

22.02. Compliance with Laws. Franchisee shall comply with all applicable federal, state, and local laws, rules and regulations, including, without limitation, environmental laws related to tire disposal. Franchisee shall obtain any and all permits, certificates, and licenses required for the full and proper conduct of the Franchised Business.

22.03. Payment of Debts. Franchisee hereby expressly covenants and agrees to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchised Business.

23. INDEMNIFICATION AND INDEPENDENT CONTRACTOR STATUS

23.01. Indemnification. Franchisee agrees to protect, defend, indemnify, and hold Big O and its Affiliates, their directors, officers, shareholders, employees and agents jointly and severally, harmless from and against all claims, actions, proceedings, damages, costs, expenses and other losses (including death) and liabilities, consequently, directly or indirectly incurred (including, without limitation, attorneys', accountants' and other related fees) as a result of, arising out of, or connected with the operation of the Franchised Business, including, without limitation, the failure of Franchisee to comply with any relevant environmental and tire disposal laws. Franchisee shall not, however, be liable for claims arising exclusively as a result of Big O's intentional or fraudulent acts or omissions or to the extent such acts are Big O's sole negligence.

23.02. Independent Contractor. In all dealings with third parties, including, without limitation, customers, employees, and suppliers, Franchisee shall disclose in an appropriate manner acceptable to Big O that it is an independent entity operating under a franchise granted by Big O. Franchisee shall submit all applications and enter into all contracts in its designated corporate name or such other fictitious names, which have been approved by Big O, but not in the name "Big O Tires" or in any other name which includes the name "Big O". Nothing in this Agreement is intended by the parties hereto to create a fiduciary relationship between them nor to constitute Franchisee or Franchisee's employees or contractors as an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of Big O for any purpose whatsoever. It is understood and agreed that Franchisee is an independent contractor and is in no way authorized to make any contract, warranty, or representation or to create or imply any obligation on behalf of Big O.

24. WRITTEN APPROVALS, WAIVERS, AND AMENDMENT

24.01. Written Approval. Whenever this Agreement requires Big O's prior approval, Franchisee shall make a timely written request. Unless a different time period is specified in this Agreement, Big O shall respond with its approval or disapproval within fifteen (15) business days.

24.02. Waiver. No failure of Big O to exercise any power reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Big O's right to demand exact compliance with any of the terms herein. A waiver or approval by Big O of any particular default by Franchisee or any other Big O franchisee or acceptance by Big O of any payments due hereunder shall not be considered a waiver or approval by Big O of any preceding or subsequent breach by Franchisee of any term, covenant, or condition of this Agreement. Big O shall not be deemed to have waived any of its rights under this Agreement, including any right to receive payment in full for any Product or Service provided, nor shall Franchisee be deemed to have been excused from performance of any of its obligations pursuant to this Agreement, unless such waiver or excuse is written and executed by an authorized representative of Big O and Franchisee.

24.03. Modification. No amendment, change, or variance from this Agreement shall be binding upon either Big O or Franchisee except by mutual written agreement. If an amendment of this Agreement is executed at Franchisee's request, any legal fees or costs of preparation of such amendment and any amendment of a franchise registration arising in connection therewith shall be paid by Franchisee.

25. FRANCHISE ADVISORY COUNCIL

25.01. Franchise Advisory Council. Big O has established a Franchise Advisory Council ("FAC"), consisting of franchisee representatives, which is designed to provide input to Big O's strategic business plan as may be presented from time to time by Big O and to present viewpoints to Big O's management on issues involving the franchise relationship. Through a representative elected from Franchisee's Local Group, Franchisee shall be represented on the FAC.

25.02. Special Interest Issues. Big O has granted the FAC the authority to participate with Big O's management in making policy decisions relating to issues in which the FAC is deemed to have a special interest. The issues of "Special Interest" include, but may not be limited to:

- (a) advertising policies and the creation of a National Marketing Program;
- (b) standards of operation; and the implementation of new programs which may require the addition of new equipment and fixtures for the store;
- (c) selection of Products and Services offered at Big O Stores;
- (d) changes in the Licensed Marks anticipated to require the majority of franchisees to expend more than five thousand dollars (\$5,000.00) per Store; and
- (e) input in establishment of warranties and guaranties.

25.03. Disapproval of Management Proposal. With respect to those issues in which the FAC has a Special Interest, the FAC may, after consulting with the members of the Local Groups, vote to disapprove a proposal of Big O's management. If, pursuant to established procedures which have been approved by Big O, the FAC shall disapprove a proposal of Big O's management, the proposal may only become effective if, following a presentation to the Big O policy committee by a representative of the FAC, Big O's policy committee votes to adopt management's proposal.

25.04. Compliance with Modification. Franchisee agrees to comply with any and all modifications to Big O's standards of operation, procedures, or other requirements adopted pursuant to the procedures described in this Section 25.

26. RIGHT OF OFFSET

26.01. Right of Offset. Big O shall have the right at any time before or after termination of this Agreement, without notice to Franchisee, to offset any amounts or liabilities that may be owed by the Franchisee to Big O against any amounts or liabilities that may be owed by Big O to Franchisee under this Agreement or any other agreement, loan, transaction or relationship between the parties.

27. ENFORCEMENT

27.01. Declaratory and Injunctive Relief. Big O or its designee shall be entitled to obtain without bond, declarations, temporary and permanent injunctions, and orders of specific performance:

- (a) To enforce the provisions of this Agreement relating to: (i) Franchisee's use of the Licensed Marks; (ii) the obligations of Franchisee upon termination or expiration of this Agreement; or (iii) the Transfer and Assignment requirements of Section 18; or
- (b) to prohibit any act or omission by Franchisee or its employees that: (i) constitutes a violation of any applicable law or regulation; (ii) is dishonest or misleading to prospective or current customers or clients of businesses operated under the System; (iii) constitutes a danger to other Big O franchisees, their employees, customers, clients or the public; or (iv) may impair the goodwill associated with the Licensed Marks.

27.02. Costs of Enforcement. If Big O secures any declaration, injunction or order of specific performance pursuant to Section 27.01 hereof, if any provision of this Agreement is enforced at any time by Big O or if any amounts due from Franchisee to Big O are, at any time, collected by or through an attorney at law or collection agency, Franchisee shall be liable to Big O for all costs and expenses of enforcement and collection including, but not limited to, court costs and reasonable attorneys' fees, including the fair market value of any time expended by legal counsel employed by Big O.

27.03. No Punitive Damages. In no event will Big O be liable to Franchisee for punitive or exemplary damages in any action arising out of or relating to this Agreement, or any breach, termination, cancellation or non-renewal of this Agreement.

28. NOTICES

28.01. Notices. Any notice required to be given hereunder shall be in writing and shall be mailed by registered or certified mail or overnight courier. Notices to Franchisee or Big O shall be addressed to it at their address as listed on the Summary Pages or to such other addresses as that party may hereafter prescribe by notice given in accordance with this **Section 28.01**. Franchisee shall also simultaneously deliver a copy of each notice, which it delivers to Big O, to the Franchisee's designated regional representative, at the address designated by Big O in writing to Franchisee. Any notice complying with the provisions hereof shall be deemed to be given on the date of mailing.

29. GOVERNING LAW

29.01. Governing Law. This Agreement is accepted by Big O in the State of Colorado and shall be governed by and interpreted in accordance with Colorado law, which law shall prevail in the event of any conflict of law. Big O and Franchisee consent to personal and subject matter jurisdiction and venue in Denver, Colorado.

29.02. Jurisdiction. The parties hereto agree that it is in their best interest to resolve disputes between them in an orderly fashion and in a consistent manner. Therefore, the parties consent to the exclusive jurisdiction of either Colorado state courts or the United States Federal District Court for the District of Colorado for any litigation relating to this Agreement or the operation of the Franchised Business thereunder. Franchisor and Franchisee irrevocably constitute and appoint the persons designated on paragraphs 10 and 11 of the Summary Pages to be their true and lawful agents, to receive service of any lawful process in any civil litigation or proceeding arising under this Agreement, and service upon such agent shall have the same force and validity as if personal service had been effected on the other party; provided that notice of service and a copy of any process served shall be sent by registered or certified mail, addressed to the other party at the address specified pursuant to **Section 28.01**.

30. SEVERABILITY AND CONSTRUCTION

30.01. Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement or the Manual and any applicable present or future statute, law, ordinance, or regulation contrary to law to which the parties have no legal right to contract, the latter shall prevail, but in such event, of the provisions of this Agreement or the Manual thus affected, those provisions shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any part, Article, Section, sentence or clause of this Agreement or the Manual shall be held to be indefinite, invalid or otherwise unenforceable, the provision which is indefinite, invalid or unenforceable shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

30.02. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

30.03. Construction. All terms and words used herein shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement shall be construed independently of any other section or provision of this Agreement. As used in this Agreement, the words "include", "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, approval or authorization of Big O which Franchisee may be required to obtain hereunder may be given or withheld by Big O in its sole discretion, and on any occasion where Big O is required or permitted hereunder to make any judgment or determination, including any decision as to whether any condition or circumstance meets Big O's standards or satisfaction, Big O may do so in its sole judgment. 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. Schedules 3, 4, 5, 7 and 8 shall not be effective as part of this Agreement unless signed by the party or parties thereto.

31. GUARANTY

31.01 Guaranty. Attached as Annex A to this Agreement is a copy of the Guaranty by Sumitomo Corporation of America, the parent company of Big O, of the performance by Big O of all of the obligations of Big O under this Agreement. Such Guaranty is incorporated by reference to this Agreement.

32. ACKNOWLEDGEMENTS

(a) Big O acknowledges that Franchisee's principal interest in obtaining the Franchise granted herein is to obtain Big O Brand Tires and a competitive source of supply for Products and Services. Big O acknowledges its obligation to have products available to its franchisee's that enhance and support the Big

O System, and further acknowledges its obligation to use reasonable commercial efforts to maintain a competitive source of supply for the benefit of its franchisees and to aid in the promotion of Big O Products and Services.

(b) Franchisee understands and acknowledges that the business licensed under this Agreement involves business risks and that Franchisee's volume, profit, income and success is dependent primarily upon Franchisee's ability as an independent business operator.

(c) Big O expressly disclaims the making of, and Franchisee acknowledges that it has not received from any representative of Big O, any warranty or guaranty, express or implied, as to the obligation of Big O to provide Franchisee with any specific or sufficient amount of Products and Services or as to the potential volume, profit, income or success of the Franchised Business.

(d) Franchisee acknowledges that Big O or its agent has provided Franchisee with a Franchise Offering Circular not later than the earlier of the first personal meeting with a Big O representative held to discuss the sale of the Franchise, ten (10) business days before the execution of this Agreement, or ten (10) business days before any payment of any consideration connected to the purchase of this Franchise. Franchisee further acknowledges that Franchisee has read such Franchise Offering Circular and understands its contents.

(e) Franchisee acknowledges that Big O has provided Franchisee with a copy of this Agreement and all related documents, fully completed, for at least five (5) business days prior to Franchisee's execution hereof.

(f) Franchisee acknowledges that Big O has advised it to consult with its own attorneys, accountants, or other advisers, that Franchisee has had ample opportunity to do so, and that the attorneys for Big O have not advised or represented Franchisee with respect to this Agreement or the relationship hereby created. The name and address of Franchisee's adviser, if any, is set forth on the Summary Pages.

(g) Franchisee acknowledges that this Agreement, the documents referred to herein, the attachments hereto, and other agreements signed concurrently with this Agreement, if any, constitute the entire, full and complete Agreement between Big O and Franchisee concerning the subject matter hereof. This Agreement terminates and supersedes any prior agreement between the parties concerning the same subject matter and any oral or written representations which are inconsistent with the terms of this instrument and its accompanying Franchise Offering Circular.

(h) Franchisee acknowledges and recognizes that different terms and conditions, including a different fee structure and investment requirements may pertain to different Big O franchises offered in the past, contemporaneously herewith, or in the future, and that Big O does not represent that all franchise agreements are or will be identical.

(i) Franchisee acknowledges that except as is specifically set forth in this Agreement, that Franchisee is not nor is it intended to be a third party beneficiary of this Agreement or any other agreement or contractual relationship to which Big O is a party.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement to become effective on the date it is executed by the last of Franchisee or Big O.

FRANCHISEE:

By: _____

Date: _____

Home Address: _____

Home Phone Number: _____

Office Address: _____

Office Phone Number: _____

Title: _____

Attest: _____

Title: _____

(Affix Corporate Seal)

BIG O TIRES, INC.

By: _____

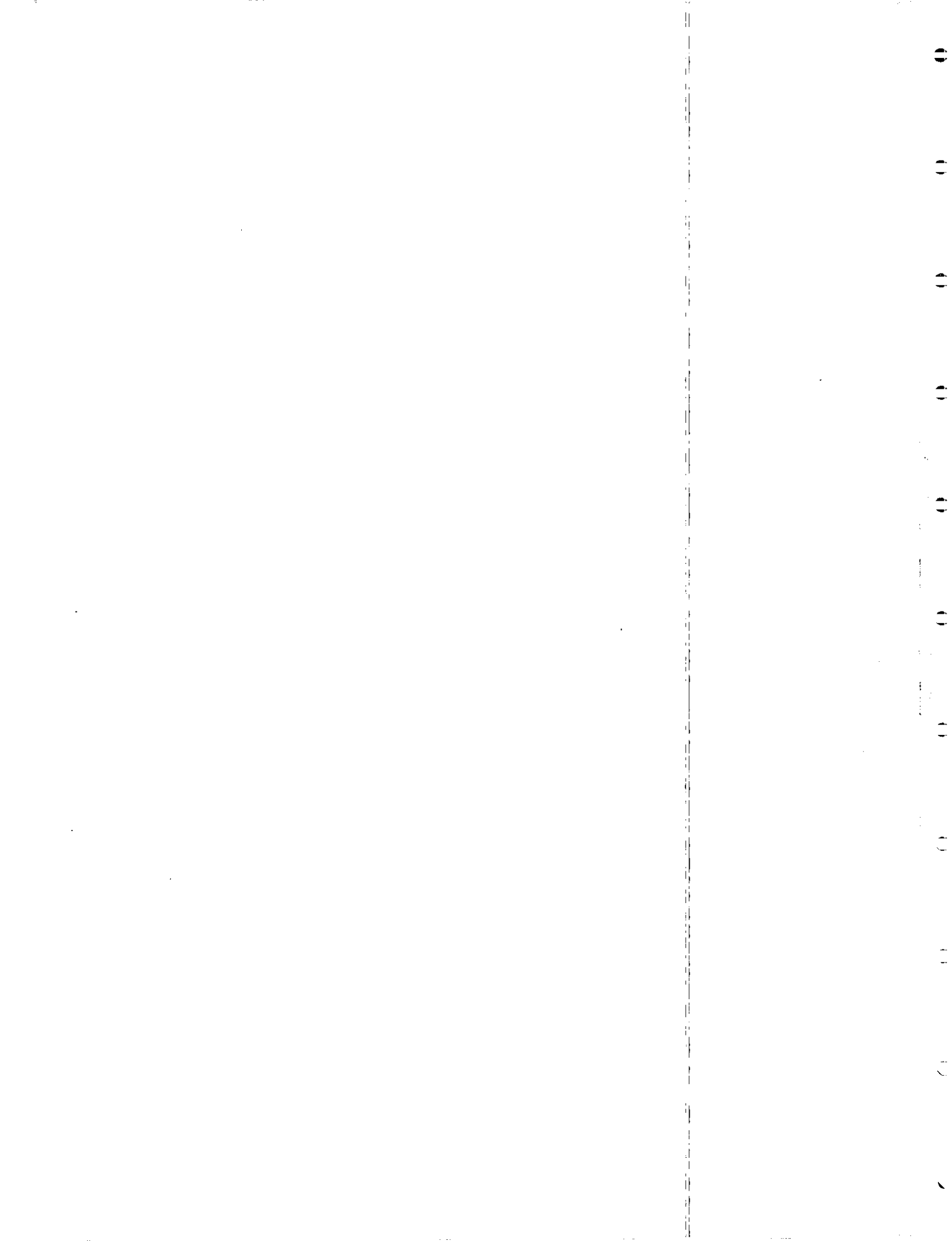
Date: _____

Title: _____

Attest: _____

Title: _____

(Affix Corporate Seal)



ANNEX A
(Conformed Copy)

SUMITOMO CORPORATION OF AMERICA

Guaranty of Performance

This Guaranty is applicable to each Franchise Agreement of Big O Tires, Inc., as franchisor, that makes specific reference to this Guaranty and incorporates this Guaranty by reference (collectively, the "Franchise Agreements") but to no other franchise agreement. The Guaranty in regard to any one Franchise Agreement is solely for the benefit of the franchisee that is a party to that Franchise Agreement.

For value received Sumitomo Corporation of America ("Sumitomo"), located at 600 Third Avenue, New York, New York 10016-2001, absolutely and unconditionally guarantees the performance by Big O Tires, Inc. ("Big O"), located at 12650 East Briarwood Avenue, Suite 2-D, Centennial, Colorado 80112, of all of the obligations of Big O under the Franchise Agreements. This Guaranty continues until all obligations of Big O under the Franchise Agreements are satisfied. Sumitomo is not discharged from liability if a claim by the franchisee against Big O remains outstanding. Notice of acceptance is waived. Notice of default on the part of Big O is not waived.

This Guaranty is binding on Sumitomo and on its successors and assigns. Sumitomo shall have the right to assign its obligations under this Guaranty, without further recourse to Sumitomo, i) to any entity not affiliated with Sumitomo which either acquires the capital stock of Big O from TBC Corporation or all or substantially all of the assets of Big O, provided that such entity has a net worth in excess of US\$25 million at the time of such assignment or ii) to TBC Corporation ("TBC"), an affiliate of Sumitomo, provided that TBC's audited financial statements are included in Big O's franchise offering circular and show the net worth of TBC to be in excess of US\$25 million for three consecutive years immediately prior to such assignment.

IN WITNESS WHEREOF, Sumitomo has, by a duly authorized officer, executed this Guaranty at New York, New York on the 23rd day of June, 2006.

SUMITOMO CORPORATION OF AMERICA

By: /s/ Kunio Fujimoto
Name: Kunio Fujimoto
Title: EVP/CFO



SCHEDULE 1
TO
FRANCHISE AGREEMENT
BETWEEN BIG O TIRES, INC. AND

1. The Premises referred to in **Section 2.01** of the Franchise Agreement shall be:

2. Legal Description of Premises: _____

3. Names(s) and address(es) of holder(s) of record fee title to Premises (the landlord):

Name: _____
Address: _____

Name: _____
Address: _____

Name: _____
Address: _____

4. Description of Trade Area:



SCHEDULE 2

OWNERSHIP VERIFICATION

1. Name(s) and address(es) of person(s) owning interest in Franchisee and percentage of said person(s) interest:

Name: _____

Address: _____

Name: _____

Address: _____

Name: _____

Address: _____

STATE OF _____)

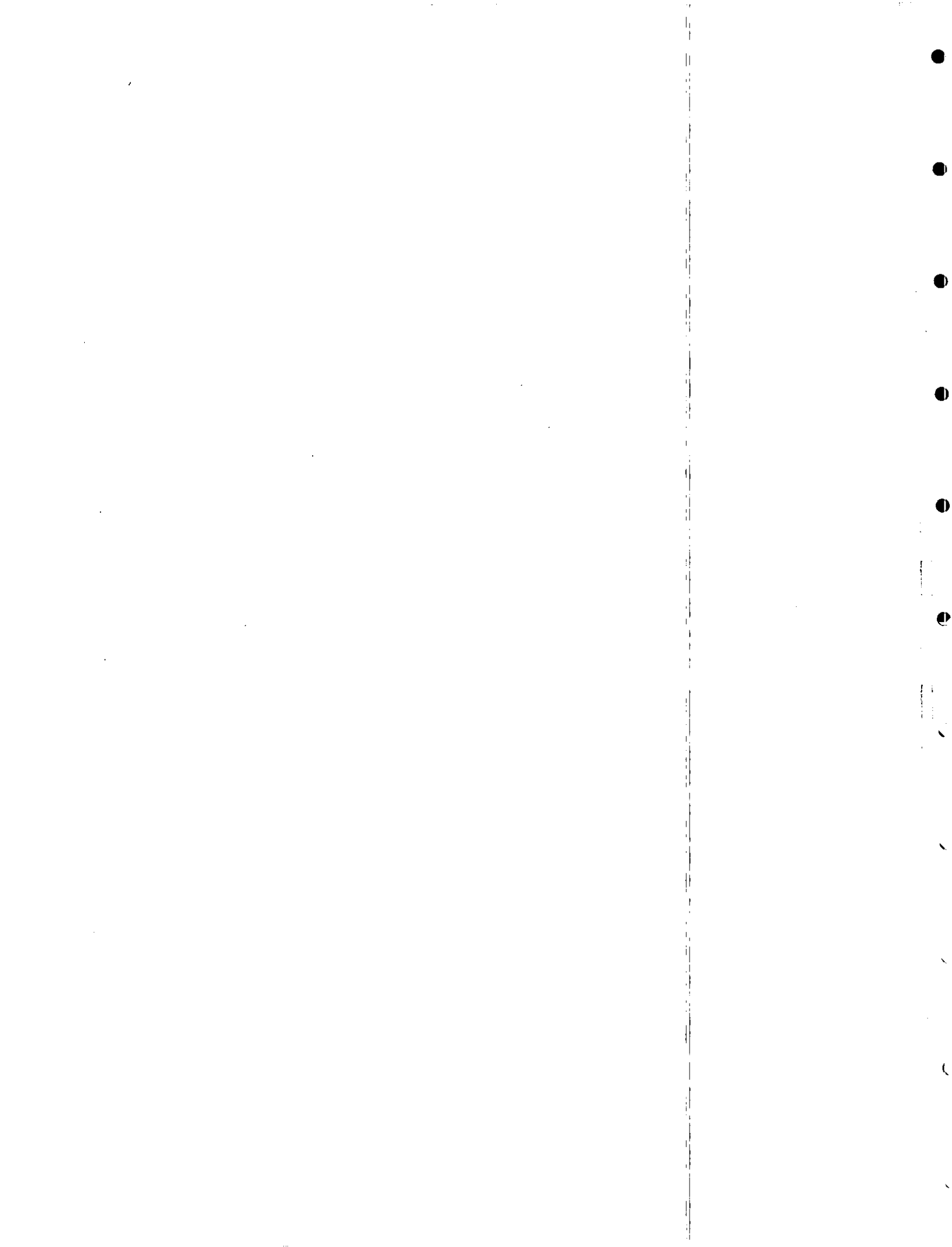
COUNTY OF _____)

_____, being first duly sworn, says that they are respectively, the
named _____ and _____ of _____, the above-
and that they have read the foregoing Agreement and all Exhibits attached thereto.

Subscribed and sworn to before
me this _____ day of
_____, 20 ____.

Notary Public (Notary Seal)

My Commission Expires: _____



SCHEDULE 3

GUARANTY OF FRANCHISEE'S AGREEMENT

In consideration of, and as an inducement to, the execution of the foregoing Franchise Agreement by Big O Tires, Inc. ("Big O"), the undersigned hereby jointly and severally guarantee unto Big O that ("Franchisee") will perform and/or pay each and every covenant, payment, agreement, obligation, liability and undertaking on the part of Franchisee contained and set forth in or arising out of such Franchise Agreement, and every other agreement signed by the Franchisee with Big O (the "Obligations").

Big O, its successors and assigns, may from time to time, without notice to the undersigned (a) resort to the undersigned for payment of any or all of the Obligations of the Franchisee to Big O, whether or not Big O or its successors have resorted to any property securing any of the Obligations or proceeded against any of the undersigned or any party primarily or secondarily liable on any of the Obligations; (b) release or compromise any Obligation of the Franchisee or of any of the undersigned hereunder or any Obligations of any party or parties primarily or secondarily liable on any of the Obligations; and (c) extend, renew or credit any of the Obligations of the Franchisee to Big O for any period (whether or not longer than the original period), alter, amend or exchange any of the Obligations, or give any other form of indulgence, whether under the Franchise Agreement or not.

Each of the undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under the foregoing Franchise Agreement and other agreements and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Franchisee and Big O resulting from such Franchise Agreement, other agreements or otherwise, and the settlement, compromise or adjustment thereof.

The undersigned jointly and severally agree to pay all expenses paid or incurred by Big O in attempting to enforce the Obligations and this Guaranty against Franchisee and against the undersigned and in attempting to collect any amounts due thereunder and hereunder, including reasonable attorneys' fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time or other indulgence granted from time to time by Big O or its agents, successors or assigns, with respect to the foregoing Obligations, shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional and irrevocable.

If more than one person has executed this Guaranty, the term "the undersigned," as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty under seal effective as of the date of the foregoing Franchise Agreement.

Signature

Date

Printed Name

Home Address

Home Telephone

Business Address

Business Telephone

STATE OF _____)
) SS:
COUNTY OF _____)

On this __ day of _____, 200_, before me a Notary Public, personally appeared _____ and _____ to me personally known and known to me to be the same persons whose names are signed to the foregoing instrument, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Notary Public
My commission expires: _____



SCHEDULE 4

LEASE RIDER AND MODIFICATION

THIS AGREEMENT is made effective this ____ day of _____ by and between _____ ("Landlord"), _____ ("Tenant"), and Big O Tires, Inc., its affiliates, successors and assigns ("Big O").

WHEREAS, Landlord leases or will lease certain premises to Tenant at _____ ("Premises") under that certain lease agreement dated _____ between Landlord and Tenant ("Lease"); and

WHEREAS, Tenant will operate a Big O Tire Store at such Premises under a Franchise Agreement ("Franchise Agreement") between Tenant and Big O; and

WHEREAS, the parties hereto desire to provide Big O with certain rights in the event of default under the Lease, Franchise Agreement, or other franchise agreements between Tenant and Big O, if any;

NOW, THEREFORE, in consideration of the sum of one dollar (\$1.00), in hand paid by Big O to Landlord and to Tenant, and other good and sufficient consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. No act, failure to act, event, condition, non-payment or other occurrence ("Event") shall constitute a breach or default under the Lease so as to allow to Landlord any right of acceleration of obligations thereunder, termination, cancellation or rescission:

(a) if the Event is the non-payment of rent, unless such Event is not cured within ten (10) days after Notice of Default (as hereinafter defined) has been received by Big O;

(b) if the Event is anything other than the non-payment of rent, unless such Event is not cured within twenty-five (25) days after Notice of Default (as hereinafter defined) has been received by Big O, provided, however, if the Event is of such nature that it cannot reasonably be cured within such twenty-five (25) day period, then, in that case such twenty-five (25) day period shall be extended to a period of such length as is reasonably necessary to cure such Event, provided, however, such period shall be extended only so long as Tenant and/or Big O diligently pursues the cure of such Event.

2. Landlord agrees to accept from Big O any payment or performance required under the Lease. Nothing herein shall be construed as requiring Big O to make any payments or perform any obligation under the Lease.

3. As used herein, Notice of Default means written notice mailed by registered or certified mail or overnight courier specifying the Event claimed and specifically describing, in each instance of a claimed Event, the particular Event and the cure Landlord requires, such Notice of Default to be mailed to Big O at:

Big O Tires, Inc.
12650 East Briarwood Avenue, Suite 2-D
Centennial, Colorado 80112
Attention: Vice President of Real Estate Development

4. In the event Landlord claims that an Event has occurred, or in the event Big O notifies Landlord in writing that Big O is exercising a right to take over possession of the Premises, then, at Big O's option, Landlord shall accept Big O as substitute tenant under the Lease and will cooperate with Big O in turning actual, immediate possession of the Premises over to Big O. In such case, the Lease shall remain in full force and effect, but with Big O as the tenant thereunder. Big O's option, hereinabove granted, may be exercised only if Big O agrees to assume the obligations of the Tenant to Landlord under the Lease as of the date Big O or its affiliate or successor is given actual possession of the Premises.

5. Landlord agrees that Big O, or its affiliate or successor may sublet or assign the Premises to a new Big O Franchisee on the same terms and conditions as are contained in the Lease.

6. Tenant agrees that if Landlord claims that an Event has occurred, or if any material breach occurs under any Franchise Agreement between Tenant and Big O (whether for the Premises or not), then, Big O shall have the right to:

(a) immediate and actual possession of the Premises, and all equipment and inventory therein, which such possession Tenant agrees to give peaceably, and which may be otherwise obtained by Big O by warrant, injunction, temporary restraining order, summary process or such other immediate legal, summary or equitable proceeding or action as Big O may choose. Tenant hereby waives any right to a jury in any such proceeding or action.

(b) become the Tenant under the Lease to the exclusion of the Tenant.

7. Tenant agrees that any default under the Lease shall constitute a material breach under all Franchise Agreements between Tenant and Big O, or its affiliates or successors.

8. Tenant and Landlord understand that Big O is entering into or has entered into a Franchise Agreement with Tenant for a Big O Tire Store at the Premises in reliance on the agreements of Tenant and Landlord as herein contained and that Big O, in this instance, would not have otherwise entered into such Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this agreement as of the date first above-listed.

LANDLORD

By: _____

Name: _____

Title: _____

(CORPORATE SEAL)

TENANT

By: _____

Name: _____

Title: _____

(CORPORATE SEAL)

BIG O TIRES, INC.

By: _____

Name: _____

Title: _____

(CORPORATE SEAL)

SCHEDULE 5

RIDER FOR EXISTING FRANCHISEES EXECUTING THE
FRANCHISE AGREEMENT PRIOR TO THE EXPIRATION
OF THEIR PRE-EXISTING FRANCHISE AGREEMENT

Franchisee is the owner of a Store that is the subject of a franchise agreement that has not yet expired.

Franchisee's execution of the attached Franchise Agreement is subject to the following:

1. Unless otherwise provided herein, the attached Franchise Agreement shall expire on the tenth anniversary of the Effective Date, to wit: _____.

2. Prior to the expiration of the Franchisee's present franchise agreement, to wit _____, the monthly continuing services fees (or their functional equivalent) provided in the present franchise agreement shall continue to be the only such fees due to Big O. In all other respects the terms of the attached Franchise Agreement shall be applicable as of the Effective Date of this Franchise Agreement.

In Witness Whereof, the parties have set forth their signature below.

BIG O TIRES, INC.

By: _____

Date: _____

Title: _____

Attest: _____

Title: _____

(Affix Corporate Seal)

FRANCHISEE:

By: _____

Date: _____

Home Address: _____

Home Phone Number: _____

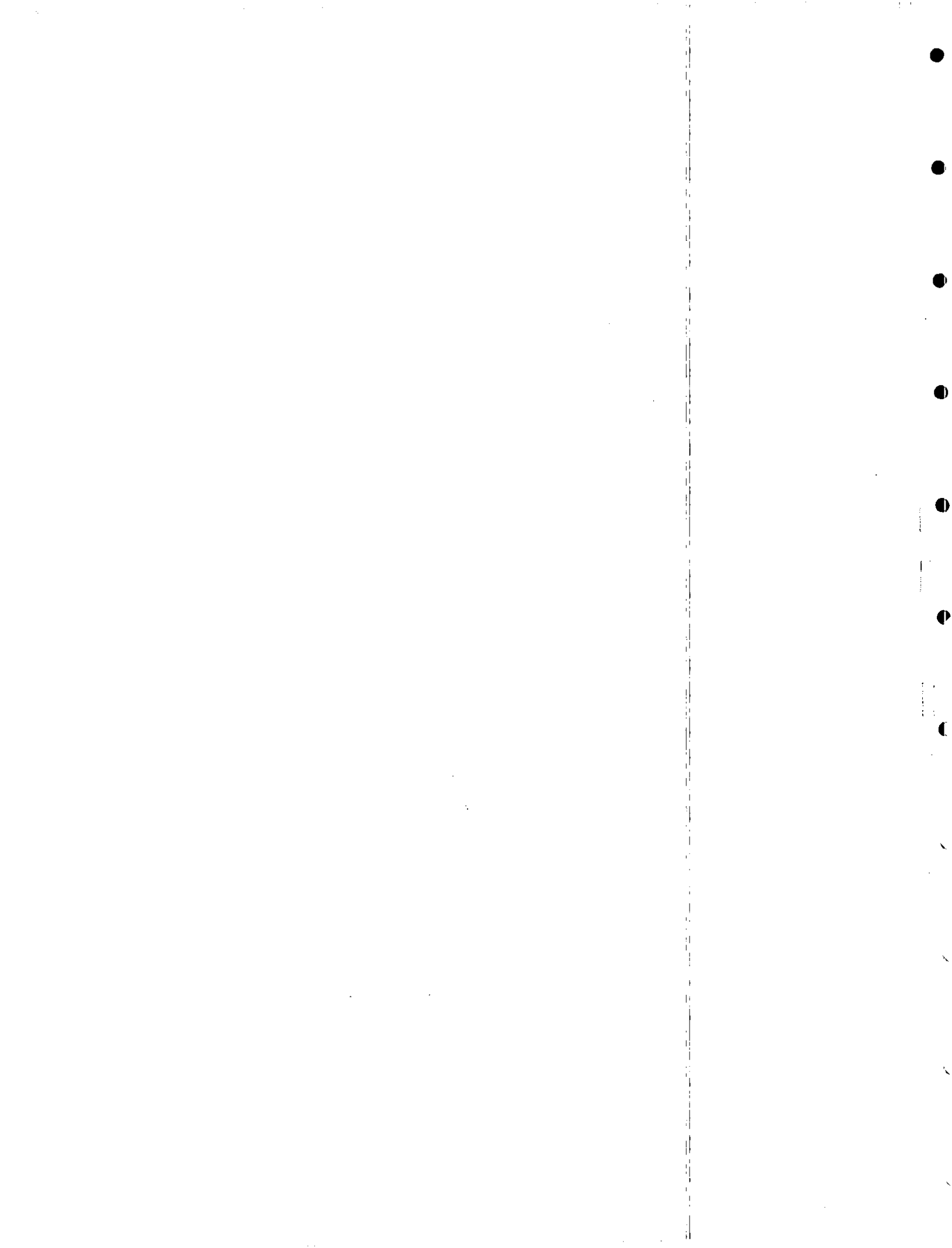
Office Address: _____

Office Phone Number: _____

Title: _____

Attest: _____

Title: _____

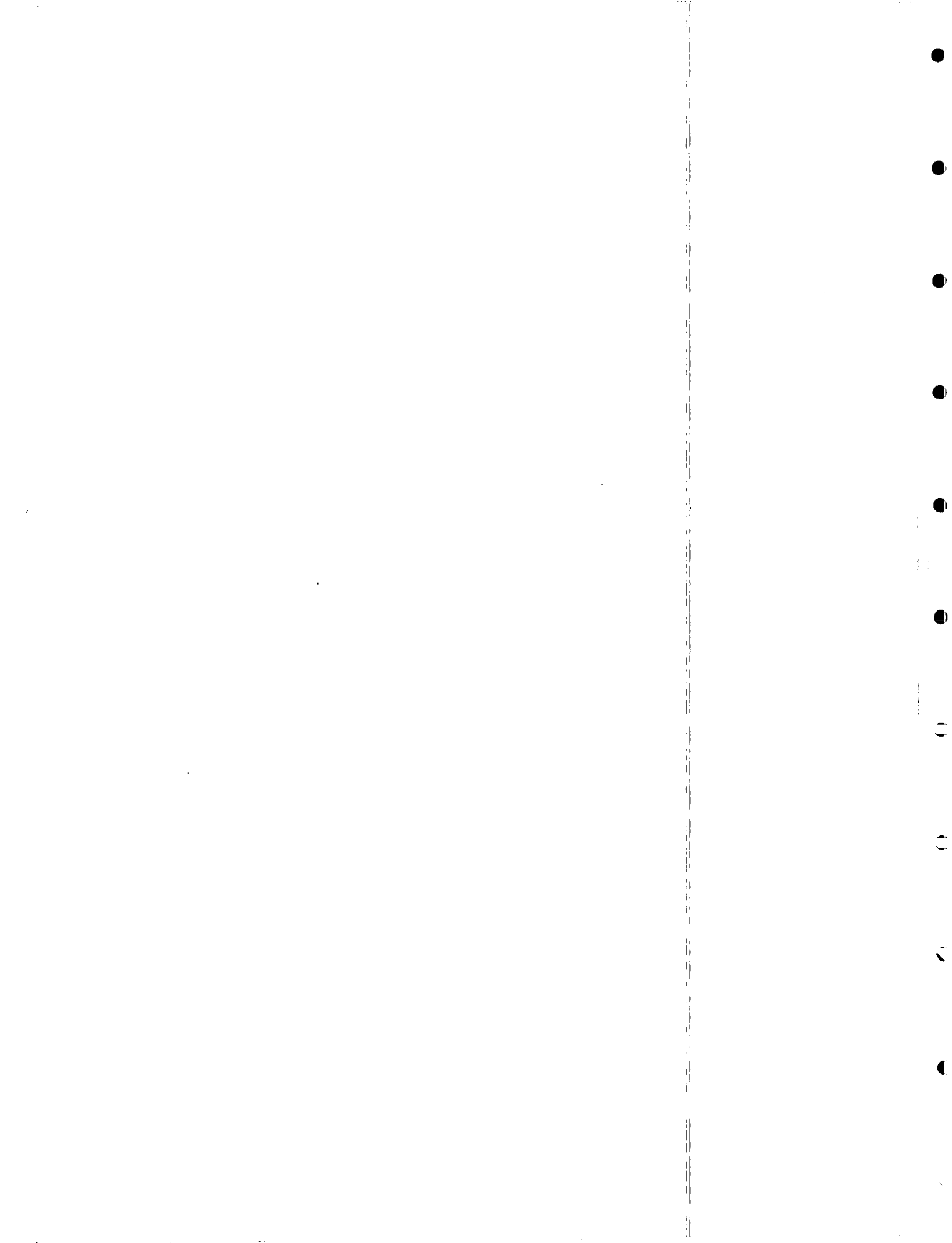


SCHEDULE 6

TRADEMARKS

Big O is the owner of the following trademarks and service marks in the United States:

Trademark, Service Mark, Trade Name or Logotype	Where Registered	Registration Number	Registration Date
A Reputation You Can Ride On	Principal	1,845,544	07/19/94
Aspen	Principal	1,508,041	10/11/88
Big Foot	Principal	1,904,955	07/11/95
Big Foot 60	Principal	1,102,058	09/12/78
Big Foot 70	Principal	1,102,059	09/12/78
Big Haul	Principal	1,018,800	08/26/75
Big Lift	Principal	2,520,443	12/18/01
Big O	Principal	994,466	10/01/74
Big-O	Principal	993,415	09/24/74
Big O Tires & design	Principal	1,611,160	08/28/90
Big O Tires	Principal	2,411,926	12/12/00
Big Sur	Principal	1,219,035	12/07/82
Cost U Less Big O Tires & design	Principal	1,952,457	01/30/96
Dare to Compare	Principal	2,492,236	09/25/01
Design of Big Foot	Principal	2,314,775	02/01/00
Extra Care & design	Principal	1,417,730	11/18/86
Hydro-Trac	Principal	2,059,554	05/06/97
Legacy	Principal	1,393,967	05/20/86
Pathmax	Principal	2,281,419	09/28/99
Procomp High Performance Wheels & design	Principal	1,842,854	07/05/94
Sun Valley	Principal	871,318	06/17/69
www.BigOTires.com & design	Principal	2,514,975	12/04/01
STATE REGISTRATIONS			
Big O	Texas	40,967	11/01/82
Big O Tires	Texas	40,704	09/02/82



SCHEDULE 7

CONVERTER RIDER

AMENDMENT TO BIG O
FRANCHISE AGREEMENT
(CONVERSION)

BIG O TIRES, INC. ("Big O") and _____ ("Franchisee") entered into a certain Big O Franchise Agreement ("Agreement") on _____ and desire to supplement and amend certain terms and conditions of such Agreement in consideration of Franchisee's conversion of a currently operating tire store to a Big O Store. The parties therefore agree as follows:

1. The following provisions are added at the end of the definition of "Gross Sales" in **Section 1** of the Agreement:

Gross Sales do include revenues from the sale of all Non-Standard Services.

2. The following sentence is added to the definition of "Products and Services" in **Section 1** of the Agreement:

Notwithstanding the foregoing, "Products and Services" do not include Non-Standard Services.

3. The following provision is added to **Section 1** after the definition of National Marketing Program:

Non-Standard Services – See the definition in **Section 14.02** of this Agreement.

4. **Section 6.03** of the Agreement is amended by adding "(a)" after the heading of the paragraph and before the first word "Franchisee" and adding the following provisions to **Section 6.03**:

(b) Subject to **Section 14.02** of the Agreement hereof, but notwithstanding any other provision herein to the contrary, Franchisee's obligation to comply with Big O's standards and specifications as are set forth in the Manual shall be undertaken and completed in accordance with the phase-in schedule set forth in **Schedule A**, attached hereto and by this reference incorporated herein, or, if no schedule is set forth in **Schedule A**, shall be undertaken and completed within six (6) months of the Commencement Date of this Agreement. Franchisee will be permitted to use Big O's Licensed Marks in its signage, advertising and otherwise, in conjunction with any other previous signage or identifying symbols or names for sixty (60) days (or such longer time as approved by Big O) from the Commencement Date of this Agreement, in a manner which shall be approved by Big O, which approval shall not be unreasonably withheld. Upon expiration of such sixty-day or other approved period, Franchisee must use Big O's signage exclusively and remove all other previous signage.

(c) If Big O provides assistance to Franchisee to remodel, re-image, remerchandise or re-equip (such as assistance for the purchase or lease of signage, displays, computer hardware or software or other items) (hereinafter referred to as "Re-imaging") by way of matching funds or other financial contribution at any one or more Big O Stores operated by Franchisee, then, Big O, at its discretion, may require Franchisee for each Store that receives such assistance to undertake and complete such Re-imaging in accordance with the schedule set forth in **Schedule B** attached hereto (including deadlines for both partial completion and full completion of such work), and Big O, at its discretion, may condition payment (and each partial or progress payment) of such matching funds or other financial contribution on Franchisee meeting such schedule in accordance with the terms set forth in **Schedule B** and Franchisee making payment therefor.

5. **Section 6.05** of the Agreement is deleted in its entirety and the following is inserted in its place:

6.05 Commencement of Business. The Big O Store shall be considered to have commenced operation as of the Commencement Date of this Agreement. All modifications required to bring the Premises into compliance with the standards and specifications of Big O must be undertaken and completed in accordance with the phase-in schedule set forth in **Schedule A**, attached hereto, or, if no schedule is set forth in **Schedule A**, must be undertaken and completed within six (6) months of the Commencement Date of this Agreement.

6. **Section 7.01(a)** of the Agreement is hereby deleted in its entirety and the following is inserted in its place:

(a) Franchisee acknowledges that Big O is under no obligation to provide site selection assistance and Big O does not guarantee the success or profitability of the Franchisee's current site in any manner whatsoever. If Franchisee leases the Premises upon which the Store is to be operated, Franchisee agrees to use its best efforts to negotiate with its landlord for execution of a conditional lease assignment in a form which is the same as or similar to the one found on **Schedule 4** of the Agreement.

7. The following language shall be added to **Section 7.01(b)** of the Agreement:

Big O will provide Franchisee with the services of a store opening specialist to provide assessment and guidance for modification of the interior and exterior of Franchisee's Premises, if applicable, but makes no representations or guarantees regarding the suitability of such assessment or guidance.

8. **Section 7.01(c)** of the Agreement is amended by adding the following sentence immediately after the third sentence of **Section 7.01(c)**:

Notwithstanding the foregoing, at Big O's discretion, Big O will provide such training as it deems appropriate (in addition to or in replacement of any part of the Initial Training Program): (i) at or near the Franchisee's site without charging an additional training fee or additional transportation, lodging or living expenses to the Franchisee; or (ii) at Big O's national training center or other training sites designated by Big O, and Big O will not charge a training fee for training at Big O's national training center but may charge a fee for field training and certification; or (iii) partially at our national training center and partially near your site. In all these cases, Franchisee shall pay for its own transportation, lodging and living expenses which are incurred while attending the Initial Training Program. In addition, Big O may (in its discretion) provide some of such training online.

9. The following language shall be added as **Section 7.03** of the Agreement:

7.03 Other Discretionary Assistance. Big O may, in its discretion, offer further assistance to the Franchisee in accordance with Big O's Conversion programs as in effect from time to time or as otherwise negotiated by Big O and the Franchisee.

10. The following language shall be added to **Section 8.01** of the Agreement:

Notwithstanding the foregoing provisions of this **Section 8.01**, Big O will waive all but \$1,500.00 of the initial franchise fee; provided, however, Franchisee will pay Big O the difference between the standard initial franchise fee in effect at the date of the Agreement and \$1,500 if it ceases to meet the "ownership requirement" described in the following sentence within two (2) years of the date of this Agreement. The ownership requirement is that the individual or Entity that is the Franchisee is the same individual or Entity (or the majority of the Franchisee's Equity is owned by the same individual or Entity) that was the Franchisee on the date of this Agreement or the Franchisee is an Entity for which the majority of its Equity is owned by the same individual or Entity that owned the majority of the Equity of Franchisee on the date of this Agreement. Such payment shall be due immediately upon Franchisee no longer meeting the ownership requirement within such two (2) year period.

11. The second sentence of **Section 14.02** of this Agreement is deleted in its entirety and the following is inserted in its place:

Franchisee may not sell any product or service that has not been selected, designated or approved by Big O except that during the three (3) year period starting on the Commencement Date of this Agreement, Franchisee may provide services (herein referred to as "Non-Standard Services") that meet both of the following: (a) were provided by it at the Premises immediately prior to the Commencement Date of this Agreement, and (b) are listed on **Schedule C** attached to this Agreement and incorporated by reference herein.

12. The following language shall be added as **Section 14.07** of the Agreement:

14.07 Non-Standard Services. Franchisee may not use the Licensed Marks for or in connection with the Non-Standard Services, except that the same may be offered from the Premises to the extent

permitted under **Section 14.02** of this Agreement. If Franchisee provides any Non-Standard Services, it will provide conspicuous notice to the public by signage, disclaimers on invoices and/or other means that such Non-Standard Services are not provided by nor affiliated with Big O. Also Franchisee must provide warranties on these Non-Standard Services; these warranties must be satisfactory to Big O and must be provided by a third party carrier satisfactory to us. Franchisee acknowledges that Big O does not provide training, supervision or support in connection with the Non-Standard Services. Franchisee shall conduct the Non-Standard Services in compliance with all applicable laws, rules and regulations and in a safe and appropriate manner. Franchisee shall immediately cease or modify any Non-Standard Services that present a threat to the health or safety of the public or any individual and/or that could cause the occurrence of any damages. Franchisee hereby agrees to indemnify and hold Big O harmless from and against any and all claims or liabilities arising out of or in connection with Franchisee's offer, sale or provision of Non-Standard Services.

13. The following language shall be added as **Section 15.05** of the Agreement:

15.05 Surety Bond/ Letter of Credit. Franchisee shall, at Big O's election, have obtained prior to the Commitment Date, a surety bond or letter of credit in an amount not less than \$10,000 (or such other amount as designated by Big O from time to time) for each Big O Store of Franchisee issued by a surety company or bank reasonably acceptable to Big O in favor of Big O or, at Big O's election, to the Local Group designated by Big O, which surety bond or letter of credit may not be revoked, terminated or modified until two years (or such other time period as designated by Big O from time to time) after the Commencement Date. Such bond or letter of credit shall be payable to the order of Big O or the Local Group, as the case may be, for any nonpayment by the Franchisee of contributions due to the National Marketing Program or the Local Fund pursuant to this Franchise Agreement.

14. **Section 17.04** of the Agreement is hereby deleted in its entirety.

15. **Section 19.04** of the Agreement is hereby deleted in its entirety and the following language is inserted in its place:

19.04 Termination by Franchisee.

(a) Franchisee may terminate this Agreement as of the third anniversary of the Commencement Date by giving Big O written notice of its decision to do so at least 60 days prior to the effective date of such termination.

(b) Otherwise, Franchisee may terminate this Agreement only if Big O has committed a material breach of any of Big O's obligations under this Agreement and has failed to cure such breach within thirty (30) days after Franchisee has given written notice to Big O of such breach.

16. Franchisee agrees to convert all other tire stores owned or controlled by it into Big O Stores, in the manner prescribed in **Schedule D**, attached hereto and by this reference incorporated herein.

17. The terms and conditions of this Converter Amendment are in addition to or in explanation of the existing terms and conditions of the Agreement and shall prevail over and supersede any inconsistent terms and conditions thereof.

18. Effective this ____ day of _____, 20____.

BIG O TIRES, INC.

FRANCHISEE:

(Print Name)

By: _____

By: _____

Title: _____

Title: _____

Schedule A

Phase-In Requirements

Schedule B

Completion and Payment Schedule for Re-Imaging

Schedule C

Prior Services

Note: Revenues from these services are included in Gross Sales unless otherwise indicated as excluded.

Schedule D

Phase-In of Other Stores

SCHEDULE 8

FARM CLASS RIDER

Big O TIRES, INC. ("Big O") and _____ ("Franchisee") entered into a certain Big O Franchise Agreement ("Agreement") on _____ and desire to supplement and amend certain terms and conditions of such Agreement in consideration of the mutual promises contained in this Farm Class Rider. The parties therefore agree as follows:

1. The capitalized terms used in this Farm Class Rider have the meanings set forth in the Agreement and, in addition, the following capitalized words shall have the following meanings when used in this Farm Class Rider:

Farm Class Store - A Store with twenty-five percent (25%) or more of its average Gross Sales during any twelve (12) month period arising directly from the sale of Farm Class Tires.

Farm Class Tires - Farm tires, off road tires, large double bead truck tires and similar select tires, as may be more specifically defined from time to time by Big O.

2. Franchisee represents that it reasonably anticipates that at least twenty-five percent (25%) of its Store's Gross Sales on an annual basis will be derived directly from the sale of Farm Class Tires. In reliance on Franchisee's representations, and its consideration for Franchisee to become or remain a Big O franchisee, Big O has offered Franchisee the opportunity to execute this Farm Class Rider.

3. So long as at least twenty-five percent (25%) of Franchisee's Gross Sales on an annual basis are derived directly from Farm Class Tires, Big O agrees to exercise its commercially reasonable efforts to provide Franchisee with access to a supply of Farm Class Tires. Franchisee acknowledges that production and distribution problems occasionally cause supplies to be limited, and that so long as Big O acts in good faith and in a commercially reasonable and lawful manner to obtain access to Farm Class Tires that it shall be deemed in compliance with its obligations hereunder.

4. If Big O fails to comply with its obligations pursuant to Section 3 of this Farm Class Rider and cannot or will not provide Franchisee with access to Farm Class Tires for sixty (60) days following written notice of such failure from Franchisee, as its sole and exclusive remedy, Franchisee shall be relieved of its obligation to pay Big O monthly royalty fees on that portion of its Gross Sales derived directly from the sale of Farm Class Tires until Big O begins or resumes supplying Franchisee with access to a reasonably sufficient supply of Farm Class Tires. Any services provided by Franchisee in connection with the sale of Farm Class Tires, and any other Products and Services sold by Franchisee in a transaction involving the sale of Farm Class Tires, shall be included in the portion of Franchisee's Gross Sales upon which monthly royalty fees are payable, even when and if Franchisee is relieved of its obligation to pay Big O royalty fees on that portion of its Gross Sales derived directly from the sale of Farm Class Tires. Big O may require Franchisee to provide it with documentation to support any exclusion claimed by Franchisee.

5. Big O may terminate Franchisee's rights under this Farm Class Rider without in any way affecting Franchisee's obligations under the Franchise Agreement if the Store's sales of Farm Class Tires during any twelve (12) month period have been less than twenty-five percent (25%) of its Gross Sales.

IN WITNESS WHEREOF, the parties have set forth their signatures below.

FRANCHISEE:

By: _____

Date: _____

Home Address _____

Home Phone Number: _____

Office Address: _____

Office Phone Number: _____

Title: _____

Attest: _____

Title: _____

(Affix Corporate Seal)

BIG O TIRES, INC.

By: _____

Date: _____

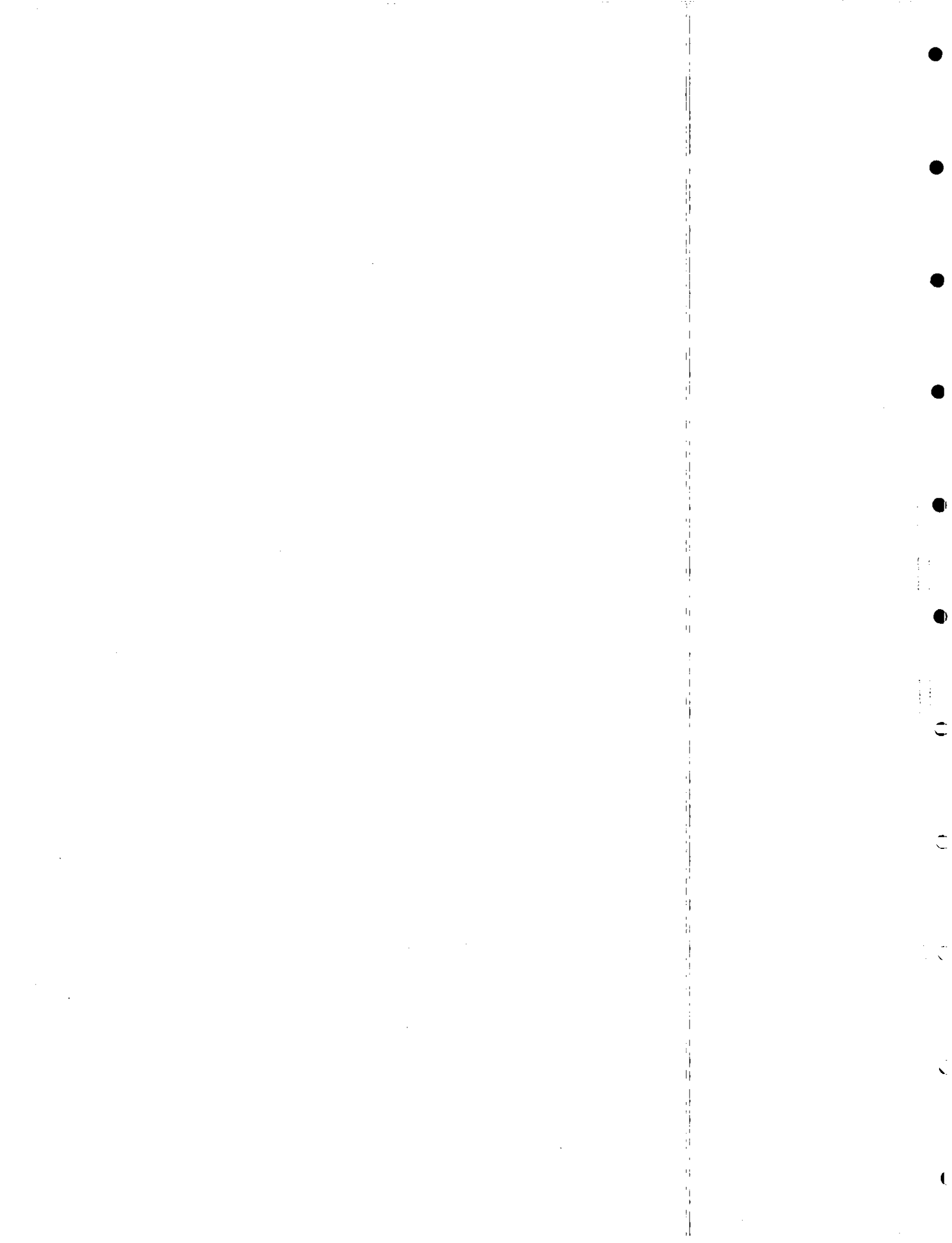
Title: _____

Attest: _____

Title: _____

(Affix Corporate Seal)

SCHEDULE 9
ROYALTY MATRIX



Royalty Matrix

Annual Store Sales (\$000)	Royalty Adjustment	Resulting Royalty Percent	Single Store (\$000)	For Multi-Store Groups, Number of Stores in Group and Total Group Sales Required to Qualify for Reduced Royalty Percent (\$000)																				
				2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
<\$1,400	-	6.00%	100%	85.0%	77.5%	70.0%	62.5%	55.0%	47.5%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%		
1,400	-0.10%	5.90%	1,400	2,380	3,255	3,920	4,375	4,620	4,655	4,480	5,040	5,600	6,160	6,720	7,280	7,840	8,400	8,960	9,520	10,080	10,640	11,200	11,760	
1,600	-0.20%	5.80%	1,600	2,720	3,720	4,480	5,000	5,280	5,320	5,120	5,760	6,400	7,040	7,680	8,320	8,960	9,600	10,240	10,880	11,520	12,160	12,800	13,440	
1,800	-0.30%	5.70%	1,800	3,060	4,185	5,040	5,625	5,940	5,985	5,760	6,480	7,200	7,920	8,640	9,360	10,080	10,800	11,520	12,240	12,960	13,680	14,400	15,120	
2,000	-0.40%	5.60%	2,000	3,400	4,650	5,600	6,250	6,600	6,650	6,400	7,200	8,000	8,800	9,600	10,400	11,200	12,000	12,800	13,600	14,400	15,200	16,000	16,800	
2,200	-0.50%	5.50%	2,200	3,740	5,115	6,160	6,875	7,260	7,315	7,040	7,920	8,800	9,680	10,560	11,440	12,320	13,200	14,080	14,960	15,840	16,720	17,600	18,480	
2,400	-0.60%	5.40%	2,400	4,080	5,580	6,720	7,500	7,920	7,980	7,680	8,640	9,600	10,560	11,520	12,480	13,440	14,400	15,360	16,320	17,280	18,240	19,200	20,160	
2,600	-0.70%	5.30%	2,600	4,420	6,045	7,280	8,125	8,580	8,645	8,320	9,360	10,400	11,440	12,480	13,520	14,560	15,600	16,640	17,680	18,720	19,760	20,800	21,840	
2,800	-0.80%	5.20%	2,800	4,760	6,510	7,840	8,750	9,240	9,310	8,960	10,080	11,200	12,320	13,440	14,560	15,680	16,800	17,920	19,040	20,160	21,280	22,400	23,520	
3,000	-0.90%	5.10%	3,000	5,100	6,975	8,400	9,375	9,900	9,975	9,600	10,800	12,000	13,200	14,400	15,600	16,800	18,000	19,200	20,400	21,600	22,800	24,000	25,200	
3,200	-1.00%	5.00%	3,200	5,440	7,440	8,960	10,000	10,560	10,640	10,240	11,520	12,800	14,080	15,360	16,640	17,920	19,200	20,480	21,760	23,040	24,320	25,600	26,880	
3,400	-1.50%	4.50%	3,400	5,780	7,905	9,520	10,625	11,220	11,305	10,880	12,240	13,600	14,960	16,320	17,680	19,040	20,400	21,760	23,120	24,480	25,840	27,200	28,560	
Average Sales Per Store to Qualify for 4.5% Royalty				2,890	2,635	2,380	2,125	1,870	1,615	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	

Note - The numbers in the "Annual Store Sales" column are determined each year by taking the average Store gross sales of all Big O Stores in the previous year, excluding the top 10% of Stores and the bottom 10% of Stores, and adding \$200,000; however, the opening breakpoint will never be less than \$1.4 million.

Royalty Matrix Explanation

The Royalty Matrix is used to determine your royalty rate based on the amount of your annual Store gross sales and the number of Stores you own (or the number of Stores in a multi-Store group approved by Big O). The royalty rates range from 4.50% to 6.0% of Gross Sales.

If you are a single Store franchisee, locate your Store's annual gross sales in the "Single Store" column. Then look to the "Resulting Royalty Percent" column to determine your royalty rate (after rebate from Big O).

If you are a participant in a multi-Store group approved by Big O, locate the column of numbers that begins with the applicable number of Stores (ranging from 2 Stores to 21 Stores). Then find the amount of your Stores' combined aggregate annual gross sales in the same column. Follow this row over to the "Resulting Royalty Percent" column to determine your royalty rate (after rebate from Big O).

Multi-Store groups have a lower per Store annual gross sales requirement to qualify for lower royalty rates than do single Store franchisees that are not part of a multi-Store group. For instance, if you are part of a six Store group, your per Store annual gross sales requirement to achieve a lower royalty rate is 50% of the single Store annual gross sales requirement in order to achieve the same royalty rate. Multi-Store groups can be formed by single franchisees or by combinations of franchisees with various numbers of Stores with 50% or more common ownership and the written approval of Big O.

The numbers in the "Annual Store Sales" column are determined each year by taking the average Store gross sales of all Big O Stores in the previous year, excluding the top 10% of Stores and the bottom 10% of Stores, and adding \$200,000, however, the opening breakpoint will never be less than \$1.4 million.

If you can demonstrate that your Store has an 80% or better market share, you may qualify for a lower royalty rate (but not less than 4.5%) even if you would not otherwise qualify for a lower royalty rate based on the Royalty Matrix. You may apply for a rebate of a portion of the higher royalty rates you have paid at the end of each year. The rebate, if granted, will be credited against your trade account payable owed to Big O.

As stated in Section 1 of the Franchise Agreement, the Royalty Matrix is subject to change by Big O from time to time in its sole discretion, provided that the royalty rate (when the Royalty Matrix is applicable) may not exceed the maximum royalty rate set forth in this Schedule 9.

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