

Provision	Section in the Franchise Agreement	Summary
		working for a Competitive Business operating within 50 miles of the Approved Location or within the Territory (whichever is greater), and within 50 miles of any other BORDER MAGIC Businesses; or soliciting or influencing any consumers, or business associates of ours, our Affiliate(s) or any other franchisee to terminate or modify their business relationship with Us, our Affiliate(s) or any other franchisee. (Subject to applicable state law):
s. Modification of the agreement	Sections 9.2, 10.2 and 22.6	The Franchise Agreement can be modified only by written agreement between you and us.
t. Integration/merger clause	Section 22.6	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 23.7	Except for actions or claims for injunctive relief or specific performance or relating to the Marks, Trade Secrets or Confidential Information, all disputes must be mediated in McLennan County, Texas. (Subject to state law)
v. Choice of forum	Section 23.2	Litigation must be initiated and maintained in the judicial district in which our principal place of business is located at the time the lawsuit was initiated, currently Waco, Texas. We have the right to seek injunctive relief from any court of competent jurisdiction. (Subject to state law)
w. Choice of law	Section 23.1	Texas law applies (subject to state law), except that disputes over the Marks will be governed by the United States Trademark Act of 1946.

**ITEM 18 - PUBLIC FIGURES**

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

**ITEM 19 - FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and 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 any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Frank J. "Butch" Mogavero at 2324 N. Robinson Drive, Waco, Texas 76706, (877) 892-2954, the Federal Trade Commission, and the appropriate state regulatory agencies

**ITEM 20 - OUTLETS AND FRANCHISEE INFORMATION**

**Table No. 1  
Systemwide Outlet Summary  
For Years 2023 to 2025**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised	2023	46	38	-8
	2024	38	32	-6
	2025	32	26	-6
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	46	38	-8
	2024	38	32	-6
	2025	32	26	-6

**Table No. 2  
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For Years 2023 to 2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Kentucky	2023	0
	2024	0
	2025	0
Texas	2023	0
	2024	1
	2025	0
Total	2023	0
	2024	1
	2025	0