5	-1
	2007	5	5	0
Total Outlets	2005	32	36	4
	2006	36	40	4
	2007	40	47	7

Table No. 2 Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor)
For Years 2005 to 2007

Column 1 State	Column 2 Year	Column 3 Number of Transfers
CALIFORNIA	2005	0
	2006	0
	2007	0
ILLINOIS	2005	0
	2006	0
	2007	0
INDIANA	2005	0
	2006	0
	2007	0
KENTUCKY	2005	0
	2006	0
	2007	0
MAINE	2005	0
	2006	0
	2007	0
MICHIGAN	2005	2
	2006	2
	2007	2
MINNESOTA	2005	0
	2006	0
	2007	0
NORTH CAROLINA	2005	0
	2006	0
	2007	0
NEW JERSEY	2005	0
	2006	0
	2007	0
OHIO	2005	0
	2006	0
	2007	0

OKLAHOMA	2005	0
	2006	0
	2007	0
TENNESSEE	2005	0
	2006	0
	2007	0
VIRGINIA	2005	0
	2006	0
	2007	0
Total	2005	2
	2006	2
	2007	2

Table No. 3
 Status of Franchised Outlets
 For Years 2005 to 2007*

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations Other Reasons	Column 9 Outlets at End of the Year
CALIFORNIA	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
ILLINOIS	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	1	0	0	0	0	1
INDIANA	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
KENTUCKY	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	1
MAINE	2005	0	1	0	0	0	0	1
	2006	1	0	0	0	0	0	1
	2007	1	1	0	0	0	0	2
MICHIGAN	2005	23	1	0	0	0	0	24
	2006	24	2	0	0	0	0	26
	2007	26	2	0	0	0	2	26
MINNESOTA	2005	0	0	0	0	0	0	0
	2006	0	1	0	0	0	0	1
	2007	1	0	0	0	0	0	1
NORTH CAROLINA	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
NEW JERSEY	2005	0	0	0	0	0	0	0

	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
OHIO	2005	2	0	0	0	0	0	2
	2006	2	0	0	0	0	0	2
	2007	2	0	0	0	0	0	2
OKLAHOMA	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
TENNESSEE	2005	5	0	0	0	0	0	5
	2006	5	0	0	0	0	1	4
	2007	4	0	0	0	0	1	3
VIRGINIA	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
WISCONSIN	2005	0	0	0	0	0	0	0
	2006	0	0	0	0	0	0	0
	2007	0	0	0	0	0	0	0
Total	2005	30	2	0	0	0	0	32
	2006	32	3	0	0	0	1	34
	2007	34	4	0	0	0	3	36

Table No. 4
 Status of Company-Owned Outlets
 For Years 2005 to 2007

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
MICHIGAN	2005	5	0	0	0	0	5
	2006	5	1	0	0	1	5
	2007	5	0	0	0	0	5
Total	2005	5	0	0	0	0	5
	2006	5	1	0	0	1	5
	2007	5	0	0	0	0	5

Table No. 5 Projected Openings for Upcoming Fiscal Year

Column 1 State	Column 2 Franchised Agreements Signed But Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected Company-Owned Outlets in the Current Fiscal Year
CALIFORNIA	1	1	0
ILLINOIS	2	2	0
INDIANA	1	1	0
KENTUCKY	1	1	0
MAINE	0	0	0
MICHIGAN	1	2	0
MINNESOTA	1	1	0
NORTH CAROLINA	1	1	0
NEW JERSEY	1	1	0
OHIO	0	0	0
OKLAHOMA	1	1	0
TENNESSEE	0	0	0
VIRGINIA	1	1	0
Total	11	12	0

Exhibit A lists the names of all of our operating franchisees and the addresses and telephone numbers of their Centers as of May 15, 2008. Exhibit A also lists the franchises who have signed Franchise Agreements for Centers which are not yet operational as of May 15, 2008. Below is a list of every franchisee who had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Steve McCoy
16500 Silver Parkway
Fenton, Michigan 48430

Rory and Jolanda O'More
1055 Harbor Crest Drive
Sodoy Daisy, Tennessee 37379

Michael Zsenyak
2900 East Michigan Avenue
Jackson, Michigan 49202

Andy and Gordon Fish
11547 South M-50
Brooklyn, Michigan 49230

Kevin and Karen Prohaska
703 South Lafayette
South Lyon, Michigan 48189

Scott Seymour and Ken Urban
16500 Silver Parkway
Fenton, Michigan 48430

Mike Bazzi
903 Ann Arbor Road
Plymouth, Michigan 48170

During the last 3 fiscal years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us.

21. FINANCIAL STATEMENTS

Attached as Exhibit B are the audited Financial Statements for Victory Lane as of June 30, 2007 and 2006 and unaudited statements for the year ended June 30, 2008 and 2007. Also attached are audited Financial Statements for Victory Lane as of June 30, 2006, 2005, and 2004. 2008, 2007, and 2006.

22. CONTRACTS

Exhibit C is the Franchise Agreement. Exhibit D is the Addendum to Franchise Agreement for Conversions. Exhibit E is the Master Franchise Agreement.

23. RECEIPT

The last page of this Disclosure Document is a detachable Receipt.

**ADDENDUM TO
VICTORY LANE QUICK OIL CHANGE, INC.
DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

Item 5 and Item 21 of the Disclosure Document are amended by the addition of the following language:

The Minnesota Department of Commerce has determined that, based upon Victory Lane's financial condition, Victory Lane must demonstrate that adequate financial arrangements have been made to fulfill its obligations to provide goods and services for the establishment and opening of the franchises being offered in this Disclosure Document. As a consequence, Victory Lane has posted and filed with the Minnesota Department of Commerce a Surety Bond in the amount of \$30,000. The Surety Bond was issued by a corporate surety authorized to transact business in Minnesota, and is conditioned upon the performance by Victory Lane of its obligations under the Franchise Agreement to furnish goods and services necessary to establish and open the franchised businesses and upon Victory Lane's compliance with Minnesota Statutes, Chapter 80C.

**ADDENDUM TO
VICTORY LANE QUICK OIL CHANGE, INC.
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

Item 3 of this Disclosure Document is hereby amended by the addition of the following language:

Except as set forth in Item 3 of this Disclosure Document, Victory Lane Quick Oil Change, Inc., any predecessor and the individuals identified in Item 2 of this Disclosure Document (a) do not have any pending administrative, criminal or civil action alleging a felony, a violation of a franchise, antitrust or securities law, or fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations, or other than routine litigation incidental to the business of Victory Lane Quick Oil Change, Inc.'s which is significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations; (b) have not been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten- year period immediately preceding the application for registration, been convicted of or pleaded nolo contendere to a misdemeanor charge or been the subject of a civil action alleging violation of a franchise, antifraud or securities law, or fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations; (c) are not 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 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 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.

Item 4 of this Disclosure Document is hereby amended by the addition of the following language:

Except as set forth in Item 4 of this Disclosure Document, during the ten year period immediately preceding the date of this Disclosure Document, neither Victory Lane Quick Oil Change, Inc.'s nor any predecessor, officer or general partner of Victory Lane Quick Oil Change, Inc.'s has (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 one year after the officer or general partner of Victory Lane Quick Oil Change, Inc.'s held this position in the company or partnership.

AAALIB:524741-252411149134091-00002

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT A: LIST OF FRANCHISEES

EXHIBIT A

LIST OF VICTORY LANE QUICK OIL CHANGE, INC.
FRANCHISEES AS OF JUNE 30, 2007

California

Richard Brown (1)
Richard Tucker
24130 Sorrel Ct.
Tehachapi, CA 93561
(661) 821-5420

Illinois:

Raj Patel
3033 W. 147th Street
Posen, IL 60469
(708) 293-0891

Ashvin and Priti Patel (1)
25855 Tahoe Court
Mundelein, IL 60060
(847) 255-6525

Samir Meshil (1)
1060 Ash Road
Hoffman Estate, IL 60169
(847) 255-3525

Indiana:

Dave Highland (1)
4012 South Derby Drive
Bloomington, IN 47410
(812) 345-9163

Kentucky:

Wes Feaster (1)
2720 Red Leaf Drive
Lexington, KY 40509
(859) 523-9315

Maine:

Tom Benway
895 Sabattus Street
Lewiston, ME 04240
(207) 795-8888

Toni Benway
12 Frosthill Avenue
Lisbon Falls, ME 04252
(207) 353-7455

Tom Benway
828 Minoi Ave.
Auburn, ME 04210
(207) 795-6666

Michigan:

Andy and Merri Kokinakes
1305 North Monroe Street
Monroe, MI 48161
(734) 241-2100

John and Bob Fillion
Brad Cohoon
1910 North Cedar
Holt, MI 48842
(517) 699-5880

Andy and Merri Kokinakes
Steve McCoy
1001 East U.S. 223
Adrian, MI 49221
(517) 263-1447

Vasily Elkin and Eugene Poplavsky
37751 West 12 Mile
Farmington Hills, MI 48336
(248) 848-9423

Andy and Merri Kokinakes
7166 Lewis
Temperance, MI 48182
(734) 847-7777

Tim and Jenny Ciaus
10300 Highland Road
White Lake, MI 48386
(248) 698-2410

Andy and Merri Kokinakes
626 South Telegraph Road
Monroe, MI 48161
(734) 243-2323

Sean Haas
16500 Silver Parkway
Fenton, MI 48430
(810) 750-4981

Ronald and Diane Stachnik
2411 South Airport Road
Traverse City, MI 49684
(231) 941-5142

Steve McCoy
1235 East Commerce Road
Milford, MI 48381
(248) 684-7978

Eric Hennebury
634 Laurence Avenue
Jackson, MI 49202
(517) 789-8388

Ron & Maurice Mercier
32 South Piatt Road
Milan, MI 48160
(734) 439-1111

Ted and Maritza Oxender
9957 East Grand River
Brighton, MI 48116
(810) 229-0313

Sam and Dwight Thomas
12560 Woodward
Highland Park, MI 48203
(313) 867-7299

Eric Hennebury
1260 West Parnall Road
Jackson, MI 49201
(517) 768-9005

Mike Dudek
P.O. Box 155
Hamburg, MI 48139
(810) 231-8700

Hasan Sharara
2216 East Ellsworth Road
Ypsilanti, MI 48197
(734) 572-0590

Sam Bazzi
211 West Michigan Avenue
Sahne, MI 48176
(734) 944-1001

Gary and Ron Michalak
1175 South Pinckney Road
Howell, MI 48843-2642
(517) 548-5400

Charles Moses (1)
5650 Cribbins Rd.
Clyde, MI 48049
(810) 531-7907

Dennis Lazorka
5794 North Canton Center Road
Canton, MI 48187-2669
(734) 455-5546

Doug Robinson
227 North Pontiac Trail
Walled Lake, MI 48390
(248) 669-6565

Sieve McCoy
3066 Washtenaw Avenue
Ypsilanti, MI 48197
(734) 434-7722

Ted & Maritza Oxender
51300 West Huron River Drive
Belleville, MI 48111
(734) 480-4400

Minnesota:

Mick Ruffini
38844 14th Avenue
North Branch, MN 55056
(651) 277-1000

Kevin Haseltine (1)
42591 Blackhawk Rd.
Harris, MN 55032

New Jersey

Emil Marone (1)
3 Ahze Drive
Kinnelon, NJ 07405

North Carolina

Tom Schmidt (1)
2517 Huntsman Trail
Zebulon, NC 27597

(919) 269-0734

Ohio:

Ken and Dave Miller
10300 Northfield Road
Northfield, OH 44067
(330) 467-1883

Wayde Jenkins
Brian Pavia
4300 Monticello Road
South Euclid, OH 44121-2817
(216) 291-0609

Tennessee:

Chris Coleman
George and Wade Wright
14930 U.S. Highway 27
Sale Creek, TN 37373
(423) 332-3000

Carl, Bill and Kristin Miller
P.O. Box 1912
Kingsport, TN 37662
(423)245-4540

Brad and Sara Weaver
900 Signal Mountain Road
Chattanooga, TN 37405
(423) 634-1999

Robert Lloyd (1)
2610 North Roan Street
Johnson City, TN 37601-1708
(423) 239-5573

Dan Gibbs
9126 Pleasant Lane
Ooltewah, TN 37363
(723) 238-6309

Jim and Joan Wagner
121 West Macon Lane
Seymour, TN 37865
(865) 609-9515

Virginia

Brian Grassmyer (1)
2705 Rx Lane
Virginia Beach, VA 23456
(757) 650-3607

LIST OF AREA/MASTER FRANCHISEES

Sam Thomas (Area)
12560 Woodward
Highland Park, MI 48203
(313) 867-1559

Dr. Charles Sanders (Area)
4511 Hixson Pike
Hixson, TN 37343
(423) 870-3742

Jim Hardek (Area)
JCH Services LLC
1636 North Wells 1815

Mick Ruffini (Area)
1941 Oak Glen Lane
Stillwater, MN 55082

Chicago, IL 60614
(312) 787-0419

(651) 351-0178

Tom Benway (Area)
517 Bailey Hill Road
Poland, ME 04274
(207) 998-2055

Ed Chamberlain (Master)
1611 South Utica # 163
Tulsa, OK 74104

Tena Chamberlain (Master)
12335 Kingsride Lane # 104
Houston, TX 77204

Footnote:

(1) Not yet operational as of June 30, 2007

AALIB:500872.5\134091-00002

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B: FINANCIAL STATEMENTS

Financial Statements

Victory Lane Quick Oil Change, Inc.

June 30, 2008 and 2007

With Independent Auditors' Report

This financial statement was
not part of our prior
submission.

Table of Contents

	<u>Page</u>
Independent Auditors' Report on Financial Statements	1
Financial Statements:	
Balance Sheet	2 - 3
Statements of Income and Accumulated Deficit	4
Statements of Cash Flows	5
Notes to Financial Statements	6-12

STEFFORIA & ASSOCIATES, P.C.
Certified Public Accountants

2144 S. State Street, Suite D
Ann Arbor, Michigan 48104
(734) 747-8863

Independent Auditors' Report

To the Board of Directors and Stockholders
Victory Lane Quick Oil Change, Inc.

We have audited the accompanying balance sheet of Victory Lane Quick Oil Change, Inc. as of June 30, 2008 and the related statements of income and accumulated deficit and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Victory Lane Quick Oil Change, Inc. as of June 30, 2007 were audited by other auditors, whose report dated September 7, 2007, on those statements was qualified because of the departure from generally accepted accounting principles described in the third paragraph.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As more fully discussed in Note 12 to the financial statements, the Company has chosen to exclude from the financial statements the effects of FASB Interpretation No. 46, *Consolidation of Variable Interest Entities* that in our opinion, should be included in order to conform with accounting principles generally accepted in the United States. If the interpretation had been followed for the periods presented, assets would increase by approximately \$5,266,542 and \$6,208,000 respectively; liabilities would increase by approximately \$5,695,138 and \$6,437,000 respectively; and net income would decrease by approximately \$86,000 and \$1,000 respectively.

In our opinion, except for the effects explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Victory Lane Quick Oil Change, Inc. as of June 30, 2008 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Stefforia & Associates, P.C.

September 17, 2008

Victory Lane Quick Oil Change, Inc.
 Balance Sheets
 June 30, 2008 and 2007

	<u>Assets</u>	<u>2008</u>	<u>2007</u>
Current assets			
Cash and cash equivalents		\$ 11,508	\$ 30,921
Accounts receivable-Trade (net of allowance for doubtful accounts of \$3,000 and \$9,000 respectively)		31,537	59,354
Accounts receivable - Related party		179,469	121,063
Inventory		37,814	25,863
Prepaid Expenses		17,480	28,003
Notes receivable - current		<u>13,600</u>	<u>33,810</u>
Total current assets		291,408	299,014
Property and equipment:			
Less: Accumulated depreciation		<u>(592,390)</u>	<u>(688,602)</u>
Net property and equipment		288,715	200,885
Other assets			
Notes receivable - long term portion		198,179	164,053
Notes receivable - shareholders		176,868	53,780
Accrued interest receivable - shareholders		6,163	-
Deferred taxes		-	50,143
Deposits		<u>5,103</u>	<u>5,103</u>
Total other assets		386,313	273,079
Total Assets		<u>\$ 966,436</u>	<u>\$ 772,978</u>

See Independent Auditors' Report and Notes to Financial Statements

Victory Lane Quick Oil Change, Inc.
Balance Sheets
June 30, 2008 and 2007

<u>Liabilities and Shareholders' Equity</u>	<u>2008</u>	<u>2007</u>
Current liabilities		
Accounts payable	\$ 407,048	\$ 253,536
Accounts payable - related party	84,499	50,124
Deferred franchise fees	33,500	29,000
Accrued expenses	29,605	22,352
Current portion of long-term debt	45,175	78,402
Current portion of capital lease payable	<u>27,337</u>	<u>67,027</u>
Total current liabilities	627,164	500,441
Long-term liabilities		
Deferred income taxes	7,536	-
Capital lease payable net of current portion	<u>32,764</u>	<u>61,876</u>
Total long-term liabilities	<u>40,300</u>	<u>61,876</u>
Total liabilities	<u>667,464</u>	<u>562,317</u>
Stockholders' equity		
Common stock - \$10 par; 100 shares authorized; 80 shares issued and outstanding	800	800
Additional paid-in capital	331,897	331,897
Accumulated deficit	<u>(33,725)</u>	<u>(122,036)</u>
Total shareholders' equity	<u>298,972</u>	<u>210,661</u>
Total liabilities and shareholders' equity	<u>\$ 966,436</u>	<u>\$ 772,978</u>

See Independent Auditors' Report and Notes to Financial Statements

Victory Lane Quick Oil Change, Inc.
 Statements of Income and Accumulated Deficit
 For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Sales	\$ 1,201,312	\$ 1,355,069
Cost of Sales	<u>(601,156)</u>	<u>(649,757)</u>
Gross Profit	<u>600,156</u>	<u>705,312</u>
Other Operating Revenue		
Franchise Fees	279,500	263,500
Royalty and Advertising Revenue	<u>727,727</u>	<u>790,029</u>
Total Other Operating Revenue	<u>1,007,227</u>	<u>1,053,529</u>
Net Operating Revenue	1,607,383	1,758,841
Selling, General and Administrative Expenses	<u>1,784,658</u>	<u>1,701,062</u>
Operating Income (Loss)	<u>(177,275)</u>	<u>57,779</u>
Other Income (Expense)		
Interest Expense	(39,852)	(29,695)
Other Income	24,409	20,703
Gain on Sale of Assets	338,708	-
Other Expense	-	-
Total Other Income (Expense)	<u>323,265</u>	<u>(8,992)</u>
Net Income (Loss) Before Taxes	145,990	48,787
Federal Income (Tax) Benefit	<u>(57,679)</u>	<u>(16,826)</u>
Net Income (Loss)	88,311	31,961
Accumulated Deficit - Beginning of year	(122,036)	(153,997)
Accumulated Deficit - End of year	<u>\$ (33,725)</u>	<u>\$ (122,036)</u>

See Independent Auditors' Report and Notes to Financial Statements

Victory Lane Quick Oil Change, Inc.
 Statements of Cash Flows
 For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net Income	\$ 88,311	\$ 31,961
Adjustments to reconcile net income provided by (used in) operating activities:		
Depreciation	49,234	69,491
Net gain on sale of assets	(338,708)	0
Deferred income taxes	57,679	16,826
Change in operating assets and liabilities:		
Accounts receivable	27,817	(55,383)
Inventory	(11,951)	24,129
Prepaid expenses	10,523	1,953
Accounts payable	153,512	(153,684)
Accrued liabilities	11,753	(47,274)
Net cash provided by (used in) operating activities	<u>48,170</u>	<u>(111,981)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(18,509)	(18,486)
Proceeds from sale of assets	23,221	-
Payments received on notes receivable	9,816	168,449
Net cash provided by (used in) investing activities	<u>14,528</u>	<u>149,963</u>
Cash flows from financing activities:		
Increase (decrease) in additional paid-in capital	-	75,000
Net advances to related parties	(145,766)	-
Proceeds from capital leases	-	6,011
Proceeds from notes payable	49,615	-
Repayments of notes payable	82,842	(33,255)
Repayments of capital leases	(68,802)	(72,817)
Net cash provided by (used in) financing activities	<u>(82,111)</u>	<u>(25,061)</u>
Net increase (decrease) in cash and cash equivalents	(19,413)	12,921
Cash and cash equivalents - beginning of year	<u>30,921</u>	<u>18,000</u>
Cash and cash equivalents - end of year	<u>\$ 11,508</u>	<u>\$ 30,921</u>
Supplemental disclosures of cash flow information:		
Interest paid during the year	<u>\$ 39,852</u>	<u>\$ 29,695</u>

See Independent Auditors' Report and Notes to Financial Statements

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

1. Nature of business

Victory Lane Quick Oil Change, Inc. (the Company) is the franchiser of Victory Lane Quick Oil Change retail stores which offers oil change and car washes. The Company also operates three oil change and two car wash locations. Two of the franchised outlets are companies under common control with the Company.

2. Significant accounting policies

Cash and cash equivalents:

The Company considers all financial instruments with an original maturity period of less than three months to be cash equivalents. The Company's cash consisted of cash on hand and checking accounts.

Accounts receivable:

The Company uses the allowance method to account for uncollectible accounts receivable and considers amounts past due after 30 days. Management regularly reviews the collection history of its accounts receivable balances with particular attention given to those accounts greater than 90 days old. Based on management's review as of June 30, 2008, and 2007 the allowance for doubtful accounts was \$9,000 and \$3,000 respectively.

Inventory:

Inventory consists primarily of oil and filters and is stated at the lower of cost or market, determined by the first-in (FIFO) method.

Property and Equipment:

Property and equipment are stated at cost less accumulated depreciation and include expenditures that substantially increase the useful lives of existing property and equipment. Maintenance, repairs and minor renovations are charged to expense as incurred. The Company provides for depreciation on property and equipment using straight-line and accelerated methods based on the following useful lives:

Equipment and Furniture	5 - 7 years
Leasehold improvements	5 - 30 years

Franchise fee revenue recognition:

Franchise fee revenue is recognized as income when the Company has performed substantially all services required by the franchise agreement. Franchise fees are generally nonrefundable without specific approval from the Company. During the year ending June 30, 2008 the Company sold seven store franchises. During 2007 the Company sold three store franchises and one area franchise. The Company had 32 franchise outlets opened and operating as of June 30, 2008.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

2. Significant accounting policies -- (continued)

Advertising:

The Company's policy is to expense advertising costs as the costs are incurred. Total advertising costs charged to expense for the year ended June 30, 2008 and 2007 totaled \$72,093 and \$48,043, respectively.

3. Property and Equipment

At June 30, 2008 and 2007, the Company had the following property and equipment:

	<u>2008</u>	<u>2007</u>
Equipment, tools and signs	\$530,772	\$505,577
Office furniture and equipment	225,696	234,323
Leasehold improvements	124,637	122,130
Transportation and equipment	-	27,457
	<u> </u>	<u> </u>
Total cost	\$81,105	\$89,487
Less: accumulated depreciation	<u>592,390</u>	<u>688,602</u>
Net carrying amount	<u>\$288,715</u>	<u>\$200,885</u>

During the year ended June 30, 2008, a franchisee who had bought a Company location in a prior year surrendered the assets of that location to the Company in settlement of the outstanding loan due from the franchisee. The balance of the Note prior to the surrender was \$168,047. The value of the assets received from the franchisee in payment of the Note are valued by the Company at \$130,000. Accordingly, \$38,047 has been recorded as a loss on the investment in the Note.

4. Notes Receivable

Notes receivable at June 30, 2008 and 2007 consisted of the following:

	<u>2008</u>	<u>2007</u>
Notes receivable from a franchisee, bearing ten percent interest, payable in monthly installments of \$1,388 including interest, collateralized by substantially all of the franchisee's assets, maturing April 2008	\$ -	\$ 13,637
Notes receivable from a terminated franchisee, bearing seven percent interest, payable in monthly installments of \$848 including interest, secured by a consent judgment with the U.S. District court	-	4,166
Notes receivable from a franchisee, bearing eight percent interest, payable in monthly installments of \$2,500 including interest, secured by all of the franchisee's assets. Defaulted in February 2008, with Company taking back assets. See Note 3.	-	180,060

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

4. Notes Receivable – (continued)

	<u>2008</u>	<u>2007</u>
Note receivable from a franchisee for the sale of a Company owned location. Payable in monthly installments of \$2,500 including interest at 8%. The Note is secured by the equipment and goodwill associated with this sale.	211,779	-
Total	211,779	197,683
Less: current portion	13,600	33,810
Long-term notes receivable	\$198,179	\$164,053

All notes receivable are due from entities located in the State of Michigan.

5. Related Party Transactions

The Company leases its office facilities and its operating locations from related parties. During the years ended June 30, 2008 and 2007 the Company incurred rent expense to the related parties of \$456,657 and \$439,356, respectively.

Additionally, the Company had borrowed from and loaned to various related parties amounts of money. These advances are unsecured, bear no interest and are unsecured. At June 30, 2008 and 2007 the amount due from related parties was \$179,469 and \$121,063, respectively. Amounts due to related parties as of June 30, 2008 and 2007 were \$84,499 and \$50,124, respectively.

Not included in the above are amounts due from the shareholders of the Company. The loans to the shareholders are unsecured, bear interest at 7% and are unsecured. The outstanding balance of this loan at June 30, 2008 and 2007 was \$176,868 and \$53,780, respectively. Interest income accrued and unpaid on the loan for the year ended June 30, 2008 was \$6,164.

6 Long-term Debt

Long-term debt as of June 30, 2008 and 2007 consists of the following:

	<u>2008</u>	<u>2007</u>
Note payable to a bank, bearing interest at 7.8 percent, payable in monthly installments of \$1,858 including interest, collateralized by substantially all assets of the company and a personal guarantee by the stockholders, matured May 2008.	\$ -	\$ 25,127

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

6. Long-term Debt -- (continued):

	<u>2008</u>	<u>2007</u>
Non-interest bearing note payable to a financial institution payable in monthly installments of \$458, collateralized by specific transportation equipment, matured February 2008.	-	3,661
Line of credit payable to the bank, bearing interest at 9.25 percent, interest only payments due monthly, collateralized by all assets of the company and a personal guarantee by the stockholders, matured January 2008.	-	49,614
Note payable to a bank, bearing interest at 8.25 percent, payable in monthly installments of \$1,015 including interest, collateralized by substantially all assets of the Company and a personal guarantee by the stockholders, maturing in December 2008.	\$ 45,175	\$ -
	\$ 45,175	\$ 78,402
Total	\$ 45,175	\$ 78,402
Less current portion	45,175	78,402
Long-term portion:	\$ -	\$ -

7. Income taxes

The Company accounts for income taxes using the asset and liability method, under which deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory rates applicable to future years to differences between financial statement amounts and the tax basis of existing assets. The provision for income taxes consists of the following:

	<u>2008</u>	<u>2007</u>
Current expense	\$ 7,235	\$ -
Deferred expense (recovery)	<u>50,444</u>	<u>16,826</u>
Income tax expense (recovery)	<u>\$ 57,679</u>	<u>\$ 16,826</u>

The details of the net deferred tax asset are as follows:

	<u>2008</u>	<u>2007</u>
Deferred tax asset:		
Net operating loss	\$ 34,725	\$ 50,132
Property and equipment	<u>-</u>	<u>134,437</u>
Total deferred asset:	34,725	184,569

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

7. Income taxes (continued)

	<u>2008</u>	<u>2007</u>
Deferred tax liability:		
Deferred gain – installment contract	(35,181)	-
Property and equipment	<u>(7,080)</u>	<u>(134,426)</u>
Total deferred liability	<u>(42,261)</u>	<u>(134,426)</u>
Net deferred asset (liability)	<u>\$ (7,536)</u>	<u>\$ 50,143</u>

There was no valuation allowance recognized for deferred tax assets for either June 30, 2008 or 2007. The Company has a net operating loss carryforward of approximately \$86,000 to offset future taxable income. The net operating loss carry forward expires through 2025. The Company has a \$10,312 Alternative Minimum Tax Credit available indefinitely to reduce future regular taxes.

The Company has adopted FASB Interpretation No. 48 *Accounting for Uncertainty in Income Taxes*, on July 1, 2007. The Company has evaluated its tax positions and has determined that no liability for unrecognized tax benefits need be recorded.

During 2008 and 2007 the Company recognized no interest or penalties relating to income tax matters. As of June 30, 2008 and 2007 the Company has accrued no interest or penalties. Tax years 2003, 2004, 2005, and 2006 remain open for examination by taxing authorities. Currently the Company is not under examination by any taxing authority.

8. Capital Leases

The Company has entered into capital leases for car wash equipment, oil change equipment and leasehold improvements, personally guaranteed by the stock holders and expiring through July 2010. The future minimum lease payments under the capital leases are as follows:

2009	\$ 34,293
2010	<u>34,139</u>
Total minimum lease payments	68,432
Less: amount representing interest	<u>8,331</u>
Present value of minimum lease payments	<u>\$ 60,101</u>

9. Operating Leases

The Company leases its office location from the stockholders under a lease expiring December 2010. In addition, the Company rents store locations from the stockholders under various long-term leases with monthly rental payments ranging from \$5,150 to \$6,719. As of June 30, 2008, four company owned locations were under long-term lease agreements with the stockholders. Total related party rent expense was approximately \$456,656 and \$439,000 for the years ended June 30, 2008 and 2007 respectively.

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

9. Operating Leases (continued):

The Company also leases two automobiles and various equipment under operating leases expiring at various dates throughout March 2010. Rental expense under these leases was approximately \$11,985 and \$20,390 for the years ended June 30, 2008 and 2007 respectively.

Future minimum lease payments under non-cancelable leases are as follows:

2009	\$ 351,059
2010	353,416
2011	177,957

10. Employee Benefit Plans

401(k) Plan (Defined Contribution):

The Company has established a 401(k) retirement plan covering substantially all employees. The company made no discretionary matching contributions during 2008 and 2007.

Profit-sharing Plan:

The Company has a profit-sharing plan for eligible employees. Employees are eligible after they have attained the age of 21 and have completed one year of service. Contributions to this plan are made at the discretion of the Company's Board of Directors. The Company did not make a contribution to this plan during 2008 and 2007.

11. Guaranteed Indebtedness of Others

The Company has guaranteed a mortgage of the stockholders. Although the mortgage is collateralized by the mortgaged property, in the event of default by the stockholders, the Company could be obligated to pay the full amount outstanding on this loan. As of June 30, 2008 and 2007 the maximum potential future payments under this guarantee are approximately \$711,847 and \$764,000, respectively, and are due at various dates through May 2010. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the related party; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee.

12. Contingencies:

The Company has asserted a claim against a franchisee for breach of their franchise agreement. The franchisee has asserted a counterclaim against the Company alleging that the Company failed to act in good faith as stipulated in the franchise agreement. The Company plans to vigorously prosecute their claim and defend against the counter claim. Further, Company's legal counsel believes that the Company has a good chance of prevailing in the claims brought by the party.

In a separate action the Company has been named as a defendant in a claim asserted by former employees of a franchisee that allege the Company discriminated against them and caused them to be terminated from the employment of the franchisee or perpetuated a discriminatory environment at the facility that caused certain plaintiffs to leave the employment of the franchisee. The Company

Victory Lane Quick Oil Change, Inc.
Notes to Financial Statements
June 30, 2008 and 2007

12. Contingencies (continued):

plans to vigorously defend against this claim and the Company's legal counsel believes that the Company has a good chance of prevailing in the claims brought by the party

13. FASB Interpretation No. 46 R GAAP Departure:

As discussed in the audit report, the Company elected not to apply FASB Interpretation 46 R, *Consolidation of Variable Interest Entities*. This pronouncement requires consolidated reporting for related entities that are deemed to be variable interest entities. During 2007 and 2008, the facility occupied by the Company and facilities owned by Company owned stores met the requirements to be classified as variable interest entities. Management elected not to consolidate these entities.

Victory Lane Quick Oil Change, Inc.
Financial Report
June 30, 2007 and 2006

Contents	Page
Independent Auditors' Report	1
Financial Statements	
Balance Sheet	2 - 3
Statement of Operations and Retained Earnings	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 12

MYLER & ASSOCIATES, R.C.

CERTIFIED PUBLIC ACCOUNTANTS

24 FRANK LLOYD WRIGHT DRIVE, SUITE J-3000
P.O. BOX 435
ANN ARBOR, MICHIGAN 48106
(734) 930-5500 FAX: (734) 930-5510

www.msppcca.com
Email: dave@msppcca.com
ken@msppcca.com
jay@msppcca.com
pat@msppcca.com

Independent Auditors' Report

To the Board of Directors
and Stockholders
Victory Lane Quick Oil Change, Inc.

We have audited the accompanying balance sheet of Victory Lane Quick Oil Change, Inc. as of June 30, 2007 and 2006 and the related statements of operations and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Company has chosen to exclude from the financial statements the effects that FASB interpretation No. 46, *Consolidation of Variable Interest Entities* that, in our opinion, should be followed in order to conform to generally accepted accounting principles. If the interpretation would have been followed, assets would increase by approximately \$6,208,000, liabilities would increase by \$6,437,000 and net income would decrease by approximately \$1,000.

In our opinion, except for the effects explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Victory Lane Quick Oil Change, Inc. as of June 30, 2007 and 2006 and the results of its operation and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United State of America.

Myler & Associates, P.C.

September 7, 2007

Balance Sheet
As of June 30, 2007 and 2006

ASSETS

	<u>Note</u>	<u>2007</u>	<u>2006</u>
CURRENT ASSETS			
Cash and Cash Equivalents	S	30,921	\$ 18,000
Accounts Receivable - Trade (Net of allowance of \$3,000 and \$3,000, respectively)		59,354	54,583
Accounts Receivable - Related Party	9	174,843	124,231
Inventory		25,863	49,992
Prepaid Expenses		25,003	29,956
Notes Receivable - Current	3	<u>33,810</u>	<u>168,026</u>
Total Current Assets		<u>352,794</u>	<u>444,788</u>
PROPERTY AND EQUIPMENT			
Property and Equipment	2	889,487	871,000
Less: Accumulated Depreciation		<u>(688,602)</u>	<u>(619,111)</u>
Net Property and Equipment		<u>200,885</u>	<u>251,889</u>
OTHER ASSETS			
Notes Receivable - Net Current Portion	3	164,053	198,285
Deferred Taxes	7	50,143	66,969
Deposits		<u>5,103</u>	<u>5,103</u>
Total Other Assets		<u>219,299</u>	<u>270,358</u>
TOTAL ASSETS		<u>\$ 772,978</u>	<u>\$ 967,035</u>

See Notes to Financial Statements and Independent Auditors' Report

		<u>2007</u>	<u>2006</u>
	<u>Note</u>		
CURRENT LIABILITIES			
Accounts Payable - Trade		\$ 253,536	\$ 403,551
Accounts Payable - Related Party	9	50,124	53,794
Deferred Franchise Fees		29,000	36,000
Accrued Expenses		22,352	62,626
Current Portion of Long-Term Debt	5	78,402	81,048
Current Portion of Capital Lease Payable	6	<u>67,027</u>	<u>72,847</u>
Total Current Liabilities		<u>500,441</u>	<u>709,854</u>
LONG-TERM LIABILITIES			
Long-Term Debt - Net Current Portion	5	-	30,609
Capital Lease Payable - Net Current	6	<u>61,876</u>	<u>122,862</u>
Total Long-Term Liabilities		<u>61,876</u>	<u>153,471</u>
Total Liabilities		<u>562,317</u>	<u>863,325</u>
STOCKHOLDERS' EQUITY			
Common Stock - \$10 par value		800	800
Additional Paid-in Capital		331,897	256,897
Retained Earnings		<u>(122,036)</u>	<u>(153,997)</u>
Total Stockholders' Equity		<u>210,661</u>	<u>103,700</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 772,978</u>	<u>\$ 967,025</u>

See Notes to Financial Statements and Independent Auditors' Report

Statement of Operations and Retained Earnings
For the Year Ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Sales	\$ 1,355,069	\$ 1,611,189
Cost of Sales	<u>(649,757)</u>	<u>(777,908)</u>
Gross Profit	<u>705,311</u>	<u>833,282</u>
Other Operating Revenue		
Franchise Fees	263,500	135,750
Royalty and Advertising Revenue	<u>790,029</u>	<u>670,872</u>
Total Other Operating Revenue	<u>1,053,529</u>	<u>806,622</u>
Net Operating Revenue	1,758,841	1,639,904
Selling, General and Administrative Expenses	<u>1,701,062</u>	<u>1,877,466</u>
Operating Income (Loss)	<u>57,779</u>	<u>(237,562)</u>
Other Income (Expense)		
Interest Expense	(29,695)	(36,282)
Other Income	20,703	13,979
Other Expense	<u>-</u>	<u>(20,782)</u>
Total Other Income (Expense)	<u>(8,992)</u>	<u>(43,084)</u>
Net Income (Loss) Before Taxes	48,787	(280,646)
Federal Income Tax (Benefit)	<u>16,826</u>	<u>(58,062)</u>
Net Income (Loss)	31,961	(222,584)
Retained Earnings - Beginning of year	<u>(153,997)</u>	<u>68,587</u>
Retained Earnings - End of year	<u>\$ (122,036)</u>	<u>\$ (153,997)</u>

See Notes to Financial Statements and Independent Auditors' Report

Statement of Cashflows
For the Years Ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ 31,961	\$ (222,584)
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Depreciation	69,491	68,566
Deferred Income Taxes	16,826	(58,062)
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(55,383)	(55,020)
Inventory	24,129	20,567
Prepaid Expenses	1,953	(9,326)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(153,684)	202,823
Accrued Liabilities	(47,274)	(5,267)
Total Adjustments	<u>(143,942)</u>	<u>164,281</u>
Net Cash Provided By (Used in) Operating Activities	<u>(111,981)</u>	<u>(58,303)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(18,486)	(48,167)
Proceeds from Sale of Property	-	200,000
Issuance of Note Receivable	-	(202,958)
Payments Received on Notes Receivable	168,449	19,480
Loss on Investment	-	20,781
Net Cash Provided By (Used In) Investing Activities	<u>149,963</u>	<u>(10,864)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (Decrease) in Additional Paid-in Capital	75,000	-
Notes Payable Borrowings	-	50,000
Capital Lease Borrowings	6,011	110,016
Repayment of Notes Payable	(33,255)	(29,784)
Repayments of Capital Leases	(72,817)	(65,004)
Net Cash Provided by (Used In) Financing Activities	<u>(25,061)</u>	<u>65,228</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,921	(3,939)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>18,000</u>	<u>21,939</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 30,921</u>	<u>\$ 18,000</u>
Federal Income Tax Paid	-	-
Interest Paid	29,695	36,282

See Notes to Financial Statements and Independent Auditors' Report

Note 1- Nature of Operations and Summary of Accounting Policies

Nature of Business - Victory Lane Quick Oil Change, Inc. (the "Company") offers oil change and car wash franchise opportunities to entrepreneurs. The Company also operates three oil change and three car wash locations. The franchise and corporate sites are located primarily in Michigan, thus the Company's principal customer base is primarily from this geographic area. Five of the franchised outlets are companies under common control with Victory Lane Quick Oil Change, Inc. During 2006, the Company opened a new store in Canton, Michigan and sold a previously company owned store in South Lyon, Michigan.

Cash Equivalents - Cash equivalents include highly liquid instruments with original maturities of three months or less and are stated at cost, which approximates market.

Accounts Receivable - Accounts receivable are stated at net invoice amounts. Receivables are considered past due after 30 days. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made. Substantially all accounts receivable are due from entities located in the state of Michigan.

Inventories - Inventories consist primarily of oil and filters and are stated at the lower of cost or market, determined by the first-in (FIFO) method.

Property and Equipment - Property and equipment are stated at cost. The Company provides for depreciation of property and equipment using straight-line and accelerated methods based on the following estimated useful lives: equipment and furniture, five to seven years and leasehold improvements, five to 39 years. Costs of repairs and maintenance are charged to expense when incurred.

Stockholders Equity - The Company has one class of \$10 par common stock. As of the end of the year the Company had 100 authorized shares and eighty shares were issued and outstanding.

Advertising - The Company expenses advertising costs as they are incurred. Advertising costs for the years ended June 30, 2007 and 2006 were \$48,043 and \$55,628, respectively.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Franchise Fees - Franchise fees are recognized as income when the Company has performed substantially all initial services required under the franchise agreement. Generally, franchise fees are nonrefundable under the franchise agreement without specific approval from the Company. During 2006, the company did not sell any franchises. In 2007, the company sold three store franchises and one area franchise. The company had 42 franchise outlets opened and operating as of year end.

See Independent Auditors' Report

Note 2 - Property and Equipment

Cost of property and equipment at June 30, 2007 and 2006 is summarized as follows:

	<u>2007</u>	<u>2006</u>
Equipment, tools and signs	\$ 505,577	\$ 499,699
Office furniture and equipment	234,323	231,323
Leasehold improvements	122,130	112,521
Transportation and equipment	<u>27,457</u>	<u>27,457</u>
Total Cost	\$89,487	\$71,000
Less accumulated depreciation	<u>688,602</u>	<u>619,111</u>
Net carrying amount	<u>\$ 200,885</u>	<u>\$ 251,889</u>

Depreciation expense for the year ended June 30, 2007 and 2006 totaled \$69,491 and \$68,566.

Note 3 - Notes Receivable

Note Receivable at June 30, 2007 and 2006 consists of the following:

	<u>2007</u>	<u>2006</u>
Notes receivable from a franchise, bearing ten percent interest, payable in monthly installments of \$1,388 including interest, collateralized by substantially all of the franchisee's assets, maturing April 2008	\$13,637	\$30,852
Unsecured note receivable from a company related by common ownership, due on demand, bearing ten percent interest	-	126,777
Notes receivable from a terminated franchise, bearing seven percent interest, payable in monthly installments of \$848 including interest, secured by a consent judgment with US District Court	4,166	13,682
Notes receivable from a franchise, bearing eight percent interest, payable in monthly installments of \$2,500 including interest, secured by all of the franchisee's assets, maturing in July 2015.	<u>180,060</u>	<u>195,000</u>
Total	197,863	366,311
Less current portion	<u>33,810</u>	<u>168,026</u>
Long-term	<u>\$164,053</u>	<u>\$198,285</u>

All notes receivable are due from entities located in the State of Michigan.

See Independent Auditors' Report

Note 4 - Investment

The Company is a 20 percent owner of a franchise store. The Investment is accounted for using the cost method and represents capital contributions to the enterprise through June 30, 2005. Analysis of the investment at June 30, 2006 revealed the investment was worthless. A loss in the amount of \$20,781 was recorded during 2006.

Note 5 - Long-term Debt

Long-term debt as of June 30, 2007 and 2006 consists of the following:

	<u>2007</u>	<u>2006</u>
Note payable to a bank, bearing interest at 7.8 percent, payable in monthly installments of \$1,858 including interest, collateralized by substantially all assets of the Company and a personal guarantee by the stockholders, maturing May 2008.	\$25,127	\$52,505
Noninterest-bearing note payable to a financial institution payable in monthly installments of \$458 collateralized by specific transportation equipment, maturing February 2008.	3,661	9,152
Line of credit payable to a bank, bearing interest at 9.25 percent, interest-only payments due monthly, collateralized by all assets of the Company and a personal guarantee by the stockholders, maturing August 2006.	<u>49,614</u>	<u>50,000</u>
Total	78,402	111,657
Less current portion	<u>78,402</u>	<u>81,048</u>
Long-term portion	<u>\$ -</u>	<u>\$ 30,609</u>

See Independent Auditors' Report

Note 6 - Capital Leases

The Company has entered into Capital leases for car wash equipment, oil change equipment, and leasehold improvements, personally guaranteed by the stock-holders and expiring through July 2010. The future minimum lease payments under the capital leases are as follows:

2008	\$ 83,425
2009	34,268
2010	<u>34,139</u>
Total minimum lease payment	151,832
Less amount representing interest	<u>22,929</u>
Present value of minimum lease payments	<u>\$ 128,903</u>

The car wash equipment, oil change equipment, and leasehold improvements purchased under the capital lease agreement have been capitalized and are included in the property and equipment in Note 2 with a cost of \$404,594 and \$398,583 at June 30, 2007 and 2006, respectively.

Note 7 – Income Taxes

The provision for income taxes consists of the following:

	<u>2007</u>	<u>2006</u>
Current expense	\$ -	\$ -
Deferred expense (recovery)	<u>16,826</u>	<u>(58,062)</u>
Income tax expense (recovery)	<u>\$ 16,826</u>	<u>\$ (58,062)</u>

The Company accounts for income taxes using the asset and liability method, under which deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between financial statement amounts and the tax basis of existing assets.

See Independent Auditors' Report

Note 7 - Income tax (Continued)

The details of the net deferred tax asset are as follows:

	<u>2007</u>	<u>2006</u>
Deferred tax asset:		
Net operating loss	\$ 50,132	\$ 34,852
Other	134,437	43,659
	<u>184,569</u>	<u>78,511</u>
Total deferred tax asset		
	184,569	78,511
Valuation allowance recognized for deferred tax assets	-	-
Deferred tax liability:		
Property and equipment	<u>(134,426)</u>	<u>(11,542)</u>
Total deferred tax liability	<u>(134,426)</u>	<u>(11,542)</u>
Net deferred tax asset	<u>\$ 50,143</u>	<u>\$ 66,969</u>

The company has a net operating loss carry forward of approximately \$147,500 to offset future taxable income. The net operating loss carry forward expires through 2025.

The company has a \$10,312 AMT credit available indefinitely to reduce future regular taxes

Note 8 - Non cash investing and Financing Activities

During the year ended June 30, 2007, the Company capitalized \$6,011 of property and equipment by entering into a capital lease agreement.

During the year ended June 30, 2006, the Company capitalized \$110,016 of property and equipment by entering into a capital lease agreement. In addition, the company issued a note receivable totaling \$195,000 to a franchisee for the purchase of assets at an existing oil change location.

See Independent Auditors' Report

Note 9 - Related Party Transaction

Related party transactions consist of the following for the years ending June 30, 2007 and 2006:

	Accounts Receivable Related Party	Accounts Payable Related Party	Accounts Payable/Receivable Stock Holders
Balance as of July 1, 2005	\$ 64,851	\$ (40,000)	\$ (200,002)
Charges for various administrative and operating expenses	137,129		
Royalties	97,266		
Advances			
Repayments of Advances	(121,623)		
Net Borrowing	(53,367)	(50,000)	(239,211)
Repayments of borrowings			434,502
Balance as of July 1, 2006	\$ 124,231	\$ (50,000)	\$ (3,794)
Charges for various administrative and operating expenses	126,324		
Royalties	102,617		
Advances			
Repayments of Advances	(145,446)		
Net Borrowing	(111,663)		(372,716)
Repayments of borrowings			455,166
Balance June 30, 2007	<u>\$ 96,063</u>	<u>\$ (50,000)</u>	<u>\$ 78,656</u>

The advances from the stockholders bear interest at 18 percent and the advances to and from all other related parties are non interest-bearing. All advances to and from related parties are unsecured.

Note 10 - Operating Leases

The Company leases its office location from the stockholders under a lease expiring December 2007. In addition, the Company rents six store locations from the stockholders under month-to-month leases with monthly rental payments ranging from \$3,000 to \$7,500. Total related party rent expense was approximately \$439,000 and \$402,000 for the year ended June 30, 2007 and 2006, respectively.

The Company also leases two automobiles and various equipment under operating leases expiring at various dates through March 2010. Rental expense under these leases was approximately \$20,390 and \$25,680 for 2007 and 2006 respectively.

Future minimum lease payments under non-cancelable leases are as follows:

2008	\$ 15,332
2009	5,628
2010	<u>469</u>
Total	<u>\$ 21,429</u>

See Independent Auditors' Report

Note 11 - Employee Benefit Plans

401(k) Plan (Defined Contribution) - The Company has established a 401(k) retirement plan covering substantially all employees. The Company made no discretionary matching contributions during 2007 and 2006.

Profit-sharing Plan - The Company has a profit-sharing plan for eligible employees. Employees are eligible after they have attained the age of 21 and have completed one year of service. Contributions to this plan are made at the discretion of the Company's Board of Directors. The Company did not make a contribution to this plan during 2007 and 2006.

Note 12 - Guaranteed Indebtedness of Others

The Company has guaranteed a mortgage of the stockholders. Although the mortgage is collateralized by the mortgaged property, in the event of default by the stockholders, the Company could be obligated to pay the full amount outstanding on this loan. As of June 30, 2007 and 2006, the maximum potential future payments under this guarantee are approximately \$764,000 and \$815,000, respectively, and are due at various dates through May 2010. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the related party; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee.

Note 13 - Contingencies

The Company has asserted a claim for \$145,000 against a franchisee for breach of their franchise agreement. The franchisee has asserted a counterclaim against the Company for \$25,000, alleging that they are entitled to recover \$25,000 they paid to the Company. The Company's legal counsel believes that the Company has a good chance of prevailing in the claims brought by the parties.

Note 14 - FASB Interpretation No. 46 R GAAP Departure

As discussed in the audit report the Company elected not to apply FASB Interpretation 46, *Consolidation of Variable Interest Entities*. This pronouncement requires consolidated reporting for related entities that are deemed to be variable interest entities. During 2007, the facility occupied by the Company and facilities occupied by company owned stores met the requirements to be classified as variable interest entities. Management elected not to consolidate these entities because it expects that after 2007, the requirements of this pronouncement will no longer apply. Management also decided to avoid the administrative cost of complying with the pronouncement.

See Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.
Financial Report
June 30, 2006 and 2005

Victory Lane Quick Oil Change, Inc.

Contents

Page

Independent Auditors' Report

1

Financial Statements

Balance Sheet

2 - 3

Statement of Operations and Retained Earnings

4

Statement of Cash Flows

5

Notes to Financial Statements

6 - 12

MYLER & ASSOCIATES, R.C.

CERTIFIED PUBLIC ACCOUNTANTS

24 FRANK LLOYD WRIGHT DRIVE, SUITE J-3000
P.O. BOX 435
ANN ARBOR, MICHIGAN 48105
(734) 930-5500 FAX: (734) 930-5510

www.msppcpa.com
Email: dave@msppcpa.com
ken@msppcpa.com
jay@msppcpa.com
patti@msppcpa.com

Independent Auditors' Report

To the Board of Directors
and Stockholders
Victory Lane Quick Oil Change, Inc.

We have audited the accompanying balance sheet of Victory Lane Quick Oil Change, Inc. as of June 30, 2006 and 2005 and the related statements of operations and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Company has chosen to exclude from the financial statements the effects that FASB interpretation No. 46, *Consolidation of Variable Interest Entities* that, in our opinion, should be followed in order to conform to generally accepted accounting principles. If the interpretation would have been followed, assets would increase by approximately \$6,554,000, liabilities would increase by \$6,544,000 and net income would decrease by approximately \$95,000.

In our opinion, except for the effects explained in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Victory Lane Quick Oil Change, Inc. as of June 30, 2006 and 2005 and the results of its operation and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Myler & Associates, P.C.

September 8, 2006

Victory Lane Quick Oil Change, Inc.

Balance Sheet

As of June 30, 2006 and 2005

		<u>2006</u>	<u>2005</u>
	<u>Note</u>		
CURRENT ASSETS			
Cash and Cash Equivalents	5	18,000	21,939
Accounts Receivable - Trade (Net of allowance of \$3,000 and \$9,000, respectively)		54,583	53,795
Accounts Receivable - Related Party	5	124,231	64,851
Inventory		49,992	70,559
Prepaid Expenses		29,956	20,630
Notes Receivable - Current	3	168,026	140,775
Total Current Assets		<u>444,788</u>	<u>372,548</u>
PROPERTY AND EQUIPMENT			
Property and Equipment	2	871,000	806,855
Less: Accumulated Depreciation		<u>(619,111)</u>	<u>(594,417)</u>
Net Property and Equipment		<u>251,889</u>	<u>212,438</u>
OTHER ASSETS			
Notes Receivable - Net Current Portion	3	198,285	42,059
Investment	4		20,781
Goodwill			265,000
Deferred Taxes	7	66,969	8,907
Deposits		5,103	5,103
Total Other Assets		<u>270,358</u>	<u>341,850</u>
TOTAL ASSETS		<u>\$ 967,035</u>	<u>\$ 926,836</u>

See Notes to Financial Statements and Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.

Balance Sheet

As of June 30, 2006 and 2005

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>Note</u>	<u>2006</u>	<u>2005</u>
CURRENT LIABILITIES			
Accounts Payable - Trade		\$ 403,551	\$ 268,726
Accounts Payable - Related Party	9	53,794	240,002
Deferred Franchise Fees		36,000	54,750
Accrued Expenses		62,626	49,142
Current Portion of Long-Term Debt	5	81,048	29,300
Current Portion of Capital Lease Payable	6	72,847	48,979
Total Current Liabilities		<u>709,866</u>	<u>690,899</u>
LONG-TERM LIABILITIES			
Long-Term Debt - Net Current Portion	5	30,609	62,141
Capital Lease Payable - Net Current	6	122,862	101,718
Total Long-Term Liabilities		<u>153,471</u>	<u>163,859</u>
Total Liabilities		<u>863,337</u>	<u>854,759</u>
STOCKHOLDERS' EQUITY			
Common Stock - \$10 par value		800	600
Additional Paid-in Capital		256,895	2,890
Retained Earnings		(153,997)	68,587
Total Stockholders' Equity		<u>103,698</u>	<u>72,077</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 967,035</u>	<u>\$ 926,836</u>

See Notes to Financial Statements and Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.
Statement of Operations and Retained Earnings
For the Year Ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Sales	\$ 1,611,189	\$ 1,644,339
Cost of Sales	<u>(777,908)</u>	<u>(769,808)</u>
Gross Profit	<u>833,282</u>	<u>874,531</u>
Other Operating Revenue		
Franchise Fees	135,750	615,800
Royalty and Advertising Revenue	<u>670,872</u>	<u>719,034</u>
Total Other Operating Revenue	<u>805,622</u>	<u>1,334,834</u>
Net Operating Revenue	1,639,904	2,209,364
Selling, General and Administrative Expenses	<u>1,877,456</u>	<u>2,104,661</u>
Operating Income (Loss)	<u>(237,562)</u>	<u>104,703</u>
Other Income (Expense)		
Interest Expense	(36,282)	(27,751)
Other Income	13,979	13,141
Other Expense	<u>(20,781)</u>	<u>0</u>
Total Other Income (Expense)	<u>(43,084)</u>	<u>(14,610)</u>
Net Income (Loss) Before Taxes	(280,646)	90,095
Federal Income Tax (Benefit)	<u>(58,062)</u>	<u>23,093</u>
Net Income (Loss)	(222,584)	67,000
Retained Earnings - Beginning of year	<u>68,587</u>	<u>1,587</u>
Retained Earnings - End of year	<u>\$ (153,997)</u>	<u>\$ 68,587</u>

See Notes to Financial Statements and Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.**Statement of Cashflows**

For the Years Ended June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ (222,584)	\$ 67,000
Adjustments to reconcile Net Income (Loss) to net Cash provided by (used in) operating activities:		
Bad Debt Expense	5,149	18,841
Depreciation	68,566	63,234
Deferred Income Taxes	-	23,093
Decrease (Increase) in Operating Assets:		
Accounts Receivable	(60,169)	66,984
Inventory	20,567	(13,979)
Prepaid Expenses	(9,326)	4,494
Deposits	-	1,784
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	202,823	(14,097)
Accrued Liabilities	(5,267)	(134,674)
Total Adjustments	<u>222,344</u>	<u>15,680</u>
Net Cash Provided By (Used in) Operating Activities	<u>(241)</u>	<u>82,680</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(48,167)	-
Proceeds from Sale of Property	200,000	-
Issuance of Note Receivable	(202,958)	(46,000)
Payments Received on Notes Receivable	19,480	30,246
Loss on Investment	20,781	-
Net Cash Provided By (Used In) Investing Activities	<u>(10,864)</u>	<u>(15,754)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes Payable Borrowings	50,000	76,798
Capital Lease Borrowings	110,016	-
Repayment of Notes Payable	(29,784)	(96,599)
Repayments of Capital Leases	(65,004)	(43,721)
Net Cash Provided by (Used In) Financing Activities	<u>65,228</u>	<u>(63,522)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	54,123	3,404
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>21,939</u>	<u>18,535</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 18,000</u>	<u>\$ 21,939</u>
Federal Income Tax Paid		
Interest Paid	36,282	27,751

See Notes to Financial Statements and Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.

Notes to Financial Statements

June 30, 2006 and 2005

Note 1- Nature of Operations and Summary of Accounting Policies

Nature of Business - Victory Lane Quick Oil Change, Inc. (the "Company") offers oil change and car wash franchise opportunities to entrepreneurs. The Company also operates three oil change and three car wash locations. The franchise and corporate sites are located primarily in Michigan, thus the Company's principal customer base is primarily from this geographic area. Five of the franchised outlets are companies under common control with Victory Lane Quick Oil Change, Inc. During 2006, the Company opened a new store in Canton, Michigan and sold a previously company owned store in South Lyon, Michigan.

Cash Equivalents - Cash equivalents include highly liquid instruments with original maturities of three months or less and are stated at cost, which approximates market.

Accounts Receivable - Accounts receivable are stated at net invoice amounts. Receivables are considered past due after 30 days. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made. Substantially all accounts receivable are due from entities located in the state of Michigan.

Inventories - Inventories consist primarily of oil and filters and are stated at the lower of cost or market, determined by the first-in (FIFO) method.

Property and Equipment - Property and equipment are stated at cost. The Company provides for depreciation of property and equipment using straight-line and accelerated methods based on the following estimated useful lives: equipment and furniture, five to seven years and leasehold improvements, five to 39 years. Costs of repairs and maintenance are charged to expense when incurred.

Stockholders Equity - The Company has one class of \$10 par common stock. As of the end of the year the Company had 100 authorized shares and eighty shares were issued and outstanding.

Advertising - The Company expenses advertising costs as they are incurred. Advertising costs for the years ended June 30, 2006 and 2005 were \$55,628 and \$58,251, respectively.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Franchise Fees - Franchise fees are recognized as income when the Company has performed substantially all initial services required under the franchise agreement. Generally, franchise fees are nonrefundable under the franchise agreement without specific approval from the Company. During 2005 the Company sold four individual franchises and two area franchises. The company did not sell any franchises during 2006. The company had 39 franchise outlets opened and operating as of year end.

Goodwill - Recorded goodwill resulted from prior business acquisitions and is not amortized, rather it is reviewed at least on an annual basis for potential impairment. In 2005, the business related to the goodwill, sustained an operating loss. The loss was the result of a decline in revenue that appears to be due to the opening of competing oil change operation. Late in 2005, management took steps they believe have restored customer loyalty. Management believes the goodwill is not impaired as of June 30, 2005. In June 2006, the business was sold and the associated goodwill was removed from the financial statements.

See Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.

Notes to Financial Statements

June 30, 2006 and 2005

Note 2 - Property and Equipment

Cost of property and equipment at June 30, 2006 and 2005 is summarized as follows:

	<u>2006</u>	<u>2005</u>
Equipment, tools and signs	\$ 499,699	\$ 458,958
Office furniture and equipment	231,323	212,418
Leasehold improvements	112,521	108,022
Transportation and equipment	<u>27,457</u>	<u>27,457</u>
Total Cost	871,000	806,855
Less accumulated depreciation	<u>619,111</u>	<u>594,417</u>
Net carrying amount	<u>\$ 251,889</u>	<u>\$ 212,438</u>

Depreciation expense for the year ended June 30, 2006 and 2005 totaled \$68,566 and \$63,234.

Note 3 - Notes Receivable

Note Receivable at June 30, 2006 and 2005 consists of the following:

	<u>2006</u>	<u>2005</u>
Notes receivable from a franchise, bearing ten percent interest, payable in monthly installments of \$1,388 including interest, collateralized by substantially all of the franchisee's assets, maturing April 2008	\$30,852	\$42,174
Unsecured note receivable from a company related by common ownership, due on demand, bearing ten percent interest	126,777	118,820
Notes receivable from a terminated franchise, bearing seven percent interest, payable in monthly installments of \$848 including interest, secured by a consent judgment with US District Court	13,682	21,840
Notes receivable from a franchise, bearing eight percent interest, payable in monthly installments of \$2,500 including interest, secured by all of the franchisee's assets, maturing in July 2015.	<u>195,000</u>	
Total	366,311	182,834
Less current portion	<u>168,026</u>	<u>140,775</u>
Long-term	<u>\$198,285</u>	<u>\$ 42,059</u>

All notes receivable are due from entities located in the State of Michigan.

See Independent Auditors' Report

Note 4 - Investment

The Company is a 20 percent owner of a franchise store. The investment is accounted for using the cost method and represents capital contributions to the enterprise through June 30, 2005. Analysis of the investment at June 30, 2006 revealed the investment was worthless. A loss in the amount of \$20,781 was recorded.

Note 5 - Long-term Debt

Long-term debt as of June 30, 2006 and 2005 consists of the following:

	<u>2006</u>	<u>2005</u>
Note payable to a bank, bearing interest at 7.8 percent, payable in monthly installments of \$1,858 including interest, collateralized by substantially all assets of the Company and a personal guarantee by the stockholders, maturing May 2008.	\$52,505	\$76,797
Noninterest-bearing note payable to a financial institution payable in monthly installments of \$458 collateralized by specific transportation equipment, maturing February 2008.	9,152	14,644
Line of credit payable to a bank, bearing interest at 9.25 percent, interest-only payments due monthly, collateralized by all assets of the Company and a personal guarantee by the stockholders, maturing August 2006.	<u>50,000</u>	<u>-</u>
Total	111,657	91,441
Less current portion	<u>81,048</u>	<u>29,300</u>
Long-term portion	<u>\$ 30,609</u>	<u>\$ 62,141</u>

The long-term debt maturities are as follows:

	<u>2006</u>
Year Ending June 30, 2008	<u>\$30,609</u>
Total	<u>\$ 30,609</u>

Victory Lane Quick Oil Change, Inc.

Notes to Financial Statements

June 30, 2006 and 2005

Note 6 - Capital Leases

The Company has entered into Capital leases for car wash equipment, oil change equipment, and leasehold improvements, personally guaranteed by the stock-holders and expiring through July 2010. The future minimum lease payments under the capital leases are as follows:

2007	\$ 95,219
2008	78,416
2009	32,502
2010	<u>33,996</u>
Total minimum lease payment	240,133
Less amount representing interest	<u>44,424</u>
Present value of minimum lease payments	<u>\$ 195,709</u>

The car wash equipment, oil change equipment, and leasehold improvements purchased under the capital lease agreement have been capitalized and are included in the property and equipment in Note 2 with a cost of \$398,583 and \$288,567 at June 30, 2006 and 2005, respectively.

Note 7 - Income Taxes

The provision for income taxes consists of the following:

	<u>2006</u>	<u>2005</u>
Current expense	\$ -	\$ -
Deferred expense (recovery)	<u>(58,062)</u>	<u>22,093</u>
Income tax expense (recovery)	<u>(\$ 58,062)</u>	<u>\$ 22,093</u>

The Company accounts for income taxes using the asset and liability method, under which deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between financial statement amounts and the tax basis of existing assets.

See Independent Auditors' Report

Victory Lane Quick Oil Change, Inc.

Notes to Financial Statements

June 30, 2006 and 2005

Note 7 - Income tax (Continued)

The details of the net deferred tax asset are as follows:

	<u>2006</u>	<u>2005</u>
Deferred tax asset:		
Net operating loss	\$ 34,852	\$ 1,345
Other	<u>43,659</u>	<u>23,490</u>
Total deferred tax asset:	78,511	24,835
 Valuation allowance recognized for deferred tax assets		
 Deferred tax liability:		
Property and equipment	<u>(11,542)</u>	<u>(15,928)</u>
Total deferred tax liability	<u>(11,542)</u>	<u>(15,928)</u>
Net deferred tax asset:	<u>\$ 66,969</u>	<u>\$ 8,907</u>

The company has a net operating loss carryforward of approximately \$245,850 to offset future taxable income. The net operating loss carryforward expires through 2023 through 2025.

The company has a \$10,312 AMT credit available indefinitely to reduce future regular taxes.

Note 8 - Non cash investing and Financing Activities

During the year ended June 30, 2006, the Company capitalized \$110,016 of property and equipment by entering into a capital lease agreement. In addition, the company issued a note receivable totaling \$195,000 to a franchisee for the purchase of assets at an existing oil change location.

During the year ended June 30, 2005 a bank note for \$76,798 matured. The Company paid off the note with the proceeds from a new note with the same bank.

Victory Lane Quick Oil Change, Inc.

Notes to Financial Statements

June 30, 2006 and 2005

Note 9 - Related Party Transaction

Related party transactions consist of the following for the years ending June 30, 2005:

	Accounts Receivable Related Party	Accounts Payable Related Party	Accounts Payable Stock Holders
Balance as of July 1, 2005	\$ 64,851	\$ (40,000)	\$ (200,002)
Charges for various administrative and operating expenses	137,129		
Royalties	97,266		
Advances			
Repayments of Advances	(121,623)		
Net Borrowing	(53,392)	(10,000)	(238,294)
Repayments of borrowings			434,502
Balance June 30, 2005	<u>\$ 124,231</u>	<u>\$ (50,000)</u>	<u>\$ (3,794)</u>

The advances from the stockholders bear interest at 18 percent and the advances to and from all other related parties are non interest-bearing. All advances to and from related parties are unsecured.

Note 10 - Operating Leases

The Company leases its office location from the stockholders under a lease expiring December 2006. In addition, the Company rents six store locations from the stockholders under month-to-month leases with monthly rental payments ranging from \$3,000 to \$7,500. Total related party rent expense was approximately \$402,000 and \$433,000 for the year ended June 30, 2006 and 2005, respectively.

The Company also leases four automobiles and various equipment under operating leases expiring at various dates through March 2008. Rental expense under these leases was approximately \$25,680 and \$26,548 for 2006 and 2005 respectively.

Future minimum lease payments under non cancelable leases are as follows:

2007	\$ 42,435
2008	<u>7,245</u>
Total	<u>\$49,680</u>

See Independent Auditors' Report

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C: FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

VICTORY LANE QUICK OIL CHANGE, INC.

405 Little Lake Drive
Ann Arbor, Michigan 48103
Telephone: (734) 996-1196
Fax: (734) 996-4912

Legal Name of Franchisee

Franchised Location

Legal Name

Street

Street

City, State, Zip Code

City, State, Zip Code

Telephone Number

Telephone Number

Facsimile Number

Facsimile Number

E-Mail Address

E-Mail Address

_____, 20____
Date of Franchise Agreement

- Oil Change
- Car Wash
- Oil Change and Car Wash

FRANCHISE AGREEMENT INDEX

ARTICLE 1	GRANT OF FRANCHISE	1
1.1	Franchised Location	1
1.2	Exclusive Area	2
1.3	Undetermined Franchised Location	2
1.4	Relocation	2
1.5	Conditions	2
ARTICLE 2	TERM OF AGREEMENT	2
2.1	Term	2
2.2	Term to Coincide with Term of Lease	2
2.3	Franchisee's Option to Reacquire Franchise	3
ARTICLE 3	INITIAL FEE ROYALTY FEES	3
3.1	Initial Fee	3
3.2	Royalty Fee; Date Payable	3
3.3	Reports	4
ARTICLE 4	ADVERTISING	4
4.1	Advertising Fund Contributions	4
4.2	Use of Advertising Fund Contributions	4
4.3	Local Advertising	5
4.4	Local Advertising Association	5
4.5	Telephone Directory Listings	6
4.6	Grand Opening Celebration	6
4.7	Applicability of Article 4	6
ARTICLE 5	PAYMENT OF FEES	6
5.1	Franchisee's Obligation to Pay	6
5.2	Interest on Unpaid Fees	7
5.3	Pre-Authorized Bank Transfers	7
ARTICLE 6	FINANCIAL STATEMENTS	7
6.1	Financial Statements	7
6.2	Sales and Income Tax Returns	7
6.3	Audit Rights	7
6.4	Payment of Audit Costs	8
ARTICLE 7	STANDARDS REQUIRED OF FRANCHISEE	8
7.1	Quality and Service Standards	8

7.2	Identification of Center	8
7.3	Compliance with Standards	8
7.4	Franchisee's Entity	8
7.5	Interests of Operating Company	9
7.6	Approved Advertising	9
7.7	Default Notices and Significant Correspondence	9
7.8	Catastrophes	9
7.9	Vending and Gaming Machines; Tickets	9
7.10	Compliance with Applicable Law	9
7.11	Contamination	10
7.12	Business Hours; Personnel	10
7.13	Inspection Rights	10
7.14	Security Interest in Franchise Agreement	11
7.15	Credit Cards Gift Certificates and Cards	11
7.16	Maintenance	11
7.17	Remodeling of Business Premises	11
7.18	Other Businesses	11
7.19	Initial Package	11
7.20	National Conventions	11
7.21	Personal Guarantors	12
ARTICLE 8	PRODUCTS AND SERVICES	12
8.1	Limitations on Products and Services	12
8.2	Approved Suppliers	12
8.3	Designated Suppliers	12
8.4	Brand Name Products	13
8.5	Branding of Products or Services	13
8.6	Payments to Victory Lane	13
8.7	Independent Shopping Services	13
ARTICLE 9	CONFIDENTIAL OPERATIONS MANUALS; CONFIDENTIAL INFORMATION	14
9.1	Compliance with Operations Manuals	14
9.2	Confidentiality of Operations Manuals	14

9.3 Revisions to Operations Manuals 14

9.4 Confidentiality of Other Information 14

ARTICLE 10 SITE SELECTION; CONSTRUCTION SIGNS 15

10.1 Site Selection, Purchase or Lease of Site 15

10.2 Site Information; Site Visit 15

10.3 Site Release 15

10.4 Standard Plans and Specifications 15

10.5 Compliance with Specifications 16

10.6 Construction Costs 16

10.7 Inspection 16

10.8 Approved Signs 16

10.9 Ownership of Franchised Location 16

ARTICLE 11 EQUIPMENT; COMPUTER HARDWARE AND SOFTWARE 17

11.1 Telecommunication Equipment; Telephone Lines 17

11.2 Computer Hardware and Software 17

11.3 Internet Provider E-Mail Address 17

11.4 Internet Website 17

ARTICLE 12 INSURANCE 18

12.1 General Liability Insurance 18

12.2 Automobile Insurance 18

12.3 Property Insurance 18

12.4 Business Interruption Insurance 18

12.5 Building Insurance 18

12.6 Umbrella Liability 18

12.7 Insurance Required by Law 19

12.8 Insurance Companies; Evidence of Coverage 19

12.9 Defense of Claims 19

12.10 Rights of Victory Lane 19

ARTICLE 13 LICENSING OF MARKS AND BUSINESS SYSTEM 19

13.1 Right to License Marks 19

13.2 Conditions to License of Marks 19

13.3 Franchisee's Authorized Use 20

13.4 Adverse Claims to Marks20

13.5 Defense or Enforcement of Rights to Marks20

13.6 Tender of Defense20

13.7 Franchisee’s Right to Participate in Litigation21

ARTICLE 14 TRAINING; OPENING ASSISTANCE21

14.1 Initial Training21

14.2 Changes in Personnel After initial Opening21

14.3 Required Training of New Personnel21

14.4 Payment of Salaries and Expenses21

14.5 Opening Assistance22

ARTICLE 15 OTHER OBLIGATIONS OF VICTORY LANE22

ARTICLE 16 ASSIGNMENT22

16.1 Assignment by Victory Lane22

16.2 Assignment by Individual Franchisee22

16.3 Assignment by Franchisee23

16.4 Assignment of Ownership Interest23

16.5 Acknowledgment of Restrictions24

16.6 Assignment Fee24

16.7 Assignment to Competitor Prohibited24

ARTICLE 17 TERMINATION RIGHTS OF VICTORY LANE24

17.1 Termination; Conditions of Breach24

17.2 Notice of Breach25

17.3 Arbitration25

17.4 Notice of Termination26

17.5 Immediate Termination Rights of Victory Lane26

17.6 Notice of Immediate Termination26

17.7 Other Remedies27

ARTICLE 18 FRANCHISEE’S TERMINATION RIGHTS27

18.1 Conditions of Breach27

18.2 Notice of Breach27

18.3 Arbitration; Termination27

18.4 Waiver28

ARTICLE 19 FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION 28

 19.1 Termination of Use of Marks Other Obligations 28

 19.2 Alteration of Franchised Location..... 28

 19.3 Telephone Listings 28

 19.4 Continuation of Obligations 29

ARTICLE 20 OPTION OF VICTORY LANE TO PURCHASE 29

 20.1 Terms of Option 29

 20.2 Due Diligence Review 29

 20.3 Good Faith Negotiations 29

 20.4 Sale to Purchaser 29

 20.5 Negotiated Charges with Purchaser 30

 20.6 Financing Exception 30

 20.7 Compliance with Agreement 30

 20.8 Assignment of Ownership Interest 30

 20.9 Acknowledgment of Restrictions 30

ARTICLE 21 FRANCHISEE'S COVENANTS NOT TO COMPETE 31

 21.1 Consideration 31

 21.2 In-Term Covenant Not to Compete 31

 21.3 Post-Term Covenant Not to Compete 31

 21.4 Injunctive Relief 31

 21.5 Severability 32

ARTICLE 22 INDEPENDENT CONTRACTORS 32

ARTICLE 23 INDEMNIFICATION 32

 23.1 Indemnification 32

 23.2 Payment of Costs and Expenses Continuing Obligations 33

ARTICLE 24 ARBITRATION 33

 24.1 Disputes Subject to Arbitration 33

 24.2 Notice of Dispute 33

 24.3 Demand for Arbitration 33

 24.4 Venue and Jurisdiction 33

 24.5 Powers of Arbitrators 34

24.6 Disputes Not Subject to Arbitration..... 34

24.7 No Collateral Estoppel or Class Actions..... 34

24.8 Confidentiality..... 34

24.9 Federal Arbitration Act..... 35

ARTICLE 25 ENFORCEMENT..... 35

25.1 Injunctive Relief..... 35

25.2 Severability..... 35

25.3 Waiver..... 35

25.4 Effect of Wrongful Termination..... 35

25.5 Miscellaneous..... 36

25.6 No Oral Modification..... 36

25.7 Entire Agreement..... 36

25.8 Headings; Terms..... 36

25.9 Venue and Jurisdiction..... 36

25.10 Contractual Statute of Limitations..... 37

ARTICLE 26 NOTICES..... 37

ARTICLE 27 ACKNOWLEDGMENTS DISCLAIMER..... 37

27.1 Disclaimer..... 37

27.2 Acknowledgments by Franchisee..... 37

27.3 Other Franchisees..... 38

27.4 Receipt of Agreement and Franchise Disclosure Document..... 38

ARTICLE 28 FRANCHISEE'S LEGAL COUNSEL..... 38

ARTICLE 29 GOVERNING LAW; STATE MODIFICATIONS..... 38

29.1 Governing Law; Severability..... 38

29.2 Applicable State Laws..... 39

29.3 State Law Modifications..... 39

ARTICLE 30 DEFINITIONS..... 42

30.1 Abandon..... 43

30.2 Approved Supplier..... 43

30.3 Assign or Assignment..... 43

30.4 Business System..... 43

30.5 Competitive Business..... 43

30.6	Controlled Entity	43
30.7	Daily Report	43
30.8	Designated Market Area	43
30.9	Designated Supplier	43
30.10	Develop	43
30.11	Dollars	44
30.12	Entity	44
30.13	FF&E	44
30.14	Financial Records	44
30.15	Financial Statements	44
30.16	Franchise	44
30.17	Franchised Location	44
30.18	Lease	44
30.19	Major Assets	44
30.20	Manager	44
30.21	Marks	44
30.22	Master Franchise Agreement	45
30.23	Operations Manuals	45
30.24	Owner	45
30.25	Ownership Interests	45
30.26	Personal Guarantors	45
30.27	Products and Services	45
30.28	Required Opening Date	45
30.29	Revenues	45
30.30	Salaries and Benefits	46
30.31	Travel Expenses	46
30.32	Week	46
	PERSONAL GUARANTY	49

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made, entered into and effective this _____ day of _____, 20____, by and between Victory Lane Quick Oil Change, Inc., a Michigan corporation ("Victory Lane"), and _____ a(n) _____ (the "Franchisee").

INTRODUCTION

Victory Lane has developed a distinctive business system for operating and franchising car wash and cleaning centers and/or quick oil change and automotive service centers under the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" (the "Business System"), and has extensively publicized the name "Victory Lane Car Wash®" and "Victory Lane Quick Oil Change®" to the public as an organization of businesses operating under the Business System.

Victory Lane has the right and authority to license the use of the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other trademarks, trade names, service marks, logos, commercial symbols, phrases, slogans and tag lines designated by Victory Lane in writing which are now owned or which will be developed by Victory Lane (the "Marks") for use in connection with the Business System to selected persons, businesses or Entities who will comply with the uniformity requirements and quality standard of Victory Lane. Victory Lane will continue to develop, use and control the use of the Marks in order to identify for the public the source of the Products and Services marketed under the Business System, and to represent to the public the Business System's high standards of quality, appearance, cleanliness and service.

The Franchisee desires to develop, own and operate a Victory Lane Car Wash Center ("Car Wash Center"), or a Victory Lane Quick Oil Change " ("Oil Change Center"), or a combination Victory Lane Quick Oil Change and Car Wash Center ("Oil Change/Car Wash Center" and each, the "Victory Lane Center" or the "Center") in conformity with the Business System and Victory Lane's uniformity requirements and quality standards as established and promulgated from time to time by Victory Lane.

The Franchisee understands and acknowledges the importance of the high standards of quality, appearance, procedures, controls, cleanliness and service established by Victory Lane, and the necessity of operating the Franchisee's Center in strict conformity with the standards and specifications established by Victory Lane.

Pursuant to the above Introduction and in consideration of the mutual promises and covenants set forth in this Agreement, Victory Lane and the Franchisee agree and contract as follows:

ARTICLE 1

GRANT OF FRANCHISE

1.1 Franchised Location.

Victory Lane hereby grants the Franchisee the personal right to operate one Victory Lane Center in conformity with the Business System using the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other Marks at the Franchised Location set forth and described in Exhibit A.

1.2 Exclusive Area.

Except as provided to the contrary in this Article, the Franchisee will receive an "Exclusive Area" consisting of the area within a one-mile radius from the Franchised Location. The Franchisee's Exclusive Area is exclusive to the extent that Victory Lane will not Develop a Victory Lane Center in the Exclusive Area. Notwithstanding the foregoing, Victory Lane will have the absolute right to: (a) Develop other business concepts under other marks or brand names anywhere even if the locations for the concepts are within the Exclusive Area; and (b) market, distribute and sell, on a wholesale or retail basis, the Products and Services under any of the Marks, by direct sale, the Internet, mail order, infomercials, telemarketing or by any other marketing or distribution method, even if such sales are made to customers, distributors or retailers who are located in the Exclusive Area.

1.3 Undetermined Franchised Location.

If the Franchised Location has not yet been determined as of the date of this Agreement, then the geographic area in which the Franchisee's Center is to be located will be described in an exhibit to this Agreement signed by the parties. At such time as the address of the Franchised Location is determined, then the street address, city and state of the Franchised Location will be inserted into Exhibit A and signed by the parties.

1.4 Relocation.

The Franchisee may, with the prior written approval of Victory Lane, relocate the Franchised Location if the proposed new location: (a) does not compete with any Victory Lane Center operated by Victory Lane or any other Victory Lane franchisee; and (b) does not infringe upon and is not located within the exclusive area of another Victory Lane franchisee, area franchisee, master franchisee or subfranchisee. The new location of the Center, including the real estate and the building, must comply with Victory Lane's then-current image and specifications. The Franchisee will pay Victory Lane a Relocation Fee of \$5,000 on the date Victory Lane approves the Franchisee's new location. For the purposes of this provision, the word "compete" will mean that the proposed new location will not be located within a three-mile radius of any existing or proposed Victory Lane Center.

1.5 Conditions.

The Franchisee will not have the right to franchise, subfranchise, license or sublicense its rights under this Agreement. The Franchisee will not have the right to Assign this Agreement or its rights under this Agreement, except as specifically provided for in this Agreement.

ARTICLE 2

TERM OF AGREEMENT

2.1 Term.

The term of this Agreement will commence on the date of this Agreement and will be for 10 years, unless modified as set forth below in Article 2.2 or earlier terminated in accordance with the terms and conditions of this Agreement. This Agreement will not be enforceable until it has been signed by both the Franchisee and Victory Lane.

2.2 Term to Coincide with Term of Lease.

If the Franchisee leases the Franchised Location and the term of the Lease for the Franchised Location (excluding any renewal options) is for a term that is longer than the term of this Agreement, then the term of this Agreement will be automatically extended to coincide with the term of the Franchisee's Lease. If the Franchisee, any of the Franchisee's Owners or a Controlled Entity owns, either directly or indirectly, the real estate or the building at the Franchised Location, then the term of this Agreement will be for 10 years.

2.3 Franchisee's Option to Reacquire Franchise.

At the end of the term of this Agreement, the Franchisee will have the right to reacquire the Franchise for the Franchised Location for one additional 10-year term, provided that the Franchisee has timely complied with all terms and conditions of this Agreement including the timely payment of all Royalty Fees and other fees due, and provided that: (a) the Franchisee has given Victory Lane written notice at least 180 days prior to the end of the term of this Agreement of its intention to reacquire the Franchise for the Franchised Location; (b) all monetary obligations owed by the Franchisee to Victory Lane have been paid or satisfied prior to the end of the term of this Agreement; (c) the Franchisee has agreed, in writing, to make the reasonable capital expenditures necessary to remodel the Franchised Location to comply with the then-current Victory Lane image and specifications; (d) the Franchisee either owns or has the right to lease the Franchised Location for a term that coincides with the additional 10-year term; (e) the Franchisee and its employees have completed the required training designated by Victory Lane; and (f) the Franchisee agrees to execute Victory Lane's then-current standard franchise agreement. The Franchisee will have the option to reacquire the Franchise for the Franchised Location under the same terms and conditions then being offered to other franchisees under the then-current standard franchise agreement. The Franchisee will pay Victory Lane a Reacquisition Fee equal to 15% of the Initial Fee specified in the then-current standard franchise agreement. The Franchisee will pay Royalty Fees and all other fees at the rates specified in the then-current standard franchise agreement. The terms, conditions and economics of future franchise agreements may vary substantially in substance and form from this Agreement.

ARTICLE 3

INITIAL FEE ROYALTY FEES

3.1 Initial Fee.

The Franchisee will pay Victory Lane an Initial Fee of \$15,000 for a Car Wash Center or \$30,000 for an Oil Change Center on the date the Franchisee signs this Agreement. If the Franchisee purchases an Oil Change Center/Car Wash Center, the Initial Fee for the car wash will be waived and the Initial Fee will be \$30,000 on the date the Franchisee signs this Agreement. The Initial Fee will be non-refundable and will be fully earned by Victory Lane when the Initial Fee is paid by the Franchisee.

3.2 Royalty Fee; Date Payable.

The Franchisee will pay Victory Lane a weekly royalty fee (the "Royalty Fee") for an Oil Change Center equal to the greater of: (a) 6% of the Franchisee's weekly Revenues for the preceding week or (b) \$250 per week. For a Car Wash Center, the Franchisee will pay Victory Lane a weekly Royalty Fee equal to 6% of the Franchisee's weekly Revenues for the preceding week for an in-bay automatic car wash and/or \$100 per bay per month for a self serve wash bay. An Oil Change/Car Wash Center will pay all applicable Royalty fees stated in this Section 3.2. The weekly Royalty Fee will be payable by the Franchisee on Wednesday of each week for the preceding week. The Royalty Fee will be payable by the Franchisee during the entire term of this Agreement and the Royalty Fee payable by the Franchisee will commence on the date that the Franchisee's Center initially opens for business or the Required Opening Date, whichever is earlier. The Franchisee's obligation to pay Victory Lane the minimum weekly Royalty Fee of at least \$250 per week will not commence until the Franchisee's Center has been open for business for 52 weeks, and will continue for the entire remaining term of this Agreement, including during such periods as the Franchisee's Center is closed because of relocation or casualty as provided for in Article 7.8, or if the Franchisee wrongfully terminates this Agreement prior to its expiration as provided for in Article 17.7.

3.3 Reports.

The Franchisee will maintain an accurate written record of the daily and weekly Revenues for the Franchisee's Center and the Franchisee will electronically transmit the weekly Revenue report for the previous week's Revenues to Victory Lane on Wednesday of each week by 12:00 noon, Eastern Time. The Franchisee will submit such other reports in the format and containing the information required in the Operations Manuals or otherwise in writing by Victory Lane.

ARTICLE 4

ADVERTISING

4.1 Advertising Fund Contributions.

In addition to all amounts payable to Victory Lane by the Franchisee pursuant to this Agreement, on Wednesday of each week during the entire term of this Agreement, the Franchisee will pay Victory Lane 2% of the Revenues generated by the Franchisee's Oil Change Center or Oil Change/Car Wash Center for the preceding week or 1% of the Revenues generated by the Franchisee's Car Wash Center (the "Advertising Fund Contribution") for deposit into the advertising fund (the "Fund") which will be administered and controlled exclusively by Victory Lane. Franchisee is eligible for reimbursements of expenditures for approved local and regional advertising placement, approval of which is subject to the sole discretion of Victory Lane, for up to one-half the amount of Franchisee's Advertising Fund Contribution for the calendar year. Reimbursements may be requested until February 28 for any approved advertising expenditures made prior to December 31 of the previous calendar year. Advertising Fund Contributions eligible for reimbursement do not carry over from year to year.

4.2 Use of Advertising Fund Contributions.

Victory Lane will have the absolute and unilateral right to determine when, how and where the Advertising Fund Contributions and other payments deposited into the Fund will be spent. This includes, without limitation, the right of Victory Lane to purchase and pay for product and market research, production development, production materials, ad slicks, brochures, radio and television commercial production costs, services provided by advertising agencies, in-store advertising, signs, public relations, telemarketing, direct mail advertising, promotional programs, advertising market research, graphics and design costs, creation, maintenance and enhancement of a Home Page or website, Internet costs, software development and upgrades, services provided by software developers or consultants, special event marketing costs, gift certificate program costs, evaluation services, miscellaneous advertising costs, the costs incurred in administering the Fund and such other costs and expenses as Victory Lane deems appropriate and in the best interests of all Victory Lane Centers and the Business System. All administrative and other costs associated with or incurred in the administration of the Fund including, but not limited to, marketing and administrative personnel salaries, fringe benefits and travel costs, long distance telephone charges, office rental, collection costs (including attorneys' fees paid in collecting past due Advertising Fund Contributions) and office supplies will be paid from the Fund. Victory Lane will not be required to spend the Advertising Fund Contributions deposited into the Fund in any particular geographic market or DMA and will not be required to spend the Advertising Fund Contributions in the Franchisee's market area in proportion to the Advertising Fund Contributions paid by the Franchisee. Victory Lane will not be required to spend the Advertising Fund Contributions in the Fund in the fiscal year in which the payments were made. All interest accrued by the Fund will remain in the Fund. A summary showing the income to the Fund and the expenditures made from the Fund during each fiscal year will be prepared by Victory Lane and be available 90 days after Victory Lane's fiscal year end for the preceding fiscal year. Copies of the summary will, upon written request, be provided to the Franchisee.

4.3 Local Advertising.

The Franchisee will, each calendar month, spend a minimum of 5% of its Revenues on approved local advertising (as specified in the Operations Manuals) for its Center, including the amount of Advertising Fund Contribution paid pursuant to Section 4.1. If the Franchisee spends less than 5% of its Revenues for approved local advertising in any calendar month, then the Franchisee will, within 10 days after receipt of written notice, deposit with Victory Lane the difference between the amount the Franchisee was required to pay and the amount actually spent by the Franchisee. Victory Lane will have the right to spend all of the funds deposited by the Franchisee under this provision for advertising and promotion in the Franchisee's DMA in the manner deemed appropriate by Victory Lane in its sole and absolute discretion. Within 10 days after the end of each month, the Franchisee will, in the prescribed form, furnish Victory Lane with an accurate accounting of the Franchisee's expenditures for local advertising for the previous month.

4.4 Local Advertising Association.

This Section 4.4 applies to Franchisees operating Oil Change or Oil Change/Car Wash Centers only.

When two or more Victory Lane Centers, including the Franchisee's Center, are opened in the Franchisee's DMA (or other market area designated by Victory Lane), the Franchisee will become a "Member" of and participate in a local advertising group (the "Local Advertising Association" or the "LAA") which will conduct and administer media advertising, promotion, marketing and public relations ("Advertising and Marketing") for the benefit of the Victory Lane Centers located in the DMA, subject to the following terms and conditions:

- (a) The LAA will consist of all Victory Lane Centers in the DMA, including the Victory Lane Centers owned by Victory Lane or an affiliated company in the DMA.
- (b) Each Victory Lane Center in the DMA, including the Victory Lane Centers owned by Victory Lane or an affiliated company, will be a Member of the LAA. Each Member will have one vote for each franchised or company-owned Center owned by it in the DMA on all matters to be voted upon at duly convened meetings.
- (c) Each Member will be given five days written notice of any proposed meeting. A quorum consisting of a majority of all Members of the LAA will be required to convene any meeting of the LAA. A majority vote by the Members present at a duly convened meeting will be required to pass any proposed resolutions or motions. All meetings will be conducted according to Robert's Rules of Order.
- (d) The purpose of the LAA will be to conduct Advertising and Marketing for the benefit of all Victory Lane Centers located in the DMA.
- (e) The LAA will not conduct any Advertising and Marketing program or campaign for the Victory Lane Centers in the DMA unless and until Victory Lane has given the LAA prior written approval for all concepts, materials or media proposed for any such Advertising and Marketing program or campaign.
- (f) On or before the 10th day of each month, each Member of the LAA will contribute up to 3% of the monthly Revenues generated during the previous month by the Member's Victory Lane Center to the LAA (the "Local Advertising Fee"). The Local Advertising Fee contributed by the Members will be used by the LAA for Advertising and Marketing programs and campaigns for the benefit of all Victory Lane Centers in the DMA. The cost of all Advertising and Marketing in the DMA must be approved by a majority vote of all Members present at a

duly convened meeting. If the cost of the Advertising and Marketing approved by the Members exceeds the amount of funds available to the LAA, then the Local Advertising Fee payable by the Franchisee and all other Members to the LAA pursuant to this provision may be increased by vote of a majority of the Members present at a duly convened meeting. The Franchisee will contribute the amount of the Local Advertising Fee agreed to by the Members to the LAA in accordance with this provision.

(g) The LAA will, within 20 days after the end of each calendar quarter, furnish to Victory Lane and its Members in the form prescribed by Victory Lane, a written summary of the Members' contributions to the LAA and an accurate accounting of the LAA's expenditures for approved Advertising and Marketing.

(h) The Local Advertising Fee paid by the Franchisee to the LAA may be applied to the 5% local advertising requirement set forth in Article 4.3 of this Agreement. Otherwise, contributions to the LAA by the Franchisee pursuant to this provision will be in addition to the payment of the Advertising Fund Contributions and the other advertising obligations of the Franchisee set forth in this Article.

4.5 Telephone Directory Listings.

The Franchisee will continually list and advertise in the "Yellow Pages" in the Franchisee's DMA under the listing(s) designated by Victory Lane in writing. The format, size and content of the listings and advertising will conform to the standards specified in the Operations Manuals. The Franchisee will take all steps necessary to be listed in the "White Pages" for the Franchisee's DMA. Expenditures made by the Franchisee for the Yellow Pages or White Pages advertising will not be considered expenditures for local advertising for the purposes of Article 4.3 of this Agreement.

4.6 Grand Opening Celebration.

The Franchisee will spend a minimum of \$7,500 on grand opening advertising for the Franchisee's Oil Change or Oil Change/Car Wash Center in the manner specified in writing by Victory Lane and will submit to Victory Lane a summary of the approved grand opening celebration expenses incurred by the Franchisee in the form designated by Victory Lane within 30 days after the grand opening of the Franchisee's Center. Expenditures made by the Franchisee for the grand opening celebration for the Franchisee's Center may be applied to the local advertising requirement imposed in Article 4.3 of this Agreement.

4.7 Applicability of Article 4

This Article 4 applies only to Oil Change Centers, Oil Change/Car Wash Centers, and Car Wash Centers with in-bay automatic car washes. Article 4 does not apply with Car Wash Centers with self-serve bays only.

ARTICLE 5

PAYMENT OF FEES

5.1 Franchisee's Obligation to Pay.

The Franchisee's obligations to pay Victory Lane the weekly Royalty Fees and Advertising Fund Contributions pursuant to the terms of this Agreement are absolute and unconditional, and will remain in full force and effect for the entire term of this Agreement. The Franchisee will not have the "right of offset" and, as a consequence, the Franchisee will timely pay all Royalty Fees and Advertising Fund Contributions due to Victory Lane under this Agreement regardless of any claims or allegations the Franchisee may allege against Victory Lane.

5.2 Interest on Unpaid Fees.

If the Franchisee fails to timely remit any fees due to Victory Lane, then the amount of the past due payment will bear simple interest at the lesser of the maximum legal rate allowable by applicable law or 18% simple interest per annum. The Franchisee will pay Victory Lane an Administrative Fee of \$50 for each delinquent payment within 10 days after the delinquent payment was due. The Franchisee will, immediately upon receipt of an invoice from Victory Lane, reimburse Victory Lane for any and all costs incurred by Victory Lane in the collection of any past due payments, including attorneys' fees and costs.

5.3 Pre-Authorized Bank Transfers.

The Franchisee will, from time to time during the term of this Agreement, execute such documents as Victory Lane may request to provide the Franchisee's unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing the Franchisee's bank or financial institution to transfer directly to the bank account of Victory Lane, and to charge to the account of Franchisee, the amount of the Royalty Fees, Advertising Fund Contributions and other sums due and payable by the Franchisee to Victory Lane pursuant to this Agreement. The transfer authorizations will be in the form prescribed by Victory Lane's bank. Transfers will be made on Wednesday of each week for the weekly Royalty Fees and Advertising Fund Contributions payable for the preceding week, as set forth in this Agreement or within five days after the issuance of an invoice by Victory Lane for other amounts payable by the Franchisee. The Franchisee's authorizations will permit Victory Lane to designate the amount to be transferred from the Franchisee's account, and to adjust such amount from time to time for the Royalty Fees, the Advertising Fund Contributions and other sums then payable to Victory Lane by the Franchisee. If the Franchisee fails at any time to provide the weekly reports of Revenues required under this Agreement, then Victory Lane will have the right, in its sole discretion, to estimate the amount of Royalty Fees, Advertising Fund Contributions and other sums due and payable to Victory Lane, and to transfer such estimated amount from the Franchisee's bank account to Victory Lane's bank account in accordance with the provisions of this Article. The Franchisee will at all times maintain a balance in its account at its bank or financial institution sufficient to allow the appropriate amount to be transferred from the Franchisee's account for payment of the Royalty Fees, Advertising Fund Contributions and other sums payable by the Franchisee directly to Victory Lane's bank account.

ARTICLE 6

FINANCIAL STATEMENTS

6.1 Financial Statements.

The Franchisee will, at its expense, prepare monthly and year-to-date Financial Statements that will be delivered to Victory Lane within 25 days after the end of each month. The Franchisee will also prepare annual Financial Statements that will be delivered to Victory Lane 90 days after the end of the Franchisee's fiscal year. All Financial Statements will be in the form prescribed by Victory Lane and will conform to the standard chart of accounts prescribed by Victory Lane. The Financial Statements must be verified by an officer or Owner of the Franchisee as to accuracy and completeness.

6.2 Sales and Income Tax Returns.

Within three business days after receipt of a written request, the Franchisee will furnish Victory Lane with signed copies of all state sales tax returns and federal income tax returns for the Franchisee's Center for the fiscal years or other periods requested.

6.3 Audit Rights.

Within three business days after receiving written notice from Victory Lane, the Franchisee and the Franchisee's accountants will make all of their Financial Records available during business hours for Victory Lane or its designees to review, copy and audit. The Financial Records for each fiscal year will

be maintained by the Franchisee in a safe place for each of the last five years. The audit will be conducted at the location where the Franchisee maintains the Financial Records and Victory Lane will be provided with adequate facilities by the Franchisee to conduct the audit. Victory Lane will maintain the confidentiality of all Financial Records; however, if the Financial Records are relevant to any issue in any arbitration or court proceeding between the parties, then Victory Lane will have the right to disclose the Financial Records accordingly.

6.4 Payment of Audit Costs.

If an audit of the Franchisee's Financial Records reveals any deficiencies in the weekly Royalty Fee and/or Advertising Fund Contribution payable to Victory Lane, then the Franchisee will, within five days after receipt of an invoice, pay to Victory Lane any deficiency owed, together with interest and Administrative Fees as provided for herem. In addition, if an audit establishes that the Franchisee's Revenues were understated by more than 2% in any month or in any year, then the Franchisee will, within five days after receipt of an invoice, pay Victory Lane for all costs and expenses incurred for the audit of the Franchisee's Financial Records (including employee salaries, Travel Expenses, and audit fees).

ARTICLE 7

STANDARDS REQUIRED OF FRANCHISEE

7.1 Quality and Service Standards.

Victory Lane has developed and will continue to develop uniform standards of quality, cleanliness and service regarding the business operations of the Franchisee's Victory Lane Center to protect and maintain (for the benefit of Victory Lane and all of its franchisees) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the Business System. The Franchisee agrees to maintain the uniformity and quality standards required by Victory Lane for all Products and Services associated with the Marks and the Business System and agrees to the terms and conditions contained in this Article to assure the public that all Victory Lane Centers will be uniform in nature and will sell and dispense quality Products and Services.

7.2 Identification of Center.

The Franchisee will operate the Center so that it is clearly identified and advertised as a Victory Lane Center. The style and form of the words "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other Marks used in any advertising, marketing, public relations or promotional program must have the prior written approval of Victory Lane. The Franchisee will use the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" the approved logos and all graphics commonly associated with the Business System and the Marks on all materials in the manner prescribed by Victory Lane.

7.3 Compliance with Standards.

The Franchisee will use the Marks and the Business System in strict compliance with the moral and ethical standards, quality standards, health standards, operating procedures, specifications, requirements and instructions required in the Operations Manuals or otherwise in writing by Victory Lane.

7.4 Franchisee's Entity.

The Franchisee will not use the names "Victory Lane Car Wash®", "Victory Lane Quick Oil Change®", or "Victory Lane" or any derivative thereof in the name of the Entity that is the Franchisee or in any name of an affiliated or Controlled Entity of the Franchisee in any incorporation, organization or other legal formation documents filed with any state government or agency. The Franchisee will hold itself out to the public as an independent contractor operating its Center pursuant to a Franchise from Victory Lane.

The Franchisee will file for a certificate of assumed name in the manner required by applicable state law to notify the public that the Franchisee is operating its Center as an independent contractor.

7.5 Interests of Operating Company.

The Franchisee's operating company will be dedicated solely to the operation of the Franchisee's Center(s) and will not hold any interest in, operate, or manage any other business of any kind without the prior written approval of Victory Lane.

7.6 Approved Advertising.

The Franchisee will not conduct any advertising and/or promotion programs for its Victory Lane Center, except those contained in the Operations Manuals, without the written approval of Victory Lane. The Franchisee will not permit any party to advertise its business, services or products on the premises of or in connection with the Franchisee's Center.

7.7 Default Notices and Significant Correspondence.

The Franchisee will deliver to Victory Lane, immediately upon receipt by the Franchisee or delivery at the Franchised Location, an exact copy of all (a) notices of default received from the landlord of the Franchised Location or any mortgagee, trustee under any deed of trust, contract for deed holder, lessor, or any other party, (b) notifications or other correspondence relating to any legal proceeding relating in any way to the Franchisee's Center or to the Franchised Location, and (c) inspection reports or any other notices, warnings or citations from any governmental authority, including any health or safety authority or any environmental agency. Within 10 days after the end of each month, the Franchisee will provide Victory Lane with a written summary of all written consumer and employee complaints or claims. The Franchisee will provide all additional information requested by Victory Lane relating to any of these matters.

7.8 Catastrophes.

If the Center is damaged or destroyed by fire or other casualty, then (a) the Franchisee will, within 30 days thereafter, initiate the process to commence the repairs and reconstruction necessary to reopen the Center, or (b) the Franchisee will relocate the Center as provided for in Article 1.4 of this Agreement (except the Franchisee will not be required to pay a Relocation Fee), and in any event, the term of this Agreement will be extended for the period from the date the Center closed as a result of the casualty until the date it re-opens if the Franchisee elects to extend the term. The Franchisee will relocate the Center as provided in Article 1.4 or repair or reconstruct the premises of the Center in compliance with the then-current standards and specifications and will open the Center or the relocated Center for business within 12 months after the date of such casualty. Notwithstanding the foregoing, the Franchisee will pay Victory Lane the minimum Royalty Fee of \$250 per week each week the Franchisee's Center is closed as a result of a casualty, a relocation of the Center, or any other reason.

7.9 Vending and Gaming Machines; Tickets.

The Franchisee will not, except with the written permission of Victory Lane, permit any jukeboxes, electronic games, cigarette vending machines, ATM machines, newspaper racks, entertainment devices, coin or token operated machines (except pay telephones), or gambling devices to be used on the premises of the Center and will not sell or allow employees to sell any tickets, subscriptions, chances, raffles, lottery tickets or pull tabs. The Franchisee may permit candy, gum and non-alcoholic beverage machines to be used on the premises of the Center.

7.10 Compliance with Applicable Law.

The Franchisee will be responsible for the operation of its Center, and will control, supervise and manage all the employees, agents and independent contractors who work for or with the Franchisee. Victory Lane will not have any right, obligation or responsibility to control, supervise or manage the Franchisee's

employees, agents or independent contractors. The Franchisee will comply with all applicable federal, state, city, local and municipal laws, statutes, ordinances, rules and regulations pertaining to the construction or remodeling and the operation of the Franchisee's Center including, but not limited to: (a) licensing laws; (b) health and safety regulations and laws; (c) environmental laws; (d) all laws relating to the storage, handling, transportation, use and disposal of any waste, hazardous substances; (e) employment law (including all wage and hour laws, employment laws, workers' compensation laws, discrimination laws, sexual harassment laws, disability and discrimination laws); and (f) tax laws (including those relating to individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes, inventory taxes, personal property taxes and real estate taxes and federal, state and local income tax laws). The Franchisee will, at its expense, be solely and exclusively responsible for determining the licenses and permits required by law for the Franchisee's Center, for obtaining and qualifying for all licenses and permits, and for compliance with all applicable laws by its employees, agents and independent contractors. Victory Lane will have no liability for any taxes which arise or result from the Franchisee's Center and the Franchisee will indemnify Victory Lane for any such taxes that may be assessed or levied against Victory Lane which arise out of or result from the Franchisee's Center. If any "franchise" or other tax which is based upon the Revenues, receipts, sales, business activities or operation of the Franchisee's Center is imposed upon Victory Lane by any taxing authority, then the Franchisee will reimburse Victory Lane for all such taxes paid by Victory Lane.

7.11 Contamination.

The Franchisee will operate its Victory Lane Center at the highest standard of care to avoid contamination of the soils and groundwater at and around the Franchised Location and to detect promptly and minimize the adverse effects of any such contamination. The Franchisee will be responsible and liable for the day-to-day operation and maintenance of all equipment and devices located at the Franchisee's Center. The Franchisee will maintain and periodically inspect all equipment and devices at the Franchisee's Center, and will provide copies of all records to Victory Lane for the periods designated in any written request by Victory Lane. Upon receiving written notice, the Franchisee will certify to Victory Lane, in the form designated by Victory Lane, that the Franchisee has kept accurate records for the Franchisee's Center and has reported promptly to all authorities or agencies and to Victory Lane all matters required by law including, without limitation, known or suspected spills or leaks of regulated substances at the Franchisee's Center. Upon the written request of Victory Lane, the Franchisee will execute and deliver all other documents required by Victory Lane to establish the Franchisee's compliance with this provision of this Agreement.

7.12 Business Hours: Personnel.

The Franchisee's Center will be open during the hours specified in the Operations Manuals or otherwise in writing by Victory Lane. During business hours, the Franchisee will have management personnel on duty who are responsible for supervising the Center's employees and operations. The Franchisee will have a sufficient number of adequately trained and competent personnel on duty to guarantee efficient service to the customers of the Center. The Franchisee will require its employees to wear the standard attire or uniforms described in the Operations Manuals.

7.13 Inspection Rights.

The Franchisee will permit Victory Lane or its representatives to enter, remain on, and inspect the Center without prior notice. Victory Lane may: (a) interview the Franchisee's employees and customers; (b) take photographs and videotapes of the interior and exterior of the Franchised Location; (c) examine and remove samples of the products sold or used at the Franchisee's Center; and (d) evaluate the quality of the Products and Services provided by the Franchisee to its customers. Victory Lane will have the right to use all interviews, photographs and videotapes of the Franchisee's Center for such purposes as Victory

Lane deems appropriate, including use in advertising, marketing and promotional materials, without compensating the Franchisee.

7.14 Security Interest in Franchise Agreement.

This Agreement and the Franchise granted to the Franchisee hereunder may not be used as collateral or be the subject of a security interest, lien, levy, attachment or execution by the Franchisee's creditors, any financial institution, or any other party.

7.15 Credit Cards Gift Certificates and Cards.

The Franchisee will honor all credit charge, courtesy and cash cards approved in writing by Victory Lane. The Franchisee will not create or issue any prepaid or gift cards or gift certificates and will only sell prepaid or gift cards or gift certificates that have been issued by Victory Lane and which are accepted at all Victory Lane Centers. The Franchisee will not issue coupons or discounts of any type except as approved in writing by Victory Lane.

7.16 Maintenance.

The Franchisee will, at its expense, repair and maintain the Franchised Location in a clean and sanitary condition and will replace all equipment and other items as they become worn-out, soiled or in disrepair. All mechanical equipment must be kept in good working order by the Franchisee. All replacement equipment and other items used in the Center must comply with the standards and specifications in the Operations Manuals.

7.17 Remodeling of Business Premises.

The Franchisee will make the reasonable capital expenditures necessary to extensively remodel, modernize, redecorate and renovate ("remodel" or "remodeling") the Franchised Location and to replace and modernize the FF&E so that the Franchisee's Center will reflect the then-current image of a Victory Lane Center and conform to Victory Lane's then-current specifications. The Franchisee will commence remodeling the Franchised Location within four months after receiving written notice from Victory Lane specifying the required remodeling, and will diligently complete such remodeling within a reasonable time after its commencement. Except as provided for in Article 7.16 of this Agreement, the Franchisee will not be required to remodel the Franchised Location, or to replace and modernize its FF&E more than once every five years.

7.18 Other Businesses.

The Franchisee will use the Franchised Location solely for the operation of a Victory Lane Center and will not directly or indirectly operate or engage in any other business or activity from the Franchised Location. The Franchisee will not participate in any dual branding program, or in any other program, promotion or business pursuant to which another trademark, service mark, trade name, or commercial symbol is used in connection with the Franchisee's Center.

7.19 Initial Package.

The Franchisee will purchase from Victory Lane the "Initial Package" for an Oil Change Center or Oil Change/Car Wash Center for a fee of \$5,000 or \$3,500 for a Car Wash Center (the "Initial Package Fee"). The Initial Package will include the items and materials specified in the Operations Manuals. The Initial Package Fee will be due and payable to Victory Lane within five days after receipt of an invoice from Victory Lane.

7.20 National Conventions.

The Franchisee's Manager and the other persons designated by the Franchisee will attend each national convention held by Victory Lane. The date and location of all national conventions will be at the sole discretion of Victory Lane. The Franchisee will pay the then-current convention registration fee

established by Victory Lane for each person attending the national convention. The Franchisee will also pay the Salaries and Benefits, the Travel Expenses and all other expenses incurred by the persons attending the national convention on the Franchisee's behalf. The Franchisee acknowledges that the attendance of at least one person at each national convention held by Victory Lane and the payment of the then-current registration fee for at least one person is mandatory.

7.21 Personal Guarantors.

If the Franchisee is an Entity, then (a) all Owners of the Franchisee who own 20% or more of the Ownership Interests of the Franchisee and (b) the Owners of at least 50.1% of the total Ownership Interests of the Franchisee must sign the Personal Guaranty attached to this Agreement.

ARTICLE 8

PRODUCTS AND SERVICES

8.1 Limitations on Products and Services.

The Franchisee will only sell the Products and Services specified in writing by Victory Lane or in the Operations Manuals and will offer and sell all of the Products and Services specified by Victory Lane in writing or in the Operations Manuals. The Franchisee will maintain sufficient inventories to realize the full potential of the Center and will conform to all customer service standards prescribed by Victory Lane in writing. The Franchisee will have the absolute right to sell all Products and Services at whatever prices and on whatever terms it deems appropriate. The Franchisee will only sell the Products and Services on a retail basis and will not offer or sell the Products and Services: (a) on a wholesale or retail basis at any other location; (b) by means of the Internet, catalogue or mail order sales, or telemarketing; and (c) by any other method of distribution.

8.2 Approved Suppliers.

The Franchisee will purchase certain Products and Services which will be used or sold by the Franchisee at its Center only from approved suppliers. The Franchisee will have the right to purchase these Products and Services from other suppliers provided they conform to Victory Lane's standards and specifications and provided that Victory Lane determines that the supplier's or distributor's business reputation, quality standards, delivery performance, credit rating, and other factors are satisfactory. If the Franchisee desires to purchase any such Products or Services from other suppliers, then the Franchisee must, at its expense, submit samples, specifications, and product information requested by Victory Lane, for review and testing to determine whether these Products and Services comply with Victory Lane's standards and specifications. Victory Lane will also have the right to inspect the facilities of the proposed supplier, and the Franchisee will reimburse Victory Lane for the costs and expenses incurred to conduct the inspection within five days after receipt of an invoice indicating the amount owed. Victory Lane will complete all product testing within 30 days, and will notify the Franchisee of its determination within 45 days after Victory Lane receives the samples and other requested information from the Franchisee. The written approval of Victory Lane must be obtained before any previously unapproved suppliers or Products and Services are sold or used by the Franchisee.

8.3 Designated Suppliers.

The Franchisee will purchase only from Designated Suppliers the Products and Services designated in writing by Victory Lane which are to be used or sold by the Center and which Victory Lane determines must meet the standards of quality and uniformity required to protect the valuable goodwill and uniformity symbolized by and associated with the Marks and the Business System.

8.4 Brand Name Products.

The Franchisee will purchase and use in its business operations all of the brand name products specified in the Operations Manuals or otherwise in writing by Victory Lane.

8.5 Branding of Products or Services.

The Franchisee will not have the right to: (a) use or display the Marks on or in connection with any Products or Services that have not been approved by Victory Lane; (b) acquire, develop or manufacture any product using the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®", or any of the Marks, or direct any other person or Entity to do so; (c) acquire, develop or manufacture any product or item that has been developed or manufactured by or for Victory Lane for use in conjunction with the operations of the Center and which is sold under any of the Marks, or direct any other person or Entity to do so; and (d) use, have access to, or have any rights to any proprietary products created by or at the direction of Victory Lane and sold under the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Change®", or any of the Marks.

8.6 Payments to Victory Lane.

The Franchisee acknowledges that Victory Lane may receive commissions, volume discounts, purchase discounts, performance payments, bonuses, rebates, marketing and advertising allowances, co-op advertising, administrative fees, enhancements, price discounts, economic benefits and other payments ("Payments") based upon purchases of Products and Services from Designated Suppliers, Approved Suppliers, Victory Lane, and/or other suppliers, vendors and distributors ("Suppliers" or "Supplier"). Any Payments received by Victory Lane from any Suppliers as a result of or based on the Franchisee's purchases from those Suppliers will be the exclusive property of Victory Lane to be used in the manner determined by Victory Lane, in its sole discretion, and the Franchisee will not have any right to receive any Payments made to Victory Lane from any Suppliers. If Victory Lane is a Supplier for any Products and Services and if the Franchisee purchases Products and Services from Victory Lane, then any Payments made to Victory Lane by any Supplier that is based on the Franchisee's purchases of any Products and Services from Victory Lane will be the exclusive property of Victory Lane and the Payment will be deemed to be a reduction of the price paid by Victory Lane for the Products and Services sold to the Franchisee by Victory Lane. The Franchisee will not, under any circumstances, have the right to receive any portion of any Payments made to Victory Lane by any Supplier for the sale of any Products and Services purchased by Victory Lane and thereafter sold to the Franchisee by Victory Lane.

8.7 Independent Shopping Services.

Victory Lane will have the right to hire an independent shopping or other evaluation service to (a) visit the Franchisee's Center, (b) interview the customers of the Franchisee's Center by telephone, electronically, interactive voice response, or in person, (c) summarize information from customer surveys or comment cards for the Franchisee's Center, and (d) communicate with customers of the Franchisee's Center by e-mail or in writing, by direct contact, electronically, or interactive voice response for the purpose of evaluating: (i) the operations of the Franchisee's Center, (ii) the quality of the Products and Services provided to customers by the Franchisee's Center, and (iii) whether the Franchisee is in compliance with the operational and quality standards specified in the Operations Manuals. Victory Lane will determine the frequency, nature and extent of the evaluation services that will be provided and the form of the reports the shopping service will provide to Victory Lane. Victory Lane will provide the Franchisee with copies of all evaluation reports prepared by the shopping service for the Franchisee's Center.

CONFIDENTIAL OPERATIONS MANUALS: CONFIDENTIAL INFORMATION**9.1 Compliance with Operations Manuals.**

Victory Lane will loan the Franchisee one copy of the Operations Manuals which may be provided electronically to the Franchisee. The Franchisee will conform to the common image and identity created by the products, techniques, processes, and services associated with Victory Lane Centers which are portrayed and described by the Operations Manuals. The Franchisee will modify the operations of the Center to implement all changes, additions and supplements made by Victory Lane to the Business System which are reflected by the Operations Manuals as promptly as reasonably possible. The Franchisee will not use the Operations Manuals or any information contained therein for any purpose other than the operation of the Franchisee's Center. The Franchisee acknowledges receiving one copy of the Operations Manuals from Victory Lane for the term of this Agreement.

9.2 Confidentiality of Operations Manuals.

The Franchisee will at all times treat the Operations Manuals and any other manuals created for or approved for use in the operation of the Franchisee's Center as secret and confidential, and the Franchisee will use all reasonable means to keep such information secret and confidential. The Franchisee and its employees will not make any copy, duplication, record, or reproduction of the Operations Manuals available to any unauthorized person.

9.3 Revisions to Operations Manuals.

The Operations Manuals will at all times remain the sole and exclusive property of Victory Lane. Victory Lane may, from time to time, revise the Operations Manuals, and the Franchisee expressly agrees to operate its Center in accordance with all such revisions. The Franchisee will at all times keep its copy of the Operations Manuals current and up-to-date, and in the event of any dispute regarding the Operations Manuals, the terms of the master copy of the Operations Manuals maintained by Victory Lane will be controlling in all respects. Victory Lane will have the right to "update" the Operations Manuals by either mailing the updates to the Franchisee, or by making copies of the updates available on Victory Lane Internet website.

9.4 Confidentiality of Other Information.

Victory Lane and the Franchisee expressly understand and agree that Victory Lane will be disclosing and providing to the Franchisee certain confidential and proprietary information concerning the Business System and the procedures, operations, technology and data used in connection with the Center. The Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or Entity any such confidential and proprietary information, knowledge or know-how concerning the methods of operation of the Center which may be communicated to the Franchisee, or of which the Franchisee may be apprised by virtue of this Agreement. The Franchisee will divulge such confidential and proprietary information only to its employees who must have access to it to operate the Franchisee's Center. Any and all information, knowledge and know-how including, without limitation, drawings, client lists, materials, equipment, technology, methods, procedures, techniques, processes, specifications, computer programs, systems and other data which Victory Lane copyrights or designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement.

SITE SELECTION; CONSTRUCTION SIGNS**10.1 Site Selection: Purchase or Lease of Site.**

The Franchisee will be solely responsible for selecting and purchasing or leasing the site of the Franchised Location for the Franchisee's Center. Victory Lane recommends that the Franchisee retain (a) an experienced commercial real estate broker or salesperson who has at least seven years experience in locating business sites to advise and counsel the Franchisee with regard to the price, economics, viability, location, and acquisition or lease of the site for the Franchisee's Center and (b) an experienced attorney to provide advice and counsel on the Franchisee's business and the terms, conditions and economics of the legal and other documents required to lease or purchase the site. The Franchisee will provide Victory Lane with a copy of the Lease for the site selected by the Franchisee at least 10 days before the date the Lease is to be signed. Victory Lane's review of the Lease will be only to determine whether the terms of the agreement comply with the terms and conditions of this Agreement, and not to provide any business, economic, legal or real estate advice or analysis. The Franchisee will be solely responsible for all terms of the Lease, including the enforceability, economics and legality of all provisions in the Lease. The Franchisee will not sign the Lease for the Franchised Location until this Agreement has been signed by both the Franchisee and Victory Lane and this Agreement is deemed legally enforceable. Victory Lane will have the right, but not the obligation, to enter the premises of the Franchised Location to conduct inspections during regular business hours. Victory Lane will have no duty or obligation to assist the Franchisee in the selection of a site for the Franchised Location, or to provide any assistance to the Franchisee in the purchase or lease of the Franchised Location. Victory Lane has informed the Franchisee that it does not have any experience or expertise in selecting real estate sites in the geographic area where the Franchisee's Center will be located and therefore, Victory Lane will not have any obligation, duty or liability to the Franchisee as a result of the site selected by the Franchisee and/or the purchase or lease of the Franchised Location.

10.2 Site Information: Site Visit.

The Franchisee will provide the information specified by Victory Lane relating to the proposed site and Victory Lane may elect to visit any site proposed by the Franchisee. The review of any site information, any site evaluation by Victory Lane and any visits by Victory Lane to a proposed site will not constitute an approval of the site by Victory Lane or a warranty or representation by Victory Lane that the site for the Franchised Location chosen by the Franchisee will be a financial or operational success. Victory Lane will have the right to require that the Franchisee obtain, at the Franchisee's expense, an economic feasibility study for the Franchised Location. Any feasibility study required by Victory Lane will be completed by an expert mutually agreed upon by Victory Lane and the Franchisee in writing.

10.3 Site Release.

The Franchisee hereby releases Victory Lane and its officers, directors, Owners, agents and employees, in their corporate and individual capacities, from any and all claims by the Franchisee arising from, in connection with, or as a result of the Franchisee's purchase or lease of the site selected by the Franchisee for the Franchised Location.

10.4 Standard Plans and Specifications.

Victory Lane will, at its expense, provide the Franchisee with a set of the standard plans, standards and specifications for the Victory Lane Center to be built at the site selected by the Franchisee for the Franchised Location. The Franchisee will, at its cost, retain a licensed architect and will be responsible for the preparation of working drawings and construction and architectural plans and specifications for the Franchised Location. The Franchisee will be responsible for the accuracy of all drawings, plans and specifications for its Franchised Location.

10.5 Compliance with Specifications.

The Franchised Location and the Franchisee's Center will conform to all construction plans, standards and specifications established by Victory Lane. The Franchisee will purchase and install the FF&E specified in the Operations Manuals for the Franchisee's Center.

10.6 Construction Costs.

The Franchisee will be solely responsible for all costs and expenses incurred for the construction or renovation of the Franchisee's Center at the Franchised Location including, but not limited to, all costs for architectural plans and specifications, all modifications to the standard plans and specifications necessitated by the structure, construction or layout of the Franchised Location, building permits, site preparation, demolition, construction of the parking lot, landscaping, heating, ventilation and air conditioning, interior designs, FF&E, leasehold improvements, labor, architectural and engineering fees, electricians, plumbers, general contractors and subcontractors.

10.7 Inspection.

The Franchisee will be solely responsible for inspections during construction or renovation to confirm that the Franchised Location is being constructed or renovated in a workmanlike manner and according to the plans and specifications established by Victory Lane. The Franchisee will be solely responsible for complying with all federal, state and local laws, ordinances, statutes and building codes, and for acquiring all licenses and building and other permits required by law in connection with the construction or renovation of the Franchisee's Center at the Franchised Location. Victory Lane will have no responsibility to the Franchisee or any other party if the Center is not constructed or renovated by the Franchisee or its architect or contractor: (a) according to the standard plans and specifications established by Victory Lane; (b) in compliance with all applicable federal, state or local laws or ordinances; or (c) in a workmanlike manner. The Franchisee will not open the Center for business without the prior written approval of Victory Lane.

10.8 Approved Signs.

All exterior and interior signs at the Franchised Location (the "Signs") must comply with the standard sign plans and specifications established by Victory Lane and provided to the Franchisee. The Franchisee will, at its expense, prepare or cause the preparation of complete and detailed plans and specifications for the Signs and will submit them to Victory Lane for written approval. Victory Lane will have the absolute right to inspect, examine, videotape and photograph the Signs at the Franchised Location during the term of this Agreement. The Franchisee will be responsible for any and all installation costs, sign costs, architectural fees, engineering costs, construction costs, permits, licenses, repairs, maintenance, utilities, insurance, taxes, assessments and levies in connection with the construction, erection, maintenance or use of the Signs including, if applicable, all electrical work, construction of the base and foundation, relocation of power lines and all required soil preparation work. The Franchisee will comply with all federal, state and local laws, regulations, building codes and ordinances relating to the construction, erection, maintenance and use of the Signs. The Franchisee may not alter, remove, change, modify, or redesign the Signs unless approved by Victory Lane in writing. Victory Lane will have the right to redesign the specifications for the Signs without the approval or consent of the Franchisee. Within 90 days after receipt of written notice from Victory Lane, the Franchisee will, at its expense, either modify or replace the Signs so that the Signs displayed at the Franchised Location will comply with the new specifications. The Franchisee will not be required to modify or replace the Signs more than once every five years.

10.9 Ownership of Franchised Location.

If any of the Franchisee's Owners, or an Entity owned by the Franchisee and/or any of the Franchisee's Owners, owns, leases or otherwise controls the Franchised Location, including the land, building and real estate, or any of the Owners, or an Entity owned by the Franchisee and/or any of the Owners owns 50.1%

or more of an Entity that owns, leases or otherwise controls the Franchised Location, then the Franchisee will, as the lessee, enter into a Lease for the Franchised Location for a term coextensive with the term of this Agreement containing terms and conditions that are commercially reasonable and substantially similar to a commercial lease that would be executed by unrelated parties in an arm's length transaction for similarly situated real estate. A copy of the Lease will be provided to Victory Lane within 10 days after execution and will be deemed to be a Major Asset of the Franchisee. This provision will not apply if the Franchisee owns the Franchised Location and the Franchised Location is reflected as an asset on the Franchisee's Financial Statements, in which event, the Franchised Location will be deemed a Major Asset of the Franchisee.

ARTICLE 11

EQUIPMENT: COMPUTER HARDWARE AND SOFTWARE

11.1 Telecommunication Equipment: Telephone Lines.

The Franchisee will, at its sole expense, obtain and maintain the telephone lines, facsimile ("fax") equipment, and other telecommunications equipment for the Franchisee's Center which are specified in the Operations Manuals. The Franchisee will install the telephone answering machines and other telephone devices at the Center, and will play the required messages while a caller is on hold in accordance with the Operations Manuals.

11.2 Computer Hardware and Software.

The Franchisee will, at its sole expense, lease or purchase the computer hardware, software and computer peripherals required by Victory Lane for the Franchisee's center that meet the specifications set forth in the Operations Manuals (the "Computers and Software"). The Franchisee will, upon written notice from Victory Lane, update the Computers and Software to the standards and specifications set forth in the Operations Manuals or otherwise in writing by Victory Lane. The Franchisee will enter into software license agreements with approved suppliers for the Software required by Victory Lane for the Franchisee's Center. The Franchisee will be responsible for paying Victory Lane, approved suppliers and/or vendors the licensing or other fees, costs and expenses incurred to acquire, install and implement the Computers and Software and any updates to the Computers and Software.

11.3 Internet Provider E-Mail Address.

The Franchisee will, at the Franchisee's expense, have access to the Internet/World Wide Web (the "Internet") and will maintain an e-mail address on the Internet. The Franchisee's e-mail address will be provided to Victory Lane and will be used for the Franchisee and Victory Lane to communicate and to transmit documents and other information. The Franchisee will not use the words "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®", or "Victory Lane" as any part of its e-mail address or its domain name (Uniform Resource Locator) for any home page maintained by the Franchisee on the Internet.

11.4 Internet Website.

The Franchisee will not establish a website or home page on the Internet (the "Home Page") to advertise or promote its Center without the prior written consent of Victory Lane. All features of any proposed Home Page, including the domain name, content, format, and links to other websites or home pages must be approved by Victory Lane in writing. The Franchisee's Home Page may only advertise the Franchisee's Center, and all content and information on the Home Page will be subject to the terms and conditions of this Agreement. The Franchisee will remove all references to the Victory Lane Center and the Marks from its Home Page immediately upon the termination or expiration of this Agreement.

INSURANCE**12.1 General Liability Insurance.**

The Franchisee will purchase and maintain, at its sole cost, a commercial comprehensive general liability insurance policy with coverage of at least \$1,000,000 per occurrence and \$1,000,000 aggregate coverage, insuring the Franchisee and Victory Lane, and their officers, directors, agents and employees from loss, liability, claim, damage or expense, including bodily injury, personal injury, death, property damage, products liability and other legal liability, resulting from the condition, operation, use, business or occupancy of the Franchisee's Center and the Franchised Location, including the surrounding premises, the parking area, and the sidewalks.

12.2 Automobile Insurance.

The Franchisee will purchase and maintain, at its sole cost, automobile liability insurance with minimum coverage of \$500,000 per occurrence insuring the Franchisee and Victory Lane, and their officers, directors, agents and employees from loss, liability, claim, damage or expense resulting from the use, operation or maintenance of each automobile or vehicle owned or used by the Franchisee or any of the Franchisee's employees in the Franchisee's Center (including automobiles owned or leased by any employee of the Franchisee).

12.3 Property Insurance.

The Franchisee will procure and maintain in full force and effect, at its sole cost, "special perils" property insurance coverage, which will include fire and extended coverage, for the inventory, machinery and FF&E owned, leased or used by the Franchisee at the Franchised Location. The Franchisee's property insurance policy (including fire and extended coverage) must have coverage limits equal to at least actual "replacement" cost.

12.4 Business Interruption Insurance.

The Franchisee will procure and maintain in full force and effect, at its sole cost, business interruption insurance with coverage of at least \$3,000 per month for a minimum of 12 months insuring the Franchisee for and against all compensable losses and damages resulting from an interruption in the operation of the Franchisee's Center.

12.5 Building Insurance.

If the Franchisee, or any of the Franchisee's Owners, owns, either directly or indirectly, the building or the business premises at the Franchised Location, then the Franchisee will insure the building or the business premises for and against special perils, loss and damages in an amount equal to at least actual "replacement" cost. If the Franchised Location is either partially or completely destroyed by fire or any other catastrophe, then the Franchisee will use the insurance proceeds to repair or reconstruct the Franchised Location as provided for in this Agreement and recommence business as soon as reasonably possible.

12.6 Umbrella Liability.

The Franchisee will procure and maintain in full force and effect, at its sole cost, umbrella liability insurance in the minimum amount of \$1,000,000 that will provide liability insurance coverage for loss, liability, claim, damage or expense incurred by the Franchisee and Victory Lane in excess of the primary liability insurance coverage carried by the Franchisee.

12.7 Insurance Required by Law.

The Franchisee will, at its sole cost and expense, procure and maintain all other insurance required by state or federal law, including workers' compensation insurance for its employees.

12.8 Insurance Companies: Evidence of Coverage.

All insurance companies providing coverage to the Franchisee must be licensed in the state where coverage is provided. The Franchisee will provide Victory Lane with certificates of insurance evidencing the insurance coverage required of the Franchisee pursuant to this Article no later than the date the Franchisee opens for business, and the Franchisee will immediately provide, upon expiration, change or cancellation, a new certificate of insurance to Victory Lane.

12.9 Defense of Claims.

All liability insurance policies procured and maintained by the Franchisee in connection with the Franchisee's Center will require the insurance company to provide and pay for attorneys to defend any legal actions, lawsuits or claims brought against the Franchisee, Victory Lane, and their officers, directors, agents and employees.

12.10 Rights of Victory Lane.

All insurance policies procured and maintained by the Franchisee pursuant to this Article will name Victory Lane as an additional insured and will contain endorsements by the insurance companies waiving all rights of subrogation against Victory Lane. All insurance policies will provide that Victory Lane will receive copies of all notices of cancellation, nonrenewal, or coverage reduction or elimination at least 30 days prior to the effective date of such cancellation, nonrenewal or coverage change.

ARTICLE 13

LICENSING OF MARKS AND BUSINESS SYSTEM

13.1 Right to License Marks.

Victory Lane warrants that, except as otherwise provided for herein, it has the right to grant the Franchisee and to license the Marks and the Business System to the Franchisee. Any and all improvements made by the Franchisee to the Marks or the Business System will be the sole and absolute property of Victory Lane, which will have the exclusive right to register and protect all such improvements in its name in accordance with applicable law. The Franchisee's right to use and identify with the Marks and the Business System will exist concurrently with the term of this Agreement and such use by the Franchisee will inure exclusively to the benefit of Victory Lane.

13.2 Conditions to License of Marks.

Victory Lane hereby grants to the Franchisee the nonexclusive personal right to use the Marks and the Business System in accordance with the provisions of this Agreement. The Franchisee's nonexclusive personal right to use "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" as the name of the Franchisee's Center and its right to use the Marks and the Business System applies only to the Franchisee's Center at the Franchised Location and such rights will exist only so long as the Franchisee fully performs and complies with all of the conditions, terms and covenants of this Agreement. "Nonexclusive", for the purposes of this Article, will mean that Victory Lane has or will grant franchises to other franchisees, Entities or persons authorizing them to own and operate Victory Lane Centers in conformity with the Business System using the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other Marks, and that Victory Lane, its affiliates and/or subsidiaries may own and operate Victory Lane Centers.

13.3 Franchisee's Authorized Use.

The Franchisee will only use the Marks designated by Victory Lane and only in the manner authorized and permitted by Victory Lane. The Franchisee's right to use the Marks is limited to the uses set forth in this Agreement and any unauthorized use will constitute an infringement of the rights of Victory Lane under this Agreement and under the Lanham Act (15 U.S.C. §1051 et seq.). The Franchisee will not have or acquire any rights in any of the Marks or the Business System other than the right of use as provided herein. The Franchisee will have the right to use the Marks and the Business System only in the manner prescribed, directed and approved by Victory Lane in writing and will not have the right to use the Marks in connection with the sale of any products or services other than those prescribed or approved by Victory Lane for sale by the Franchisee. If in the judgment of Victory Lane, the acts of the Franchisee are contrary to the limitations set forth in this Agreement or infringe upon or demean the goodwill, uniformity, quality or business standing associated with the Marks or the Business System, then the Franchisee will, upon written notice from Victory Lane, immediately modify its use of the Marks or the Business System in the manner prescribed by Victory Lane in writing.

13.4 Adverse Claims to Marks.

If there are any claims by any party that its rights to any or all of the Marks are superior to those of Victory Lane and if the attorneys for Victory Lane are of the opinion that such claim by a party is legally meritorious, or if there is an adjudication by a court of competent jurisdiction that any party's rights to the Marks are superior to those of Victory Lane, then upon receiving written notice from Victory Lane, the Franchisee will, at its sole expense, immediately adopt and use the changes and amendments to the Marks that are specified by Victory Lane. If so specified, the Franchisee will immediately cease using the Marks specified by Victory Lane, and will, as soon as reasonably possible, commence using the new trademarks, trade names, service marks, logos, designs and commercial symbols designated by Victory Lane in writing at the Franchised Location, and in connection with all advertising, marketing and promotion of the Franchisee's Center. The Franchisee will not make any changes or amendments whatsoever to the Marks or the Business System without the written approval of Victory Lane.

13.5 Defense or Enforcement of Rights to Marks.

The Franchisee will have no right to and will not defend or enforce any rights associated with the Marks or the Business System in any court or other proceedings for or against imitation, infringement, prior use or for any other claim or allegation. The Franchisee will give Victory Lane immediate written notice of any and all claims or complaints made against or associated with the Marks and the Business System and will, without compensation for its time and at its expense, cooperate in all respects with Victory Lane in any lawsuits or other proceedings involving the Marks and the Business System. Victory Lane will have the sole and absolute right to determine whether it will commence or defend any litigation involving the Marks and/or the Business System, and the cost and expense of all litigation incurred by Victory Lane, including attorneys' fees, specifically relating to the Marks or the Business System will be paid by Victory Lane.

13.6 Tender of Defense.

If the Franchisee is named as a defendant or party in any action involving the Marks or the Business System solely because the plaintiff or claimant is alleging that the Franchisee does not have the right to use the Marks or the Business System, then the Franchisee will have the right to tender the defense of the action to Victory Lane, and Victory Lane will, at its expense, defend the Franchisee in the action provided that the Franchisee has tendered defense of the action to Victory Lane within seven days after receiving service of the pleadings or the summons and complaint relating to the action. Victory Lane will indemnify and hold the Franchisee harmless from any damages assessed against the Franchisee in any actions resulting solely from the Franchisee's use of the Marks or the Business System at the Franchised Location if the Franchisee has timely tendered defense of the action to Victory Lane.

13.7 Franchisee's Right to Participate in Litigation.

The Franchisee may, at its expense, retain an attorney to represent it individually in all litigation and court proceedings involving the Marks or the Business System, and may do so with respect to matters involving only the Franchisee (i.e., not involving Victory Lane or its interests); however, Victory Lane and its attorneys will control and conduct all litigation involving the Marks or the Business System and the rights of Victory Lane. Except as expressly provided for herein, Victory Lane will have no liability for any costs that the Franchisee may incur in any litigation involving the Marks or the Business System, and the Franchisee will pay for all costs, including attorneys' fees, that it may incur in any litigation or proceeding arising as a result of matters referred to under this Article, if the Franchisee has not timely tendered the defense to Victory Lane in accordance with Article 12.6 of this Agreement.

ARTICLE 14

TRAINING; OPENING ASSISTANCE

14.1 Initial Training.

Victory Lane will provide an initial training program for the Franchisee and the Franchisee's Manager in Ann Arbor, Michigan, or another training location designated by Victory Lane, to educate, familiarize and acquaint them with the Business System and the operations of a Victory Lane Center. The training program will include instruction on basic business procedures, equipment operation and maintenance, hiring and training of employees, computer operations, advertising and promotion, purchasing procedures, inventory and cost controls, customer service, and other topics selected by Victory Lane. The Franchisee and the Franchisee's Manager must attend and successfully complete the training program and be certified in writing by Victory Lane at least 30 days prior to the scheduled opening of the Franchisee's Center. The training program will be scheduled by Victory Lane in its sole discretion and will be for a minimum of 10 days for Oil Change or Oil Change/Car Wash Centers and a minimum of 4 days for Car Wash Centers. If the Franchisee or the Franchisee's Manager does not successfully complete the required training program, he/she will not be permitted to participate in the operations of the Franchisee's Center, and Victory Lane can terminate this Agreement as provided herein.

14.2 Changes in Personnel After initial Opening.

If a new Manager is hired after the initial opening of the Center, then he/she must attend and successfully complete the training program prescribed by Victory Lane in writing or in the Operations Manuals. If he/she fails to successfully complete the required training program, then the Franchisee will not permit that employee to participate in the operation of the Franchisee's Center.

14.3 Required Training of New Personnel.

The initial training program for a new Manager hired after the initial opening of the Center will be conducted in accordance with Victory Lane's standard training program at (a) the Franchised Location, (b) Victory Lane's headquarters in Ann Arbor, Michigan, or (c) another site designated by Victory Lane. If Victory Lane provides the initial training program for the new Manager at the Franchised Location or other training location, then the Franchisee will pay Victory Lane the then-current per day on-site Training Fee for each trainer and will reimburse Victory Lane for all Travel Expenses incurred by each trainer.

14.4 Payment of Salaries and Expenses.

The Franchisee will pay all Travel Expenses and the Salaries and Benefits for all employees who attend any Victory Lane training program on behalf of the Franchisee.

14.5 Opening Assistance.

Victory Lane will provide one representative of Victory Lane (the "Trainer") at the Franchised Location to assist the Franchisee in: (a) implementing the Business System at the Franchisee's Center, and (b) training the Franchisee's employees. The Trainer will be present at the Franchisee's Center for a minimum of four days. The Franchisee will not be required to pay Victory Lane any training fees for the Trainer, and Victory Lane will be responsible for all Travel Expenses incurred by the Trainer. However, the Franchisee will pay Victory Lane the then-current per day on-site Training Fee and all Travel Expenses incurred by the Trainer if it is determined by Victory Lane that more than four days of on-site opening assistance is necessary or required.

ARTICLE 15

OTHER OBLIGATIONS OF VICTORY LANE

Consistent with Victory Lane's uniformity requirements and quality standards, Victory Lane will: (a) provide the Franchisee with a written schedule of all Products and Services sold or used by all Victory Lane Centers, and the Computers and Software, FF&E and supplies required for the operation of the Franchisee's Center; (b) provide the Franchisee with a list of Approved or Designated Suppliers for the Products and Services for the Franchisee's Center; (c) make available to the Franchisee basic accounting and business procedures for use by the Franchisee in its Center; (d) make advertising and marketing recommendations to the Franchisee; (e) visit and review the Franchisee's Center as often as Victory Lane deems necessary and render written reports to the Franchisee deemed appropriate by Victory Lane; (f) protect, police and, when appropriate, enforce the Marks for the benefit of all Victory Lane franchisees in the manner deemed appropriate by Victory Lane; (g) develop and, if applicable, register additional trademarks, trade names, service marks, tag lines, logos or commercial symbols for use in connection with the Business System as deemed appropriate by Victory Lane; (h) upon the reasonable written request of the Franchisee, render reasonable advisory services by telephone or in writing pertaining to the operation of the Franchisee's Center; and (i) loan the Franchisee one copy each of the Operations Manuals, together with all supplements that may be published by Victory Lane. If the Franchisee requests that Victory Lane provide a consultant to assist and advise the Franchisee on management and operations issues at the Franchised Location, then the Franchisee will pay the Travel Expenses and per diem fees charged by Victory Lane for each consultant.

ARTICLE 16

ASSIGNMENT

16.1 Assignment by Victory Lane.

This Agreement may be unilaterally Assigned by Victory Lane to a person or Entity without the approval of the Franchisee and will inure to the benefit of the successors and assigns of Victory Lane. Victory Lane will provide the Franchisee with written notice after the Assignment has been completed, and the assignee will be required to fully perform all obligations of Victory Lane under this Agreement.

16.2 Assignment by Individual Franchisee.

If the Franchisee is an individual and has personally signed this Agreement, then in the event of the death or permanent disability of the Franchisee, this Agreement may be Assigned or bequeathed by the Franchisee to any designated person or beneficiary (the "Beneficiary") without the payment of any Assignment Fee and without complying with Article 20 of this Agreement. However, the Assignment of this Agreement to the Franchisee's Beneficiary will be subject to the applicable provisions of Article 16.3 and will not be valid or effective until Victory Lane has received the properly executed legal documents which its attorneys deem necessary to document the Assignment of this Agreement. The Beneficiary

must agree to be unconditionally bound by the terms and conditions of this Agreement, must personally guarantee this Agreement, and must successfully complete the appropriate training program. There will be no charge to the Beneficiary for attending the training program; however, the Salary and Benefits and the Travel Expenses of the Beneficiary will be paid by the Beneficiary. In addition, this Agreement may be Assigned to an Entity without the payment of an Assignment Fee and without complying with Article 20 if the Franchisee is an individual or is owned in a general partnership, provided that the Owner or Owners of the Entity are the same person or persons who signed this Agreement.

16.3 Assignment by Franchisee.

Subject to the provisions of Article 20, the Franchisee will not Assign any interest in or any part of this Agreement to any person or Entity without the prior written approval of Victory Lane. Except as provided for in Article 16.7 of this Agreement, Victory Lane will not withhold its written consent to any Assignment of this Agreement, if the Assignment does not violate any of the terms of this Agreement, if Victory Lane does not exercise its rights under Article 20 of this Agreement, and if the Franchisee and/or the assignee Franchisee are in full compliance with the following terms and conditions: (a) the Franchisee has provided written notice to Victory Lane of the proposed Assignment of this Agreement at least 45 days prior to the transaction; (b) all of the Franchisee's monetary obligations due to Victory Lane have been paid in full, and the Franchisee is not otherwise in default under this Agreement; (c) the Franchisee has agreed in writing to observe all applicable provisions of this Agreement, including the covenants not to compete contained in this Agreement; (d) Victory Lane and the Franchisee have executed a joint and mutual release, in a form satisfactory to Victory Lane, of any and all claims against Victory Lane and/or the Franchisee and their officers, directors, Owners, agents and employees, in their corporate and individual capacities, arising from, in connection with, or as a result of this Agreement or the Franchisee's purchase of the Franchise including, without limitation, all claims arising under any federal or state franchising laws or any other federal, state or local law, rule or ordinance; provided, however, that Victory Lane and the Franchisee may exclude from the coverage of the release any prior or concurrent written agreements between them for other Victory Lane Centers owned by the Franchisee; (e) the assignee Franchisee has demonstrated to the satisfaction of Victory Lane that he, she or it meets the managerial, financial and business standards required by Victory Lane for new franchisees to manage and operate a Victory Lane Center, possesses a good business reputation and credit rating, and its management possesses the aptitude and ability to operate the Center in an economic and businesslike manner (as may be evidenced by prior related business experience or otherwise); (f) the assignee Franchisee, all of the assignee Franchisee's Owners, and the assignee Franchisee's Personal Guarantors execute the legal agreements required by Victory Lane or its legal counsel to document the Assignment of this Agreement to the assignee Franchisee; (g) the assignee Franchisee has purchased or leased the Franchised Location for a term consistent with the remaining term of this Agreement; and (h) the assignee Franchisee and its Manager have successfully completed the training program required under this Agreement.

16.4 Assignment of Ownership Interest.

No Owner will have the right to Assign an Ownership Interest in the Franchisee without the prior written approval of Victory Lane. Victory Lane will not withhold its written consent if the Assignment of the Ownership Interest by the Owner complies in all respects with the terms of this Agreement, and if Victory Lane does not exercise its right of first refusal to acquire the Owner's Ownership Interest in the Franchisee pursuant to Article 20.8. If the Assignment is to (a) a relative (husband, wife, children, grandchildren, mother, father, brother and sister) of the Owner or (b) one of the existing Owners of the Franchisee and Victory Lane has approved the Assignment, then the provisions of Articles 16.6 and 20.8 will not apply; however, the Owners and the new Franchisee will be required to comply with the applicable provisions of Article 16.3.

16.5 Acknowledgment of Restrictions.

The Franchisee and Owners acknowledge and agree that the restrictions on Assignment imposed herein are reasonable and necessary to protect the Business System and the Marks, as well as the reputation and image of Victory Lane, and are for the protection of Victory Lane, the Franchisee and all other Franchisees who own and operate Victory Lane Centers. Any Assignment permitted by this Article will not be effective until Victory Lane receives a completely executed copy of all Assignment documents and Victory Lane consents to the Assignment in writing. Any attempted Assignment made without complying with the requirements of this Article will be void.

16.6 Assignment Fee.

If this Agreement is Assigned to another person or Entity, or if any of the Owners Assign any Ownership Interest in the Franchisee to a party, then except as provided for in Articles 16.2 and 16.4, the Franchisee will pay Victory Lane, on or before the date of the Assignment, an Assignment Fee of \$5,000. The Assignment Fee is to cover the administrative and legal costs incurred by Victory Lane in connection with the Assignment and the costs to provide the initial training program to the assignee Franchisee and or its Manager. The assignee Franchisee will be responsible for all Salaries and Benefits, Travel Expenses and other expenses incurred by all people attending the initial training program on behalf of the assignee Franchisee.

16.7 Assignment to Competitor Prohibited.

The Franchisee and the Owners will not Assign this Agreement or their Ownership Interests in the Franchisee or the Franchise to any person or Entity that owns, operates, franchises, develops, consults with, manages, is involved in, or controls any Competitive Business. If Victory Lane refuses to permit an Assignment of this Agreement under this provision, then the only remedy of the Franchisee and the Owners will be to have the Arbitrators determine whether the proposed assignee owns or operates a Competitive Business.

ARTICLE 17

TERMINATION RIGHTS OF VICTORY LANE

17.1 Termination: Conditions of Breach.

In addition to its other rights of termination contained in this Agreement, Victory Lane will have the right to terminate this Agreement if (a) Victory Lane determines within 180 days after the date of this Agreement that any required financial, personal or other information provided by the Franchisee to Victory Lane is materially false, misleading, incomplete or inaccurate; (b) Victory Lane determines that the Franchisee or the Franchisee's Manager is not qualified or competent to properly operate the Franchisee's Center because such person has failed to successfully complete Victory Lane's initial training program, or because the Franchisee or the Manager is deemed by Victory Lane to be incapable of successfully completing Victory Lane's training program within 30 days prior the opening of the Franchisee's Center; (c) the Franchisee fails to find a suitable site for and obtain possession of the Franchised Location for the Franchisee's Center within 180 days after the date of this Agreement; (d) the Franchisee has not opened and commenced operations at the Franchised Location by the Required Opening Date; (e) the Franchisee violates any material provision, term or condition of this Agreement including, but not limited to, the failure to timely pay the Initial Fee or any Royalty Fees, Advertising Fund Contributions, rental payments, or any other monetary obligations or fees due and payable pursuant to this Agreement or any other agreement to Victory Lane or an Entity affiliated with or controlled by Victory Lane; (f) the Franchisee or any of its directors, officers or majority Owners are convicted of, or plead guilty to a violation of any federal or state law that has a material adverse effect on the operations of the Franchisee's Center; (g) the Franchisee fails to timely pay any of its uncontested obligations or liabilities due and owing to Victory Lane, any Entity affiliated with or controlled by Victory Lane, the

Local Advertising Association, suppliers, banks, purveyors, other creditors or to any federal, state or municipal government; (h) the Franchisee is determined to be insolvent within the meaning of applicable state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee, or the Franchisee files for bankruptcy or is adjudicated a bankrupt under applicable state or federal law; (i) the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (j) any check issued by the Franchisee is dishonored because of insufficient funds (except where the check is dishonored because of an error in bookkeeping or accounting) or closed accounts; (k) the Franchisee voluntarily or otherwise Abandons the Center; (l) the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and any other Marks or the Business System; (m) the Lease for the Franchised Location is terminated or canceled for non-payment of rent or other legal reasons, the Franchisee is evicted from the Franchised Location or the Franchisee otherwise loses possession of the Franchised Location; (n) the Franchisee fails to provide the Financial Records requested by Victory Lane to substantiate the Financial Statements or to produce and permit Victory Lane to audit the Franchisee's Financial Records in accordance with this Agreement; or (o) the Franchisee violates any provision, term or condition of the Agreement three or more times during a 12-month period, without regard to whether the violations were of a similar or different nature or whether the violations were corrected within the prescribed cure period after receipt of written notice of the violations.

17.2 Notice of Breach.

Except as provided in Article 17.5 and Article 17.6 of this Agreement, Victory Lane will not have the right to terminate this Agreement until: (a) written notice setting forth the alleged breach in detail has been delivered to the Franchisee by Victory Lane; and (b) after receiving the written notice, the Franchisee fails to correct the alleged breach within the period of time specified by applicable law. If applicable law does not specify a time period to correct an alleged breach, then the Franchisee will have 30 days after receipt of the written notice to correct the alleged breach, except where the written notice states that the Franchisee is delinquent in the payment of any Royalty Fees, Advertising Fund Contributions, rental payments or other monetary obligations or other fees due and payable pursuant to this Agreement or any other agreement to Victory Lane or any Entity affiliated with or controlled by Victory Lane, in which case the Franchisee will have 10 days after receipt of written notice to correct the breach by making full payment to Victory Lane, together with Administrative Fees and interest on the past due obligations at the rate of 18% per annum. If the Franchisee fails to correct the alleged breach set forth in the written notice within the required period of time, then this Agreement may be terminated by Victory Lane as provided for herein. For the purposes of this Agreement, an alleged breach of this Agreement by the Franchisee will be deemed to be "corrected" if both Victory Lane and the Franchisee agree in writing that the alleged breach has been corrected.

17.3 Arbitration.

If the Franchisee notices arbitration under this Agreement within the time period for correcting the alleged breach, then Victory Lane will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration, the Arbitrators determine that the Franchisee has breached this Agreement, and the Franchisee fails to correct the breach within the required time period. If the Arbitrators determine that the Franchisee has violated or breached this Agreement as alleged by Victory Lane in the written notice given to the Franchisee, then unless applicable law specifies otherwise, the Franchisee will have 30 days after the date the Arbitrators issue a written determination on the matter to correct the specified breach or violation of this Agreement, except where the Franchisee's breach is for failure to pay any fees due to Victory Lane, in which case the Franchisee will have 10 days to make full payment to Victory Lane, together with Administrative Fees and interest on the past due obligations at the rate of 18% per annum. If the Franchisee timely corrects the specified breach or violation of this Agreement, then this Agreement will remain in full force and effect. For the purpose of this Agreement, any controversy or dispute on the issue of whether the Franchisee has timely corrected the specified

breach or violation of this Agreement will also be subject to arbitration as provided for herein. The time limitations set forth in this Article within which the Franchisee may demand arbitration of a dispute or controversy relating to the right of Victory Lane to terminate this Agreement for an alleged breach are of the essence and mandatory. If the Franchisee fails to comply with the time limitations set forth in this Article, then Victory Lane may terminate this Agreement as provided for herein.

17.4 Notice of Termination.

Except as provided in Article 17.5 and Article 17.6 of this Agreement, if Victory Lane has complied with the provisions of this Article and the Franchisee has not corrected the alleged breach set forth in the written notice of breach within the applicable time period specified in this Agreement, then Victory Lane will have the absolute right to terminate this Agreement by giving the Franchisee written notice of termination and, in that event, the effective date of termination of this Agreement will be the day the written notice of termination is received by the Franchisee.

17.5 Immediate Termination Rights of Victory Lane.

Notwithstanding Article 17.2 of this Agreement, Victory Lane will have the absolute right, unless precluded by applicable law, to immediately terminate this Agreement if (a) Victory Lane determines within 180 days after the date of this Agreement that any required financial, personal or other information provided by the Franchisee to Victory Lane is materially false, misleading, incomplete or inaccurate; (b) Victory Lane determines that the Franchisee or the Franchisee's Manager is not qualified or competent to properly operate the Franchisee's Center because such person has failed to successfully complete Victory Lane's initial training program, or because the Franchisee or the Manager is deemed by Victory Lane to be incapable of successfully completing Victory Lane's naming program within 30 days prior the opening of the Franchisee's Center; (c) the Franchisee fails to find a suitable site for and obtain possession of the Franchised Location for the Franchisee's Center within 180 days after the date of this Agreement; (d) the Franchisee or any of its current directors, officers or majority Owners are convicted of, or plead guilty to a charge of violating any law relating to the Franchisee's Center; (e) the Franchisee is deemed insolvent within the meaning of applicable state or federal law, any involuntary petition for bankruptcy is filed against the Franchisee and the Franchisee is unable within a period of 60 days from such filing to obtain the dismissal of the bankruptcy petition, or the Franchisee files for bankruptcy or is adjudicated as bankrupt under applicable state or federal law; (f) the Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (g) the Franchisee voluntarily or otherwise Abandons the Center; (h) the Franchisee fails or refuses to provide the Financial Records and other materials requested by Victory Lane to substantiate the Franchisee's Financial Statements or to produce and permit Victory Lane to audit the Franchisee's Financial Records; (i) the Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the Marks or the Business System, and the Franchisee fails to correct the breach within 24 hours after receipt of written notice of the breach from Victory Lane; (j) the Franchisee violates any provision, term or condition of this Agreement three or more times during any 12 month period, without regard to whether the violations were of a similar or different nature or whether the violations were corrected within the prescribed cure period after receipt of written notice of the violations; or (k) the Franchisee has not opened and commenced the operations of its Center by the Required Opening Date.

17.6 Notice of Immediate Termination.

Except as provided in Article 17.5(i) of this Agreement, if this Agreement is terminated by Victory Lane pursuant to Article 17.5, then Victory Lane will give the Franchisee written notice that this Agreement is terminated and, in that event, the effective date of termination of this Agreement will be the day the written notice of termination is received by the Franchisee. If notice of termination is given to the Franchisee by Victory Lane pursuant to Article 17.5(i), then this Agreement will terminate on the first minute of the 25th hour after receipt of the written notice of termination if the Franchisee fails to correct the alleged breach within 24 hours after receiving the written notice of termination.

17.7 Other Remedies.

Nothing in this Article will preclude Victory Lane from seeking other remedies or damages under state or federal laws, common law, or under this Agreement against the Franchisee including, but not limited to, attorneys' fees and injunctive relief if this Agreement is terminated by Victory Lane pursuant to this Article. If the Franchisee breaches this Agreement by a wrongful termination or a termination that is not in strict compliance with the terms and conditions of this Agreement, then Victory Lane will be entitled to seek recovery of the damages that Victory Lane has sustained and will sustain in the future as a result of the Franchisee's breach of this Agreement.

ARTICLE 18

FRANCHISEE'S TERMINATION RIGHTS

18.1 Conditions of Breach.

The Franchisee will have the right to terminate this Agreement, as provided herein, if Victory Lane violates any material provision, term or condition of this Agreement, or fails to timely pay any material uncontested obligations due and owing to the Franchisee.

18.2 Notice of Breach.

The Franchisee will not have the right to terminate this Agreement or to commence any action, lawsuit or proceeding against Victory Lane for breach of this Agreement, injunctive relief, violation of any state, federal or local law (including alleged violations of franchise laws), violation of common law (including allegations of fraud and misrepresentation), rescission, damages, or termination, unless and until: (a) written notice setting forth the alleged breach or violation in detail has been delivered to Victory Lane by the Franchisee; and (b) Victory Lane fails to correct the alleged breach or violation within 30 days after receipt of the written notice. If Victory Lane fails to correct the alleged breach or violation within 30 days after receiving written notice, then the Franchisee will have the right to terminate this Agreement as provided for herein. For the purposes of this Agreement, an alleged breach or violation of this Agreement by Victory Lane will be deemed to be "corrected" if both Victory Lane and the Franchisee agree in writing that the alleged breach or violation has been corrected.

18.3 Arbitration; Termination.

if Victory Lane provides notice of arbitration under this Agreement within 30 days after the date Victory Lane receives written notice of any alleged breach of this Agreement from the Franchisee, then the Franchisee will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration, the Arbitrators determine that Victory Lane has breached this Agreement, and Victory Lane fails to timely correct the breach as set forth in this Agreement. If the Arbitrators determine that Victory Lane has violated or breached this Agreement as alleged by the Franchisee in the written notice given to Victory Lane, then Victory Lane will have 30 days after the date the Arbitrators issue a written determination on the matter to correct the specified breach or violation of this Agreement. If Victory Lane timely corrects the specified breach or violation of this Agreement, then this Agreement will remain in full force and effect. If Victory Lane does not correct the specified breach or violation of this Agreement, then the Franchisee will have the right to terminate this Agreement by giving Victory Lane written notice that this Agreement is terminated and, in that event, the effective date of termination of this Agreement will be the day the written notice of termination is received by Victory Lane. For the purpose of this Agreement, any controversy or dispute on the issue of whether Victory Lane has timely corrected the specified breach or violation of this Agreement will also be subject to arbitration as provided for herein. The time limitation set forth in this Article within which Victory Lane may demand arbitration of a dispute or controversy relating to the right of the Franchisee to terminate this Agreement for an alleged breach is mandatory.

18.4 Waiver.

The Franchisee must give Victory Lane written notice of any alleged breach or violation of this Agreement immediately after the Franchisee has knowledge of, believes, determines, is of the opinion, or becomes aware of facts and circumstances reasonably indicating an alleged breach or violation of this Agreement by Victory Lane. If the Franchisee fails to give written notice to Victory Lane as provided for herein of any alleged breach or violation of this Agreement within one year after the date that the Franchisee has knowledge of, believes, determines, is of the opinion that, or becomes aware of facts and circumstances reasonably indicating that the Franchisee may have a claim under any state law, federal law or common law because there has been an alleged breach or violation by Victory Lane, then the alleged breach or violation by Victory Lane will be deemed to be condoned, approved and waived by the Franchisee, the alleged breach or violation by Victory Lane will not be deemed to be a breach or violation of this Agreement by Victory Lane, and the Franchisee will be barred from commencing any action against Victory Lane for that specific alleged breach or violation.

ARTICLE 19

FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

19.1 Termination of Use of Marks Other Obligations.

If this Agreement is canceled or terminated for any reason or this Agreement expires, then the Franchisee will: (a) within five days after termination pay all fees and other amounts payable by the Franchisee under this Agreement or under any other contract, promissory note or other obligation to Victory Lane, or an Entity affiliated with or controlled by Victory Lane; (b) immediately return to Victory Lane the Operations Manuals, advertising materials and all other printed materials pertaining to the Center by first class prepaid United States mail; and (c) comply with all other applicable provisions of this Agreement. Upon termination or expiration of this Agreement for any reason, the Franchisee's right to use "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other Marks and the Business System will terminate immediately in all respects, and the Franchisee will not thereafter conduct or promote any business under any name or in any manner that might tend to give the general public the impression that the Franchisee is continuing to operate as a franchisee of Victory Lane. Without limiting the generality of the foregoing, the Franchisee will immediately cease all advertising which includes any of the Marks, will delete all content containing the Marks or any references to Victory Lane or the Franchisee's Victory Lane Center from any Home Page maintained by the Franchisee, and will cease using any and all items or materials which bear or include any of the Marks.

19.2 Alteration of Franchised Location.

If this Agreement expires or is terminated for any reason or if the Franchised Location ever ceases to be used for the Franchisee's Center, then within 30 days after the date of the expiration or termination of this Agreement, the Franchisee will, at its expense, alter, modify and change both the exterior and interior appearance of the building and the Franchised Location so that it will be clearly distinguished from the standard appearance of a Victory Lane Center.

19.3 Telephone Listings.

Upon termination or expiration of this Agreement, or if Victory Lane acquires the Franchisee's Center pursuant to this Agreement, Victory Lane will have the absolute right to notify the telephone company and all listing agencies of the termination or expiration of the Franchisee's right to use all telephone numbers and all classified and other directory listings for the Center and to authorize the telephone company and all listing agencies to transfer to Victory Lane or its assignee all telephone numbers and directory listings of the Franchisee's Center. The Franchisee acknowledges and agrees that Victory Lane has the absolute right and interest in and to all telephone numbers and directory listings associated with the Marks, and the Franchisee hereby authorizes Victory Lane to direct the telephone company and all

listing agencies to transfer the Franchisee's telephone numbers and directory listings to Victory Lane or to an assignee of Victory Lane, if this Agreement expires or is terminated or if Victory Lane acquires the Franchisee's Center. The telephone company and all listing agencies may accept the Telephone Listing Agreement attached as an exhibit to this Agreement as evidence of the exclusive rights of Victory Lane to such telephone numbers and directory listings. The Franchisee will execute the Telephone Listing Agreement and such other documents as Victory Lane may require to complete the transfer of the telephone numbers as contemplated herein.

19.4 Continuation of Obligations.

The indemnities and covenants contained in this Agreement will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 20

OPTION OF VICTORY LANE TO PURCHASE

20.1 Terms of Option.

The Franchisee will not Assign or otherwise dispose of any interest in or any part of the Major Assets to any purchaser without first offering the same to Victory Lane in a written offer that contains the purchase price, payment terms, and all other material terms and conditions of the proposed transaction (the "Franchisee's Offer"). Victory Lane will have 30 business days after receipt of the Franchisee's Offer to give the Franchisee written notice which will either waive its option to purchase (the "Waiver Notice") or will state that it intends to exercise its rights to purchase or acquire the Major Assets according to the terms contained in the Franchisee's Offer (the "Letter of Intent").

20.2 Due Diligence Review.

If Victory Lane provides the Franchisee with a Letter of Intent within 10 business days after receipt of the Franchisee's Offer, then Victory Lane will have 60 days after the date the Letter of Intent is received by the Franchisee (the "Notice Date") to conduct a due diligence review. The Franchisee will promptly provide Victory Lane with all Financial Information, Financial Records, and other information requested by Victory Lane or its accountants to conduct its due diligence review. Victory Lane will have the absolute and unconditional right to terminate the Letter of Intent and any obligation to purchase the Major Assets from the Franchisee for any reason and at any time during the 60-day due diligence review period by giving the Franchisee written notice.

20.3 Good Faith Negotiations.

Unless Victory Lane terminates its Letter of Intent as provided in Article 20.2, then the Franchisee and Victory Lane will act in good faith to agree on the terms and conditions of the definitive agreement or agreements for the purchase of the Major Assets (other than those objective terms and conditions contained in the Franchisee's Offer) and the closing date for the sale of the Major Assets to Victory Lane will take place at the offices of Victory Lane on the 61st day after the Notice Date.

20.4 Sale to Purchaser.

The Franchisee will have the right to complete the transaction for the sale of the Major Assets to a purchaser according to the terms and conditions contained in the Franchisee's Offer to Victory Lane if: (a) Victory Lane delivers the Waiver Notice to the Franchisee, (b) Victory Lane fails to deliver either the Waiver Notice or the Letter of Intent to the Franchisee within 10 business days after receiving the Franchisee's Offer, (c) Victory Lane terminates its Letter of Intent during the due diligence period pursuant to the provisions of Article 20.2, or (d) the Franchisee and Victory Lane fail to agree on the terms and conditions for the definitive agreement or agreements for the purchase of the Major Assets by

Victory Lane from the Franchisee (other than those objective terms and conditions contained in the Franchisee's Offer) on or before the 60th day after the Notice Date.

20.5 Negotiated Changes with Purchaser.

If Victory Lane does not purchase the Major Assets from the Franchisee under the terms and conditions contained in the Franchisee's Offer, then if during any negotiations with the purchaser the Franchisee agrees to negotiate, change, delete, or modify any of the terms and conditions contained in the Franchisee's Offer or the terms and conditions contained in the most recent version of the definitive agreement or agreements proposed by the Franchisee during negotiations that were not acceptable to Victory Lane, then the Franchisee will be required to re-offer to sell the Major Assets to Victory Lane under the new terms and conditions offered to the purchaser in accordance with the provisions of this Article 20.

20.6 Financing Exception.

This Article will not apply to the Assignment of any of the Major Assets (with the exception of this Agreement) by the Franchisee to a bank, financial institution or other lender in connection with the Franchisee's financing of (a) the real estate or leasehold improvements for the Franchised Location, b) the FF&E for the Franchisee's Center, (c) inventory or supplies for the Center, or (d) working capital required by the Center.

20.7 Compliance with Agreement.

The Franchisee's obligations under this Agreement including, but not limited to, its obligations to pay all fees and to operate the business as a Victory Lane Center, will in no way be affected or changed because of non-acceptance by Victory Lane of the Franchisee's Offer and as a consequence, the terms and conditions of this Agreement will remain in full force and effect. The decision by Victory Lane not to exercise the option to purchase granted to it pursuant to this Article will not, in any way, be deemed to grant the Franchisee the right to terminate this Agreement and will not affect the term of this Agreement. Moreover, if Victory Lane does not exercise the option to purchase granted to it pursuant to this Article and if the Franchisee sells or otherwise disposes of its Major Assets to a party, then both the Franchisee and the purchaser will be required to comply in all respects with the terms and conditions of Article 16 of this Agreement. Any Assignment of the Major Assets of the Franchisee's Center that does not include an Assignment of this Agreement to the assignee will constitute a wrongful termination of this Agreement by the Franchisee.

20.8 Assignment of Ownership Interest.

The Ownership Interests owned by the Franchisee or by the Owners may not be Assigned by the Franchisee or the Owners until the Ownership Interests have first been offered to Victory Lane in writing. If the Franchisee or the Owners desire to Assign their Ownership Interests, then they will first offer the Ownership Interests to Victory Lane in writing under the same terms and conditions as those being offered to any party. Victory Lane will have 30 days to accept any offer to purchase the Owner's Ownership Interest.

20.9 Acknowledgment of Restrictions.

The Franchisee and Owners acknowledge and agree that the restrictions on Assignment imposed herein are reasonable and are necessary to protect the Business System and the Marks, as well as the reputation and image of Victory Lane, and are for the protection of Victory Lane, the Franchisee and all other franchisees who own and operate Victory Lane Centers. Any Assignment permitted by this Agreement will not be effective until Victory Lane receives a completely executed copy of all Assignment documents and Victory Lane consents to the Assignment in writing.

FRANCHISEE'S COVENANTS NOT TO COMPETE**21.1 Consideration.**

The Franchisee, the Owners and the Personal Guarantors acknowledge that the Franchisee, its partners or officers and employees will receive specialized training, marketing and advertising plans, business strategies, confidential information, and trade secrets from Victory Lane pertaining to the Business System and the operation of the Victory Lane Center. In consideration for this information, the Franchisee, the Owners and the Personal Guarantors will comply in all respects with the provisions of this Article. Victory Lane has advised the Franchisee that this is a material provision of this Agreement and that Victory Lane will not sell a Franchise to any person or Entity that owns or intends to own, operate or be involved in any Competitive Business; however, Victory Lane may, under certain circumstances, exclude from the coverage of Article 21.2 and Article 21.3 any existing operational oil change businesses owned and operated by the Franchisee on the date of this Agreement, and the Franchisee may, with the written consent of Victory Lane, continue to own and operate such businesses during the term of this Agreement and thereafter. The Franchisee warrants and represents that it does not otherwise own, operate or have any involvement with or interest in any Competitive Business.

21.2 In-Term Covenant Not to Compete.

The Franchisee, the Owners and the Personal Guarantors will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, affiliate, licensee, partner, officer, director, or Owner of any other person, firm, Entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or Entity engaged in any Competitive Business, except with the prior written consent of Victory Lane.

21.3 Post-Term Covenant Not to Compete.

The Franchisee, the Owners and the Personal Guarantors will not, for a period of two (2) years after the termination or expiration of this Agreement for an Oil Change or Oil Change/Car Wash Center, or three (3) years after the termination or expiration of this Agreement for a Car Wash Center, on their own account or as an employee, principal, agent, independent contractor, consultant, affiliate, licensee, partner, officer, director or Owner of any other person, firm, Entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or Entity engaged in any Competitive Business which is located within 25 miles of the Franchised Location, within 10 miles of any other existing or proposed Victory Lane Center, or within any exclusive area granted by Victory Lane or any affiliate of Victory Lane pursuant to an Master Franchise Agreement or other territorial agreement. The Franchisee, the Owners and the Personal Guarantors expressly agree that the time and geographical limitations set forth in this provision are reasonable and necessary to protect Victory Lane and its other franchisees if this Agreement expires or is terminated by either party for any reason, and that this covenant not to compete is necessary to give Victory Lane the opportunity to resell and/or develop a new Victory Lane Center at or in the area near the Franchised Location.

21.4 Injunctive Relief.

The Franchisee, the Owners and the Personal Guarantors agree that the provisions of this Article are necessary to protect the legitimate business interest of Victory Lane and its franchisees including, without limitation, preventing the unauthorized dissemination of marketing, promotional and other confidential information to competitors of Victory Lane and its franchisees, protecting trade secrets, protecting the integrity of the franchise system, preventing duplication of the Business System by unauthorized third parties, and preventing damage to and/or loss of goodwill associated with the Marks. The Franchisee, the Owners and the Personal Guarantors also agree that damages alone cannot adequately compensate Victory Lane if there is a violation of this Article by the Franchisee, the Owners or the Personal

Guarantors, and that injunctive relief against the Franchisee is essential for the protection of Victory Lane and its franchisees. The Franchisee, the Owners and the Personal Guarantors agree therefore, that if Victory Lane alleges that the Franchisee, the Owners or the Personal Guarantors have breached or violated this Article, then Victory Lane will have the right to petition a court of competent jurisdiction for injunctive relief against the Franchisee, the Owners and the Personal Guarantors, in addition to all other remedies that may be available to Victory Lane. Victory Lane will not be required to post a bond or other security for any injunctive proceeding. If Victory Lane is granted ex parte injunctive relief against the Franchisee, the Franchisee's Owners or the Personal Guarantors, then the Franchisee, the Owners or the Personal Guarantors will have the right to petition the court for a hearing on the merits at the earliest time convenient to the court.

21.5 Severability.

It is the desire and intent of the parties to this Agreement, including the Owners and the Personal Guarantors, that the provisions of this Article be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed to modify or delete that portion thus adjudicated to be invalid or unenforceable, such modification or deletion to apply only with respect to the operation of this Article in the particular jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope or limitation, the parties to this Agreement, including the Owners and the Personal Guarantors, agree that the scope and limitation provisions will nevertheless be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

ARTICLE 22

INDEPENDENT CONTRACTORS

Victory Lane and the Franchisee are each independent contractors and, as a consequence, there is no employer-employee or principal-agent relationship between Victory Lane and the Franchisee. The Franchisee will not have the right to and will not make any agreements, representations or warranties in the name of or on behalf of Victory Lane or represent that their relationship is other than that of franchisor and franchisee. Neither Victory Lane nor the Franchisee will be obligated by or have any liability to the other under any agreements or representations made by the other to any third parties.

ARTICLE 23

INDEMNIFICATION

23.1 Indemnification.

Victory Lane will not be obligated to any person or Entity for any damages arising out of, from, in connection with, or as a result of the Franchisee's negligence, the Franchisee's wrongdoing or the operation of the Franchisee's Center. Therefore, the Franchisee will indemnify and hold Victory Lane harmless against, and will reimburse Victory Lane for, all damages for which Victory Lane is held liable and for all costs incurred by Victory Lane in the defense of any claim or action brought against Victory Lane arising from, in connection with, arising out of, or as a result of the Franchisee's negligence, the Franchisee's wrongdoing or the operation of the Franchisee's Center including, without limitation, attorneys' fees, investigation expenses, court costs, deposition expenses, and Travel Expenses. The Franchisee will indemnify Victory Lane, without limitation, for all claims and damages arising from, out of, in connection with, or as a result of (a) any personal injury, property damage, commercial loss or environmental contamination resulting from any act or omission of the Franchisee or its employees, agents or representatives; (b) any failure on the part of the Franchisee to comply with any requirement of

any laws or any governmental authority; (c) any failure of the Franchisee to pay any of its obligations to any person or Entity; (d) any failure of the Franchisee to comply with any requirement or condition of this Agreement or any other agreement with Victory Lane; (e) any misfeasance or malfeasance by the Franchisee; and (f) any tort committed by the Franchisee or its employees, agents or representatives. The Franchisee will not be obligated to indemnify Victory Lane for any claims or damages attributable to, arising out of, from, in connection with, or as a result of any negligence or wrongdoing by Victory Lane. Victory Lane will have the right to defend any claim made against it arising from, as a result of, in connection with or out of the operation of the Franchisee's Center.

23.2 Payment of Costs and Expenses Continuing Obligations.

The Franchisee will pay all attorneys' fees, costs and expenses incurred by Victory Lane if Victory Lane prevails in any action (a) it commences or defends to enforce any term, condition or provision of this Agreement or (b) to enjoin any violation of this Agreement by either Victory Lane or the Franchisee. These indemnification provisions and the other obligations contained in this Agreement will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 24

ARBITRATION

24.1 Disputes Subject to Arbitration.

Victory Lane and the Franchisee acknowledge that resolving disputes prior to commencing arbitration hearings or court proceedings is in the best interests of both parties, all other franchisees and the Business System. Therefore, the parties agree that they will act in good faith to settle any dispute between them prior to arbitration. However, if the parties are unable to settle the dispute or controversy, then except as expressly provided to the contrary in Article 24.6 of this Agreement, all disputes and controversies between the Franchisee and Victory Lane, including allegations of fraud, misrepresentation and violation of any state or federal laws, rules or regulations, arising under, as a result of, or in connection with this Agreement, the Franchised Location or the Franchisee's Center are subject to and will be resolved exclusively by arbitration conducted according to the then current commercial arbitration rules of the American Arbitration Association.

24.2 Notice of Dispute.

The party alleging the dispute must provide the other party with written notice setting forth the alleged dispute in detail. The party who receives written notice alleging the dispute will have 30 days after receipt of the written notice to correct, settle or compromise the dispute specified in the written notice. If the written notice alleges that the Franchisee is delinquent in the payment of any fees or other payments payable to Victory Lane, the Franchisee will have 10 days to make full payment (including interest and Administrative Fees as provided for herein) to Victory Lane.

24.3 Demand for Arbitration.

If the dispute alleged by either party has not been corrected, settled or compromised within the time period provided for in Article 24.2, then either party may demand arbitration in accordance with the Code of Procedure of the National Arbitration Forum. Unless agreed otherwise by the parties, three Arbitrators will be selected to hear the matter, one of which must be a retired judge. Victory Lane and the Franchisee will each fully perform their obligations under this Agreement during the entire arbitration process.

24.4 Venue and Jurisdiction.

All arbitration hearings will take place exclusively in Ann Arbor, Michigan, and will be held no later than 90 days after the Arbitrators have been selected. Victory Lane and the Franchisee and its officers, directors, Owners and the Personal Guarantors do hereby agree and submit to personal jurisdiction in the

State of Michigan in connection with any arbitration hearings hereunder and any suits brought to enforce the decision of the Arbitrators, and do hereby waive any rights to contest venue and jurisdiction in the State of Michigan and any claims that venue and jurisdiction are invalid.

24.5 Powers of Arbitrators.

The authority of the Arbitrators will be limited to making a finding, judgment, decision and award relating to the interpretation of or adherence to the written provisions of this Agreement. The Federal Rules of Evidence (the "Rules") will apply to all arbitration hearings and the introduction of all evidence, testimony, records, affidavits, documents and memoranda in any arbitration hearing must comply in all respects with the Rules and legal precedents interpreting the Rules. Both parties will have the absolute right to cross-examine any person who testified against them or in favor of the other party. The Arbitrators will have no authority to add to, delete or modify in any manner the terms and provisions of this Agreement. All findings, judgments, decisions and awards of the Arbitrators will be limited to the dispute set forth in the written demand for arbitration, and the Arbitrators will have no authority to decide any other issues. The Arbitrators will not have the right or authority to award punitive damages to either Victory Lane or the Franchisee and their officers, directors, Owners and the Personal Guarantors, and Victory Lane and the Franchisee and their officers, directors, Owners and the Personal Guarantors expressly waive their rights to plead or seek punitive damages. All findings, judgments, decisions and awards by the Arbitrators will be in writing, will be made within 60 days after the arbitration hearing has been completed, and will be final and binding on Victory Lane and the Franchisee. The written decision of the Arbitrators will be deemed to be an order, judgment and decree and may be entered as such in any court of competent jurisdiction by either party. If, during the course of arbitration, either party fails to appear at a meeting or hearing duly scheduled in accordance with the Code of Procedure of the NAF, the Arbitrators will have the absolute right to enter a default judgment and resulting order against the party failing to appear.

24.6 Disputes Not Subject to Arbitration.

The following disputes between Victory Lane and the Franchisee will not be subject to arbitration: (a) the Franchisee's use of the Marks; (b) the obligations of the Franchisee upon termination or expiration of this Agreement; and (c) the Franchisee's violation of the provisions of this Agreement relating to confidentiality and the covenants not to compete.

24.7 No Collateral Estoppel or Class Actions.

All arbitration findings, conclusions, orders and awards made by the Arbitrators will be final and binding on Victory Lane and the Franchisee; however, such arbitration findings, conclusions, orders and awards may not be used to collaterally estop either the Franchisee or Victory Lane from raising any like or similar issue or defense in any subsequent arbitration, litigation, court hearing or other proceeding involving third parties, including other Franchisees. Victory Lane and the Franchisee agree that no person or Entity except Victory Lane and the Franchisee, and their respective officers, directors, Owners and/or Personal Guarantors will have the right to join in, become a party, litigate or participate in any arbitration proceeding arising under this Agreement, and therefore, Victory Lane and the Franchisee specifically agree that the NAF and the Arbitrators appointed under the NAF procedural rules will not be authorized to permit class actions or to permit any other person or Entity to be involved, participate, or be named as a litigating party in any arbitration proceeding or matter brought under this Agreement by Victory Lane or the Franchisee or their respective officers, directors, Owners and/or Personal Guarantors.

24.8 Confidentiality.

All evidence, testimony, records, documents, findings, decisions, judgments and awards pertaining to any arbitration hearing between Victory Lane and the Franchisee will be secret and confidential in all respects. Except as provided for in Article 24.5 or as may be required by law, Victory Lane and the Franchisee will not disclose the decision or award of the Arbitrators and will not disclose any evidence,

testimony, records, documents, findings, orders, or other matters from the arbitration hearing to any person or Entity except as required by law. Nothing herein will prevent either party from disclosing or using any information presented in any arbitration proceeding in any subsequent court hearing brought by either the Franchisee or Victory Lane pursuant to this Agreement.

24.9 Federal Arbitration Act.

Any issue regarding arbitration will be governed by the Federal Arbitration Act and the federal common law of arbitration.

ARTICLE 25

ENFORCEMENT

25.1 Injunctive Relief.

Victory Lane will have the right to petition a court of competent jurisdiction for the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement for any action relating to: (a) the Franchisee's use of the Marks; (b) the obligations of the Franchisee upon termination or expiration of this Agreement; and (c) the Franchisee's violation of the provisions of this Agreement relating to confidentiality and the covenants not to compete.

25.2 Severability.

All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Victory Lane is invalid or unenforceable under applicable law, then the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction.

25.3 Waiver.

Victory Lane and the Franchisee may, by written instrument signed by Victory Lane and the Franchisee, waive any obligation of or restriction upon the other under this Agreement. Acceptance by Victory Lane of any payment by the Franchisee and the failure, refusal or neglect of Victory Lane to exercise any right under this Agreement or to insist upon full compliance by the Franchisee of its obligations hereunder will not constitute a waiver by Victory Lane of any provision of this Agreement. Victory Lane will have the absolute right to waive obligations or restrictions for other franchisees under their franchise agreements without waiving those obligations or restrictions for the Franchisee and, except to the extent provided by law, Victory Lane will have the right to negotiate terms and conditions, grant concessions and waive obligations for other franchisees without granting those same rights to the Franchisee and without incurring any liability to the Franchisee whatsoever.

25.4 Effect of Wrongful Termination.

If either Victory Lane or the Franchisee takes any action to terminate this Agreement or the Franchisee takes any action to convert its Center to another business, and such actions were taken without first complying with the terms and conditions of this Agreement, including Article 16 or Article 17 of this Agreement, as applicable, then: (a) such actions will not relieve either party of, or release either party from, any of its obligations under this Agreement; (b) the terms and conditions of this Agreement will

remain in full force and effect; and (c) the parties will be obligated to fully perform all terms and conditions of this Agreement until such time as this Agreement expires or is terminated in accordance with the provisions of this Agreement and applicable law.

25.5 Miscellaneous.

The rights of Victory Lane hereunder are cumulative and no exercise or enforcement by Victory Lane of any right or remedy hereunder will preclude the exercise or enforcement by Victory Lane of any other right or remedy hereunder or which Victory Lane is entitled by law to enforce. This Agreement is binding upon the parties hereto and their executors, administrators, heirs, assigns and successors in interest. If the Franchisee consists of more than one person or Entity, their liability under this Agreement will be deemed to be joint and several.

25.6 No Oral Modification.

No modification, change, addition, rescission, release, amendment or waiver of this Agreement and no approval, consent or authorization required by any provision of this Agreement may be made by any person except by a written agreement signed by a duly authorized officer or partner of the Franchisee and the President or a Vice President of Victory Lane.

25.7 Entire Agreement.

This Agreement supersedes and terminates all prior agreements, either oral or in writing, between the parties involving the franchise relationship and therefore, representations, inducements, promises or agreements alleged by either Victory Lane or the Franchisee that are not contained in this Agreement will not be enforceable. The Introduction is part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between Victory Lane and the Franchisee relating to the subject matter of this Agreement. This Agreement will not supersede any written agreements or contracts that are signed concurrently with this Agreement. In addition, any Master Franchise Agreement between the parties, as well as any other Franchise Agreement(s), will remain in full force and effect in accordance with the terms and conditions thereof, and will not be superseded by this Agreement.

25.8 Headings; Terms.

The headings of the Articles are for convenience only and do not in any way define, limit or construe the contents of such Articles. The term "Franchisee" as used herein is applicable to one or more individuals, a corporation or a partnership, as the case may be, and the singular usage includes the plural, the masculine usage includes the neuter and the feminine, and the neuter usage includes the masculine and the feminine. References to "Franchisee," "assignee" and "transferee" which are applicable to an individual or individuals will mean the Owner or Owners of the equity or operating control of the Franchisee or any such assignee or transferee if the Franchisee or such assignee or transferee is a corporation or partnership.

25.9 Venue and Jurisdiction.

All litigation, court proceedings, arbitration proceedings, lawsuits, and court hearings initiated by the Franchisee or Victory Lane, including any action to contest the arbitration provisions of this Agreement, must and will be venued exclusively in the county and state in which Victory Lane's general offices are located, which on the date of this Agreement was Washtenaw County, Michigan. The Franchisee, its officers, directors and Owners, and the Personal Guarantors do hereby agree and submit to personal jurisdiction in Washtenaw County, Michigan for the purposes of any suit, proceeding or hearing brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy arising under, as a result of, or in connection with this Agreement, the Franchised Location or the Franchisee's Center, and do hereby agree and stipulate that any such suits, proceedings and hearings will be exclusively venued and held in Washtenaw County, Michigan. The Franchisee, its officers, directors and Owners,

and the Personal Guarantors waive any rights to contest such venue and jurisdiction and any claims that such venue and jurisdiction are invalid.

25.10 Contractual Statute of Limitations.

Except as provided otherwise in this Agreement or by applicable law, any and all claims and actions arising out of or relating to this Agreement, the relationship between the Franchisee and Victory Lane, or the Franchisee's operation of the Center brought by either party against the other, whether in arbitration or any other proceeding, must be commenced within one year after the occurrence of the facts giving rise to such claim or action, or such claim or action will be absolutely barred.

ARTICLE 26

NOTICES

All notices to Victory Lane will be in writing and will be made by personal service upon an officer of Victory Lane or sent by prepaid certified mail addressed to the President of Victory Lane Quick Oil Change, Inc., 405 Little Lake Drive, Ann Arbor, Michigan 48103, or such other address as Victory Lane may designate in writing, with a copy to Richard A Waiawender, 150 West Jefferson, Suite 2500, Detroit, Michigan, 48226. All notices to the Franchisee will be made by personal service (or, if applicable, upon an officer of the Franchisee) or sent by prepaid certified mail addressed to the Franchisee at the Franchised Location, or such other address as the Franchisee may designate in writing. For the purposes of this Agreement, personal service will include service by a recognized overnight delivery service (such as Federal Express, Airborne Express or UPS) which requires a written receipt of delivery from the addressee.

ARTICLE 27

ACKNOWLEDGMENTS DISCLAIMER

27.1 Disclaimer.

Victory Lane does not warrant or guarantee that the Franchisee will derive income or profit from its Center, or that Victory Lane will refund all or part of the Initial Fee paid by the Franchisee or repurchase any of the Products and Services, technology, or FF&E supplied or sold by Victory Lane or by an Approved or Designated Supplier if the Franchisee is in any way unsatisfied with its Center. Victory Lane expressly disclaims the making of any express or implied representations or warranties regarding the sales, earnings, income, profits, Revenues, economics, business or financial success, or value of the Franchisee's Center except as specifically contained in Victory Lane's Franchise Disclosure Document received by the Franchisee.

27.2 Acknowledgments by Franchisee.

The Franchisee acknowledges that it has conducted an independent investigation of the Franchise and recognizes that the business venture contemplated by this Agreement and the operation of the Center involve business and economic risks. The Franchisee acknowledges that the financial, business and economic success of the Franchisee's Center will be primarily dependent upon the personal efforts of the Franchisee, its management and employees, on economic conditions in the area where the Franchised Location is located, and economic conditions in general. The Franchisee acknowledges that it has not received any estimates, projections, representations, warranties or guaranties, expressed or implied, regarding potential sales, Revenues, income, profits, earnings, expenses, financial or business success, value of the Center, or other economic matters pertaining to the Franchisee's Center from Victory Lane or any of its agents that were not expressly set forth in Victory Lane's Franchise Disclosure Document received by the Franchisee from Victory Lane ("Representations"). The Franchisee further acknowledges

that if it had received any such Representations, it would have not executed this Agreement, promptly notified the President of Victory Lane in writing of the person or persons making such Representations, and provided to Victory Lane a specific written statement detailing the Representations made.

27.3 Other Franchisees.

The Franchisee acknowledges that other Victory Lane franchisees have or will be granted franchises at different times, different locations, under different economic conditions and in different situations, and further acknowledges that the economics and terms and conditions of such other franchises may vary substantially in form and in substance from those contained in this Agreement.

27.4 Receipt of Agreement and Franchise Disclosure Document.

The Franchisee acknowledges that it received a copy of this Agreement with all material blanks fully completed at least five business days prior to the date that this Agreement was executed by the Franchisee. The Franchisee further acknowledges that it received a copy of Victory Lane's Franchise Disclosure Document at least 14 calendar days, or such earlier time as required by state law, prior to the date on which this Agreement was executed.

ARTICLE 28

FRANCHISEE'S LEGAL COUNSEL

The Franchisee acknowledges that this Agreement constitutes a legal document that grants certain rights to and imposes certain obligations upon the Franchisee. The Franchisee has been advised by Victory Lane to retain an attorney or advisor prior to the execution of this Agreement to review the Franchise Disclosure Document, to review this Agreement in detail, to review all legal documents, including the Lease, all purchase agreements and architectural and construction contracts, to review the economics, operations and other business aspects of the Victory Lane Center, to determine compliance with applicable laws, to advise the Franchisee on economic risks, liabilities, obligations and rights under this Agreement, and to advise the Franchisee on tax issues, financing matters, applicable state and federal laws, health and safety laws, environmental laws, employee issues, insurance, structure of the franchised business, and other legal and business matters. The name and telephone number of the Franchisee's attorney or other advisor is

_____;
Telephone Number: (____) _____; E-Mail Address: _____.

ARTICLE 29

GOVERNING LAW; STATE MODIFICATIONS

29.1 Governing Law; Severability.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement and the relationship between Victory Lane and the Franchisee will be governed by the laws of the state in which the Franchised Location is located. The provisions of this Agreement which conflict with or are inconsistent with applicable governing law will be superseded and/or modified by such applicable law only to the extent such provisions are inconsistent. All other provisions of this Agreement will be enforceable as originally made and entered into upon the execution of this Agreement by the Franchisee and Victory Lane.

29.2 Applicable State Laws.

If applicable, the following states have statutes which may supersede the provisions of this Agreement in the Franchisee's relationship with Victory Lane in the areas of termination and renewal of the Franchise: Arkansas [Stat. Section 70-807], California [Bus. & Prof. Code Sections 20000-20043], Connecticut [Gen. Stat. Section 42-133 et seq.], Delaware [Code Section 2552], Hawaii [Rev. Stat. Section 482E-1], Illinois [815 ILCS 705/19-20], Indiana [Stat. Section 23-2-2.7], Michigan [Stat. Section 19.854(27)], Minnesota [Stat. Section 80C.14], Mississippi [Code Section 75-24-51], Missouri [Stat. Section 407.400], Nebraska [Rev. Stat. Section 87-401], New Jersey [Stat. Section 56:10-1], South Dakota [Codified Laws Section 37-5A-51], Virginia [Code 13.1-557-574-13.1-564], Washington [Code Section 19.100.180], and Wisconsin [Stat. Section 135.03]. These and other states may have court decisions that may supersede the provisions of this Agreement in the Franchisee's relationship with Victory Lane in the areas of termination and renewal of the Franchise.

29.3 State Law Modifications.

If the Franchisee's Center is located in any one of the states indicated below in this Article, or if the laws of any such state are otherwise applicable, then the designated provisions of this Agreement will be amended and revised as follows:

- (a) California. If this Agreement is governed by the laws of the State of California, then: (1) the covenant not to compete upon termination or expiration of this Agreement contained in Article 21.3 may be unenforceable, except in certain circumstances provided by law; and (2) provisions of this Agreement giving Victory Lane the right to terminate in the event of the Franchisee's bankruptcy may not be enforceable under federal bankruptcy laws (11 U.S.C. Sec. 101, et seq.).
- (b) Illinois. If this Agreement is governed by the laws of the State of Illinois, then: (1) the Illinois Franchise Disclosure Act of 1987 [815 ILCS 705/1-44] (the "Illinois Act") will be applicable to this Agreement; (2) this Agreement is hereby amended to provide that Section 19 of the Illinois Act will be applicable to the termination of this Agreement by Victory Lane; (3) Article 25.9 and any other provision of this Agreement that designates jurisdiction or venue in a forum outside of Illinois is void, provided that this Agreement may provide for arbitration in a forum outside of Illinois; (4) this Agreement is hereby amended to provide that Section 27 of the Illinois Act will be applicable to any action maintained by the Franchisee to enforce any liability created by the Illinois Act; (5) any representations made by Victory Lane in the Franchise Disclosure Document provided to the Franchisee will remain valid and enforceable by the Franchisee after the execution of this Agreement; and (6) any condition, stipulation or provision of this Agreement requiring the Franchisee to waive compliance with any provision of the Illinois Act is void; therefore, the acknowledgments contained in Article 27.2 and Article 27.4 of this Agreement may be unenforceable against the Franchisee.
- (c) Indiana. If this Agreement is governed by the laws of the State of Indiana, then: (1) Article 16.3(d) of this Agreement will be inapplicable; (2) the post-term covenant not to compete contained in Article 21.3 of this Agreement will be enforceable only within the Exclusive Area; (3) Article 21.4 and Article 25.1 of this Agreement will be amended to provide that a court of competent jurisdiction will determine whether Victory Lane will be entitled to injunctive relief in any injunctive proceeding commenced by Victory Lane against the Franchisee; (4) the designation of jurisdiction and venue in the State of Michigan contained in Article 25.9 of this Agreement is inapplicable; provided, however, that such inapplicability will not be construed to mean that such venue is improper, or that the Franchisee, its officers, directors, Owners and the Personal Guarantors are not subject to jurisdiction in the State of Michigan, or in any other state; (5) arbitration hearings will be conducted in Indianapolis, Indiana or at a mutually agreed upon

location; (6) the Franchisee does not, by signing this Agreement, waive its rights under Indiana law with respect to any representations made by Victory Lane prior to the date of this Agreement; (7) notwithstanding any provision of this Agreement to the contrary, the Franchisee will have up to two years to bring an action against Victory Lane for a violation of the Indiana Deceptive Franchise Practices Act, and up to three years from the date of discovery to bring an action against Victory Lane for a violation of the Indiana Franchise Disclosure Law; and (8) notwithstanding any provisions of this Agreement to the contrary, a court of competent jurisdiction will determine (a) whether damages alone can adequately compensate Victory Lane if there is a violation of Article 21.3 of this Agreement by the Franchisee, and (b) whether Victory Lane will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by Victory Lane against the Franchisee for a violation of Article 21.3 of this Agreement.

(d) **Maryland.** For franchises sold to Maryland residents or located in Maryland, the Agreement is amended as follows: (1) the provisions of Article 16.3(d) of this Agreement requiring the execution of a joint and mutual release of all claims as a condition of the Assignment of this Agreement will be deleted from this Agreement and, as a consequence, will not apply to the Franchisee or Victory Lane; (2) the consent by the Franchisee to jurisdiction and venue of lawsuits in the State of Michigan contained in Article 25.9 will be deleted from this Agreement, and the Franchisee will have the right to commence litigation, lawsuits and other court proceedings alleging claims arising under the Maryland Franchise Registration and Disclosure Law (the "Maryland Law") or to enforce arbitration decisions in the State of Maryland; (3) the representations in Article 27 are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under Maryland Law; (4) any claims arising under the Maryland Law must be brought within three years after the effective date of this Agreement; (5) any acknowledgments made by the Franchisee contained in Article 27 of this Agreement will not be construed to act as a waiver of the Franchisee's rights under the Maryland Law; and (6) Franchisee may sue in Maryland for claims arising under Maryland Law.

(e) **Minnesota.** If this Agreement is governed by the laws of the State of Minnesota, then: (1) Article 2.2 of this Agreement will be amended to provide that, except in certain circumstances specified by law, Victory Lane must give the Franchisee at least 180 days prior written notice of nonrenewal of the Franchise; (2) Article 17.2 of this Agreement will be amended to require that, except as set forth in Article 17.5 and Article 17.6, in the event Victory Lane gives the Franchisee written notice that the Franchisee has breached this Agreement, such written notice will be given to the Franchisee at least 90 days prior to the date this Agreement is terminated by Victory Lane, and the Franchisee will have 60 days after such written notice within which to correct the breach specified in the written notice; (3) notwithstanding any provisions of this Agreement to the contrary, a court of competent jurisdiction will determine whether Victory Lane will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by Victory Lane against the Franchisee, the Owners or the Personal Guarantors; (4) Article 16.3(d) of this Agreement will be inapplicable; (5) notwithstanding any provisions of this Agreement to the contrary, the Franchisee will have up to three years after the cause of action accrues to bring an action against Victory Lane pursuant to Minn. Stat. §80C.17; (6) the provisions of this Agreement which designate jurisdiction or venue outside the State of Minnesota are unenforceable; and (7) no provision of this Agreement will abrogate or reduce any rights provided for in Minnesota Statutes, Chapter 80C, or any rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

(f) New York. If this Agreement is governed by the laws of the State of New York, then: (1) Article 16.3(c) will be amended to provide that all rights enjoyed by the Franchisee and any cause of action arising in its favor from the laws of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this provision that the nonwaiver requirements of General Business Law §687.4 and §687.5 be satisfied; and (2) Article 9.3 of this Agreement will be amended to provide that modifications to the Operations Manuals by Victory Lane will not unreasonably increase the Franchisee's obligations or place an excessive economic burden on the Franchisee's operations.

(g) North Dakota. If this Agreement is governed by the laws of the State of North Dakota, then: (1) the covenant not to compete upon termination or expiration of this Agreement contained in Article 21.3 of this Agreement may be unenforceable, except in certain circumstances provided by law; (2) arbitration hearings will be conducted in Fargo, North Dakota or at a mutually agreed upon location; and (3) the consent by the Franchisee to jurisdiction and venue in the State of Michigan contained in Article 25.9 of this Agreement will be inapplicable.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNEAIR, UNJUST OR DNEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C):

Restrictive Covenants: Franchise offering circulars which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

Situs of Arbitration Proceedings: Franchise Agreement providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

Waiver of Trial by Jury: Requiring North Dakota Franchisees to consent to the waiver of a trial by jury.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitation under North Dakota law applies.

Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees

(h) Rhode Island. If this Agreement is governed by the laws of the State of Rhode Island, then any provision of this Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act

(i) South Dakota. If this Agreement is governed by the laws of the State of South Dakota, then: (1) Article 18 of this Agreement will be amended to provide that if the Franchisee breaches the provisions of this Agreement, including the failure to meet performance or quality standards or to pay any fees or other payments payable to Victory Lane pursuant to this Agreement, Victory Lane will provide the Franchisee with at least 30 days written notice and an opportunity to cure prior to the termination of this Agreement by Victory Lane; (2) the covenant not to compete upon termination or expiration of this Agreement contained in Article 21.3 of this Agreement may be unenforceable, except in certain circumstances provided by law; (3) any provision of this Agreement which designates jurisdiction or venue outside of the State of South Dakota or requires the Franchisee to agree to jurisdiction or venue in a forum outside of the State of South Dakota is void with respect to any cause of action which is otherwise enforceable in the State of South Dakota; (4) pursuant to SDCL §37-5A-86, any acknowledgment provision, disclaimer, integration clause or provision having a similar effect in this Agreement will not negate or act to remove from judicial review any statement, misrepresentation or action that violates Chapter 37-5A or a rule or order under Chapter 37-5A; (5) arbitration hearings will be conducted in Sioux Falls, South Dakota, or at a mutually agreed upon location; and (6) provisions of this Agreement which require that actions be commenced within one year and that limit the parties' rights to recover punitive, exemplary, incidental, indirect, special or consequential damages may not be enforceable under South Dakota law.

(j) Washington. If this Agreement is governed by the laws of the State of Washington (the "Washington Act"), then: (1) in the event of a conflict of laws, the provisions of the Washington Act, Chapter 19.100 RCW, will prevail; (2) the arbitration site will be either in Washington, a place mutually agreed upon at the time of the arbitration, or as determined by the Arbitrators; (3) a release or waiver of rights executed by the Franchisee will not include rights under the Washington Act, except when executed pursuant to a negotiated settlement after this Agreement is in effect and where the parties are represented by independent counsel; (4) any provision of this Agreement which unreasonably restricts or limits the statute of limitations period for claims under the Washington Act, rights or remedies under the Washington Act, such as a right to a jury trial, may not be enforceable; and (5) the Assignment Fee is collectible by Victory Lane to the extent that it reflects Victory Lane reasonable estimated or actual costs in effecting the Assignment.

(k) Wisconsin. If this Agreement is governed by the laws of the State of Wisconsin, then the provisions of the Wisconsin Fair Dealership Law, Wis. Stat. Chapter 135, will supersede any conflicting terms of this Agreement.

ARTICLE 30

DEFINITIONS

For purposes of this Agreement, the following words will have the following definitions:

30.1 Abandon.

"Abandon" will mean the conduct of the Franchisee indicating the willingness, desire or intent of the Franchisee to discontinue operating its Victory Lane Center in accordance with the quality standards, uniformity requirements and the Business System as described in this Agreement and the Operations Manuals including, but not limited to, the failure of the Franchisee to operate the Center for five or more consecutive days without the prior written approval of Victory Lane or the failure to remain open for business during specified business hours.

30.2 Approved Supplier.

"Approved Supplier" will mean a supplier, vendor or distributor that has been approved in writing by Victory Lane because its products and/or services conform to the standards and specifications established by Victory Lane and Victory Lane has determined that its business reputation, quality standards, delivery performance, credit rating and other factors are satisfactory.

30.3 Assign or Assignment.

"Assign" or "Assignment" will mean sale, assignment, pledge, bequeath, trade, transfer, lease or sublease.

30.4 Business System.

"Business System" will mean the distinctive Products and Services which are associated with the Marks, copyrights, distinctive interior and exterior building designs, decor, furnishings, uniforms, signs, color combinations, uniformity requirements, standards of consistency and quality, procedures, cleanliness, sanitation, controls, specifications, training, advertising and instructions promulgated by Victory Lane.

30.5 Competitive Business.

"Competitive Business," for the purposes of this Agreement, will mean any business that offers the same or similar Products and Services as offered by Victory Lane Centers, as determined by Victory Lane.

30.6 Controlled Entity.

"Controlled Entity" will mean an Entity for which at least 50.1% of the Ownership Interests in the Entity are owned by the Franchisee or any of the Franchisee's Owners.

30.7 Daily Report.

"Daily Report" will mean the written or electronic record, in the form designated in the Operations Manual, used to report the daily Revenues and other specified financial information for the Franchisee's Victory Lane Center.

30.8 Designated Market Area.

"Designated Market Area" or "DMA" will mean each television market exclusive of another based upon a preponderance of television viewing hours as defined by the A. C. Nielsen ratings service or such other ratings service as may be designated by Victory Lane.

30.9 Designated Supplier.

"Designated Supplier" will mean a supplier, vendor or distributor designated by Victory Lane in writing as the only source for those Products and Services used or sold in the franchised business that Victory Lane has determined must meet certain quality and uniformity standards to protect the valuable goodwill and uniformity associated with the Marks and the Business System.

30.10 Develop.

"Develop," for the purposes of Article 1.2 of this Agreement, will mean to franchise, license, own, manage or operate.

30.11 Dollars.

"Dollars" will mean United States of America dollars.

30.12 Entity.

"Entity" will mean a corporation, limited liability company, partnership, limited partnership or any other type of legal entity formed in compliance with applicable law.

30.13 FF&E.

"FF&E" will mean furniture, fixtures and equipment.

30.14 Financial Records.

"Financial Records" will mean all accounting records and ledgers maintained in a written form, on a computer disk or hard drive, and in any other electronic or other form including, but not limited to, sales ledgers, work papers, general ledgers, summaries, schedules, bank statements, cancelled checks, bank deposit slips, federal and state income tax returns, state sales tax returns, Financial Statements, daily cash register tapes, and other financial information.

30.15 Financial Statements.

"Financial Statements" will mean a balance sheet, profit and loss statement, and explanatory footnotes prepared in accordance with generally accepted accounting principles applied on a consistent basis.

30.16 Franchise.

"Franchise" will mean the right granted by Victory Lane to the Franchisee under this Agreement authorizing the Franchisee to operate a Victory Lane Center at the Franchised Location in conformity with the Business System using the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and the other Marks.

30.17 Franchised Location.

"Franchised Location" will mean the address, city and state of the Franchisee's Victory Lane Center set forth in Exhibit A to this Agreement.

30.18 Lease.

"Lease" will mean the written lease agreement and related documents signed by the Franchisee for the Franchised Location.

30.19 Major Assets.

"Major Assets" will mean (a) the Franchisee's Center; (b) the Franchised Location; (c) the Lease for the Franchised Location; (d) the FF&E, inventory, point of sale system, customer lists and all other assets used in the Franchisee's Center; (e) this Agreement; (f) any Ownership Interest in the Franchisee; (g) all FF&E leases, and (h) the land, building and related real estate used for the Franchisee's Center, if the land, building and real estate are owned by the Franchisee or a Controlled Entity.

30.20 Manager.

"Manager" will mean the individual responsible for the overall management and operation of the Victory Lane Center including, but not limited to, administration, basic operations, marketing, customer and community relations, record keeping, employee staffing and training, inventory control, hiring and firing, and maintenance of the Franchised Location.

30.21 Marks.

"Marks" will include the name "Victory Lane Quick Oil Change®," and such other trademarks, trade names, service marks, logos, commercial symbols, phrases, slogans and tag lines as Victory Lane has or

may develop for use in connection with Victory Lane Centers. If the Franchisee's Center includes a car wash on the premises of the Franchised Location, then the Marks will also include "Victory Lane Car Wash®."

30.22 Master Franchise Agreement.

"Master Franchise Agreement" will mean the agreement entered into between Victory Lane and the Master Franchisee granting the Master Franchisee, or an Entity owned by the Master Franchisee and/or the Owners of the Master Franchisee (referred to as the Franchisee in this Agreement), the right to develop the Center at the Franchised Location pursuant to the terms of this Agreement.

30.23 Operations Manuals.

"Operations Manuals" will mean the confidential and copyrighted standard operations, training and other manuals developed by Victory Lane and loaned to the Franchisee pursuant to this Agreement.

30.24 Owner.

"Owner" will mean any person or Entity who owns (a) any shares of capital stock in the Franchisee if the Franchisee is a corporation, (b) any membership interests in the Franchisee if the Franchisee is a limited liability company, (c) partnership interests in the Franchisee if the Franchisee is a partnership, (d) any limited or general partnership interests if the Franchisee is a limited partnership, and (e) any other kind or type of Ownership Interest in the Franchisee.

30.25 Ownership Interests.

"Ownership Interests" will mean (a) capital stock if the Franchisee is a corporation, (b) membership interest if the Franchisee is a limited liability company, (c) partnership interest if the Franchisee is a partnership, (d) limited or general partnership interests if the Franchisee is a limited partnership, and (e) all other types and means of ownership or other legal interest in the Franchisee.

30.26 Personal Guarantors.

"Personal Guarantor(s)" will mean the individual(s) who signs the Personal Guaranty attached to this Agreement.

30.27 Products and Services.

"Products and Services" will mean the authorized goods, products, merchandise and services that are specified in the Operations Manuals or otherwise approved by Victory Lane in writing that are (a) used in the operation of the Center, and/or (b) offered for sale to customers of the Center.

30.28 Required Opening Date.

"Required Opening Date" will mean the date that is 15 months after the date of this Agreement, unless the Franchisee's Center is being developed pursuant to an Master Franchise Agreement or other written agreement between the Franchisee and Victory Lane, in which case the Required Opening Date will be the date the Center is required to open and commence operations as specified in the Master Franchise Agreement or other written agreement.

30.29 Revenues.

"Revenues" will mean the total dollar sales from all customers of the Franchisee's Center, and will include all cash and credit sales made by the Franchisee of every kind and nature made at, from, by or in connection with the Franchisee's Center including, but not limited to, all dollars and income received from and/or sale of: (a) any and all Products and Services; (b) any and all goods, products and merchandise; (c) vending machines, telephones and electronic and other amusement games; (d) slot machines, and gaming machines; (e) lotteries, lottery tickets and pull tabs; (f) hats, sweatshirts, T-shirts, jackets, music records, videotapes and compact discs; (g) cigars, cigarettes, tobacco products, candies and

gum; and (h) the redemption of gift cards, gift certificates and prepaid cards by the Franchisee's Center. "Revenues" will not include any sales, use or gross receipts tax imposed by any federal, state, municipal or governmental authority directly upon sales, if the amount of the tax is added to the selling price and is charged to the customer, a specific record is made at the time of each sale of the amount of such tax, and the amount of such tax is paid to the appropriate taxing authority by the Franchisee; the amount of all discounts and coupons which are taken or redeemed at the Franchisee's Center provided, that a specific record is made of the amount of the reduction in the price as a result of such discount taken or coupon redeemed; the sale of gift cards, gift certificates and prepaid cards by the Franchisee's Center; the one-time sale of any FF&E or any inventory items to a purchaser; and any business interruption insurance payments made to the Franchisee by any insurance company.

30.30 Salaries and Benefits.

"Salaries and Benefits" will mean the salaries, fringe benefits, including life insurance, disability insurance, dental insurance, medical insurance and employer contributions to retirement plans, payroll taxes, unemployment compensation, workers' compensation insurance, and all other expenses and costs related to employment.

30.31 Travel Expenses.

"Travel Expenses" will mean all costs incurred for travel, transportation, food, lodging, telephone, automobile rental and all related travel expenses.

30.32 Week.

"Week" or "weekly" will mean a period of seven consecutive days from Monday through Sunday.

IN WITNESS WHEREOF, Victory Lane, the Franchisee and the Owners have respectively signed this Agreement effective as of the day and year first above written.

In the Presence of

VICTORY LANE QUICK OIL CHANGE, INC.

Signature

By _____

Print Name

Its _____

"FRANCHISEE"

In the Presence of:

Legal Name

Signature

By _____
Signature

Print Name

Print Name

Its _____
Title

And

In the Presence of:

Signature

Print Name

By _____
Signature

Print Name

Is _____
Title

Each of the undersigned Owners hereby agree to be bound by the terms and conditions of this Agreement applicable to each one of the Owners, which in no event will limit any of the obligations undertaken by each of the Owners under this Agreement in any other capacity, or under any other agreement or personal or other guaranty.

<u>In the Presence of:</u>	<u>Names of Owners:</u>	<u>Percentage of Ownership:</u>
_____	_____	_____ %
Signature	Signature	
_____	_____	
Print Name	Print Name	
_____	_____	_____ %
Signature	Signature	
_____	_____	
Print Name	Print Name	
_____	_____	_____ %
Signature	Signature	
_____	_____	
Print Name	Print Name	
	Total	100%

PERSONAL GUARANTY

THIS PERSONAL GUARANTY (this "Personal Guaranty") is made and entered into this _____ day of _____, 20____, by and between Victory Lane Quick Oil Change, Inc., a Michigan corporation ("Victory Lane"), and each one of the undersigned personal guarantors (the "Personal Guarantors").

WHEREAS, Victory Lane and _____ (a/an) _____ (the "Franchisee"), have entered into a Franchise Agreement, dated the same date as set forth above, for the operation of a franchised Victory Lane Center at the Franchised Location set forth in the Franchise Agreement (the "Franchise Agreement").

WHEREAS, it is the desire of each one of the undersigned Personal Guarantors to personally guaranty the obligations of the Franchisee under the Franchise Agreement and to be individually, jointly and severally bound by the terms and conditions of the Franchise Agreement.

NOW, THEREFORE, in consideration of the execution of the Franchise Agreement by Victory Lane, and for other good and valuable consideration, each one of the undersigned, for themselves, their heirs, successors, and assigns, do individually, jointly and severally hereby become surety and guaranty for the payment of all amounts and the performance of the covenants, terms and conditions of the Franchise Agreement, including the covenants not to compete, to be paid, kept and performed by the Franchisee.

Obligations under Agreement Each one of the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including the covenants not to compete, and agree that this Personal Guaranty should be construed as though the undersigned and each of them executed an agreement containing the identical terms and conditions of the Franchise Agreement. Each one of the Personal Guarantors acknowledges having received a copy of the Franchise Agreement which is incorporated herein by reference.

Default of Franchisee If the Franchisee defaults on any monetary obligation of the Franchise Agreement, then each one of the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay to Victory Lane the Initial Fee, Royalty Fees, Advertising Fund Contributions and all other fees and monies due and payable to Victory Lane under the terms and conditions of the Franchise Agreement or for any purchases of goods or services made by the Franchisee from Victory Lane or any affiliate of Victory Lane.

Non-Compliance by Franchisee If the Franchisee fails to comply with any other terms and conditions of the Franchise Agreement, then each one of the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of the Franchise Agreement for and on behalf of the Franchisee.

Obligations of Victory Lane If the Franchisee is at any time in default on any obligation to pay monies to Victory Lane or any affiliate of Victory Lane, whether for the Initial Fee, Royalty Fees, Advertising Fund Contributions, goods or services purchased by the Franchisee from Victory Lane or any subsidiary or affiliate of Victory Lane, or for any other indebtedness of the Franchisee to Victory Lane or any affiliate of Victory Lane, then each of the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay all such monies due and payable by the Franchisee to Victory Lane or any affiliate of Victory Lane upon default by the Franchisee.

Binding Agreement Each one of the Personal Guarantors warrant and represent that they have the capacity to execute this Personal Guaranty and that they will each be bound by all of the terms and

conditions of this Personal Guaranty. The provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of the successors and assigns of Victory Lane.

Jurisdiction and Venue. Except as precluded by applicable law, all arbitration, litigation, actions or proceedings pertaining to this Personal Guaranty will be brought and venued in accordance with the terms of the Franchise Agreement and each one of the Personal Guarantors agree to the dispute resolution provisions, including jurisdiction and venue, contained in the Franchise Agreement.

PERSONAL GUARANTORS

Signature

Signature

Print Name

Print Name

Address

Address

City, State and Zip Code

City, State and Zip Code

Telephone

Telephone

Signature

Signature

Print Name

Print Name

Address

Address

City, State and Zip Code

City, State and Zip Code

Telephone

Telephone

Signature

Print Name

Address

City, State and Zip Code

Telephone

Signature

Print Name

Address

City, State and Zip Code

Telephone

Signature

Print Name

Address

City, State and Zip Code

Telephone

Signature

Print Name

Address

City, State and Zip Code

Telephone

EXHIBIT A
TO
VICTORY LANE QUICK OIL CHANGE, INC.
FRANCHISE AGREEMENT

ADDRESS OF FRANCHISED LOCATION:

Street

City, State, Zip Code

VICTORY LANE QUICK OIL CHANGE, INC.

Legal Name of Franchisee

By _____

By _____

Its _____

Its _____

EXHIBIT B

AUTHORIZATION TO HONOR ELECTRONIC FUNDS TRANSFERS

PAYEE

BANK NAME

ACCOUNT NO.

Victory Lane Quick Oil Change, Inc. _____

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, drafts, orders and electronic debits (collectively "debits") drawn on such account which are payable to the above named Payee. It is agreed that the Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by the Depositor. It is further agreed that if any such debit is not honored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever. This authorization shall continue in force until the Depository and the Payee have received at least thirty (30) days written notification from the Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

- (1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.
- (2) To indemnify the Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.
- (3) To defend, at the Depositor's own cost and expense, any action which might be brought by any persons or Entities because of any actions taken by the Depository or the Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or the Payee's participation therein.

Name of Depository (Franchisee's Bank): _____

Name of Franchisee/Depositor (as listed on account): _____

Designated Bank Account (Victory Lane's Bank): _____
(Please attach one voided check for the above account.)

Franchisee's Business Address: _____
Address, City, State, Zip Code

For information call: _____
Print Name of Franchisee's Contact Person

Telephone Number: _____ E-Mail Address: _____

Fax Number: _____

Name of Franchisee/Depositor as Listed On Account (please print)

By _____ Title
Franchisee's Authorized Representative

Date: _____, 20__

EXHIBIT C

TELEPHONE LISTING AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 20____, by and between Victory Lane Quick Oil Change, Inc. ("Victory Lane"), and _____ (the "Franchisee").

WHEREAS, Victory Lane is the franchisor of Victory Lane Center and the licensor of the name "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" and certain other trademarks, trade names, service marks, logos and commercial symbols (the "Marks"); and

WHEREAS, Victory Lane and the Franchisee have entered into a Franchise Agreement, dated the same date as this Agreement (the "Franchise Agreement") pursuant to which the Franchisee is granted the right to operate a franchised Victory Lane Car Wash Center and/or Victory Lane Quick Oil Change Center (the "Center") and to use the Marks in telephone directory listings for the Franchisee's Center; and

WHEREAS, the Franchisee is authorized to continue using the Marks until such time as the Franchise Agreement is terminated or expires.

NOW, THEREFORE, Victory Lane and the Franchisee hereby agree as follows:

1. The Franchisee is authorized to obtain telephone service for Franchisee's Center. Such service will not be used in conjunction with any other business or residential telephone service.
2. The Franchisee is authorized and agrees to secure white pages, Yellow Pages and directory assistance listings for the Franchisee's Center only in the name of "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®". No other names may be used in conjunction with the Center and the Marks, and no additional listings may be used with the telephone number(s) assigned to the Center, unless approved in writing in advance by Victory Lane.
3. All telephone directory listings, Yellow Pages display advertising, layout, and copy will be approved in advance in writing by Victory Lane, and the Franchisee agrees that it will not place any such copy unless the written approval of Victory Lane is attached. Placement of display advertising by Victory Lane or its advertising agency for the Franchisee through a national Yellow Pages service will constitute automatic approval.
4. The Franchisee agrees that the telephone numbers and telephone directory listings for the Center will be considered to be the sole property of Victory Lane. The Franchisee acknowledges that Victory Lane has the absolute right and interest in all of the telephone numbers and telephone directory listings associated with the Marks, and the Franchisee hereby authorizes Victory Lane to direct the telephone company and all listing agencies to transfer all of the Franchisee's telephone numbers and directory listings to Victory Lane or Victory Lane's assignee if the Franchise Agreement expires or is terminated for any reason whatsoever.
5. Upon the expiration or termination of the Franchise Agreement for any reason, the Franchisee agrees that it will immediately cease all use of such telephone numbers and telephone directory listings and that all such telephone numbers and telephone directory listings will remain the sole property of Victory Lane, subject to Victory Lane's obligation to pay all fees due therefore that become due and payable after the date of the cessation of the Franchisee's right to use the Marks and the telephone numbers and telephone directory listings associated with the Marks.

6. The Franchisee hereby releases and forever discharges Victory Lane and its successors or assigns and the telephone company from liability of any kind or character which results or may result directly or indirectly from Victory Lane's exercise of its rights hereunder or from the telephone company's cooperation with Victory Lane in effecting the terms of this Agreement.

7. Victory Lane will have the absolute right to notify the telephone company and all listing agencies of the termination or expiration of the Franchisee's right to use all telephone numbers and all classified and other directory listings under the "Victory Lane Car Wash®" and/or "Victory Lane Quick Oil Change®" name and to authorize the telephone company and all listing agencies to transfer to Victory Lane or its assignee all telephone numbers and directory listings of the Franchisee's Center.

8. The telephone company and all listing agencies will have the right to accept this Agreement as evidence of the exclusive rights of Victory Lane to such telephone numbers and directory listings, and this Agreement will constitute the authority from the Franchisee for the telephone company and listing agency to transfer all such telephone numbers and directory listings to Victory Lane. The Franchisee will not make any claims or commence any action against the telephone company and the listing agencies for complying with this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

VICTORY LANE QUICK OIL CHANGE, INC.

"FRANCHISEE"

By _____

By _____

Its _____

Its _____

AA LIB:500845.5\134091-00002

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D: ADDENDUM FOR CONVERSIONS

VICTORY LANE QUICK OIL CHANGE, INC.

ADDENDUM TO FRANCHISE AGREEMENT
FOR CONVERSIONS

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") is made and entered into and effective this _____ day of _____, 20____, by and between Victory Lane Quick Oil Change, Inc. ("Victory Lane") and _____ (the "Franchisee");

INTRODUCTION

The Franchisee presently conducts a quick oil change business (the "Current Business") at: _____ (the "Franchised Location").

The Franchisee intends to convert the Current Business to a franchised Victory Lane Quick Oil Change Center (the "Victory Lane Center" or the "Center") operated pursuant to the terms of a Franchise Agreement, dated the same date as this Addendum (the "Franchise Agreement"), at the Franchised Location using the Marks and the Business System developed by Victory Lane.

Victory Lane and the Franchisee desire to modify and amend the Franchise Agreement as set forth herein.

In consideration of the mutual promises and covenants set forth in the Franchise Agreement and this Addendum, Victory Lane and the Franchisee agree and contract as follows:

1. Article 3.1 of the Franchise Agreement [Initial Fee] is hereby amended to provide that the Franchisee will pay Victory Lane a nonrefundable Initial Fee of \$30,000 at least 30 days prior to the Required Opening Date set forth in Paragraph 5 of this Addendum.

2. Article 10.1 of the Franchise Agreement [Site Selection; Purchase or Lease of Site] will not be applicable to the Franchisee's Center at the Franchised Location.

3. Article 10.5 of the Franchise Agreement [Compliance with Specifications] is hereby amended to provide that the Franchisee will renovate the premises of the Franchised Location to conform to the image of a Victory Lane Center and Victory Lane's standards and specifications as required by Victory Lane in writing. The Franchisee will immediately commence remodeling the Franchised Location after receiving written notice from Victory Lane specifying the required remodeling, and will

diligently complete such remodeling by at least 30 days prior to the Required Opening Date. The Franchisee will submit to Victory Lane a written summary of the expenses incurred by the Franchisee to remodel the Franchised Location, in the form and containing the information prescribed by Victory Lane. Victory Lane will reimburse the Franchisee for the remodeling expenditures made by the Franchisee within 30 days after receipt of the written summary of the Franchisee's approved remodeling expenditures; provided, however, that this amount will not exceed \$20,000.

4. Article 21.2 of the Franchise Agreement [In-Term Covenant Not to Compete] is hereby amended to exclude from its coverage the Current Business until it has been converted to a franchised Victory Lane Center.

5. Article 30.28 of the Franchise Agreement [Required Opening Date] is hereby amended to provide that the Franchisee's Required Opening Date will be:

6. Capitalized terms used but not defined in this Addendum will, if defined in the Franchise Agreement, have the meanings ascribed such terms in the Franchise Agreement.

7. To the extent this Addendum is deemed to be inconsistent with any terms or conditions of the Franchise Agreement, the terms of this Addendum will govern. All other terms and conditions of the Franchise Agreement will remain unchanged.

[Signatures on following Page]

IN WITNESS WHEREOF, Victory Lane, the Franchisee and the Owners have respectively signed this Agreement effective as of the day and year first above written.

In the Presence of

VICTORY LANE QUICK OIL CHANGE, INC.

Signature

By _____

Print Name

Its _____

“FRANCHISEE”

In the Presence of:

Legal Name

Signature

By _____

Signature

Print Name

Print Name

Its: _____
Title

In the Presence of:

And

Signature

By _____

Signature

Print Name

Print Name

Its: _____
Title

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E: MASTER FRANCHISE AGREEMENT

MASTER FRANCHISE AGREEMENT

THIS MASTER FRANCHISE AGREEMENT (the "Agreement") is made and entered into this ____ day of _____, 200__ (the "Effective Date"), by and between Victory Lane Quick Oil Change, Inc., a Michigan corporation ("Company", "we" and "our"), and _____, a _____ corporation/limited liability company/partnership (circle one) ("Master Franchisee"), with reference to the following facts:

- A. Company has designed and developed valuable and proprietary business formats, methods, procedures, signs, designs, layouts, standards, specifications and business system relating to the operation of quick oil change, car wash, and other related automotive maintenance services, under the name "Victory Lane Quick Oil Change®" (the "System").
- B. Company has developed and licenses the use of the name "Victory Lane Quick Oil Change®" and other trademarks, trade names, service marks and other commercial symbols in connection with the System (collectively, the "Marks"), to its franchisees (the "Franchisees"), and uses, promotes and publicizes the Marks in marketing the System and its business to the public.
- C. Company offers Franchisees the right to own and operate a Victory Lane Center (each, a "Victory Lane Center") utilizing the System in offering authorized products and services and to use the System, all of which Company may improve, further develop and otherwise modify from time to time.
- D. Company desires to expand and develop its franchised business, and seeks a Master Franchisee to open, operate, solicit and assist Franchisees in opening and operating, additional Victory Lane Centers within the geographic area described in Exhibit A (the "Master Franchise Area").
- E. Master Franchisee desires to establish, build and operate Victory Lane Centers, and to solicit, qualify, train and assist Franchisees to build and operate Victory Lane Centers within the Master Franchise Area (collectively, the "Master Franchise Business"), all in accordance with the terms and upon the conditions contained in this Agreement. For purposes of this Agreement, the term "Master Franchisee Centers" shall refer to Victory Lane Centers owned and operated by Master Franchisee, and the term "Franchised Centers" shall refer to Victory Lane Centers owned and operated by Franchisees in the Master Franchise Area which were solicited, trained, supported and assisted by Master Franchisee.

WHEREFORE, IT IS AGREED

1. GRANT OF RIGHTS

Subject to the terms of this Agreement, we hereby grant to Master Franchisee, and Master Franchisee hereby accepts, the right during the Term to open and operate Master Franchisee

2. MASTER FRANCHISE'S DEVELOPMENT OBLIGATION

2.1. Minimum Development Obligation.

(a) Master Franchisee shall construct, equip, open and continue to operate, and solicit, screen, qualify, train and assist Franchisees to construct, equip, open and operate, within the Master Franchise Area, not less than the cumulative number of Centers set forth in Exhibit B, which is annexed hereto and by this reference made a part hereof, in the manner and within each of the time periods (the "Development Periods") specified therein (the "Minimum Development Obligation").

(b) Each Victory Lane Center shall be the subject of a separate franchise agreement, which shall be personally guaranteed by the principal owners of the franchise. In the case of each Franchised Center, Company and Franchisee shall enter into our then current form of franchise agreement (the "Franchise Agreement"). Notwithstanding the above, however, with respect to Franchise Agreements relating to Master Franchise Centers, (i) the Franchise Agreements signed by Master Franchisee shall have modified training and assistance provisions as set forth in Section 5.1 hereof, and (ii) Master Franchisee shall be required to pay an initial franchise fee under the Franchise Agreement for the Pilot store (defined below).

(c) In determining whether the Minimum Development Obligation shall have been met within an applicable Development Period, all Centers which are the subject of a Franchise Agreement executed pursuant hereto, whether constituting a Master Franchisee Center or Franchised Center, shall be counted.

2.2. Pilot Center. No later than two hundred and seventy (270) days from the Effective Date, Master Franchisee must sign a Franchise Agreement, establish and open operations and successfully complete our operational training for one (1) Master Franchisee Center within the Master Franchise Area, to be used as a prototype business and training facility (the "Pilot Center"). Master Franchisee shall not provide any training or assistance to any Franchisee in the Master Franchise Area until it fulfills all the obligations listed in the sentence above. Master Franchisee shall operate the Pilot Center or replacement therefor at all times during the Term and any extension thereof

3. EXCLUSIVITY

3.1. Territorial Rights. For so long as this Agreement shall remain in effect, and except as provided in Section 3.2, we shall not operate, or grant a franchise to any person other than Master Franchisee or any Franchisees recruited by Master Franchisee, to operate a Victory Lane Center in the Master Franchise Area.

time to time) shall at all times have the right to engage in any activities we deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever we desire, including, but not limited to:

- (a) Establishing and operating Victory Lane Centers, and granting rights to other person to establish and operate Victory Lane Centers, on any terms and conditions we deem appropriate and at any locations other than within the Master Franchise Area;
- (b) providing, and granting rights to other persons to provide, goods and services similar to and/or competitive with those provided at Victory Lane Centers to customers located within the Master Franchise Area, whether identified by the Marks or other trademarks or service marks, through any distribution channel other than a Victory Lane Center located within the Master Franchise Area (including, but not limited to, sales of products via mail order, catalogs, toll free telephone numbers and electronic means including the Internet);
- (c) acquiring the assets or ownership interests of one or more businesses providing products and services similar to those provided at Victory Lane Centers, and franchising, licensing or creating similar arrangements with respect to such businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including within the Master Franchise Area); and
- (d) being acquired (regardless of the form of transaction) by an entity providing products and services similar to those provided at Victory Lane Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses within the Master Franchise Area.

4. TERM

The term of this Agreement (the "Term") shall be for a period of ten (10) years, commencing on the Effective Date, unless sooner terminated in accordance with the provisions of Section 13. Master Franchisee shall have the right to extend the Term for an additional period of the (10) years if (i) Master Franchisee has fulfilled all Minimum Development Obligations, (ii) Master Franchisee has complied with all other terms of this Agreement during the Term, (iii) Master Franchisee and all of its owners sign our general release form, (iv) we and Master Franchisee mutually agree on new minimum development obligations for the Master Franchisee in the Master Franchise Area for the extension period, and (v) Master Franchisee has paid a renewal fee of One Thousand Dollars (\$1,000) per operating Franchised Center in the Master Franchise Area. Under the general release, Master Franchisee and its owners will waive any and all claims against us and our affiliates and our and their respective shareholders, directors, offices, employees, agents, successors and assigns. If Master Franchisee wishes to extend the Term, Master Franchisee must notify us in writing no more than one hundred eighty (180) days and not less than ninety (90) days before the Term would otherwise expire.

5.1. Center Training. Prior to the opening of the Pilot Center, we shall provide Master Franchisee with our initial training program and opening assistance for Victory Lane Centers pursuant to the terms of the Franchise Agreement for the Pilot Center. The Franchise Agreement for each Master Franchisee Center opened after the Pilot Center shall provide that Master Franchisee will receive from us only the ten (10) day classroom training portion of our initial training program and shall provide on-site assistance to Master Franchisee.

5.2. Master Franchisee Training. Within one hundred twenty (120) days of the Effective Date, we will provide approximately ten (10) days of training to Master Franchisee on the operation of a Master Franchisee Center. This training program may include classroom training and/or hands-on training and will be conducted at our corporate headquarters, at an operating Victory Lane Center and/or at other locations we designate. Master Franchisee must complete the initial training to our satisfaction and participate in all other activities we require before soliciting Franchisees in the Master Franchise Area. Although we provide this training at no additional fee, Master Franchisee must pay all of its travel and living expenses.

Following the training described above, if we determine, in our sole, reasonable discretion, that Master Franchisee has not completed initial training to our satisfaction, we may, at our option, either (1) require Master Franchisee to attend additional training at Master Franchisee's expense (for which we may charge reasonable fees), or (2) terminate this Agreement.

In addition to the other training requirements described above and in this Agreement, we may require Master Franchisee to attend up to two (2) days of additional or refresher training courses each year and a national business meeting or convention up to two (2) days per year at the times and locations we designate. We may charge reasonable fees for these courses, conventions and programs. Master Franchisee is responsible for all of its travel and living expenses.

Master Franchisee shall also attend a nationally recognized franchise seminar within ninety (90) days of the Effective Date, which seminar shall include sessions on, among other things, franchise sales and franchising regulatory compliance. Master Franchisee shall also require all of Master Franchisee's salespersons to attend the same nationally recognized franchise seminar. Master Franchisee shall pay for all of the costs associated with attendance at such seminar, including without limitation, registration, lodging, travel, meals and employee compensation, if any.

5.3. Master Franchise Manual.

(a) Concurrently with the commencement of Master Franchisee's training described in Section 5.2 above, we shall loan to Master Franchisee one (1) copy of our Master Franchise manual (the "Master Franchise Manual"), and one (1) copy of our standard Operations Manual for Victory Lane Centers (the "Operations Manual") (collectively referred to as the "Manuals"). Master Franchisee shall conduct business activities in strict accordance with our standard

operational methods and procedures as prescribed from time to time in the Manuals. As used in this Agreement, the term "Manuals" shall be deemed to include the Manuals so delivered to Master Franchisee, all amendments to the Manuals, and all supplemental bulletins, notices and memoranda which prescribe standard methods or technique of operation and which we may from time to time deliver to Master Franchisee.

(b) We shall have the right to modify or supplement the Manuals. Such modifications and supplements shall become effective and binding on Master Franchisee thirty (30) days after notice thereof is mailed or otherwise delivered to Master Franchisee. Master Franchisee acknowledges and agrees that modifications of and supplements to the Manuals may obligate Master Franchisee to invest additional capital or incur higher operating costs.

(c) The Manuals are our property and may not be duplicated, copied, disclosed or disseminated in whole or in part in any manner except with our express prior written consent. Master Franchisee shall maintain the confidentiality of the Manuals. Upon the termination of this Agreement, Master Franchisee shall return to us all copies of the Manuals in its possession or control. If Master Franchisee's copy of any of the Manuals is lost, destroyed, or significantly damaged, Master Franchisee agrees to obtain a replacement copy at our then applicable replacement charge.

5.4. General Guidance. We will provide guidance to Master Franchisee in the Manuals and other bulletins or other written materials; by electronic media; and/or by telephone consultation. If Master Franchisee requests and we agree to provide additional or special guidance, assistance or training, Master Franchisee must pay our then applicable charge including our per diem charges and any travel and living expenses.

5.5. Franchise Registration and Disclosure. Neither Master Franchisee nor any employee or representative of Master Franchisee shall solicit prospective Franchisees of Victory Lane Centers until we have registered our current Franchise Disclosure Document with the appropriate authorities in the applicable jurisdiction covering the Master Franchise Area, and until we have provided Master Franchisee with the requisite documents, or at any time upon notifying Master Franchisee that our registration is not then in effect or our documents are not then in compliance with applicable law or regulation. If Master Franchisee's activities pursuant to this Agreement require the preparation, amendment, registration, or filing of information or any disclosure or other documents, all requisite offering circulars, ancillary documents, and registration applications shall be prepared and filed by us or our designee, and registration secured, before Master Franchisee may solicit prospective Franchisees of Victory Lane Centers. The costs of such registration applicable to Master Franchisee's activities shall be borne by Master Franchisee.

In connection with Master Franchisee's solicitation of Franchisees to operate Franchised Centers in the Master Franchise Area, and the execution and performance of all Franchisee Agreements entered into in connection therewith, Master Franchisee shall comply with, and conduct all franchise promotion, advertising and other activities in accordance with the Federal

trade Commission Rule on Franchising and Business Opportunity Ventures, and all state laws relating to the offer and sale of franchises, and all other applicable laws, rules and regulations, and all of Company's standards, rules, policies and procedures in effect from time to time.

In particular, Master Franchisee shall:

- (a) prepare and forward to us verified financial statements of Master Franchisee in such form and for such periods as shall be designated by us, including audited financial statements, if necessary and appropriate to comply with applicable legal disclosure, filing, or other legal requirements;
- (b) promptly provide all information reasonably required by us to prepare all requisite offering circulars and ancillary documents for the offering of franchises throughout the Master Franchise Area; and
- (c) execute all documents required by us for the purpose of registering the activities of Master Franchisee and us in offering franchises throughout the Master Franchise Area.

Master Franchisee agrees to review and assist us in preparing all information in any relevant offering circulars or other disclosure documentation pertaining to Master Franchisee and to verify and be responsible for its accuracy. Master Franchisee acknowledges that we and our affiliates and designees shall not be liable to Master Franchisee for any errors, omissions, or delays which occur in the preparation for such materials related to Master Franchisee's information.

5.6. Investigation and Qualification of Prospective Franchisees.

- (a) Each Franchised Center opened by a Franchisee pursuant to this Agreement shall be the subject of a separate Franchise Agreement with us, upon our then current form. Master Franchisee shall have no right to modify or offer to modify any Franchise Agreement or other contract.
- (b) If we shall approve a Franchisee and a prospective franchise location, Master Franchisee shall transmit to such Franchisee for execution, copies of our then current Franchise Agreement pertaining to the approved site and providing for an exclusive territory surrounding said Center, as determined by us. All costs associated with the preparation of a Franchise Agreement that conforms to our requirements shall be borne by Master Franchisee.
- (c) Master Franchisee shall investigate the qualifications of each prospective Franchisee and the suitability of each prospective franchise location in the Master Franchise Area in accordance with our standards, policies, and procedures relating to qualification of franchisees and franchise sites then in effect, and shall obtain all information required of prospective Franchisees by us.

(d) After Master Franchisee is satisfied that a prospective Franchisee and prospective franchise location meet the standards established by us, Master Franchisee may recommend to us the approval of such prospective Franchisee and a prospective location or locations for such Franchisee. Master Franchisee shall then furnish to us all information relating to the prospective Franchisee and any prospective franchise locations (including the terms and conditions of the proposed lease or purchase of each such location) which shall be required by us in the form and manner customarily required by us.

(e) We may thereafter conduct or obtain such reports and background checks on prospective Franchisees as we deem necessary or convenient. We may then approve or reject a prospective Franchisee or prospective franchise location for any reason, or may seek further information with respect to the prospective Franchisee and any such location or locations. Master Franchisee shall cooperate with us in any further investigation of the prospective Franchisee or any such locations. If we shall reject a prospective Franchisee or franchise location, we shall provide Master Franchisee with a written explanation of its reason thereof. For purposes of clarification, in the event we reject a prospective Franchisee, such prospective Franchisee shall not be counted toward any of Master Franchisee's Minimum Development Obligations, regardless of the reason we rejected such prospective Franchisee.

(f) Master Franchisee shall deliver to us a copy of all correspondence with Franchisees which is material to the franchise relationship, concurrently with its being sent or received by Master Franchisee.

(g) Master Franchisee shall not terminate or threaten to terminate a Franchise Agreement with any Franchisee without our prior, written consent.

5.7. Approval of Master Franchisees' Pilot Store and Stores, and Execution of Franchise Agreement. After Master Franchisee has located a site for construction of a proposed Master Franchisee Center, Master Franchisee shall submit to us such information regarding the proposed site as we shall require, in the form of which we shall from time to time require, together with the terms and conditions of any proposed lease or purchase relating to such site. We may seek such additional information as it deems necessary within twenty days of submission of the prospective site, and Master Franchisee shall respond promptly to such request for additional days after a receipt of such additional information, the site shall be deemed approved. We shall not unreasonably reject a proposed site nor unreasonably delay our approval or disapproval thereof.

5.8. Training and Support. Master Franchisee agrees to develop a training program and to provide training to Franchisees and their employees in accordance with specifications prescribed by us. Master Franchisee shall provide all Franchisees with such assistance and services as we may reasonably request and require from time to time in connection with the construction, equipping and opening of the Victory Lane Centers within the Master Franchise Area, the sourcing of equipment, fixtures, furnishings, inventory and supplies for such Centers, the advertising and promotion of such Victory Lane Centers. All services and assistance

provided to Franchisees in connection with the operation of Victory Lane Centers shall be provided by Master Franchisee and such obligation of Master Franchisee will not be transferred, delegated, or subcontracted to any other person.

5.9. Inspection of Centers and Operations. Master Franchisee shall conduct inspections of all the Franchisees in the Master Franchisee Area, and of its operations and the operations of all the Franchisees, in accordance with the standards from time to time established by us, upon such schedules and according to such procedures as shall be agreed upon by us and Master Franchisee, acting in good faith, but, in any event, at least once during each calendar month. Master Franchisee shall provide reports to us with respect to the findings of such inspections, in such form and at such times as we shall require.

5.10. Marketing and Promotion. Master Franchisee shall participate in all promotion and marketing activities required by us of our Franchisees and master franchisees, as required in the Franchise Agreement or otherwise.

6. OPERATING STANDARDS AND LEGAL COMPLIANCE

6.1. Standards of Service. Master Franchisee shall at all times give prompt, courteous and efficient service to all Franchisees in the Master Franchisee Area. Master Franchisee shall, in all dealings with Franchisees, prospective Franchisees and the public, adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct.

6.2. Compliance with Laws and Good Business Practices. Master Franchisee shall secure, maintain and enforce all required licenses, permits, and certificates relating to Master Franchisee's activities under this Agreement and operate in full compliance with all applicable laws, ordinances, and regulations. Master Franchisee acknowledges being advised that many jurisdictions have enacted laws concerning the advertising, sale, renewal, and termination of, and continuing relationship between parties to, a franchise agreement, including, without limitation, laws concerning disclosure requirements. Master Franchisee agrees promptly to become aware of, and to comply with, all such laws and legal requirements enforced in the Master Franchisee Area and to utilize only offering circulars that we have approved for use in the applicable jurisdiction.

6.3. Accuracy of Information. Before it solicits any prospective Franchisee, Master Franchisee shall each time take reasonable steps to confirm that the information contained in any written materials, agreements, and other documents related to the offer or sale of franchises is true, correct, and not misleading at the time of such offer or sale and that the offer or sale of such franchise will not at that time be contrary to or in violation of any applicable state law related to the registration of that franchise offering. We shall provide Master Franchisee with any changes to our offering circulars, disclosure documents and other agreements on a timely basis and, upon request, provide Master Franchisee with confirmation that the information contained in such written materials, agreements, or documents is true, correct, and not misleading, except for information specifically relating to disclosures regarding Master Franchisee (for which Master Franchisee is responsible). If Master Franchisee notifies us of an error in any information in our documents, we shall have a reasonable period of time to attempt to correct any deficiencies, misrepresentations, or omissions in such information. Master Franchisee shall indemnify and

hold harmless us, our affiliates, and our or their respective shareholders, directors, officers, employees, agents, representatives, successors and assigns ("Indemnified Parties") from and against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages (including reasonable attorney fees) directly or indirectly arising out of Master Franchisee's obligations hereunder.

6.4. Notification of Litigation. Master Franchisee shall notify us in writing within five (5) days after the commencement of any action, suit, arbitration, proceeding, investigation, or the issuance of any order, writ, injunction, award, or decree, by any court, agency, or other governmental instrumentality, which names Master Franchisee, any of its owners or Master Franchisees or otherwise concerns the operation or financial condition of Master Franchisee, the Master Franchise Business, or any Franchisee.

6.5. Insurance. Master Franchisee shall at all times during the term of this Agreement maintain and enforce, at Master Franchisee's sole expense, insurance for the Master Franchise Business of the types, in the amounts, and with such terms and conditions as we may from time to time prescribe in the Master Franchise Manual or otherwise. All of the required insurance policies shall name us and affiliates designated by us as additional insureds, contain a waiver of the insurance company's right of subrogation against us and the designated affiliates, and provide that we will receive thirty (30) days prior written notice of termination, expiration, cancellation, or modification of any such policy.

6.6. Proof of Insurance Coverage. Master Franchisee will provide proof of insurance to us before beginning operations of its Master Franchise Business. This proof of insurance will show that the insurer has been authorized to inform us in the event any policies lapse or are canceled or modified. We have the right to change the types, amounts, and terms of insurance that Master Franchisee is required to maintain by giving Master Franchisee prior reasonable notice. Noncompliance with these insurance provisions shall be deemed a material breach of this Agreement; and in the event of any lapse in insurance coverage, we shall have the right, in addition to all other remedies, to demand that Master Franchisee cease operations of its Master Franchise Business until coverage is reinstated or, in the alternative, to pay any delinquencies in premium payments and charge the same back to Master Franchisee.

6.7. Approval of Advertising. Prior to their use by Master Franchisee, samples of all advertising and promotional materials not prepared or previously approved by us shall be submitted to us for approval, which approval shall not be unreasonably withheld. Master Franchisee shall not use any advertising or promotional materials that we have not approved or have disapproved. Master Franchisee acknowledges and understands that certain states require the filing of franchise sales advertising materials with the appropriate state agency prior to dissemination. Master Franchisee agrees fully and timely to comply with such filing requirements at Master Franchisee's expense unless such advertisement has been previously filed with the state by us. We may charge Master Franchisee for the costs incurred by us in printing large quantities of advertising and marketing materials supplied by us to Master Franchisee at Master Franchisee's request.

6.8. Websites. As used in this Agreement, the term "Website" means an interactive electronic document, contained in a network of computers linked by communications software

that refers to Victory Lane Centers, franchises for Victory Lane Centers, or the Marks. The term Website includes, but is not limited to, Internet and World Wide Web homepages. In connection with any Website, Master Franchisee shall not establish a separate Website regarding the Master Franchise Business. We shall have the right, but not the obligation, to designate one or more web page(s) to describe Master Franchisee, such web page(s) to be located within our Website.

6.9. Accounting, Bookkeeping and Records. Master Franchisee shall maintain at its business premises in the Master Franchise Area all original invoices, receipts, checks, contracts, licenses, acknowledgement of receipt forms, and bookkeeping and business records we require from time to time. Master Franchisee shall furnish to us, within sixty (60) days after the end of Master Franchisee's fiscal year, an audited balance sheet and profit and loss statement for Master Franchise Business for such year (or monthly or quarterly statement if required by us, in which case such statements also shall reflect year-to-date information). Master Franchisee's annual Financial Statements shall be audited by a certified public accountant and such certified public accountant shall provide to Master Franchisee and us with the authority to use the audit in any disclosure document. In addition, upon our request, within ten (10) days after such other forms, records, books, and other information as we periodically require regarding the Master Franchise Business shall be furnished to us. Master Franchisee shall maintain all records and reports of the business conducted pursuant to this Agreement for at least two (2) years after the date of termination or expiration of this Agreement.

6.10. Reports. Master Franchisee shall, as often as required by us, deliver to us a written report of its Master Franchise Business activities in such form and detail as we may from time to time specify, including information about efforts to solicit prospective Franchisees, the status of pending real estate transactions, and the status of the Centers.

7. MASTER FRANCHISE FEE

Master Franchisee shall pay to us a non-refundable Master Franchise Fee of One Hundred Twenty Thousand Dollars (\$120,000.00) (the "Master Franchise Fee"), payable upon the execution of this Agreement. The Master Franchise Fee is based upon the size of the Master Franchise Area and the number of Franchised Centers we believe can be accommodated in the Master Franchise Area.

8. PAYMENTS TO MASTER FRANCHISEE

8.1. Initial Fee and Conditions of Payment. During the term of this Agreement, Master Franchisee shall be paid a portion of the initial Franchise Fees paid for each Franchised Center and each Master Franchisee Center by a Franchisee in the Master Franchise Area, as set forth in this Section (each, an "Initial Fee"), subject to fulfillment of the following conditions:

- (a) the Franchisee executes a Franchise Agreement with us and an initial franchise fee has been paid to and actually received by us (we shall not be deemed to have received any fees paid into escrow, if applicable, until such fees actually have been remitted to us); and

(b) Master Franchisee has complied with all of its other obligations under this Agreement with respect to such Franchised Center or Master Franchisee Center, and has verified that same to us in writing in a form prescribed by us, provided, however, that Master Franchisee shall not be entitled to any Initial Fee with respect to Franchised Centers established in the Master Franchise Area in connection with which Master Franchisee performed no sales services.

The portion of each such Initial Fee to be paid to Master Franchisee shall be an amount equal to either (i) fifty percent (50%) of the initial franchise fee paid to us by a Franchisee for each Franchised Center, or (ii) fifty percent (50%) of the initial franchise fee paid to us by the Master Franchisee for each Master Franchisee Center, in each case no later than thirty (30) days after the conditions of this Section 8.1 have been fulfilled, and in each case net of any amounts paid to franchise brokers.

8.2. Master Franchisee Royalty Payments. We shall pay to Master Franchisee, no later than thirty (30) days after the end of each calendar month, fifty percent (50%) of the Royalty Fees actually received by us from each Franchisee of a Franchised Center and a Master Franchisee Center located in the Master Franchise Area during the term of this Agreement. Royalty Fees are defined in the Franchise Agreement for each Franchised Center, provided, however, that Royalty payments shall not include any Advertising Fee, Local Advertising Fee, Yellow Pages or other fees paid to us by Franchisee ("Royalty Fees"). Notwithstanding the foregoing:

(a) If Master Franchisee has failed to conduct the periodic inspections described in Section 5.9 and failed to file a written report with respect to any Franchisees located in the Master Franchise Area, or failed to perform in any material respect any other service described in Section 5, Master Franchisee shall not be entitled to receive any Royalty Payments on Royalty Fees, with respect to such Franchisees for the period during which reports or services were not provided if Master Franchisee fails to cure such default within fifteen (15) days after written notice from the Company.

(b) Master Franchisee shall not be entitled to share in or receive any Royalty Payments on Royalty Fees paid to us by any Franchisee in the Master Franchise Area that were opened, or operated under a Franchise Agreement entered into, prior to the Effective Date.

8.3. Master Franchisee Payments After Termination or Expiration. All payments under this Section 8 shall immediately and permanently cease after the expiration or termination of this Agreement, although Master Franchisee shall receive all amounts of which have accrued to Master Franchisee as of the effective date of expiration or termination.

8.4. Application of Payments. Our payments to Master Franchisee shall be based on amounts actually collected from Franchisees, not on payments accrued, due, or owing. In the event of termination of a Franchise Agreement for a Victory Lane Center within the Master Franchise Area under circumstances entitling the Franchisee to the return of all or part of the initial franchise fee or Royalty Fees (or in the event that we become legally obligated or decided

to return part or all of the initial franchise fee or Royalty Fees), we may deduct the portion of the amount to be returned to the Franchisee in the same portion as Master Franchisee shared in the initial franchise fee or Royalty Fees from any future amounts owed Master Franchisee. We shall apply any payments received from a Franchisee to us or our affiliates. To the extent that such payments are applied to a Franchisee's overdue Royalty Fee payments, Master Franchisee shall be entitled to its pro rata share of such payments, less its pro rata share of the costs of collection paid to third parties.

8.5. Setoffs. Master Franchisee shall not be allowed to set off amounts owed to us for fees or other amounts due under this Agreement against any monies owed to Master Franchisee by us, which right of set off is hereby expressly waived by Master Franchisee. We shall be allowed to set off against amounts owed to Master Franchisee for Master Franchisee Payments, Royalty Fees, or other amounts due under this Agreement any monies owed to us by Master Franchisee.

9. MARKS

9.1. Ownership and Goodwill of Marks. Master Franchisee's right to use the Marks is derived only from this Agreement and is limited to Master Franchisee's operation of its Master Franchise Business. Master Franchisee's unauthorized use of the Marks is a breach of this Agreement and infringes our right in the Marks. Master Franchisee acknowledges and agrees that Master Franchisee's use of the Marks and any goodwill established by that use are for our exclusive benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon Master Franchisee (other than the right to operate a Master Franchise Business under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks we authorize Master Franchisee to use.

9.2. Limitation on Master Franchisee's Use of Marks. Master Franchisee may not use any Mark: (1) as part of any corporate or legal business name; (2) with any pre-fix, suffix, or other modifying words, terms, designs or symbols (other than logos we have licensed to Master Franchisee); (3) in selling any unauthorized services or products; (4) as part of any domain name, electronic address or search engine; or (5) in any other manner we have not expressly authorized in writing. Master Franchisee may not use any Mark in advertising the transfer, sale or other disposition of the Master Franchise Business under this Agreement or an ownership interest in Master Franchisee (if a corporation, partnership, limited liability company or another business entity holds the franchise at any time during this Agreement's term) without prior written consent.

9.3. Notification of Infringements and Claims. Master Franchisee agrees to notify us immediately of any apparent infringement of or challenge to Master Franchisee's use of any Mark, or of any person's claim of any rights in any Mark, not to communicate with any person other than us and our attorney's, and Master Franchisee's attorney's, regarding any infringement, challenge or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark office proceeding or other administrative proceeding arising from any infringement, challenge or claim or otherwise concerning any Mark. Master Franchisee agrees to sign any document and take any actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in

any litigation or action of Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Marks.

9.4. Discontinuance of Use of Marks. If we believe at any time that it is advisable for us and/or Master Franchisee to modify or discontinue using any Mark and/or use of one or more additional or substitute trademarks or service marks, Master Franchisee agrees to comply with our directions within a reasonable time after receiving notice. We need not reimburse Master Franchisee for Master Franchisee's expenses in complying with these directions, for any loss of revenue due to any modified or discontinued Mark, or for Master Franchisee's expenses or promoting a modified or substitute trademark or service mark.

9.5. Indemnification for Use of Marks. We agree to reimburse Master Franchisee for all damage and expenses Master Franchisee incurs in any trademark infringement proceeding disputing Master Franchisee's authorized use of any Mark under this Agreement if Master Franchisee has timely notified us of the proceeding, has complied with this Agreement and complies with our directions in responding to the proceeding. At our option, we may defend and control the defense of any proceeding relating to any Mark.

10. COINFIDENTIAL INFORMATION

We possess (and may continue to develop and acquire) certain confidential information relating to the development and operation of Victory Lane Centers (the "Confidential Information"), which includes (without limitation):

- (a) site selection criteria;
- (b) methods, formats, specifications, standards, systems, procedures, sale and marketing techniques, knowledge and experience used in developing and operating Victory Lane Centers;
- (c) marketing research and promotional, marketing and advertising programs for Victory Lane Centers;
- (d) knowlege of specification for and suppliers of, methods of ordering, certain operating assets and products that Victory Lane Centers use;
- (e) knowledge of the operating results and financial performance of Victory Lane Centers;
- (f) customer communication and retention programs, along with data used or generated in connection with those programs;
- (g) graphic designs and related intellectual property;
- (h) information generated by, used, or developed in the operation of Victory Lane Centers, including customer names, addresses, telephone numbers and related information; and

- (i) any other information designated confidential or proprietary by us.

Master Franchisee acknowledges and agrees that by entering in this Agreement, Master Franchisee will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information in accordance with this Agreement and that Master Franchisee's use of any Confidential Information in any other business would constitute an unfair method of competition with us and our franchisees. Master Franchisee further acknowledges and agrees that the Confidential Information is proprietary, includes our trade secrets and is disclosed to Master Franchisee only on the condition that Master Franchisee agree, and it does agree, that Master Franchisee:

- (a) will not use any Confidential Information in any other business or capacity;
- (b) will keep the Confidential Information absolutely confidential during and after this Agreement's term;
- (c) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;
- (d) will not disclose Confidential Information to any other party, without obtaining a written Confidentiality and Non-Disclosure Agreement from the party to whom the Confidential Information is disclosed, and
- (e) will not sell, trade or otherwise profit in any way from the Confidential Information, except using methods approved by us.

All ideas, concepts, technique or materials relating to a Victory Lane Center, whether or not protectable intellectual property and whether created by or for Master Franchisee or its employees, must be promptly disclosed to us and will be deemed our sole and exclusive property and works made-for-hire for us. To the extent any item does not qualify as a "work-made-for-hire" for us, by this paragraph Master Franchisee assigns ownership of that item, and all related rights to that item, to us and agrees to sign whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property right to the item.

"Confidential Information" does not include information, knowledge or know-how which is or becomes generally known in the automotive and preventative maintenance industry or which Master Franchisee knew from previous business experience before we provided it to Master Franchisee (directly or indirectly) or before Master Franchisee attended our initial training program. If we included any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

11. ASSIGNABILITY

11.1. Assignability by Company.

(a) We shall have the right, but not the obligation, to cause a subsidiary or affiliate of ours to perform any or all of our obligations and exercise any or all of our rights under this Agreement and under any Franchise Agreement, and to require Master Franchisee to perform any or all of its obligations hereunder, in favor of such subsidiary or affiliate, by written notice thereof to Master Franchisee.

(b) We shall have the right to assign this Agreement, or any of our rights and privileges under this Agreement to any other person, firm or corporation, other than a subsidiary or affiliate of ours, without Master Franchisee's prior consent, and we shall not be liable for any obligations accruing under this Agreement after the effective date of such assignment.

11.2. Assignment by Master Franchisee.

(a) We have entered into this Agreement in reliance upon and in consideration of the singular person skills, character, aptitude, business ability, financial capacity, and qualifications of Master Franchisee and the trust and confidence reposed in Master Franchisee or, the case of a business entity Master Franchisee, its Owners. Therefore, neither Master Franchisee's interest in this Agreement nor any of its rights or privileges hereunder shall be assigned or transferred, voluntarily or involuntarily, in whole or in part, by operation of law or otherwise, in any manner, without prior written approval.

(b) Any assignment or transfer without our approval is a breach of this Agreement and has no effect. In this Agreement, the term "transfer" includes any voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition and includes the following events:

- (1) transfer of record or beneficial ownership of capital stock in Master Franchisee (if Master Franchisee is a corporation), a partnership or membership interest (if Master Franchisee is a partnership or limited liability company), or any other ownership interest or right to receive all or a portion of Master Franchisee's profits or losses;
- (2) a merger, consolidation or exchange of shares or other ownership interest, or issuance of additional ownership interests or securities representing or potentially representing shares or other ownership interests, or a redemption of shares or other ownership interests;
- (3) any sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting right of any owner or control Master Franchisee's operating affairs;
- (4) transfer of an interest in Master Franchisee, this Agreement, or Master Franchise Business or its assets (or any right to receive all or a

portion of Master Franchise Business' profits or losses or any capital appreciation relating to the Master Franchise Business) in a divorce, insolvency or entity dissolution proceeding, or otherwise by operation of law;

(5) if Master Franchisee or an Owner (if Master Franchisee is a business entity) dies, transfer of interest in Master Franchisee, this Agreement or the Master Franchise Business or its assets (or any right to receive all or a portion of Master Franchisee's or the Master Franchise Business' profits or losses or any capital appreciation relating to the Master Franchise Business) by will, declaration of or transfer in trust, or under the laws of interstate succession; or

(6) pledge of this Agreement (to someone other than us) or of an ownership interest in Master Franchisee (if Master Franchisee is a business entity) as security, foreclosure upon the Master Franchise Area franchises, or Master Franchisee's transfer, surrender or loss of the area development franchise possession, control or management.

11.3. Conditions for Approval of Assignment or Transfer by Company. We may impose any reasonable condition(s) to the granting of our consent to such assignment. Without limiting the generality of the foregoing, the imposition by us of any or all of the following conditions to our consent to any such assignment shall be deemed to be reasonable:

- (a) that the assignee (or the principal officers, shareholders, directors, or general partners of the assignee in the case of a business entity assignee) demonstrate that it has the skills, qualification and economic resources necessary, in our judgment, reasonably exercised, to own and operate the Master Franchise Business.
- (b) that Master Franchisee has paid all amounts owed to us;
- (c) that the assignee shall expressly assume in writing for our benefit all of the obligation of Master Franchisee under this Agreement and any other agreements proposed to be assigned to such assignee;
- (d) that neither the assignee nor its owners or affiliates operates, has an ownership interest in or performs services of a Competitive Business (defined in Section 12.2);
- (e) that the assignee shall have completed (or agreed to complete) our training program;
- (f) that the assignee signs our then current form of Master Franchise Agreement, the provisions of which may differ materially from any and all of those contained in this Agreement, and the term of which shall be greater of the remaining term of this Agreement or ten (10) years;

(g) that as of the date of any such assignment, the assignor shall have strictly complied with all of its obligations to us, whether under this Agreement or any other agreement, arrangement or understanding with us;

(h) that the assignee is not then in default of any other obligation to us under any agreement between such assignee and us;

(i) that the assignor shall pay to us a transfer fee equal to one third (1/3) of our then current Master Franchise Fee under this Agreement, except for transfers pursuant to Section 11.4 below;

(j) that assignor sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective shareholders, officers, directors, employees, representatives, agents, successors and assignees; and

(k) that assignor will not directly or indirectly at any time or in any manner identify himself, herself or itself or any business as a current or former Victory Lane Centers or as one of our franchisees or Master Franchisee, use any Mark, or any colorable imitation of a Mark, or other indicia of a Victory Lane Center in any manner or for any purpose, or utilize for any purpose any trade name, trademark, service mark, or other commercial symbol that suggests or indicates a connection or association with us.

Master Franchisee shall not in any event have the right to pledge, encumber, charge, hypothecate or otherwise give any third party a security interest in this Agreement in any manner whatsoever without our express prior written permission, which permission may be withheld for any reason whatsoever in our sole subjective judgment.

11.4. Assignment of Entity Principally Controlled by You.

The rights, obligations, interests and franchise of this Master Franchisee and its assets and liabilities may be assigned to a newly-formed corporation or other legal entity that conducts no business other than the operation of the Master Franchise Business and in which you and any of your principals own and control in the aggregate not less than sixty-seven percent (67%) of that equity and voting power of all outstanding capital stock or ownership interest, provided as follows:

(a) that the proposed transferee complies with the provision of this Agreement; and

(b) that you are empowered to act for said corporation or other legal entity; and

(c) that you shall submit to us documentation that we may reasonably request to effectuate the transfer, including the approving and acknowledging execution of this Agreement; and

(d) that you shall submit to us a true and complete list of the shareholder, members or partners, showing number of shares or interest owned, and a list of the officers and directors if a corporation, or managers if a limited liability company, or managing partners if a partnership. You shall promptly notify us of any changes in said lists; and

(e) that all certificates of shares or interests issued by transferee at any time shall have endorsed thereon an appropriate legend to conform with state law, referring to this Agreement by date and name or parties thereto, and stating "Transfer of This Certificate is Limited by the Terms and Conditions of a Master Franchise Agreement Dated _____;" and

(f) that a copy of this Agreement shall be given to every shareholder, member or partner; and

(g) that a copy of the organizational documents and any corporate resolutions, and a Certificate of Good Standing, will be furnished to us at our reasonable request, and prompt notification in writing of any amendments thereto will be provided to us; and

(h) that the number of shares or interests issued or outstanding in the transferee will not be increased or decreased without prior written notice to us, which notice will in its terms guarantee compliance with this Agreement. In addition, new shareholder, members or partners must agree to be bound by this entire Agreement. Shareholders, members or partners may make a separate agreement among them providing for purchase by the survivors among them of the shares of any shareholders or interests of any members or partners upon death, or other agreements affecting ownership or voting rights, so long as voting control and a majority representation of the board of directors or member or partner remains with those individuals who initially applied for and were approved as franchisee under this Agreement. Shareholders, members or partners must notify us in writing of any such agreement which affects control of the transferee.

11.5. Death and Disability.

(a) Upon the death or disability of Master Franchisee or an Owner, the executor, administrator, conservator, guardian or other personal representative must transfer Master Franchisee's interest in this Agreement, the Master Franchise Business and its assets, or the Owner's ownership interest in Master Franchisee, to a third party. That transfer (including, without limitation, transfer by bequest or inheritance) must occur, subject to our rights, within a reasonable time, not to exceed nine (9) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 11. A failure to transfer

such interest within this time period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Master Franchisee from supervising the Master Franchise Area management and operation for ninety (90) or more consecutive days.

(b) If, upon the death or disability of Master Franchisee or an Owner, a trained manager who we approve is not managing day-to-day operation, then the executor, administrator, conservator, guardian or other personal representative must, within a reasonable time not to exceed thirty (30) days from the date of death or disability, appoint a manager that we must approve to operate the Master Franchise Business. The manager must, at Master Franchisee's or the Owner's estate's expenses, satisfactorily complete the training that we designate within the specified time period.

11.6. Company's Rights for First Refusal. If Master Franchisee at any time determines to sell or transfer any interest in this Agreement or the Master Franchise Business, or if an Owner determines to sell or transfer a controlling ownership interest in Master Franchisee, then Master Franchisee or the Owner, as applicable (the "Seller"), must obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer relating exclusively to an interest in Master Franchisee or this Agreement and the Master Franchise Business. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a fixed dollar amount and without any contingent payments of purchase price (such as earn-out payments).

We may, by delivering written notice to the Seller within thirty (30) days after we receive both an exact copy of the offer and all other information requested, elect to purchase the interest for the price and on the terms and conditions contained in the offer, provided that (1) we may substitute cash for any form of payment proposed in the offer; (2) our credit will be deemed equal to the credit of any proposed buyer; (3) the closing will be not less than thirty (30) days after notifying the Seller of our election to purchase, or if later, the closing date proposed in the offer; and (4) we must receive, and the Seller agrees to make, all customary representations and warranties given by the seller of the assets of a business or ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) ownership interests and validity of contracts and the liabilities, contingent or otherwise, relating to the assets or ownership interest being purchased. If we exercise our right to first refusal, the Seller agrees that, for two (2) years beginning on the closing date, the Seller and members of its immediate family will be bound by the non-competition covenant contained in Section 12.2 below.

If we do not exercise our right to first refusal, the Seller may complete the sale to the proposed buyer on the original offer's terms, subject to our approval of the transfer as provided above. If the Seller does not complete the sale to the proposed buyer within sixty (60) days after we notify the Seller that we do not intend to exercise our rights to first refusal, or if there is a material change in the terms of the sale (which the Seller must tell us promptly), we will have an additional right of first refusal during the thirty (30) days period following either the expiration

of the sixty (60) day period or receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our option.

11.7. Ownership Structure. Master Franchisee represents and warrants that all persons holding direct or indirect, legal or beneficial ownership interests in Master Franchisee ("Owners") are listed on Exhibit C and that its ownership structure is as set forth on Exhibit C. Master Franchisee shall not change its ownership structure without complying with all of the Franchisee's ownership structure, Master Franchisee shall submit a revised Exhibit C to us and any new Owners shall sign a Continuing Guaranty in the form attached to this Agreement as Exhibit D.

12. NON-COMPETITION

12.1 In Term. During the term of this Agreement, neither Master Franchisee, any of the Owners, nor any member of Master Franchisee's or an Owner's immediate family will have any direct or indirect interest (e.g. through a spouse) as a disclosed or beneficial owner, investor, partner, director, officer, controlling shareholder, employee, consultant, representative or agent, or in any other capacity, in a Competitive Business (defined below), whether located within or outside the Master Franchise Area, unless we shall first consent thereto in writing.

12.2. Post-Term. For a two (2) year period following the assignment, expiration, or termination of this Agreement, for any reason, neither Master Franchisee, any Owner, nor any member of Master Franchisee's or an Owner's immediate family will have any direct or indirect interest (e.g. through a spouse) as a disclosed or beneficial owner, investor, partner, director, officer, controlling shareholder, employee, consultant, representative or agent, or in any other capacity, in a Competitive Business located or operating: (a) within the Master Franchise Area, (b) within the Master Franchise Area of any of our Master Franchisees, or (c) within twenty-five (25) miles of any Victory Lane Centers.

The term "Competitive Business" means any business which derives more than Fifty Thousand Dollars (\$50,000) of revenue per year from the performance of automotive and preventative maintenance services, or any business which grants franchises or licenses to others to operate such a business, other than Victory Lane Centers operated under a franchise agreement with us.

Master Franchisee, its Owners, directors, officers, agents and representatives agree and acknowledge that if Master Franchisee, its Owners, directors, officers, agents or representatives should violate the provision of the Article 12 with respect to the operation of a Competitive Business following assignment, expiration or termination of this Agreement, then the period for which the prohibition state therein shall be extended until two (2) years following the date the party violating these provisions ceases all activities that are in violation of such provisions.

12.3. Scope. The parties have attempted in Sections 12.1 and 12.2 above to limit the Master Franchisee's and its Owners rights to compete only to the extent necessary to protect us from unfair competition. The parties expressly agree that if the scope or enforceability of Sections 12.1 and 12.2 is disputed at any time by Master Franchisee, a court or arbitrator, as the

case may be, may modify either or both of such provisions to the extent that it deems necessary to make such provisions enforceable under applicable law. In addition, we reserve the right to reduce the scope of either, or both, of said provisions with the Master Franchisee's consent, at any time or times, effective immediately upon notice to the Master Franchisee.

13. TERMINATION

13.1. Termination by Company.

We may terminate this Agreement, effective upon written notice of termination to Master Franchisee, if

- (a) Master Franchisee or one of its Owners makes or attempts to make a transfer in violation of Section 11;
- (b) Master Franchisee fails to meet the Minimum Development Obligation for any Development Period.
- (c) Master Franchisee has made or makes a material misrepresentation or omission in acquiring the right under this Agreement or in operating the Master Franchise Business;
- (d) Master Franchisee does not satisfactorily complete initial training;
- (e) Master Franchisee is convicted by a trial court of, or pleads no contest to, a felony;
- (f) Master Franchisee fails to maintain the insurance we require from time to time.
- (g) Master Franchisee or an Owner engages in any dishonest, unethical or illegal conduct or any other conduct which, in our opinion, adversely affect our reputation, the reputation of other Victory Lane Centers or the goodwill associated with the Marks;
- (h) Master Franchisee knowingly makes any unauthorized use of disclosure of any part of the Manuals or any other Confidential Information;
- (i) Master Franchisee (a) fails on three (3) or more separate occasions within any twenty four (24) consecutive month period to submit when due reports to us (or our affiliates), or otherwise comply with this Agreement, whether or not Master Franchisee corrects any of these failures after we deliver written notice to Master Franchisee or (b) fails on two (2) or more occasions within any twelve (12) consecutive month period to comply with the same obligation under this Agreement, whether or not Master Franchisee corrects either of the failures after we deliver written notice to Master Franchisee;

(j) Master Franchisee makes an assignment for the benefit of creditors or admits in writing insolvency or inability to pay debts generally as they become due; the substantial part of the assets of the Master Franchise Business; the assets of the Master Franchise Business are attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of Master franchisee or the Master Franchise Business or its assets is not vacated within thirty (30) days following the order's entry;

(k) Master franchisee fails to comply with any other provision of this Agreement and does not correct the failure within thirty (30) days after we deliver written notice of the failure to Master Franchisee; or

(l) Master Franchisee fails to pay any sums due to us and does not correct the failure within ten (10) days after we deliver written notice to Master Franchisee.

We have the right to terminate any other agreement between us and Master Franchisee due to a default by Master Franchisee.

13.2. Rights and Obligations Upon Termination or Expiration. Upon the expiration of the Term, or up on the earlier termination of this Agreement, Master Franchisee shall have no further right to construct, equip, own, open or operate additional Centers (except pursuant to a Franchise Agreement between Master Franchisee and us which is in full force and effect on the date of expiration or termination). Upon expiration or termination of this Agreement, we may ourselves construct, equip, open, own or operate, or license others to construct, equip, open or operate Victory Lane Centers in the Master Franchise Area, except as provided in any Franchise Agreement executed pursuant to this Agreement. When this Agreement expires or is terminated for any reason, and except as required to perform Master Franchisee's obligations under a valid Franchise Agreement with us, Master Franchisee shall:

(a) not directly or indirectly at any time thereafter or in any manner: (1) identify itself or any business as a current or former Master Franchisee of ours; (2) use any Mark, any colorable imitation of a Mark, any trademark, service mark or commercial symbol that is confusingly similar to any Mark, or other indicia of a Victory Lane Center in any manner or for any purpose; or (3) use for any purpose any trade name, trademark, service mark or other commercial symbol that indicates or suggest a connection or association with us;

(b) take the actions required to cancel all fictitious or assumed name or equivalent registration relating to Master Franchisee's use of any Mark;

(c) deliver to us within thirty (30) days all advertising, marketing and promotional materials, forms, and other materials containing any Mark or otherwise identifying or relating to the Master Franchise Business or to a Victory Lane Center(s);

(d) immediately cease using any of our Confidential Information in any business or otherwise and return to us all copies of the Manuals and any other confidential materials that we have loaned Master Franchisee.

(e) Give us, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to us of Master Franchisee's compliance with these obligations;

(f) return the Operations Manuals;

(g) permit us to make final inspection of Master Franchisee's financial records, books, tax returns and other accounting records.

14. ARBITRATION

We and Master Franchisee agree that, except for controversies, disputes, or claims related to or based on use of the Marks or the enforcement of non-competition provisions, with respect to which we and Master Franchisee may seek judicial remedies, all controversies, disputes, or claims between us and our affiliates, and Master Franchisee's and its affiliates' respective shareholders, officers, directors, agents, and/or employees and Master Franchisee (and/or its owners, guarantors, affiliates and/or employees) arising out of or related to:

(a) this Agreement or any other agreement between Master Franchisee and us;

(b) our relationship with Master Franchisee; or

(c) the validity of this Agreement or any other agreement between Master Franchisee and us; must be submitted for binding arbitration to the American Arbitration Association.

The arbitration proceedings will be conducted by one arbitrator at a location selected by the arbitrator that is within twenty (20) miles of our then current principal place of business and, except as this Section otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All matters relating to the arbitration will be governed by the Federal Arbitration Act (9 U.S.C §§ 1 et seq.). Judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

We and Master Franchisee agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by the Federal Rules and Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Master Franchisee or us.

We and Master Franchisee agree that arbitration will be conducted on an individual, not a class-wide, basis and that we (and/or our affiliates and our and their respective shareholders, officers, directors, agents, and/or employees) and Master Franchisee (and/or its owners, guarantors, affiliates, and/or employees) shall be the only parties to any arbitration proceeding

described in this Section and that no such arbitration proceedings may be consolidated with any other arbitration proceeding, nor shall any other person be joined as a party to such arbitration proceeding.

Despite the agreement to arbitrate, we and Master Franchisee each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and Master Franchisee must contemporaneously submit the dispute for arbitration on the merits as provided in this Section.

The provisions of this Section are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

15. GENERAL CONDITIONS AND PROVISIONS

15.1. Relationship of Master Franchisee to Company. It is expressly agreed that the parties intended by this Agreement to establish between us and Master Franchisee, the relationship of franchisor and franchisee. Except as expressly provided herein, it is further agreed that Master Franchisee has no authority to create or assume in our name or on our behalf, any obligation, express or implied, or to act or purport to act as agent or representative on our behalf for any purpose whatsoever. In no event shall either party be deemed to be fiduciaries of the other. Neither we nor Master Franchisee is the employer, employee, agent, partner or co-venturer of or with the other, each being independent contractors. Master Franchisee agrees that it will not hold himself out as the agent, employee, partner or co-venturer of our, or as having any of the aforesaid authority. All employees hired by or working for the Master Franchisee shall be the employees of Master Franchisee and shall not, for any purpose, be deemed employees of us or subject to our control.

15.2. Indemnification. To the fullest extent permitted by law, Master Franchisee agrees to indemnify, defend and hold harmless us, our affiliates, and our and their respective shareholders, directors, officers, employees, agents, representatives, successors and assigns (the "Indemnified Parties") from and against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, obligations and damages directly or indirectly arising out of (1) the Master Franchise Business conducted by Master Franchisee pursuant to this Agreement, (2) Master Franchisee's breach of this Agreement, or (3) Master Franchisee's noncompliance or alleged noncompliance with any law, ordinance, rule or regulation. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, punitive or otherwise) and costs that any Indemnification Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution, regardless of whether litigation, arbitration or alternative dispute resolution is commenced. Each Indemnification Party may defend and control the defense of any claim against it which is subject to this indemnification at Master Franchisee's expense, and Master Franchisee may not settle any claim or take any other remedial, corrective or other actions relating to any claim without our consent. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek

recovery from an insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Master Franchisee. Master Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an indemnified Party may recover from Master Franchisee.

15.3. Waiver and Delay. Except as otherwise expressly provided to the contrary, no waiver by us of any breach or series of breaches to defaults in performance by the Master Franchisee, and no failure, refusal or neglect of or by us to exercise any right, power or option given to us under this Agreement or under any other agreement between us and Master Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement (and whether or not related to this Agreement) or to insist upon strict compliance with or performance of the Master Franchisee's obligations under this Agreement or any other agreement between us and Master Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement (and whether or not related to this Agreement), shall constitute a novation, or a waiver of the provisions of this Agreement with respect to any subsequent breach thereof or a waiver of our right at any time thereafter to require exact and strict compliance with the provisions thereof

15.4. Survival of Covenants. The covenants contained in this Agreement which, by their terms, require performance by the parties after the expiration or termination of this Agreement or any ancillary agreements, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

15.5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the legal representatives, successors and assigns of us and Master Franchisee.

15.6. Joint and Several Liability. If either party consists of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to the other under this Agreement are joint and several.

15.7. Governing Law. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et. seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), or other federal law, this Agreement and all claims arising from the relationship between us and Master Franchisee will be governed by the laws of the State of Michigan. The parties agree, however, that if Master Franchise Business is not located in Michigan or if Master Franchise Business is not a resident of Michigan, the provisions of the Michigan Franchise Investment Law and the regulation promulgated thereunder shall not apply to this transaction or this Agreement.

15.8. Consent to Jurisdiction. Subject to Section 14 and the provision below, Master Franchisee and its Owners agree that all actions arising under this Agreement or otherwise as a result of the relationship between Master Franchisee and us must be commenced in the state or federal court or general jurisdiction in the State of Michigan. Specifically, no action or proceeding involving this Agreement or any aspect of the relationship between the parties shall be commenced by any party except in Washtenaw County, Michigan or in the United States District Court for the Eastern District of Michigan. Master Franchisee (and its Owners)

irrevocably submits to the jurisdiction of those courts and waives any objection Master Franchisee (or its Owners) might have to either the jurisdiction of or venue in those courts. Nonetheless, Master Franchisee and any of its owners agree that we may enforce this Agreement and any arbitration order and awards in the courts of the state or states in which Master Franchisee or its owners are domiciled.

15.9. Waiver of Punitive Damages and Jury Trial. Except for the Master Franchisee's obligation to indemnify us under Section 15.2 above and except where authorized by federal statute, we and Master Franchisee and its Owners waive to the fullest extent permitted by law any right to claim for any punitive or exemplary damage against the other and agree that, in the event of a dispute between us and Master Franchisee, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. We and Master Franchisee irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by the other party.

15.10. Limitations of Claims. Any and all claims arising out of or relating to this Agreement or our relationship with Master Franchisee except for claims for indemnification under Section 15.2 above will be barred unless a judicial or arbitration proceeding is commenced within one (1) year from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claims.

15.11. Entire Agreement. This Agreement and Exhibits incorporated in this Agreement contain all of the terms and conditions agreed upon by the parties to this Agreement with reference to the subject matter of this Agreement. No other agreements, written or oral, shall be deemed to exist or to bind any of the parties to this Agreement and all prior agreements, understandings and representations, are merged in this Agreement and superseded by this Agreement. Each party represents to the other that there are no contemporaneous agreements or understandings between the parties relating to the subject matter of this Agreement that are not contained in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by all parties to this Agreement.

15.12. Titles of Convenience. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

15.13. Gender. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any section or paragraph hereof may require.

15.14. Severability. Except as expressly provided to the contrary in this Agreement, each Section, paragraph, term and provisions of this Agreement is severable, and if, for any reason, any regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms or area, business activity prohibited, and/or length of time, but would be enforceable if modified, we and Master Franchisee agree that the covenant will be enforced to

the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. If any applicable and binding law or rule of jurisdiction requires more than this Agreement requires of this Agreement's termination or of our refusal to enter into a successor agreement, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement is invalid, unenforceable or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. Master Franchisee agrees to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within in provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

15.15. Fees and Expenses. Should any party to this Agreement commence any action or proceeding for the purpose of enforcing, or preventing the breach of, any provision of this Agreement, whether by arbitration, judicial or quasi-judicial action or otherwise, or for damages for any alleged breach of any provision of this Agreement, or for a declaration of such party's rights or obligations under this Agreement, then the prevailing party shall be reimbursed by the losing party for all costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorneys' fees for the services rendered to such prevailing party.

15.16. Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant to this Agreement shall be deemed so delivered at the time delivered by hand, one (1) business day after transmission by facsimile, telegraph or other electronic system; three (3) days after deposit in the United States mail, via registered or certified mail, return receipt requested; or one (1) business day after placement with Federal Express, or other reputable air courier service, requesting delivery on the most expedited basis available, postage prepaid and addressed as follows:

If to Company:

Victory Lane Quick Oil Change
405 Little Lake Drive
Ann Arbor, MI 48103
ATTN: Derrick Oxender

With a copy to:

If to Master Franchisee:

With a copy to:

Or to such other address as any such party may designate by ten (10) days advance written notice to the other party.

15.17. Time of Essence. Time shall be of the essence for all purposes of this Agreement.

15.18 If the Master Franchisee is located in any one of the states indicated below in this Article, or if the laws of any such state are otherwise applicable, then the designated provisions of this Agreement will be amended and revised as follows:

(a) Maryland. For franchises sold to Maryland residents or located in Maryland, the Agreement is amended as follows: (1) the consent by the Master Franchisee to jurisdiction and venue of lawsuits in the State of Michigan will be deleted from this Agreement, and the Master Franchisee will have the right to commence litigation, lawsuits and other court proceedings alleging claims arising under the Maryland Franchise Registration and Disclosure Law (the "Maryland Law") or to enforce arbitration decisions in the State of Maryland; (2) any claims arising under the Maryland Law must be brought within three years after the effective date of this Agreement; and (3) Franchisee may sue in Maryland for claims arising under Maryland Law.

(b) North Dakota. If this Agreement is governed by the laws of the State of North Dakota, then: (1) the covenant not to compete upon termination or expiration of this Agreement contained in Article 21.3 of this Agreement may be unenforceable, except in certain circumstances provided by law; (2) arbitration hearings will be conducted in Fargo, North Dakota or at a mutually agreed upon location; and (3) the consent by the Franchisee to jurisdiction and venue in the State of Michigan contained in Article 25.9 of this Agreement will be inapplicable.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):

Restrictive Covenants: Franchise offering circulars which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

Situs of Arbitration Proceedings: Franchise Agreement providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

Waiver of Trial by Jury: Requiring North Dakota Franchisees to consent to the waiver of a trial by jury.

Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitation under North Dakota law applies.

Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

16. SUBMISSION OF AGREEMENT

This Agreement shall not be binding upon us unless and until it shall have been submitted to and signed by our Chief Executive and the date of said signing as set forth on the first page of this Agreement shall be the effective date of this Agreement.

17. ACKNOWLEDGEMENTS

To induce us to sign this Agreement and grant Master Franchisee the Franchise, Master Franchisee acknowledges:

- (a) That Master Franchisee has independently investigated the Victory Lane Franchise Management Corporation Master Franchise Business franchise opportunity and recognizes that, like any other business, the nature of the Business of the Master Franchise Business may, and probably will, evolve and change over time.
- (b) That an investment in a Victory Lane Centers Master Franchise Business involves business risks.
- (c) That Master Franchisee's business abilities and efforts are vital to Master Franchisee's success.
- (d) That performing Master Franchisee's obligations will require a high level of customer service and strict adherence to the System.
- (e) That Master Franchisee has not received or relied upon and we expressly disclaim making, any representation, warranty or guaranty, express or implied, as

to the revenues, profits or success of Victory Lane Franchise Management Corporation Master Franchise Business or any Victory Lane Centers.

(f) That any information Master Franchisee has required from other Victory Lane Centers franchisees or Master Franchisee regarding their sales, profits or cash flows is not information obtained by us, and we make no representation about that information's accuracy.

(g) That Master Franchisee has no knowledge of any representation made about the Victory Lane Centers franchise opportunity, us, our subsidiaries or affiliates or any of their respective officers, directors, shareholders or agents that are contrary to this statements made in our Franchise Disclosure Document or to the terms and conditions of this Agreement.

(h) That in all of their dealings with Master Franchisee, our officers, directors, employees and agents act only in a representative, and not in an individual, capacity and that business dealings between Master Franchisee and them as a result of this Agreement are only between Master Franchisee and us.

(i) That Master Franchisee has represented to us, to induce us to enter into this Agreement, that all statements Master Franchisee has made and all materials Master Franchisee has given to us in acquiring the franchise are accurate and complete and that Master Franchisee has made no misrepresentations or material omissions in obtaining the franchise.

(j) That Master Franchisee has read this Agreement and our Franchise Disclosure Document and understands and accepts that the terms and covenants in this Agreement are reasonably necessary for us to maintain our high standards of quality and service, as well the uniformity of those standards at each Victory Lane Center, and to protect and preserve the goodwill of the Marks.

IN WITNESS WHEREFORE, the parties to this Agreement have caused this Agreement to be executed as of the first date set forth above.

COMPANY:

Master Franchisee:

**VICTORY LANE QUICK OIL CHANGE,
INC.**

a Michigan corporation

By: _____

Its: _____

By: _____

Its: _____

By: _____

Its: _____

MASTER FRANCHISE DATA SHEET (Schedule A)

The Legal name of the Master Franchisee is: _____

Which conducts business as a _____ Sole Proprietorship
_____ Corporation
_____ Partnership
_____ Limited Liability Company

The assumed name of the Master Franchisee is: _____

The telephone number used by the Master Franchise Business is: _____

The name, home address, phone, title and % of ownership of each individual having an ownership interest in Master Franchisee are attached hereto. For purposes of the Master Franchise Agreement, the Owners are listed as follows:

Name: _____

Home Address: _____

Phone: _____

Cell Phone: _____

Fax Number: _____

Email: _____

Title: _____

% Ownership: _____

Name: _____

Home Address: _____

Phone: _____

Cell Phone: _____

Fax Number: _____

Email: _____

Title: _____

% Ownership: _____

Name: _____

Home
Address: _____

Phone: _____

Cell Phone: _____

Fax Number: _____

Email: _____

Title: _____

% Ownership: _____

Attached hereto is evidence of the legal form of Master Franchisee ownership, such as articles of incorporation or organization or partnership registration (whichever apply), the operating agreement, bylaws or partnership agreement and stock certificates. In addition, evidence of assumed name registration for a sole proprietorship, corporation or partnership is also attached to verify the trade name being used by Master Franchisee.

The undersigned represents and warrants that the information contained in this Master Franchise Data sheet, is true and correct, as of the date indicated by each Owner's signature. The undersigned acknowledges any changes in the information set forth in this Master Franchise Data Sheet requires the written approval of the Company, other than the information relating to the home address and home telephone number. Master Franchisee hereby agrees to reimburse the Company for any additional costs for printing or other expenses which the Company must incur as a result of inaccurate information being conveyed by Master Franchisee to the Company. As such, the information contained in this Master Franchise Data Sheet shall be incorporated by reference into the Master Franchise Agreement executed between the Company and the named Master Franchisee on _____, 20____, as if set forth therein for purposes of interpreting the Master Franchise Agreement with respect to the information regarding the owners of the franchised business.

Owner's Signature

Date of Signature

LOCATION AND MASTER FRANCHISE AREA DESIGNATION (Schedule B)

Victory Lane Quick Oil Change, Inc., the Franchisor, hereby gives its approval for the Master Franchisee to operate his or her franchise at the location whose legal address is:

Victory Lane Quick Oil Change, Inc., the Franchisor, hereby grants to Master Franchisee the Master Franchise Area described below:

The information contained in this Location and Master Franchise Area Designation Form shall be incorporated into the Master Franchise Agreement by reference as if set forth therein for the purpose of interpreting the Master Franchise Agreement executed by the Franchisor and _____, the Master Franchisee, on :

_____, 20____

Dated: _____

Victory Lane Quick Oil Change, Inc.

By: _____

Its: _____

Master Franchisee

Dated: _____

By: _____

Its: _____

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F: OPERATIONS MANUAL TABLE OF CONTENTS



Operations Manual

Table of Contents

Site Selection Criteria	2
Assimilating the Demographics	5
Site Preparation	6
Building Preparation	8
Initial Inventory	9
Marketing	11
Image	13
Direct Image Perception	14
Indirect Image Perception	
Word of Mouth	15
Media	16
Pricing	17
Signage	18
Franchise Information Brochures and Signage	19
Reminder Cards	20
Sales Promotions	21
Fleet Sales	22
Sample Fleet Account Solicitation Letter	24
Potential Fleet Account Customers	
Advertising	26
Advertising Analysis	27
Media Circulation Figures	28
Media Cost Figures	29
Residential Area Coverage	30
Advertising Analysis Summary	31
Personnel for Opening	32
Approval for Opening	33
Service Procedures	34
Quick Oil Change Procedures for Bottom	38
Specification Manuals	40
Customer Relations	41
Attitude/Approach	42
Phone Presentation	45
Daily Opening Procedures	46

Center Maintenance	47
Service Area – Top	48
Service Area – Bottom	49
Ground and Driveway	50
Signs	51
Lighting	52
Daily Closing Procedures	53
Accounting	55
Professional Assistance	56
Payroll and Sales Taxes	57
Insurance	58
Chart Accounts	59
Operation Procedures	60
Chart of Accounts: Balance Sheet Assets	65
Control Procedures	67
Ordering	68
Cost of Goods	69
Shop Supplies	73
Rent Expenses	74
Cash-Out Overages and Shortages	75
Equipment Repairs	76
Uniform Expenses	77
Telephone Expenses	78
Accounting Expenses	79
Business Insurance	80
Office Supplies Expenses	81
Miscellaneous	82
Profit and Losses Statements	83
Model Analyses	84

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G: STATE AGENCY EXHIBIT

STATE AGENCY EXHIBIT
TO THE FRANCHISE DISCLOSURE DOCUMENT

California Corporations Commissioner
Department of Corporations
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(231) 576-7500 / Toll Free: 1-866-275-2677

Florida Department of Agricultural & Consumer Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, Florida 32314-6700
(904) 922-2966

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 556-2722

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

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

Indiana Secretary of State (Agent for Service)
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

Office of Kentucky Attorney General
Consumer Protection Division
1024 Capital Center Drive
Frankfort, Kentucky 40601-S204
(502) 696-5359

Office of Maryland Attorney General (Administrator)
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

Maryland Securities Commissioner (Agent for Service)
200 St. Paul Place
Baltimore, Maryland 21202-2020

Michigan Attorney General's Office
Consumer Protection Division, Franchise Unit
P.O. Box 30213
Lansing, Michigan 48909
(517) 373-7117

Minnesota Department of Commerce
85 - 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 296-6328

Nebraska Department Securities Department
1200 "N" Street, Suite 311
P.O. Box 95006
Lincoln, Nebraska 68509-5006
(402) 471-3445

New York State Department of Law
Bureau of Investor Protection and Securities
120 Broadway, 23rd Floor
New York, New York 10271
(212) 416-8211

North Dakota Securities Department
600 East Boulevard Avenue
Capitol Building, 5th Floor
Bismarck, North Dakota 58505
(701) 328-2910

Oregon Department of Consumer and Business Services
Division of Finance and Corporate Securities
350 Winter Street NE, Room 410
Salem, Oregon 97301
(503) 378-4357

Rhode Island Department of Business Regulation
Securities Division
233 Richmond Street, Suite 232
Providence, Rhode Island 02903-4232
(401) 222-2246

South Dakota Department of Revenue and Regulation
Division of Securities
445 East Capitol
Pierre, South Dakota 57501-20 17
(605) 773-4823

Statutory Document Section
Texas Secretary of State
P.O. Box 12857
Austin, Texas 78711-2877
(512) 463-5705

State of Utah
Division of Consumer Protection
160 East 300 South, SM Box 146704
Salt Lake City, Utah 84144-6704
(801) 530-6601

Director, State Corporation Commission (Administrator)
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Clerk of State Corporation Commission (Agent for Service)
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9023

Washington Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin Department of Financial Institutions
Division of Securities
P.O. Box 1768
Madison, WI 53701-1768
(608) 266-8557

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT H: FRANCHISEE QUESTIONNAIRE

FRANCHISEE QUESTIONNAIRE

As you know, Victory Lane Quick Oil Change, Inc. (the 'Franchisor') and you are preparing to enter into a Franchise Agreement for the operation of a franchised Victory Lane Quick Oil Change® Center (the "Franchise"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question.

QUESTION	YES	NO
1. Have you received and personally reviewed the Franchisor's Franchise Disclosure Document (the 'Disclosure Document') provided to you?		
2. Did you sign a receipt for the Disclosure Document indicating the date you received it?		
3. Do you understand all of the information contained in the Disclosure Document?		
4. Have you received and personally reviewed the Franchise Agreement and each exhibit or schedule attached to it?		
5. Please insert the date on which you received a copy of the Franchise Agreement with all material blanks fully completed: _____		
6. Do you understand the terms of and your obligations under the Franchise Agreement?		
7. Have you discussed the benefits and risks of operating the Franchise with an attorney, accountant or other professional advisor?		
8. Do you understand the risks associated with operating the Franchise?		
9. Do you understand that the success or failure of the Franchise will depend in large part upon your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?		
10. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		
11. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchise will generate that is contrary to, or different from, the information contained in the Disclosure Document?		
12. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs involved in operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		

13.	Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		
14.	Has any employee or other person speaking on behalf of the Franchisor made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance relating to the Franchise that is contrary to, or different from, the information contained in the Disclosure Document?		

If you answered "Yes" to any of questions ten (10) through fourteen (14), 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 each of the foregoing questions, please leave the following lines blank.

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

FRANCHISE APPLICANT

FRANCHISE APPLICANT

Dated: _____, 20__

Dated: _____, 20__

VICTORY LANE QUICK OIL CHANGE, INC.

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT J: RECEIPTS

RECEIPT
(Your Copy)

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 we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Illinois, Iowa, Maine, Maryland, Nebraska, New York, Oklahoma, Rhode Island or South Dakota law, if applicable, we must provide this disclosure document to you at your 1st personal meeting to discuss the franchise.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit G.

The name, principal business address and telephone number of each franchise seller offering the franchise: _____

Issuance Date: _____

See Exhibit G for our registered agents authorized to receive service of process.

I have received a disclosure document dated _____ that included the following Exhibits:

LIST OF FRANCHISEES	A
FINANCIAL STATEMENTS	B
FRANCHISE AGREEMENT	C
ADDENDUM TO FRANCHISE AGREEMENT FOR CONVERSIONS	D
MASTER FRANCHISE AGREEMENT	E
OPERATIONS MANUAL TABLE OF CONTENTS	F
STATE AGENCY EXHIBIT	G
FRANCHISEE QUESTIONNAIRE	H
RECEIPTS	J

Date Signature Printed Name

Date Signature Printed Name

KEEP THIS COPY FOR YOUR RECORDS. This disclosure document is also available in pdf format on our website, _____

RECEIPT
(Our Copy)

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 we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Under Illinois, Iowa, Maine, Maryland, Nebraska, New York, Oklahoma, Rhode Island or South Dakota law, if applicable, we must provide this disclosure document to you at your 1st personal meeting to discuss the franchise.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit G.

The name, principal business address and telephone number of each franchise seller offering the franchise: _____

Issuance Date: _____

See Exhibit G for our registered agents authorized to receive service of process.

I have received a disclosure document dated _____ that included the following Exhibits:

LIST OF FRANCHISEES	A
FINANCIAL STATEMENTS	B
FRANCHISE AGREEMENT	C
ADDENDUM TO FRANCHISE AGREEMENT FOR CONVERSIONS	D
MASTER FRANCHISE AGREEMENT	E
OPERATIONS MANUAL TABLE OF CONTENTS	F
STATE AGENCY EXHIBIT	G
FRANCHISEE QUESTIONNAIRE	H
RECEIPTS	I

Date Signature Printed Name

Date Signature Printed Name

KEEP THIS COPY FOR YOUR RECORDS. This disclosure document is also available in pdf format on our website, _____