



FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE DISCLOSURE DOCUMENT



Mr. Handyman International, LLC
A Michigan Limited Liability Company
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Ann Arbor, MI 48108
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www.mrhandyman.com

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The franchise owner will provide residential and business repair and maintenance services, utilizing the Mr. Handyman business system, which is sometimes referred to below as the “Franchise”, “Franchised Business” or “Mr. Handyman Franchise.”

The total investment necessary to begin operation of a Mr. Handyman franchise is from \$102,000 to \$129,600. This includes \$59,400 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mr. Jonathan Koudelka at 3948 Ranchero Drive, Ann Arbor, MI 48108, 734-822-6850.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read the entire 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, D.C. 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: April 1, 2014

[See state specific issuance dates, if different from the above date, on page 6.]

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 DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit E for information about the franchisor, or about franchising in your state.

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.

Please consider the following RISK FACTORS before you buy this franchise:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN MICHIGAN. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.

ANY DISPUTES WITH US THAT ARE NOT SUBJECT TO ARBITRATION MUST BE RESOLVED BY LITIGATION IN MICHIGAN. IT MAY COST YOU MORE TO LITIGATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.

THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

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 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.

Effective Date: April 1, 2014

[See state specific effective dates, if different from the above date, on page 6.]

STATE ISSUANCE/EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following issuance/effective dates:

California:	April 25, 2014
Florida:	August 7, 2013 as amended April 1, 2014
Hawaii:	Pending
Illinois:	Pending
Indiana:	March 29, 2014
Maryland:	May 22, 2014
Michigan:	April 1, 2014
Minnesota:	April 3, 2014
New York:	April 21, 2014
North Dakota:	April 23, 2014
Rhode Island:	April 1, 2014
South Dakota:	April 8, 2014
Utah:	March 31, 2014
Virginia:	April 1, 2014
Washington:	April 20, 2014
Wisconsin:	March 26, 2014

ADDITIONAL DISCLOSURES FOR 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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

1. A prohibition on the right to join an association of franchisees.
2. A requirement that a franchise assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims.
3. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
4. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years old and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise, or the franchisee does not receive at least 6 months advance notice of the franchisor's intent to renew the franchise.
5. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
6. A provision requiring that arbitration or litigation is to be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
7. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - a) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - b) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - c) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

- d) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.
- 8. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third-party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market, or appraised value of such assets if the franchisee has breached the lawful provisions of the Franchise Agreement and has failed to cure the breach in the manner provided in the subdivision(c).
- 9. 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.

If the franchisor's most recent financial statements are unaudited, and show a net worth of less than \$100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Attn: Franchise
P.O. Box 30213
Lansing, Michigan 48909
Telephone Number: 517-373-7117

Michigan Effective Date: April 1, 2014

MR. HANDYMAN INTERNATIONAL, LLC

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

1.1 Introduction

Mr. Handyman International, LLC is a Michigan limited liability company formed January 6, 2000 for the sole purpose of franchising and licensing the Mr. Handyman system (the "System") in the United States and internationally. Throughout this Disclosure Document "we," "our," and "us," means Mr. Handyman International, LLC and "you" and "your" means the Franchise Owner or Licensee. We maintain our principal business address at 3948 Ranchero Drive, Ann Arbor, MI 48108. Our agent for service of process is disclosed in Exhibit D of this Disclosure Document.

1.2 Our Business and the Franchises Offered in This State

In September 2000, we started offering franchises that offer business and residential customers a professional and reliable maintenance and repair service. We also do business under the name My Handyman, we do not offer any franchises in other lines of business, and we do not operate any businesses of the type being franchised. As of December 31, 2013, Mr. Handyman International, LLC has 188 franchises in the United States. And additional, one signed but not opened. As of December 31, 2013, we have a signed license agreement in the United Kingdom, with seven businesses of the type being franchised.

As a Mr. Handyman franchise owner, you will have the sole right to use the "Mr. Handyman" and/or "My Handyman" trademark, and/or a similar trademark or other symbols used in the operation of a Mr. Handyman business (the "Marks"), within a protected trading area (the "Territory"), using the methods and operating systems that are defined in our Operating Manuals (the "Manuals").

1.3 The Mr. Handyman Marketing Outlook

The Mr. Handyman Franchised Business is devoted to providing consumers with a professional, safe, reliable maintenance and repair service, on-time, every time. We seek to build customer trust by our professional approach, advanced computerized systems, personalized marketing programs, customer relationship management, and by the use of uniforms and identifiable Mr. Handyman service vehicles in the communities we service.

As a franchise owner, you will not perform the actual maintenance and repair services. You will employ individuals experienced in providing repair and maintenance services that do not require permitting through your local political entity. While Mr. Handyman businesses can be initially operated from a home office, we recommend that you lease office space in a commercial or light industrial office park of your choice. Our approval is not required of any office space you select, provided that it is at a location within your awarded Territory.

Within the residential and business maintenance and repair service market, Mr. Handyman competes with other businesses, including other national and regional franchise programs as well as services provided by local repair and maintenance establishments. We differentiate the System from our competitors in ways that are specifically designed to offer our customers accessibility, convenience, quality, flexibility, and peace of mind. We do this through distinctive service techniques, packaging and signs; unique methods of delivery of services and products; comprehensive sales and marketing procedures and methods; our Franchise Management Software System (referred to as the "Software"), for managing customer lists, scheduling, and payroll; specialized advertising and potential cross promotions with participating affiliated companies.

1.4 Our Parents, Predecessors and Affiliates

We have no parent companies or predecessors. We do have affiliates and by "affiliate" we mean there are some common ownership, and some utilization of common resources. However,

each affiliate is a separate and distinct company, with no common liability, responsibility(ies) or authority.

We are an affiliate of Mr. Handyman, Inc; a Massachusetts corporation formed June 25, 1996 that is located at 5 Dunstable Road, North Chelmsford, MA 01863. Mr. Handyman offered maintenance and repair services to business and residential customers in suburban areas west of Boston. In January 2000, we purchased from Mr. Handyman, Inc., the rights to the trademarks, trade secrets, copyrights, trade dress, and proprietary management and business system utilized in connection with the System.

The Managing Members of Mr. Handyman (the “Mr. Handyman Managing Members”) also own Mr. Handyman Canada Company, a Nova Scotia company formed March 30, 2010 to franchise the Mr. Handyman system in Canada. Mr. Handyman Canada Company maintains its principal business address at 3948 Ranchero Drive, Ann Arbor, MI 48108. It is a franchising company dedicated to offering professional and reliable residential and business maintenance and repair service in Canada. As of December 31, 2013, Mr. Handyman Canada had 10 franchises in Canada.

The Managing Members who hold majority ownership of Mr. Handyman (the “Majority Mr. Handyman Managing Members”) also own Molly Maid, Inc (“Molly Maid”), a Michigan corporation formed May 8, 1984 to franchise the Molly Maid system in the United States. Molly Maid maintains its principal business address at 3948 Ranchero Drive, Ann Arbor, MI 48108. It is a franchising company dedicated to offering professional and reliable residential cleaning system and service in the United States. As of December 31, 2013, Molly Maid had 450 franchises in the United States and Puerto Rico.

Majority Mr. Handyman Managing Members joined in ownership of PuroSystems, Inc., (“PuroSystems”), a Florida limited liability company formed in 1990, which began franchising PuroFirst in 1991 and PuroClean in 2001. PuroSystems is a franchising company dedicated to providing property damage mitigation, and restoration services to residential and commercial customers in the United States and Canada under the names PuroClean and PuroFirst. They maintain their principal business address at 6001 Hiatus Road, Suite 13, Tamarac, FL 33321. As of December 31, 2013, PuroSystems has 5 PuroFirst franchises and 205 PuroClean Franchises in the United States. They also have 27 PuroClean Franchises in Canada.

Majority Mr. Handyman Managing Members joined in ownership of ProTect Painters International, LLC (“ProTect Painters”), and a Michigan limited liability company formed January 8, 2009 to franchise the ProTect Painters system in the United States. In January 2009, ProTect Painters acquired the assets of Next Steps Franchise Development, LLC, (“Next Steps”) a Massachusetts limited liability company formerly known as ProTect Painters Development, LLC, whose predecessor ProTect Painters, Inc., a Massachusetts corporation, began franchising the ProTect Painters system in 1996. ProTect Painters maintains its principal business address at 3948 Ranchero Drive, Ann Arbor, MI 48108. It is a franchising company dedicated to providing professional and reliable residential and commercial painting services in the United States. Pursuant to a License Agreement with ProTect Painters, signed at the same time as the asset sale, Next Steps continues to service these franchises under the ProTect Painters trademarks in certain areas. As of December 31, 2013 Next Steps had 6 franchises and ProTect Painters had 49 franchises.

The Majority Mr. Handyman Managing Members are former Managing Members of 1-800-DryClean, LLC (“1-800-DryClean”), a Michigan limited liability company formed January 14, 2000 to franchise the 1-800-DryClean System in the United States and Canada. It is a franchising company dedicated to offering professional and reliable dry cleaning pick-up and delivery service. On or about July 10, 2012, we sold our interest in 1-800-DryClean to Certified

Restoration DryCleaning Network, LLC (“CRDN”). At the time of the sale, 1-800-DryClean had approximately 102 franchises. Currently, 1-800-DryClean maintains its principal business address at 2060 Coolidge Highway, Berkley, MI 48072.

The Majority Mr. Handyman Managing Members are former Managing Members of DUCTZ International, LLC (“DUCTZ”), a Michigan limited liability company formed March 30, 2004 to franchise the DUCTZ system in the United States. DUCTZ’s goal is to offer prompt and reliable residential duct cleaning services, with the opportunity to perform commercial and industrial duct cleaning. On or about July 24, 2007, we sold our interest in DUCTZ to DUCTZ Holdings, LLC., s/b Belfor USA Group, Inc. At the time of the sale, DUCTZ had approximately 74 franchises in the United States. Currently DUCTZ maintains its principle business address at 731 Fairfield Court, Ann Arbor, MI 48108.

The Majority Mr. Handyman Managing Members are former Managing Members of Certified Restoration DryCleaning Network, LLC (“CRDN”), a Michigan limited liability company formed June 12, 2001 to franchise the Certified Restoration DryCleaning System in the United States, Canada, and the United Kingdom. It is a franchising company dedicated to offering prompt, professional quality, and reliable restoration dry cleaning services for clothing and soft goods, from an insured casualty, through a franchised network of local drycleaners. On or about January 1, 2008, we sold our interest in CRDN to Wayne Wudyka, Jeffrey Snyder and Edwin Wudyka. At the time of the sale, CRDN had approximately 127 franchises in the United States, 8 in Canada, 11 in the United Kingdom, and operated one of the type being franchised. Currently CRDN maintains its principal business address at 2060 Coolidge Highway, Berkley, MI 48072.

1.5 Laws and Regulations

You must comply with all federal, state, and local laws and regulations that apply to home maintenance and repair services in general. If your state, county or local government requires that you have a contractor license, you must be licensed before becoming a franchisee. Certain states restrict advertising and/or performing plumbing and electrical work to those who have a license for those specific industries. As of the date of this Disclosure Document, the following states require you to hold special licenses, you may need to pass a test to secure the license: AZ, CA, CO, CT, FL, ID, IL, MD, MI, MN, NE, NJ, NM, NV, NY, OR, PA, SC, TN, VA, WA, WV and WI. In addition AZ, CA, FL, NV, NM and SC require experience to secure a license, in these states there is a licensing program available. Other states may require licenses as well. You should investigate these laws and regulations, and keep apprised of changes that are made in areas that you service. You are solely responsible to investigate and determine licensing requirements in the area you would like to service before signing the Franchise Agreement. It is your sole responsibility to investigate and comply with these laws and regulations.

ITEM 2. BUSINESS EXPERIENCE.

Chairman of the Board of Directors - David G. McKinnon: Mr. McKinnon is our originator, Chairman of our Board of Directors (“Chairman”) and a Managing Member of Mr. Handyman since our inception in January 2000. Since 1984 he has also been the Chairman, CEO and Shareholder with our associate MOLLY MAID (Ann Arbor, MI). He also serves as Chairman and Managing Member ProTect Painters (since February 2009) located in Ann Arbor, MI. He is a Shareholder of Mr. Handyman Canada Company, (since March 2010) also in Ann Arbor, MI. Mr. McKinnon is also a Managing Member, Treasurer and Director for PuroSystems since January 2008, located in Tamarac, FL. He also served as a Managing Member and Chairman of CRDN (May 2001 to January 2008), which was located in Ann Arbor, MI.

Interim President - JB Sassano: Mr. Sassano joined us in April 2012 as Vice President of Operations. Mr. Sassano was appointed Interim President on April 1, 2014. Before this, Mr.

Sassano served as the Vice President of International Training and Support for Domino's Pizza, Inc. from November 2010 through January 2012 (Ann Arbor, MI). From June 2003 through October 2010, Mr. Sassano served as the Vice President of International, Americas and Canada (Ann Arbor, MI).

Chief Financial Officer - David Taccolini: Mr. Taccolini joined us as Controller in January 2002 and was named Chief Financial Officer in July 2002. He also serves our affiliates MOLLY MAID (since January 2002), ProTect Painters (since February 2009) and Mr. Handyman Canada Company (since March 2010) in the same capacity, all are located in Ann Arbor, MI.

Commercial Development Manager: Anthony Garbacik: Mr. Garbacik joined us in August of 2004 as Franchise Development Manager, was named Senior Franchise Development Manager in August 2006, and Commercial Development Manager in January 2012. He has also served in the same capacities for our affiliate Mr. Handyman Canada Company since March 2010 (Ann Arbor, MI).

Franchise Development Manager: Bobbi Branham Ellison: Ms. Ellison joined us as Franchise Development Coordinator from April 2005 to February 2011. Ms. Ellison was an independent consultant from February 2011-May 2011. From May 2011 to October 2011, she served as a Franchise Development Coordinator for ComForcare Senior Centers located in Bloomfield, MI. She then re-joined us as Franchise Development Manager in October 2011.

Franchise Development Manager: Tom Raymond: Mr. Raymond joined us as Franchise Development Manager in May 2013. Mr. Raymond was an independent franchise consultant from June 2012-May 2013. From May 2011 to June 2012 he was Director of Franchise Development for WIN Home Inspection located in Madison, AL. From March 2009-May 2011, he was Vice President of Operations and Franchise Development for CMIT Solutions located in Austin, TX. From September 2005-March 2009, Mr. Raymond was and independent franchise consultant in Austin, TX.

Managing Member: Craig Donaldson: Mr. Donaldson has been a Managing Member of Mr. Handyman since June 2012 (Ann Arbor, MI). He is also a Shareholder of MOLLY MAID since June 2012 (Ann Arbor, MI); a Managing Member ProTect Painters since June 2012 (Ann Arbor, MI); and a Shareholder of Mr. Handyman Canada since June 2012 (Ann Arbor, MI). Mr. Donaldson served as the President for Harris Research, Inc. located in Logan, Utah from November 1997 to November 2011.

Managing Member: Robert P. Ufer, Esquire: Mr. Ufer has been a Managing Member of Mr. Handyman since April 2000. He has been a Shareholder and Director of MOLLY MAID since April 2000 (Ann Arbor, MI); a Managing Member of PuroSystems since 2007 (Tamarac, FL); Managing Member and Co-Chairman of ProTect Painters since January 2009 (Ann Arbor, MI); and a Shareholder of Mr. Handyman Canada Company since March 2010 (Ann Arbor, MI). He was also a Managing Member and the President of Service Brands International, LLC., Ann Arbor, MI, from April 2000 to June 2008. Mr. Ufer has been a shareholder of Ufer & Spaniola, P.C., located in Troy, MI since 1987. Formerly, he was a Managing Member of CRDN from May 2001 to January 2008.

Managing Member: Lynn Drayton: Mr. Drayton has been a Managing Member of Mr. Handyman since its inception. He has been a Director and Shareholder of MOLLY MAID since March 1991 (Ann Arbor, MI). He has been a Managing Member of PuroSystems since 2007 (Tamarac, FL); of ProTect Painters since January 2009 (Ann Arbor, MI); and of Mr. Handyman Canada Company since March 2010 (Ann Arbor, MI). He formerly was a Managing Member of CRDN from May 2001 to January 2008 (Ann Arbor, MI).

ITEM 3. LITIGATION.

Mr. Handyman of Toronto West, Inc. vs. Mr. Handyman of Canada Company [Mr. Handyman of Toronto West and Ian Hird v. Mr. Handyman of Canada Company, David G. Taccolini, Anthony Garbacik, et. al., Ontario Superior Court of Justice Court File No: CV-13-00493535]. In this matter the Plaintiffs, Mr. Handyman of Toronto West, Inc. and Ian Hird, are former franchisees of one of our Affiliates, Mr. Handyman of Canada Company. On December 4, 2013, the Plaintiffs filed an application in the Ontario Superior Court of Justice alleging violations of Ontario's Arthur Wishart Act (the "Act") and seeks to enforce an attempted rescission of the Franchise Agreement. Mr. Handyman of Canada Company contests liability on the basis that it complied with the Act and that the attempted rescission was without basis in law or fact. Mr. Handyman of Canada Company has yet to file responding material to the application.

ITEM 4. BANKRUPTCY.

Neither the franchisor, its parents, predecessors, affiliates, officers, general partners nor any individuals who have management responsibility relating to the sale or operation of franchises offered, has during the 10-year period immediately preceding the Disclosure been involved as a debtor in proceedings under the U.S. Bankruptcy Code or any Foreign Nation's Bankruptcy Code, that are required to be disclosed in this Item.

ITEM 5. INITIAL FEES.

5.1 Initial Fees for Franchises

Upon signing of the Franchise Agreement, you must pay us the following Initial Fees (the "Initial Fees") are¹:

1. An Initial Licensing Fee in the amount of \$19,900;
2. An Initial Package Fee of \$9,500 that includes our proprietary Franchise Management Software System, computer, monitor, printer, marketing materials, trademarked office supplies and stationery and a \$1,000 convention allowance (the "Convention Allowance").² The items included in the Initial Package may change to reflect the changing needs of the Franchised Business in accordance with System procedures and changes in suppliers and/or product specifications; and;
3. A Territory Fee of \$30,000. Your exclusive territory will include approximately 55,000 target households that meet our then current demographic criteria for households that are within the geographic limits, where you have the exclusive rights to provide Mr. Handyman services to customers (Exhibit A of the Franchise Agreement and Item 12). We reserve the right to charge more in situations where a larger territory is granted.

¹ All fees, unless otherwise noted are due and payable to Mr. Handyman International, LLC.

² The Convention Allowance is to offset expenses associated with attending the first Mr. Handyman Convention that is scheduled to begin within one year of your successful completion of the Initial Training Program (Item 8). It is to be used primarily towards the registration fee, but any remaining balance may be applied towards travel, lodging and/or meals. This allowance will be rebated to you after you attend the first Mr. Handyman Convention Meeting that is scheduled after your completion of Initial Training. If you do not attend the Convention, it will not be refunded to you.

The Initial Fees offset the expenses we incur in registering, marketing, awarding, training, and opening new franchises. You must schedule your Initial Training to occur within 6 months of the date that you sign the Franchise Agreement.

In the event that you need extra time to arrange the financing for your business, you may pay the Initial Fees in two installments. The first installment is comprised of the Initial Licensing Fee, the fixed Initial Package Fee and a \$10,000 Territory Deposit Fee, which is due and payable when you sign and return to us the Franchise Agreement. If you choose to pay the Initial Fees in two installments, you will sign a Promissory Note for the remaining balance at an APR of 9.9% interest, which is due in full at least one week before you attend Initial Training. Alternatively, in the event that you need to arrange for financing through a program such as a 401k roll-over, we may allow you to pay the Initial Fees in two installments, with the first installment of \$25,000 due with your signed Franchise Agreement. The balance is due 30 days after our receipt of the signed Franchise Agreements. There is a \$250 fee for this service, although in special circumstances, we reserve the right to waive that fee. There is no interest assessed if the balance is paid within 30 days; however, if it is not paid within this timeframe, interest will be assessed at an annual percentage rate of 9.9%. The balance must be paid in full at least one week before your attendance of Initial Training. All Initial Fees must be paid seven (7) days before you attend Initial Training.

Mr. Handyman is a member of the International Franchise Association (“IFA”) and participates in the IFA's VetFran Program. Under this program, veterans of U.S. Armed Forces who otherwise meet the requirements of the VetFran program are provided with a \$6,000 discount on the Initial Licensing Fee. This is only applicable for the first Mr. Handyman Franchise awarded to you.

We may offer reduced or deferred Initial Fees in special circumstances, such as in connection with any entrepreneurial and/or economic development programs, minority franchise programs and in new and developing markets (the “Programs”) for third parties which otherwise meet our financial and other qualifications and enter into a Franchise Agreement with us. The Programs are intended to promote economic renewal or development in economically impaired areas, and to assist minority franchisees. These special incentives may be offered to existing and/or new franchisees. From time to time, we may also offer promotional offers, such as a marketing or vehicle credit, to all who purchase an initial franchise during a specific set-time period.

5.2 Initial Fees for Additional Franchises, Renewals and Transfers

You may apply for an additional franchise and, if we approve your request, you may be awarded an additional franchise (Item 12). For additional franchises awarded to you, you must agree to sign our then current Franchise Agreement and remit to us our then current Territory Fee. Currently we waive the Initial Licensing Fee and Initial Package fee for additional franchises awarded to you. We may also grant Territory expansions that are priced in \$5,000 increments, at our discretion, and sole judgment.

5.3 Initial Fees for Renewals

For Renewal Terms you are not required to pay the Initial Licensing Fee, Territory Fee or Initial Package. However, you must pay the Renewal Fee (Item 5 and Section 11.D of the Franchise Agreement).

5.4 Initial Fees for Transfers

If this is a Transfer, currently we waive the Initial Licensing Fee and Territory Fee; however, you must pay the then current Transfer Fee (Item 6 and Section 10.B of the Franchise Agreement) and purchase the Transfer Initial Package (Item 12, Section 2.B of the Franchise

Agreement and Exhibit B-2 to the Franchise Agreement). The Transfer Initial Package is currently \$5,400; however if your agreement with the Seller includes a computer that is two years old or less, and meets our specs (Item 11) the cost is \$2,825. The Transfer Initial package is non-refundable, with the exception of the Convention Fee as described in section 5.1.

Except for the Convention Allowance listed in Item 5.1.2 and 5.2, there are no other refunds under any circumstances.

ITEM 6. OTHER FEES.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty (Note 2)	7% of Gross Sales less material revenue generated.	Due by automatic debit each Thursday (Note 3)	For the use of the Marks, System, Territory, and Manuals.
Royalty – Materials	3.5% of Gross Sales on material revenue generated.	Due by automatic debit each Thursday (Note 3)	For the use of the Marks, System, Territory, and Manuals.
Local Marketing Requirement	\$3,000 per month per Franchise Agreement.	Payable per supplier's terms.	Promotional handouts, door hangers, media inserts, direct mail, newspaper, Internet paid placement, and Yellow Pages
Advertising Fund	1.25% of Gross Sales.	Due by automatic debit each Thursday (Note 3).	National marketing efforts to consumers (see Note 4).
DSL, Cable or Satellite High Speed Internet, Email & Anti-Virus Software	The then current fee. Presently, the current fee is \$89 -\$159 per month for 1 account/user on 1 computer.	Payable per supplier's terms.	Payable to a third party. To be operable within one month of the time you sign the Franchise Agreement.
Internet Homepage	The then current fee. Presently, the current fee is \$180 per year.	Due by automatic debit on January 15 of each year or in monthly installments.	For a personalized Homepage on the Mr. Handyman site.
Mr. Handyman toll free phone number usage	The then current fee. Presently, the current fee is \$0.12 for each minute.	Payable per supplier's terms.	
Call Center	The then current fee. Presently, the current set-up fee is \$0.73 per minute.	Payable per supplier's terms.	All sales phone calls must be answered by a live person. We require you to use the Call Center for rollover, evenings, and weekends.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Server Hosting Fee	Currently \$100 per month	Due on the 15th of each month.	Currently optional, but we reserve the right to require this in the future
Additional Training or Assistance	The then current fee. Presently, the current fee is \$500 per person, plus travel, lodging and food.	Before the start of training session.	We will provide Initial Training to you and one other person for no fee.
Conventions and Regional Meetings	The then current fee. Presently the current fee is \$225-\$350 per person per event (Note 6)	Before the start of the event.	Meeting rooms, some meals, audio visual, handouts, speakers, etc. Not including travel, lodging or all meals.
Renewal	20% of the then current Franchise Fee.	When you sign your successor Franchise Agreement.	The Royalty and Territory won't change in the renewal Franchise Agreement.
Transfer of Corporation Fee	The then current fee, presently this is \$500.00	Due upon signing transfer documents.	Due if you change the legal entity that owns the Franchise more than once.
Transfer	Our then current transfer fee. Presently, the fee is \$9,900 if being transferred to a new franchise owner or \$2,000 if being transferred to an existing franchise owner; (Optional) Broker Fee is \$17,000; and outstanding royalties and fees that were not timely paid by Predecessor are also due.	The transfer fee and Broker Fee are due with the Franchise Agreement. Outstanding royalties and fees of Predecessor are due 6 weeks after that.	No Transfer fee due if the Transfer is to an entity controlled by you or to a spouse, parent or child. The Broker Fee is optional; only due if you request that we enlist a third party broker to locate a buyer for your business and they find one.
Insurance	Cost of insurance.	As required by insurer.	See Note 7.
Interest	Greater of 12% per annum or the maximum permitted by law.	Due by automatic debit each Thursday.	Due on all overdue amounts from the date the amounts were originally due.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Late Royalty Report and Payment Fee	The then current fee. Presently, the fee is accessed per week late: \$20 per late report; 5% Royalty or \$20 (the greater) per late payment; Non-sufficient funds is \$33.	Due by automatic debit each Thursday for the past week.	Due for each Royalty Report or Royalty Payment that is not submitted when due or if there are non-sufficient funds
Audit	Cost of inspection/audit, presently estimated at \$2,500-\$3,000; 100% of understated Royalty; interest (greater of 12% per annum or the maximum rate permitted by law); and late fees	10 days after billing.	Only due if an inspection or audit is made necessary because of your failure to furnish on a timely basis reports, supporting records, or if a Royalty is understated by 2% or more for any period reviewed.
Costs and Attorney's Fees	Will vary under circumstances.	As incurred.	Due when you hire an attorney.
Indemnification	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims from the operation of your Franchised Business.

Note 1: All fees, unless otherwise specified, are uniformly imposed and collected by and payable to us. All fees are non-refundable.

Note 2: Gross Sales include all revenue you derive from operating the Franchised Business, whether in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. Common revenue sources include, but are not limited to: labor, sale of material, equipment rental, mark-ups, service charges, referral fees paid to you, subcontracted jobs, vehicle fees, hauling fees, disposal charges, estimate charges, and consulting fees. All barter and/or exchange transactions for which you furnish services and/or products in exchange for goods or services will, for the purpose of determining Gross Sales, be valued at the full retail value of the goods and/or services you provide. You may deduct from Gross Sales the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged. If you fail to achieve the Minimum Gross Sales, we may charge you a Minimum Royalty equal to what you would have been assessed had you achieved them. For months 13 - 24 the Minimum Royalty will be \$140. For months 25 - 36 the Minimum Royalty will be \$210. For months 37 - 48 the Minimum Royalty will be \$280. For months 49+ the Minimum Royalty will be \$350.

Note 3: During your Initial Training, you must sign and deliver to us the documents we require to debit your business checking account automatically for all fees due us. This includes the Royalty,

Advertising and any Late Payment and/or Interest Fees (Exhibit A-7 of this Disclosure Document). For purposes of paying the Royalty, our week begins on Sunday and ends on Saturday. You must report your weekly sales to us on the second Thursday following the end of the week. We will then draft the royalty from your bank account, (ex, when the week start is January 6, the week end is January 12, and the royalty report is due January 24). We may periodically specify other dates for reporting and payment of the royalty.

Note 4: May be used to pay the costs, including personnel, associated with preparing and producing video, audio, and written materials, administering and placing national, regional, and multi-regional marketing and advertising programs, administering and placing cross-promotion programs with third parties, and employing outside advertising and public relations agencies to provide assistance and support for public relations, market research, and other advertising, promotion, and marketing activities.

Note 5: In a transfer, the transferee promises to pay us at the time of the purchase closing, the following fees if they are not timely paid by your predecessor; our current transfer fee, all royalties, fees, amounts owed for purchases from us, late payments and interests.

Note 6: However, you may apply the Convention Allowance towards the first Convention that takes place after you attend Initial Training (Item 5 and Section 2.B).

Note 7: See Item 8 for information regarding our insurance requirements. If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage on your behalf, at your sole expense. You must pay us the premium cost of any insurance, plus an administrative fee equal to 18% of the premium cost for obtaining insurance on your behalf. We have the right to increase, or otherwise modify the minimum insurance requirements upon 30 days prior written notice to you, and you must comply with any modification within the time specified in the notice.

ITEM 7. ESTIMATED INITIAL INVESTMENT.

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (1)	Amount		Method of Payment	When Due	To Whom Payment is to be made
Initial Licensing Fee (2)	\$19,900	\$19,900	Lump Sum	On signing Franchise Agreement *	Us
Territory Fee (3)	\$30,000	\$30,000	Lump Sum	On signing Franchise Agreement	Us
Initial Package Fee (4)	\$9,500	\$9,500	Lump Sum	On signing Franchise Agreement *	Us
Vehicle Expenses (5)	\$1,950	\$3,900	Lump Sum	Before Opening	Third Parties
Real Estate and Utility Deposit (6)	\$250	\$1,000	Lump Sum	Before Opening	Third Parties
Furniture, Fixtures and Office Equipment (7)	\$0	\$1,500	As Agreed	As Incurred	Third Parties

Type of Expenditure (1)	Amount		Method of Payment	When Due	To Whom Payment is to be made
Tools and Equipment to Equip One Van (8)	\$1,000	\$2,000	As Agreed	Before Opening	Third Parties
Permits & Licenses (9)	\$100	\$1,000	Lump Sum	Before Opening	Appropriate local & state authorities
Prepaid Insurance Premiums—3 months (10)	\$1,800	\$2,800	Lump Sum	Before Opening	Third Parties
Training Expenses: Travel, Food and Lodging (11)	\$3,000	\$4,000	Lump Sum	As Incurred	Third Parties
Additional Funds--3 months (12)	\$34,500	\$54,000	As Agreed	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT	\$102,000	\$129,600			

*Not applicable for additional franchises awarded to you (Item 5).

Explanatory Notes

1. Estimates are based on a new Franchise Owner buying his/her first Franchise. Except as otherwise described in the notes below, the table provides an estimate of your Initial Investment and the costs necessary to begin operating a Mr. Handyman franchise. Actual costs will vary for each franchise location, depending on a number of factors, including, but not limited to, market condition and the geographic location of your business.

2. The Initial Licensing Fee is waived for renewal terms; however, you will need to pay the renewal fee. Currently the Initial Licensing Fee is waived for additional Franchises awarded to you. If this is a Transfer, the Initial Licensing Fee is waived; however, you will need to pay the then current Transfer Fee (Item 5, Item 12, and Section 2.A. of the Franchise Agreement).

3. The Territory Fee is waived for renewal terms or transfers, when no additional territory is being added to the Franchise Agreement, (Item 5, 12 and Section 2.A. of the Franchise Agreement).

4. You must purchase an Initial Package from us, which includes our proprietary Franchise Management Software System, computer, monitor, printer, trademarked office supplies, stationery, and the \$1,000 Convention Allowance. The Initial Package fee is waived for renewal terms. Currently, it is also waived if this is an additional Territory being awarded to you. If this is a transfer and you are purchasing the entire business, currently you are only required to pay the \$1,000 Convention Allowance. If you are only purchasing a portion of the business, you are required to purchase the entire Initial Package. There are no refunds, except that if you attend the first Convention that is scheduled to begin within one year of your successful completion of the

Initial Training Program (Item 11), you will receive a \$1,000 Convention Allowance (the "Allowance"). The Allowance is to be used primarily towards the registration fee, but any remaining balance may be applied towards travel, lodging and/or meals. The Allowance will be rebated to you after you attend the Convention. If you do not attend the Convention within the required time period, it will not be rebated to you.

5. Franchised Businesses begin operation with a van that meets System standards and specifications. As your Franchised Business grows, you will need to add additional vans. You should consult your personal financial advisor to determine whether you should lease or purchase your initial and subsequent vans. The cost of purchasing and outfitting a van typically ranges from \$22,000 to \$25,000, plus applicable taxes. When leasing, the amount of deposit will vary depending upon supplier pricing strategies, promotions, and willingness to provide startup businesses with more advantageous pricing than they typically offer individuals leasing a single van.

6. As required by leaser and utility companies.

7. Estimated cost for items including desks, chairs, a file cabinet, telephone system, wastebaskets, and other equipment and supplies necessary to begin the operation of the Franchised Business.

8. List of tools and equipment is included in the Manuals. These may be purchased locally through national suppliers or at a local home improvement store.

9. As required by local and state regulations.

10. Specifications are listed in Section 7.C. of the Franchise Agreement and Item 8 of this Disclosure Document. Typically, insurance companies require startup businesses to pre-pay a portion of their premiums.

11. Out-of-pocket travel expenses vary depending on your proximity to our training center in Ann Arbor, MI, as well as the field training site, the type of transportation you use, and your individual expenses during the Initial Training period of 5 days. For the purposes of this Item, we have estimated two individuals sharing one hotel room.

12. This item estimates your initial startup expenses for the first three months of operations, not including those expenses identified separately in the table. It includes payroll costs for operation and customer service employees, general vehicle maintenance and gasoline, advertising, Internet and telephone provider fees, some uniforms, and, at the high end of the range, office rental. The estimate of additional funds does not include an owner's salary or draw. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. The amount of working capital you need will depend on a number of factors. These factors include the area you are located in; how much you follow our methods and procedures; your management skills; experience and business acumen; local economic conditions; the relative effectiveness of your staff; local market for repair and maintenance services; the prevailing wage rate; competition; and the sales level reached by your Franchised Business during its initial period.

We have relied on the management team's general experience with franchising in the United States, along with the experience of our Mr. Handyman franchisees, to compile these estimates. You should review them carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.

8.1 Initial Package

To assist you with efficiently launching your Franchised Business, you must purchase an Initial Package of software, equipment, products, and supplies from us before the commencement of operation of the Franchised Business (Exhibit B of the Franchise Agreement). The items included in the Initial Package change periodically to reflect the changing needs of the Franchised Business in accordance with System procedures, changes in suppliers and/or product specifications. The Initial Package is the only product that we sell to you. In 2013, our total revenues were \$3,463,639 and we derived 6% of our revenues from the sale of required purchases or leases. (77% of the revenue we received for the sale of required purchases or leases in 2013 was for the sale of the Initial Package, of which we sell at our cost of the goods, plus a small fee for handling and printing.) Our affiliates did not derive any revenue in 2013 from the sale of required purchases or leases. In 2014, we and our affiliates expect to derive 5% of our revenues from required purchases or leases. There are no approved suppliers in which any of our officers owns an interest.

We estimate that approximately 85% of the required purchases and leases in relation to all purchase and leases to be made by the franchisee in establishing and operating the business will be for services, products or leases that are required. As of the date of this offering, we do not have any purchasing or distribution cooperatives, but we reserve the right to create them in the future. The materials that are included in our Initial Package are shipped F.O.B. from our approved suppliers.

We are not affiliated with our approved suppliers and we receive no material benefits from your purchases from these companies, except as described below, although we reserve the right to do so in the future. A complete list of all our approved vendors is available on the Mr. Handyman Intranet site and/or Manuals. We reserve the right to negotiate purchase arrangements with our approved vendors which information will also be listed on the Mr. Handyman Intranet site and/or Manuals.

While most franchise owners choose to order trademarked items from our approved suppliers, you are only required to order your Initial Package and Professional uniforms from them. The remaining items you require for the operation of your Franchised Business may be ordered from approved third party suppliers. All products must meet System standards and specifications for representation of the Marks, and be pre-approved by us regardless of the supplier. Approval can be attained by submitting a proof of the materials you wish to order to us and a written request for approval. There is currently no charge for our review, and we will notify you in writing of our approval or disapproval within ten days of receipt of the materials and your written request, in the event that we do not, provided that you have written proof of our receipt of the materials, they are considered approved. All materials must meet the quality of our current approved suppliers, and correctly bear the Marks.

Use of products and materials that have not been previously approved by us in writing and do not meet our standards and specifications can result in the termination of your franchise (Section 12 of the Franchise Agreement). Standards and specifications are updated periodically at our sole determination and are made available to you in our Manuals, publications, and on our Internet Homepage. At our discretion, we may, with notice to you, revoke our approval of any previously approved products or suppliers due to changes in standards and specifications, or if such products subsequently fail to meet the Mr. Handyman quality levels.

We are not an affiliate of Enterprise Leasing Company (“Enterprise”); however, because of fleet buying incentives Mr. Handyman International, LLC may qualify for rebates, depending on actual volume. The owner receives the majority benefit of the rebate up front, reducing the purchase price. We receive a residual benefit if and when certain fleet volume requirements are met. The exact amount per vehicle varies as it comes from the vehicle’s manufacturer and is based on their current pricing as well as the number of purchases made by franchisees associated with us and our affiliates who are listed in Item 1 (one). In 2011, we did not receive any revenue or material

consideration for franchisees' purchases or leases from Enterprise. Aside from certain intangible benefits associated with group buying, you receive no material franchise benefits (for example, the award of additional franchises or a successor term) based on your purchase of particular products or services or use of particular suppliers.

8.2 Vehicle Standards and Specifications

You will use vans for the Franchised Business that meet our specifications for model type, color, trademark representation, and appearance (no rust or body damage). These specifications are included in our Manuals. All vehicles purchased or leased for the business are to be, and maintained, in a "good" condition as defined by KELLY BLUE BOOK ("Good" condition means that the vehicle is free of any major defects. The paint, body, and interior have only minor (if any) blemishes, and there are no major mechanical problems. In states where rust is a problem, this should be very minimal). All vehicles used in the business are to be decaled as required by Mr. Handyman and the decals are to be free of defects (Section 7.A. of the Franchise Agreement).

8.3 Insurance (Section 7.C. of the Franchise Agreement)

Before attending Initial Training and/or opening the Franchised Business, you must obtain and maintain in full force and effect throughout the term of this Agreement, and, at your own expense, the insurance coverage that we require and meet the other insurance-related obligations in the Franchise Agreement (Section 7.C. of the Franchise Agreement) as described below.

The insurance you must maintain reflects the minimum amounts of coverage we require. Our requirements are not meant to reflect the actual needs you may have, other state-mandated coverage and that it is your responsibility to carefully evaluate if such minimum will adequately meet your needs and state requirements, (i.e. flood insurance, employment practices liability, pollution or major medical etc). All policies must be written by an insurance company(ies) that is/are licensed in the state in which you are doing business, and that has an A.M. best rating of "A-" or better. Currently you are not obligated by the terms of the Franchise Agreement to purchase your insurance from any specific provider, although we reserve the right to specify the specific provider that you must use in the future.

Our current requirements are described below:

1. Commercial General Liability Insurance. Coverage for "bodily injury," "property damage," and "personal and advertising injury" with no exclusion or limitation applying to the products / completed operations liability coverage. Limits must be at least \$2,000,000 general aggregate, \$2,000,000 products and completed operations aggregate, \$1,000,000 personal and advertising injury limit and \$1,000,000 per occurrence limit. Contractual liability coverage including the assumed personal injury endorsement must be included to cover the indemnity provisions of this Franchise Agreement. The exclusion for employer's liability shall not apply to claims for covered contractually assumed liability claims. Such policy shall contain a waiver of subrogation endorsement as to claims against Mr. Handyman International.

Mr. Handyman International, LLC., shall be named as an additional insured on this policy on a primary and noncontributory basis, and with a Grantor of Franchise Form CG2029, or an insurer's comparable form.

2. Automobile Liability Insurance. You shall maintain insurance with a combined single limit, CSL, of \$1,000,000 for bodily injury and property damage for all owned or leased vehicles and include a hired and non-owned endorsement. Additionally, uninsured motorist and under-insured motorist coverage will be equal to the CSL.

3. Workers' Compensation and Employers' Liability. Statutorily required workers' compensation insurance and employer's liability insurance shall be maintained with limits of at

least \$500,000 by accident, \$500,000 by disease and \$500,000 policy limit. In "Monopolistic States", such as Ohio, North Dakota, Washington and Wyoming "Stop Gap" coverage must be purchased separately or added to the CGL policy. "Stop Gap" in Ohio must not contain exclusion with the "substantially certain to occur" language.

4. Employee Dishonesty Insurance. You shall maintain employee dishonesty insurance with minimum limits of \$25,000 per loss and such coverage shall also cover acts of stealing against third parties.

5. Umbrella Liability Insurance. You shall maintain a commercial umbrella liability insurance policy with a limit of at least \$1,000,000 per occurrence and aggregate and shall list the commercial general liability and automobile liability as scheduled underlying policies.

6. Other Insurance. You shall maintain any state, county, local or other municipal insurance requirements.

No deductible or self-insured retention can exceed \$5,000 for any required insurance policy, except that you may have retention of up to \$10,000 on the Umbrella Liability Insurance policy.

You may not reduce the policy limits, restrict coverage, cancel or otherwise alter or amend any insurance policy without our written consent.

All policies will name Mr. Handyman International, LLC., its employees, officers and directors as additional insured, will contain no provision which in any way limits or reduces coverage for you in the event of a claim by any one or more of the Indemnified Parties, will extend to and provide indemnity for all obligations assumed by you and all items for which you are required to indemnify us, will be primary to and without right of contribution from any other insurance purchased by the Indemnified Parties, and will provide, by endorsement, that we receive at least notice of 10 days of any intent to cancel or materially alter any policy.

At least 10 days prior to attending training, whenever a change is made to your policy, and before expiration of any insurance coverage, you promise to submit to us a copy, certificate, or other acceptable proof of such insurance with a copy of the Additional Insured Endorsement on your policy. On occasion, Mr. Handyman may request complete copies of all insurance policies to insure compliance with the insurance provisions of this contract. We may, periodically, and reasonably determine and modify the minimum insurance limits and require different or additional kinds of insurance to reflect changes in insurance standards, normal business practices, higher court awards and other relevant circumstances.

If you do not maintain the required insurance coverage or do not furnish us with satisfactory evidence of insurance coverage and premium payments, we may obtain, at our sole option and in addition to our other rights and remedies under this Agreement, any required insurance coverage on your behalf. We are under no obligation whatsoever to obtain such insurance, but if we do so, you must fully cooperate with us in our efforts and must promptly sign all forms required to obtain or maintain the insurance. You must also allow any inspections of your Mr. Handyman Business required to obtain or maintain the insurance. Finally, you must pay us, on demand, any costs and premiums we incur in obtaining insurance on your behalf, along with an 18% administrative fee. Neither your obligation to maintain insurance coverage nor our maintenance of insurance on your behalf will reduce or absolve you of any obligations of indemnification described in this Agreement.

You promise to promptly report all material claims or potential claims against you, any Indemnified Party or us, to the insurer and to us.

8.4 Lease and Leasehold Improvements

A Mr. Handyman Franchised Business is typically operated from leased space. We will not evaluate the location of your commercial space and will not require you to obtain our approval before leasing commercial space; provided that your business office must be located within your Territory. You may not locate your office outside of your Territory without our express written consent.

8.5 Computer Hardware and Software Components

Our present computer hardware and software requirements are listed in detail in Item 11 of this Franchise Disclosure Document.

ITEM 9. FRANCHISEE'S OBLIGATIONS.

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Agreement	Disclosure Document Item
A. Site Selection And Acquisition/Lease	Section 1.C.	Items 1, 12 and 17
B. Pre-Opening Purchases/Leases	Sections 2.B.	Items 6, 7 and 8
C. Site Development And Other Pre-Opening Requirements	Sections 2 and 3	Items 6, 7, 8 and 11
D. Initial And Ongoing Training	Section 3.A	Items 6, 7 and 11
E. Opening	Sections 2.A., 3.A., and 12.	Item 7 and 11
F. Fees	Section 2	Item 5, 6, and 7
G. Compliance With Standards And Policies/Operating Manual	Section 7.A.	Item 7, 8, and 11
H. Trademarks And Proprietary Information	Section 4	Items 8, 13 and 14
I. Restrictions On Products/Services Offered	Section 7.A.	Items 8, 12 and 16
J. Warranty And Customer Service Requirements	Section 7.A.	Item 15
K. Territorial Development And Sales Quotas	Sections 1.C, 1.D. and 2.F.	Item 12
L. Ongoing Product/Service Purchases	Section 2	Item 8
M. Maintenance, Appearance And Remodeling Requirements	Section 7	Items 8 and 11
N. Insurance	Section 7.C.	Items 6, 7 and 8
O. Advertising	Section 2.G and 2.H	Items 6 and 11
P. Indemnification	Section 14.C.	Items 6 and 16
Q. Owner's Participation/	Sections 1.B., 7 and 12	Items 11 and 15

Obligation	Section in Agreement	Disclosure Document Item
Management/ Staffing		
R. Records And Reports	Section 7.D.	Item 6
S. Inspections And Audits	Section 8	Items 6 and 11
T. Transfer	Section 10	Items 6 and 17
U. Renewal	Section 11	Item 6 and 17
V. Post-Termination Obligations	Section 13	Item 17
W. Non-Competition Covenants	Section 6 and 13	Item 17
X. Dispute Resolution	Section 15	Item 17
Y. Third Party Broker Fee	Section 10	Item 6

ITEM 10. FINANCING.

Other than as disclosed in this Item, we do not offer any other direct or indirect financing.

10.1. Initial Fees Financing

We may offer you financing for the Initial Fees if you meet our qualifications and credit standards. You must sign a Consumer Note (the “NOTE”), (Exhibit E-1 and E-2 to the Franchise Agreement). The following table summarizes the financing we may offer you for Initial Fees:

	Standard Financing Option	Secondary Financing Option (Note 1)
Source of Financing	Us	Us
Down Payment	\$34,400	\$ 25,000
Amount Financed	Up to \$25,000	Up to \$34,400
Term (years)	6 months maximum, or at least 1 week prior to attending Initial Training, whichever occurs first	6 months maximum, or at least 1 week prior to attending Initial Training, whichever occurs first
Rate of Interest plus Finance Charge	9.9% APR	No interest if paid within 30 days of signing the note. After that, there is 9.9% APR. There is a \$250 fee to use this service (Note 2)
Monthly Payment	None – paid in one lump sum at the term end	None – paid in one lump sum at the term end
Prepayment Penalty	None	None
Security Required	Personal Guarantee	Personal Guarantee
Guarantee	Personal Guarantee from owners of the Franchise	Personal Guarantee from owners of the Franchise

	Standard Financing Option	Secondary Financing Option (Note 1)
Liability upon Default	Termination of Franchise; you must also pay entire amount due and our attorney's fees and court costs in collecting debt	Termination of Franchise; you must also pay entire amount due and our attorney's fees and court costs in collecting debt
Loss of Legal Right Upon Default	None	None

Note 1: Only in certain circumstances, such as when you need additional time to complete a 401k rollover, etc., do we offer the Secondary Financing Program.

Note 2: We reserve the right to waive the \$250 fee at our own discretion.

10.2. Vehicle Financing

Enterprise may offer you financing for vehicles if you meet its qualifications; however, you are not required to purchase or lease your vehicles from the company. The following table summarizes the financing Enterprise may offer you for financing vehicles.

Description	Enterprise Financing Option (Note 1)
Source of Financing	Enterprise
Down Payment	\$0
Amount Financed	\$29,000 - \$32,000 per vehicle
Term (number of years)	4 – 5 years
Rate of Interest plus finance charge	350 Basis points + 3YR Treasury Rate set at the time of purchase/lease, the rate will be fixed
Monthly Payment	Varies depending on amount financed
Prepayment Penalty	None
Security Required	Personal Guarantee
Guarantee	Personal Guarantee from owners of the Franchise and Guarantee from Franchisor
Liability upon Default	Termination of Franchise (see Note 2), repossession of the vehicle, you must also pay entire amount due, early termination fees, and our attorney's fees, Enterprise's attorney's fees and court costs in collecting debt
Loss of Legal Right Upon Default	None

Note 1: As more fully described in Item 8.1., we receive a material benefit for purchases or leases that you make with Enterprise. Aside from certain intangible benefits associated with group

buying, you receive no material franchise benefits (for example, the award of additional franchises or a successor term) for using Enterprise.

Note 2: We can also terminate your Franchise if you fail to make payments as agreed (Section 12. of the Franchise Agreement), however, before your Franchise can be terminated, you will receive a notice of default and have a 10-day period to cure the default.

10.3. SBA Loans

We have been deemed eligible for streamlined and expedited loan processing through the Small Business Association ("SBA"). We are listed on the SBA's central registry of franchisors whose current franchise or license agreements are eligible for SBA financing found at www.franchiseregistry.com. We have arranged with the SBA to provide certain information and benefits to the SBA and Certified Development Company ("CDC") so that our Franchise Agreement meets SBA eligibility criteria for 7(a) and 504 loans.

10.4. Other Financing Information

We also suggest third party sources for lending including, but not limited to FranFund, Benetrends, Guidant, Seigel Capital, Funding Solutions, Direct Connect Ventures and Directed Equity, as of the date of this Disclosure Document, all of these sources are willing to work with prospective Mr. Handyman franchisees.

Other than described above, we will not guarantee any notes, leases or obligation. We and our affiliates have no past practice or future intent of selling, assigning, or discounting franchisee's financing arrangements to a third party, although we reserve the right to do so in the future. We and our affiliates do not receive any direct or indirect payments or any other consideration from any person for the placement of financing with the lender. We do not offer financing that requires you to waive notice, confess judgment or waive a defense.

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

Except as listed below, Mr. Handyman is not required to provide you with any assistance.

11.1 Franchisor Obligations before the opening of the Franchised Business

Before you open your Franchised Business, we will:

A. Designate your Territory for the Franchise (Section 1.C. and Exhibit A of the Franchise Agreement);

B. Sell you an Initial Package of products and supplies described and listed in Exhibit B of the Franchise Agreement (Section 2.B. of the Franchise Agreement);

C. Lend you a copy of the Confidential Operating Manual (the "Manuals"). You must strictly comply with the Manual in operating the Franchised Business. The Manuals contain our proprietary business and advertising forms (the "Business Forms"), and other proprietary materials as we may publish and distribute to you periodically (Section 3.C. of the Franchise Agreement). We, in our sole discretion, can change the Manuals, and you must comply with these changes when you receive them, but they will not materially alter your rights and obligations under the Franchise Agreement;

D. Provide written specifications to you for the model and body style for marketing/service vans to be used in the Franchised Business (Section 7.A. of the Franchise Agreement);

E. Approve or disapprove your business forms, business stationery, business cards, advertising materials, permanent materials, and forms which you intend to utilize (Section 7.A. of the Franchise Agreement);

F. Approve or disapprove any advertising, direct mail, identification and promotional materials and/or programs that you propose within 10 days of our written receipt of the proposed materials. If we do not respond within 10 days, the material is approved (Section 2.H. of the Franchise Agreement);

G. Specify minimum policy limits for certain types of insurance coverage (Section 7.C. of the Franchise Agreement).

H. Provide an Initial Training program for you and one other person (Section 3.A. of the Franchise Agreement);

I. Maintain a toll-free telephone number which you may use for communications with us (Sections 2.G. and 3.B. of the Franchise Agreement);

J. Provide written specifications to you for the purchase and use of supplies, uniforms, equipment, and products;

K. Assist you in the formulation and implementation of marketing, advertising, and promotional programs using the merchandising, advertising, and research data and advice as we may, periodically, develop for use in your local market;

L. Assist you in implementing systems for the maintaining the financial and daily operation of the Franchised Business including its accounting and record keeping functions;

M. A Mr. Handyman Franchised Business is typically operated from leased space, but may initially be operated from your home. We do not require you to have the location for your business approved by us; however your business office site must be located within your Territory (Item 12). You may not locate your office outside of your Territory without our express written consent.

11.2 Time to Open

The typical length of time between the signing of the Franchise Agreement and payment of any consideration for the Franchise, and the opening of the Franchised Business, is ten to twelve weeks; however, you must attend Initial Training within 6 months of signing the Franchise Agreement and open within 2 months of attending Initial Training. Factors affecting this length of time usually include delivery of vehicles, normal business startup considerations, and your successful completion of the Initial Training program.

11.3 Obligations After Opening

Once you have opened your business, you will have access to information helpful to the operation of your Franchised Business based on reports you submit to us and/or inspections that we make (Sections 7 and 8 of the FA). In addition, during the operation of the Franchised Business, we will:

A. Furnish you with those field support services we consider advisable to provide support and resolve operating problems you encounter

B. Approve or disapprove any advertising, direct mail, identification and promotional materials and programs; forms, business stationery, business cards, advertising materials, permanent materials, and forms which you intend to utilize; and any appropriate person whom you desire to act as a representative for you in connection with local promotion of the Franchised Business in a public media before such person begins; within 10 days of our written notification to

us. If we do not respond within 10 days, it is unapproved (Section 2.G. of the Franchise Agreement);

C. Specify minimum policy limits for certain types of insurance coverage (Section 7.C. of the Franchise Agreement);

D. Maintain a service through which selected phone calls to our Mr. Handyman toll free phone number, 877-MrHandyman, will be forwarded to you or us. In the phone routing process, we will make a best effort to route calls from prospective customers requesting service in your Territory to you. You will be billed our then current fee for calls made to the 877-MrHandyman number that are routed to your office. Currently this fee is \$0.12 per minute. We will use our best efforts to maintain this service 24 hours per day, seven days per week subject to acts of God or circumstances beyond our reasonable control, including power outages and the unavailability of telephone services (Section 3.B, 2.G and 14.D. of the Franchise Agreement).

E. Once you have started your business, you will have access to information helpful to the operation of your Franchised Business based on reports you submit to us and/or inspections that we make (Sections 7.D. and 8.B. of the Franchise Agreement).

F. Advise you of new products, services, and methods which we may have discovered, or have developed for the System;

G. If Software is proprietary to us, we will provide basic support during our regular business hours at our then current rate (Exhibit C of the Franchise Agreement). Currently this is being provided for \$0. Before attending the Initial Training program, you should have basic operating knowledge of the Windows operating system and word processing and spreadsheet applications;

H. Furnish you with any specifications for required products and services (Section 7.A. of the Franchise Agreement); and

I. Although not obligated, we reserve the right to hold a Convention and/or Regional Meeting on an annual or semi-annual basis. If they are held, you will be required to attend, but under no circumstances will you be required to attend more than one event every 2 calendar years (Section 3.A. and 12. of the Franchise Agreement).

11.4 Marketing and Promotion Fund

Recognizing the value of marketing, advertising, and promotion to the goodwill and public image of the System, we have established a marketing and promotion fund (the "Fund") for marketing, advertising, promotion, cross-promotion, and public relations programs and materials (Item 6 of this Disclosure Document and Section 2.H. of the Franchise Agreement). You promise to contribute to the Fund 1.25% of your Gross Sales. All contributions are by EFT and in the frequency prescribed. All franchises are required to contribute on the same basis. Monies not expended during the year that they are collected will remain in the Fund for future expenditure.

Monies collected for the Fund may be used to pay the costs, including personnel, associated with preparing and producing various marketing and promotional items as recommended by the National Marketing Committee. These items may include: video, audio, and written materials, administering and placing national, regional, and multi-regional marketing and advertising programs, administering and placing cross-promotion programs with third parties, and employing outside advertising and public relations agencies to provide assistance and support for public relations, market research, and other advertising, promotion, marketing and online activities.

We will direct and coordinate all programs financed by the National Marketing Fund, following recommendations received from the National Marketing Committee regarding the creative concepts, materials, and endorsements used and their geographic market, media placement,

and allocation. We will administer these programs for a fee not to exceed 10% of the Fund revenues. Our expenditures of the fund will be at our sole discretion and we are not obligated to spend any in your local market, or do it in a way that equally benefits any individual franchisee, or is in proportion to their payments. Any materials developed by the Fund will be made available to you through our fulfillment supplier for the published fees.

The Fund will not be our asset, but will be accounted for separately from our other funds, and will be held for the benefit of the System. Monies from the Fund will not be expended on advertising that is principally a solicitation for the sale of new franchises. We will furnish to you, upon request, an annual unaudited statement of monies collected and costs incurred by the Fund. The National Marketing Fund is not our asset. We account for it separate from our other funds, and it is for the benefit of the System. During our last fiscal year of the National Marketing Fund, (ending December 31, 2013) it collected \$611,801. It spent 2% of the amount collected on Creative; 6% on Public Relations; 9% on Phone; 70% on Internet; less than 1% on Research; 7% on Management Fees; and 5% on Social Media.

We can have the Fund incorporated or operated through a separate entity anytime we deem appropriate, and the successor entity will have all of the rights and duties specified in this Item.

11.5 Local Marketing

You will conduct your own marketing, advertising, and promotion programs, using approved materials and venues, at the local level at your own expense (See Item 6). You may also be required to participate in an advertising cooperative, which will be comprised of all Franchise Owners located within the designated advertising cooperative area.

Each year, you must spend at least \$3,000 average per month per Franchise Agreement for local advertising and promotional programs (Item 6 of the Disclosure Document and Section 2.G. of the Franchise Agreement). We may request each month that you submit to us, in the format that we require, an accurate accounting of your local marketing expenditures during the preceding month for approved marketing, advertising and promotion. We may, at our sole discretion, allow certain other expenditures to count towards a maximum credit of \$300 per month towards your Local Marketing Requirement ("LMR credit"). Each year, any LMR credits available will be posted on our intranet website or Manuals, and may include items such as properly decalated vehicles, the use of certain vendors, etc. We may modify the LMR credits at our sole discretion.

11.6 Advertising Cooperatives

The Franchise Agreement gives us the power to require advertising cooperatives to be formed, changed, dissolved or merged (Section 2.G.2 of the Franchise Agreement). We will notify you in writing of the Regional Advertising Cooperative ("RAC") for your area that you must join and the amount of your advertising cooperative contributions. We determine the area of each Advertising Cooperative. Your weekly contribution will be at least 1.25% but no more than 2.00% of Gross Sales unless the Cooperative changes the maximum contributions under its By-Laws (See Section 4 to the Sample By-Laws, Exhibit A-7 to the Franchise Agreement). Any monies paid to the Advertising Cooperative by you will be considered part of the fulfillment of your Local Marketing Requirement, and is not an additional requirement.

Each cooperative will be organized for the sole purpose of placing advertising and administering local advertising programs in accordance with plans approved by us. Each cooperative will be governed by majority vote of the owners whose territories are located within the advertising cooperative area. Each participating owner will receive one vote.

If the members of the RAC choose, they may at the sole expense of the members of the RAC order an audit following the end of each fiscal year. If an audit is conducted, the auditors will

present their audit report to the Board of the Cooperative as soon as practical and the Board will then present the report to the other members of the RAC at the next regular meeting or at a special meeting.

11.7 Other Advertising Information

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your area or territory. We currently advertise using online initiatives, print, radio and television, with local and regional coverage. We currently employ both an in-house marketing department and national or regional advertising agencies.

You may develop advertising materials for your own use, at your own cost. As stated above, we must approve these advertising materials in advance and in writing, if we do not respond to your written request, within 10 days after receiving your written request, the material is unapproved.

11.8 Telephone Listings and Call Center (Section 2.I. of the Franchise Agreement)

As part of your local marketing, you promise to acquire and maintain a dedicated Mr. Handyman business telephone line which, in consideration for our granting you a Franchise, you agree is only available to you while you are a Franchise Owner. As part of the Franchise Agreement, you promise to authorize the transfer of any business telephone numbers and directory listings to us upon termination of the Agreement (Exhibit D of the Franchise Agreement).

You promise to maintain a 24-hour answering system approved by us on your business line.

You are required to pay for, and use, the Call Center that we authorize to answer incoming sales calls for rollover, evenings, and weekends. We may at any time, with 30 days prior notice to you, designate another method, vendor or manner for answering sales calls.

You must maintain, at a minimum, a trademark listing in the dominant Yellow Pages (Section 2.G. of the Franchise Agreement). To assure that we maintain consistency in Yellow Pages advertising, you must place your listing through an agency of our choice. If two or more Mr. Handyman businesses are served by the same telephone directory, we may require you to list all businesses under one Mr. Handyman heading. In this instance, you promise to pay your pro-rata share of the total expense of the joint listing which is determined by dividing the total expense by the number of Franchised Businesses which are listed. You promise to continually list the Franchised Business in the "White Pages" of the primary telephone directory servicing your Territory

11.9. Franchise Assessment (Not applicable to additional franchises).

To assist us in working with you, before signing the Franchise Agreement and/or attending Initial Training, we may request that you complete and return to us a franchise assessment profile.

11.10 Computer Software, Hardware, and Systems

You must use our proprietary Franchise Management Software System, (the "Software") which we provide to you or a similar software system selected by us to maintain your customer record keeping and reporting functions, and business accounting software to maintain your accounting records (Item 5 and Section 7.D. of the Franchise Agreement). The Software has been used since Mr. Handyman began franchising. Currently it is maintained and supported by us, although we reserve the right to outsource this to a third party at any time.

To assist in communications and file transfer, you must also maintain a DSL, Cable or Satellite high speed internet connection and subscribe to an electronic mail network of your choice. In addition, you may choose to establish a homepage on our Internet web site, or other portal that

we prescribe, that can contain certain information for your customers about Mr. Handyman and information specific to your Franchised Business. You may not implement a web site yourself or through a third party provider.

While the Franchise Agreement does not require you to upgrade your computer hardware, future versions of the Software may necessitate that you do so. We do not expect that you will need to upgrade your equipment for at least two years from the date of this Disclosure Document. The cost to upgrade is set by third party suppliers; a computer that meets our current requirement currently ranges between \$2,700 and \$2,900. You must upgrade the Software within a timely manner when new releases are released. Currently there is no additional charge for support and/or upgrades of the Software, although we may change this at any time.

The Software may allow us to independently access the Franchised Business's information without limitation. You must be able to operate the Windows® operating system, Microsoft Word®, Microsoft® Excel® and the required computer hardware. You must also utilize up-to-date anti-virus software on any computer used by the Franchise Business, at your expense. We may require that you keep your database on an independent server, or we may require that you keep it on a server that we maintain, for which you would pay. If your database resides on a server that we maintain, we will have access to all the information on your computer, which we may access at our discretion.

The computer must be dedicated solely for use in the Franchised Business. The computer, which is included in your Initial Package and typically costs between \$2,700 and \$2,900. It currently consists of a Dell Optiplex Desktop (Dual processor, 6 GB memory, RW-DVD), two flat panel monitors, Microsoft Office Software, Multi-function Printer/Fax/Copier/Scanner. However, as products and prices change over time, types, suppliers and brands may be changed in order to provide the best value to franchisees.

11.11 Email, Internet and Web Site

You must also maintain, on your business computer, an electronic mail account that must enable you to receive and send electronic mail and transfer computer files with us (Section 2.I. of the Franchise Agreement). We have the option of setting up an email server ourselves, and if we do, you agree to use, and pay for that as your email account for all email related to the Franchised Business. You must also maintain a DSL, Cable or Satellite high speed internet connection; we have the right to specify the specific type and/or carrier that you use. To enhance the brand and the Mark, the Franchised Business must use an email name that we have approved and that will have, as its suffix, "@mrhandyman.com." Emails sent to you at mrhandyman.com will be automatically forwarded to you at your electronic mail account. You promise to subscribe to, utilize, and pay for, a customized web site connected to our web site and managed by our web site provider (Item 6). You may not implement a web site yourself or through a third party provider without our prior written approval.

You promise not use the Marks in any internet advertising, except as provided for under the then current Internet policy, as published in the most current Manuals and/or Intranet Site. This includes, but is not limited to: web sites, domain names, URL's, linking, meta-tags, social media platforms as well as any other method of performing e-commerce activities. If approved to engage in Internet Marketing, you agree to adhere to the Internet Marketing policy, including our specifications on placement, key words, meta tags, titles, etc., and other requirements as we determine. You agree to claim the online listings that we designate, and to claim and update them only as instructed by us.

11.12 Service Technician

You must employ a full-time experienced Service Technician to perform the services for the Franchised Business (Section 2.L. of the Franchise Agreement). The Managing Owner may not serve as the Service Technician unless you have received our written permission.

11.13 Manuals

Upon request, we will permit you to view the Manuals at our home office in Ann Arbor, MI or elsewhere as arranged, before you purchase the Franchise. Before your review, you must sign our then current Non-Disclosure Agreement (Exhibit A-4 of the Franchise Agreement). We consider all the material on our Mr. Handyman Owner's Intranet Web site as part of our Manuals. The following is the Table of Contents of our Operating Manuals as of the date of this Disclosure Document, which we reserve the right to modify at any time:

Topic	Number of Pages
Right Start	59
Operations, Reference and Standards	139
Marketing	124
Software	99
Material Safety Data Sheets*	631
TOTAL	1,052

* These are a partial list of Material Safety Data Sheets that OSHA requires that you provide to your technicians.

11.14 Initial Training and Right Start (Not applicable for additional Franchises awarded to you Item 5)

You must attend an Initial Training program and will need to successfully complete that program (Section 3.A. of the Franchise Agreement) within six months of the time you sign the Franchise Agreement and before opening the Franchised Business. Initial Training begins with "Right Start," a six to eight week program that includes numerous pre-opening activities. During Right Start, you must prepare a comprehensive financial plan, review the Manuals, complete a territory review, coordinate your initial advertising program, acquire proper insurance, and acquire all permits, licenses, and approved vehicles. Right Start activities are completed before attending training in Ann Arbor and are conducted in your hometown with assistance from our home office staff. You may enter Right Start immediately upon your signing and return to us of the Franchise Agreement and the Initial Fees. During Right Start, we will tentatively schedule a classroom training session for you to attend. Final confirmation of your scheduled classroom training will be contingent upon your successful completion of Right Start. In addition, your on-site training and opening business launch dates will be mutually agreed upon during Right Start.

Upon your successful completion of Right Start, you will attend up to ten days of classroom training at our home office in Ann Arbor, MI or at another location designated by us. Following the successful completion of your classroom training, final confirmation will be made of your business launch date which will include two days of training at your site. We may also require that you attend one of our field training centers for two (2) to three (3) days.

Although we will furnish Initial Training to you, and one other person, at no additional fee, you must pay for all travel and living expenses you incur while training. You may designate, with our approval and on a "space available" basis, additional persons to attend other sessions of the

classroom portion of the Initial Training program, for which you will be charged our then current training fee. In addition, each attendee must sign our then current Non-Disclosure Agreement before the start of the session. The training fee will be due and payable before the start of the classroom session and you must pay all travel and living expenses incurred by your designees while training.

If this is an additional Franchise being awarded to you, and you have already attended Initial Training, the requirement that you attend Initial Training and Business Launch is waived, as is our obligation to provide this to you at no additional fee. If this is a Transfer, you will need to attend the Initial Training course in Ann Arbor, MI. However, you are not required to attend, and we are not required to provide, the Business Launch.

We reserve the right to revise the training itineraries at any time. We conduct the Initial Training as often as needed, typically this is at least once monthly. All classes are scheduled by written notice to franchise owners.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Marketing and Advertising	4-5 hrs	n/a	Home Office
Vendors/Supplies	1-2 hrs	n/a	Home Office
The Mr. Handyman System	11-12 hrs	n/a	Home Office
Customer Service	6-7 hrs	n/a	Home Office
Using the Software & web site	4-5 hrs	n/a	Home Office
Employee Relations	2-3 hrs	n/a	Home Office
Franchise/Franchisee Relationship & Support	3-4 hrs	n/a	Home Office
Hands-On Training at a Mr. Handyman Franchise Owner's Office	n/a	2-3 days	Various (depends on availability of trainer)
TOTAL	31-38	2-3 days	

On-going training helps to enhance the System, your management of the Franchised Business, and the services provided to Mr. Handyman customers. Currently, we have chosen to provide on-going training through Conventions and Regional Meetings, as well as through webinars. While we may, at our sole option, choose to change formats, times, and locations, you must attend some form of periodic training session for which we may charge fees. We establish the duration, curriculum, and location of these sessions. The curriculum for past events has included (but is not limited to): technical training, business plan analysis, marketing, profitability, and maximizing your business opportunities. Continuing training sessions are currently held online, in Ann Arbor, MI or at other locations as determined by us. Past locations have included Florida, Arizona, California, and others.

Although our experience indicates that you will attend continuing training sessions as they are offered, you must attend at least one additional Training Session every 2 years. You will not be required to attend any session that is more than two days in duration. You must pay all

registration, travel and living expenses that you incur while attending any session. If you do not attend at least one event every two years, we may debit your account \$1,000.

ITEM 12. TERRITORY.

12.1 The Territory

We award you a Territory within which you may offer Mr. Handyman services to customers (Exhibit A of the Franchise Agreement). We identify Territories by US Census Bureau Census Tracts or physical or political boundaries. Within your Territory, you and we will agree upon an approximate number of Target Households that meet our current demographic formulation. Currently, we determine this based on ESRI Business Information Solutions' (ESRI BIS) **Community™ Tapestry™** segmentation system, located at 8620 Westwood Center Drive, Vienna, VA 22182; however, we have the right to change the demographic company that we utilize at any time.

We will not alter your Territory during the term of the Franchise Agreement and any Successor agreements without your written consent. The typical Territory includes approximately 55,000 Target Households. The minimum Territory size is 40,000 Target Households and the maximum Territory size is 70,000.

12.2 Servicing Customers

You may not relocate your territory nor can you solicit or perform services for customers geographically located outside your Territory. You may, at our sole discretion, be approved to service customers outside of your Territory provided that the Territory has not been awarded to another franchise owner. Your request and our approval must be in writing and you must agree to the following conditions:

1. We may withdraw approval at any time and at our sole discretion.
2. We may award a franchise to a third party for an area that we have approved you to service at any time and without informing you ahead of time or getting your approval. In the event that we do so, you will discontinue service to any customers in the area and will transfer their complete service information, without compensation, to the owner of the Territory or to us.
3. You do not actively solicit customers through any marketing medium primarily directed to areas outside of your Territory.

Failure to comply with our written notice requiring customer transfer can result in termination of the Franchised Business.

At times you may receive requests to perform commercial work. You agree that if for some reason you decide not to perform the job that we may refer the job to the closest neighboring franchisee that is in compliance with the Franchise Agreement at no compensation to you (Section 1.C. of the Franchise Agreement).

12.3 Our Obligations and Rights we Reserve

During the term of this Agreement we promise neither to operate ourselves, nor to award to any other party, a Mr. Handyman franchise to operate within your Territory, except as provided for in section 1.D. of the Franchise Agreement. We retain, as we deem appropriate, the rights to:

1. Establish, and allow other Franchisees to establish, Mr. Handyman business facilities at any location inside or outside of your Territory, on any terms and conditions, but subject to the same restrictions upon their marketing and servicing Mr. Handyman customers in your Territory that you are subject to in their Territory;

2. Solicit, market to, advertise to, and build national and regional account relationships, whose offices may be located inside or outside of your Territory;

3. Offer and sell services and products within your Territory that do not comprise a part of the Mr. Handyman system and, in connection with this right, to exploit our Marks, name, reputation and know-how;

4. Sell Mr. Handyman identified products through other channels of distribution;

5. Acquire businesses inside and outside of your Territory, providing services similar to those provided for under the System and to be acquired by such a business;

6. Offer additional services for our Mr. Handyman Franchisees to perform under the Marks; however, you may be required to meet certain qualifications, sign another contract and/or pay a fee prior to offering these services.

7. We reserve the right at any time, at our sole discretion, to allow another Mr. Handyman Franchisee(s) to locate their office(s) within your Territory; provided that our agreement with the other Mr. Handyman Franchisee(s) states that they may not market to, or service customers that are located within your awarded Territory without yours and our written permission.

If you fail to achieve the Minimum Gross Sales (Item 6 of the Disclosure Document and Section 2.F. of the Franchise Agreement), we may charge you a Royalty equal to what you would have been assessed had you achieved them. Alternatively, the Franchise Agreement and corresponding rights to the Territory may be terminated.

Although we have not done so, we and our affiliates may sell products under the Trademarks within and outside your Territory through any method of distribution, although it may not be through a Mr. Handyman location in your Territory. This includes sales through such channels of distribution as the Internet, Catalog Sales, Telemarketing or other Direct Marketing Sales (together referred to as "Alternative Distribution Channels"). You may not use Alternative Distribution Channels to make sales outside or inside your Territory and you may not receive compensation for our sales through Alternative Distribution Channels except as described in the following paragraph.

If we engage in electronic commerce through any Internet, World Wide Web, or other computer network site, or sell through any other Alternative Distribution Channel, and we receive orders for any residential or commercial maintenance and repair, calling for performance in your Territory, we will offer the order to you at the price we establish. If you choose not to fulfill the order, if you do not meet the requirements, or otherwise, are unable to fulfill the order, then another Mr. Handyman Franchised Business may fulfill the order, and you will be entitled to no compensation in connection with this.

We and our affiliates can use Alternative Distribution Channels to make sales within your Territory of products or services under Trademarks different from the Trademarks you will use under the Franchise Agreement, but we and our affiliates have not yet made any sales of this time.

12.4 Additional Franchises

Upon receiving your request, we may award you additional franchises. Listed below are some examples of the criteria we use to award an additional franchise:

1. You must have been operating the Franchised Business at least one year and be in full compliance with your Franchise Agreement(s), including not being in default during the preceding 12 months.

2. You have no outstanding payments due to Mr. Handyman International, LLC.

3. You must be achieving positive cash flow for at least six of the last eight months.
4. You are in good standing with a consistent record of compliance with Mr. Handyman standards. This includes but is not limited to having proof of all required insurances on file with us, having approved uniforms, vans, customer service, attendance at Conventions or Regional meetings, and timely submission of profit and loss statements, required reports, databases, royalty reports and all payments due to Mr. Handyman.
5. You must average at least \$10,000 per week in Gross Sales for a calendar quarter or more per territory already owned by you. (I.e., if you had been awarded two Franchise Agreements already, you would need to average \$20,000 per week, if you had three, \$30,000 per week, etc.)
6. You have the ability to market and service the new expansion area, i.e. have a strong, developed organization, demonstrated ability to develop a market, and the financial capability to market and support the expanded area. Owner must show documentation that confirms they are meeting the marketing requirements of your current Franchise Agreement(s) and must demonstrate the ability and plan that shows you will increase marketing to commensurate with the additional territory you are purchasing.
7. The territory you wish to expand into must not be in the active sales process with an identified candidate at the time of the request or approval. The expansion must not hamper the ability to sell territories adjacent to the current or expansion territory. The expansion territory will have no more than a total of 60,000 additional expansion Target Households.
8. Additional territory may be purchased in twelve months intervals if owner re-qualifies based on the aforementioned criteria.
9. You follow all of the Expansion Procedures, including but not limited to the execution of all required documents and the payment of any fees.

If you are approved for an expansion territory, you must sign a new Franchise Agreement and pay the appropriate fee in full within 14 days of receiving the documents. You may not, without our prior written permission, solicit or perform services for customers geographically located within the proposed territory until you have purchased the Territory and signed a then current Franchise Agreement.

Currently, the fixed Initial License and Initial Package Fees are waived for franchisees who qualify to expand (Item 5); however, you need to pay the Territory Fee and sign a new Franchise Agreement.

ITEM 13. TRADEMARKS.

We own the trademarks, service marks, trade names, logotypes, and numerical symbols listed below for promotion, use, license, and sale by us throughout the United States, its territorial possessions, and the District of Columbia. The Franchise Agreement grants to you the license to operate the System under the Mr. Handyman name and under any other trade names, trade dress, indicia, trademarks, service marks, and logos currently used, or that may be used in the operation of the System (the “Marks”).

The following trademarks, service marks, trade names, logotypes or other commercial symbols are registered or are in the process of being registered with the United States Patent and Trademark Office (“PTO”) and the registrations are on the principal register (the “Registered Marks”):

Trademark	Serial #	Filing Date	Registration Date	Registration Number
MR. HANDYMAN®	76/314362	09/19/01	07/30/02, renewed 07/23/12	2600952
	78/271303	07/08/03	04/20/04	2834696
MR. HANDYMAN and Design®	76/278105	06/29/01	09/17/02, renewed 09/26/12	2620745
MY HANDYMAN®	76/277643	06/28/01	05/06/03, renewed 05/30/13	2714368
MY HANDYMAN and Design®	78/340633	12/15/03	08/16/05	2985119
ON TIME. DONE RIGHT®	76/520297	06/06/03	03/16/04	2822956
MS HANDYMAN	78/639916	05/31/05	04/15/08	3412818
MS HANDYMAN and Design	77/408868	02/28/08	12/16/08	3546223
MRS. HANDYMAN	77/408953	02/28/08	06/02/09	3632573
	77/408958	02/28/08	09/30/08	3508340
MRS. HANDYMAN and Design	77/409441	02/29/08	05/26/09	3628240
	77/409515	02/29/08	09/30/08	3508373
MRHANDYMAN.COM	77/560486	09/02/08	01/05/10	3734955
	77/560488	09/02/08	01/05/10	3734956

No state trademark registrations are filed. We do, however, intend to commence an on-going practice of registering new trademarks for promotional or related advertising activities. There are no effective determinations of the PTO or of the trademark administrator of any state or court nor are there any pending proceedings or material litigation involving the registered Marks that are relevant to their use. There are no agreements currently in effect that significantly limit our rights within the United States, to use, or license the use of the above mentioned Marks in any manner material to the Franchise.

You must follow our rules when you use the Marks. You may not use any Mark (including the name Mr. Handyman, mrhandyman.com, My Handyman or myhandyman.com) as part of your corporate or legal business name or with modifying words, terms, designs or symbols (except for those we license to you). You may not use any Mark in selling any unauthorized services or products or in any other way we have not expressly authorized in writing.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark or any claim by any person of any rights in any Mark. Other than our attorneys, your attorneys, and us, you may not communicate with any person about any infringement, challenge or claim. We may take the action we deem appropriate and control exclusively any litigation, PTO proceeding, or any other administrative proceeding from the infringement, challenge or any other type of claim concerning any Mark. You must sign any documents and take any action that, in the

opinion of our attorneys, protects and maintains our interests in any litigation or PTO or other proceeding.

If you have timely notified us of the claim or proceeding and complied with the Franchise Agreement, we will reimburse you for all damages you suffer in any trademark infringement proceeding from your authorized use of any Mark, and for all costs you reasonably incur in defending any claim brought against you or any proceeding in which you are named a party. We may, at our option, defend and control the defense of any proceeding from your use of any Mark.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. You must pay for any expenses related to the changing of trademarked items. We will not reimburse you for any loss of revenue due to any modified or discontinued Mark or for any expenditure you make to promote a modified or substitute trademark or service mark.

We do know of instances where another entity may have superior prior rights to use the “Mr. Handyman” mark that could materially affect your use of our principal Mark. In these instances, you will use the Marks “My Handyman”. The areas include: Washtenaw County, MI (1998); Montgomery County, NH (1991); and Morristown, TN (1994). We also know of instances where another entity is infringing upon the “Mr. Handyman” mark. We are taking action to defend our Marks in these areas, which include: Tucson, AZ (unknown); Southern Florida (unknown); Atlanta, GA (2013); Hillsborough County, NJ (unknown); Long Island, NY (unknown); and Henderson, NV (unknown).

We are the lawful and sole owner of the domain name www.mrhandyman.com. You cannot register any of the Marks that are now, or in the future, owned by us or any abbreviation, acronym or variation of the Marks or any other name that could be deemed confusingly similar, as Internet domain names. We retain the sole right to advertise the system on the Internet and to create, operate, maintain and modify or discontinue use of a web site using the Marks. You may access our web site. Except as we authorize in writing in advance; however, you cannot: (i) link or frame our web site; (ii) conduct any business or offer to sell or advertise any products or services on the worldwide web; or (iii) create or register any Internet domain names in connection with your Franchise. The only exception is that you may list the Mr. Handyman business in the local online directory.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

14.1 Patents

There are no patents that are material to the franchise.

14.2 Copyright

We do not own any registered copyrights which are material to the franchise; however, we claim common law copyright and trade secret protection for several aspects of the franchise System, including but not limited to, the Manuals, advertising materials, business forms, videos, CD-Rom’s, Franchise Software Management System, and other printed and advertising material used in operating the System. You must use these items only in the way we specify and only while operating your Franchised Business.

The Manual is described in Item 11. You can use the proprietary information contained in the Manual in connection with the operation of your Mr. Handyman Business. Item 11 describes limitations on the use of the Manual by you and your employees. You must promptly tell us if you learn about unauthorized use of our proprietary information. We are not obligated to take any action, but will respond to this information as we think appropriate.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements currently in effect that significantly limit our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses that could materially affect your use of the copyrighted materials in any state. We need not protect or defend copyrights, although we intend to do so when this action is in the best interest of the Mr. Handyman System.

The Manual, which is described in Item 11, and other materials we possess, contain our confidential information. This information includes methods, formats, specifications, standards, systems, procedures, information, sales and marketing techniques, and knowledge of, and experience, in development, operation, and franchising Mr. Handyman Businesses; marketing and advertising programs for Mr. Handyman Businesses; knowledge of specifications for and suppliers of certain equipment, forms, materials, services and supplies; personnel; and knowledge of the operating results and financial performance of Mr. Handyman Businesses other than your Mr. Handyman Business.

14.3. Proprietary Information

All ideas, concepts, techniques or materials relating to a Mr. Handyman Business, whether or not constituting protectable intellectual property, and whether created by or on behalf of you, must be promptly disclosed to us, will be considered our property and part of our franchise system and will be considered to be works made-for-hire for us. You must sign whatever documents we request to evidence our ownership, or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

You may not use our confidential information in an unauthorized manner and must take reasonable steps to prevent its disclosure to others.

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

You must at all times faithfully, honestly, and diligently perform your obligations under the Franchise Agreement. In the Franchise Agreement, you must designate one Managing Owner (the "Managing Owner") who will be our primary contact with the Franchised Business and who will operate the Franchised Business on a full-time basis. The Managing Owner must successfully complete our Initial Training program (Section 3.A. of the Franchise Agreement) within six months of signing the Franchise Agreement and before the opening of the Franchised Business. The Managing Owner must continuously exert his/her best efforts to manage, promote, and enhance the Franchised Business and not engage in any other business or activity that, in our opinion, conflicts with your obligations to operate the Franchised Business.

To insure positive customer relations and maintain the goodwill of the System, you must provide response within one business day to any and all customer inquiries or complaints, and make best efforts to resolve the issue within 7 days of the initial customer contact, even when such response may necessitate re-performing a task, or issuing a refund of monies received.

Before attending Initial Training, opening the Franchised Business, and/or upon any change to the Legal Entity ownership, you must submit to us a Corporate Resolution which states the name of the Corporation or LLC, the legal names of all of the partners or shareholders, the percentage of ownership that each member controls, their place of residence and their agreement to be bound by the terms of the Franchise Agreement. In the case of multiple owners, you must submit a dispute resolution that states what you will do in the event that there is a conflict between any owners of the legal entity. In addition, at all times, at least 67% of the company must be controlled by owners who have executed the Franchise Agreement. The remaining owners must sign a written agreement to maintain confidentiality of the trade secrets and their agreement to

abide by the covenant not to compete, as described in Sections 6 and 13 of the Franchise Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.

You must offer and provide all of the services that we require for Mr. Handyman franchises. You may not market or perform any services that we have not authorized. Our System Standards may regulate required or authorized services and service categories and supplies. There are no limits on our right to periodically change required and/or authorized services and service categories, and we may do so at our discretion. We reserve the right to add additional products and services at any time.

Your grant of franchise to operate a Franchise Business does not include (i) any right to offer any services via e-commerce; (ii) any right to establish an independent web site or to establish a URL incorporating the Marks or any variation thereof; or (iii) any right to distribute, market or implement our products or services, including Proprietary Products, in any channel of distribution not specifically identified in the relevant agreements.

You shall at all times maintain sufficient levels of inventory and personnel to adequately satisfy consumer demand. You must stop using, offering, or approving services or products immediately upon notice that certain services or products have been discontinued. If the law prohibits the use or sale of any product or service, use must cease immediately.

You may not solicit or perform Mr. Handyman services for customers geographically located outside your Territory without our written approval (Item 12). Failure to comply with our written notice requiring customer transfer can result in termination of the Franchised Business (Section 12. of the Franchise Agreement).

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.

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

THE FRANCHISE RELATIONSHIP

Provision		Section in Franchise or other Agreement	Summary
a.	Length of the franchise term	Section 1	10 years from date of Signing of Franchise Agreement.
b.	Renewal or extension of the term	Section 11	If you are in good standing and full compliance with the Franchise Agreement you can add two additional consecutive renewal terms of 10 years.
c.	Requirements for franchisee to renew or extend	Section 11	You must (a) be in full compliance; (b) have satisfied all monetary obligations; (c) complete any required training; (d) pay us the then current Renewal Fee; (e) sign a General Release in form of Exhibit 4 to the Franchise Agreement; (f) timely notify us of your election to renew. You may be asked to sign a contract with materially

Provision		Section in Franchise or other Agreement	Summary
			different terms and conditions than in your original contract, but the boundaries of your Territory will remain the same, and the Royalty Rate on renewal will not be greater than your current Royalty Rate.
d.	Termination by franchisor without cause	None	Not applicable. We may not terminate you without cause.
e.	Termination by franchisor with cause.	Section 12.	We can terminate you only if you default. The Franchise Agreement describes defaults throughout – please read it carefully.
f.	“Cause” defined – curable defaults	Section 12.	You have 10 days to make payment of any amounts due to us following receipt of written notice, 15 days after notification of non-compliance with any law or regulation, 30 days to cure failures to operate the Franchised Business as specified by us in our Manuals and other confidential materials and any other defaults.
g.	“Cause” defined – non-curable defaults	Section 12.	Non-curable defaults include failure to successfully complete our Initial Training program within six months from the date you sign the Franchise Agreement, abandonment, un-approved transfers, material misrepresentations or omissions, conviction of a felony, failure to maintain insurance, interference with our inspection rights, failure to transfer upon death or disability, violation of any of the transfer provisions, dishonest or unethical conduct, unauthorized use or disclosure of the Manuals or confidential information, failure to pay taxes, failure to comply with System Standards, repeated defaults (even if cured), failure to achieve Minimum Gross Sales, understating Gross Sales by 5% or more, failure to cease servicing customers outside of your Territory, failure to provide us, on a timely basis, with any report, statement or return we require, failure to comply with modification to System Standards, failure to comply with any condition, warranty or certification.
h.	Franchisee’s obligations on termination/non-renewal	Section 13	Obligations include complete de-identification, transfer of phone numbers to us, payment of amounts due, return of all materials, delivery of all customer information, waiver of any claim for

Provision		Section in Franchise or other Agreement	Summary
			punitive or exemplary damages, agreement that, if there is a dispute between us, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains.
i.	Assignment of contract by franchisor	Section 10.A.	No restriction on us of the right to assign.
j.	“Transfer” by franchisee – defined	Section 10.B.	Includes the transfer, assignment or sale of the Franchise Agreement, the Franchise, the Franchised Business, any interest in them, in part or in whole.
k.	Franchisor’s approval of transfer by franchisee	Section 10.B.	We have the right to approve all proposed transfers (if qualified and specified conditions are met).
l.	Conditions for franchisor approval of transfer	Section 10.B.	You are in full compliance with the Franchise Agreement, the transferee has demonstrated sufficient business experience, aptitude, and financial resources to meet our then current standards, the transferee and its owners are not or do not remain engaged in a competitive business outside our Franchised Business, you provide us with written authorization to release to the transferee any and all information about the operation of the Franchised Business, the transferee has signed our then current form of Franchise Agreement, all outstanding fees owed by the Seller have been paid to us, the transfer fee is paid, material terms of the purchase agreement are approved, transferee successfully completes our Initial Training, release signed by you (also see r, below).
m.	Franchisor’s right of first refusal to acquire franchisee’s business	Section 10.D.	Before transferring your interest in the Franchise Agreement, you must first offer us the right to purchase the interest on the same terms and conditions contained in any bona fide offer less the transfer fee.
n.	Franchisor’s option to purchase franchisee’s business	None	We do not have an option to purchase your business
o.	Death or disability of franchisee	Section 10.C.	Transfer within six months of your death or disability as long as the business is operated in

Provision		Section in Franchise or other Agreement	Summary
			compliance during this period. Your heirs may continue to operate your Franchised Business if they would qualify as an assignee.
p.	Non-competition covenants during the term of the franchise	Section 6	No involvement in a competing business.
q.	Non-competition covenants after the franchise is terminated or expires	Section 13.D.	You may not engage or be involved in any manner in a competing business for 2 years in your former Territory, within a radius of 25 miles from the perimeter of your former Territory, or in any Territories of any Mr. Handyman franchises in operation at the time of Termination.
r.	Modification of Agreement	Section 15.J.	No modifications generally, but Manuals and System standards are subject to change.
s.	Integration/merger clause	Section 15.L.	Only the terms of the Franchise Agreement are binding (subject to state law). No other promises are enforceable. Any integration clause does not have the effect of disclaiming any information provided in the Franchise Disclosure Document.
t.	Dispute resolution by arbitration	Section 15.F.	Except for certain claims, all disputes must be mediated before the American Arbitration Association office closest to our then principal business address.
u.	Choice of forum	Section 15.G.	All actions must be commenced in the state, and in the state or federal court of general jurisdiction closest to our principal business address at the time of the action. You and we waive rights to jury trial and punitive and exemplary damages.
v.	Choice of law	Section 15. H.	Except for Federal Arbitration Act and other federal law, Michigan law applies.

The provision of the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law, (11 U.S.C. Section 101 et seq). See the state addenda to the Franchise Agreement and disclosure document for special state disclosures.

ITEM 18. PUBLIC FIGURES.

We do not use any public figures to promote our franchise to prospective franchisees. You have no right to use the name of any public figure for promotional efforts, advertising or endorsements, except with our prior written consent. No public figure has any investment in 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 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.

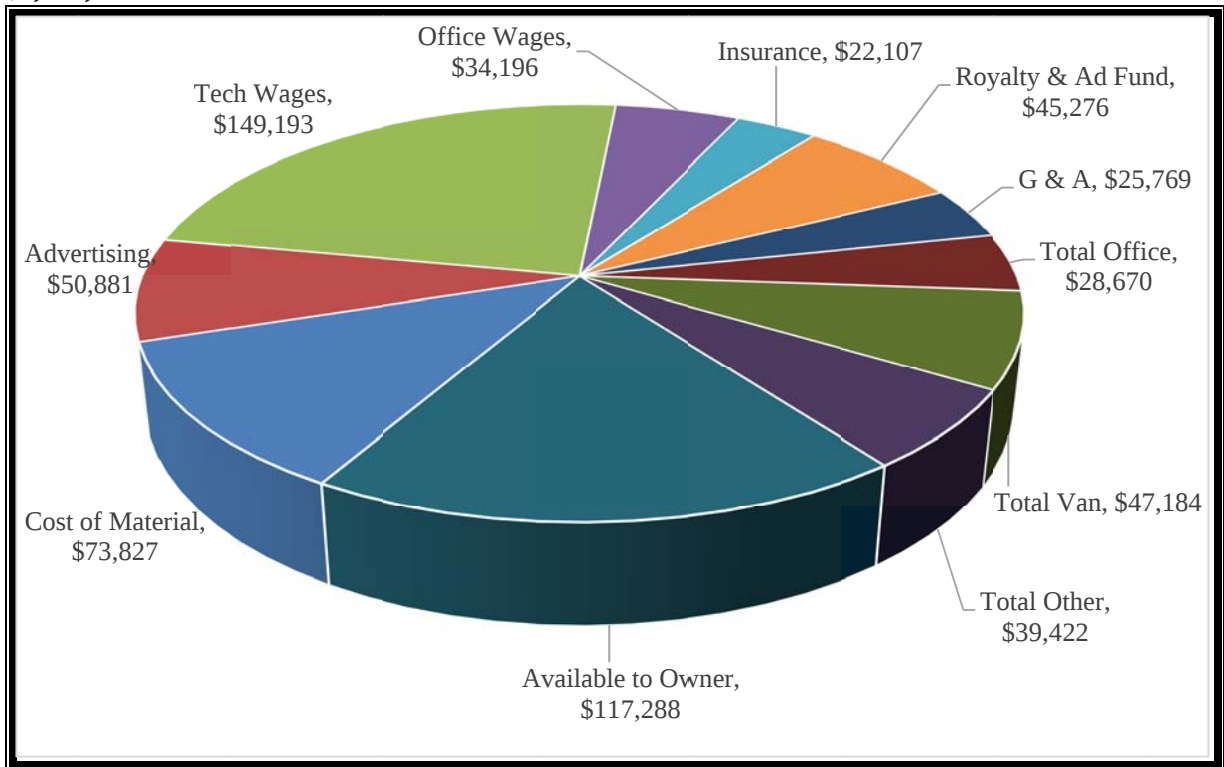
The following charts and tables are a historic financial performance representation and are not a forecast of your future financial performance.

As of December 31, 2013 there were 188 Mr. Handyman Franchised Businesses operating in the United States and 10 in Canada, these franchises were owned and operated by 106 owners ("Operators"), who consolidated their sales for the purpose of reporting. We do not operate any company stores. Unless otherwise noted, all results exclude Operators that ceased operation on or before December 31, 2013.

TABLE 1 – PROFIT AND LOSS STATEMENT FOR OWNERS WHO IN 2013 ACHIEVED BETWEEN \$400,000 AND \$1,250,000 IN GROSS SALES

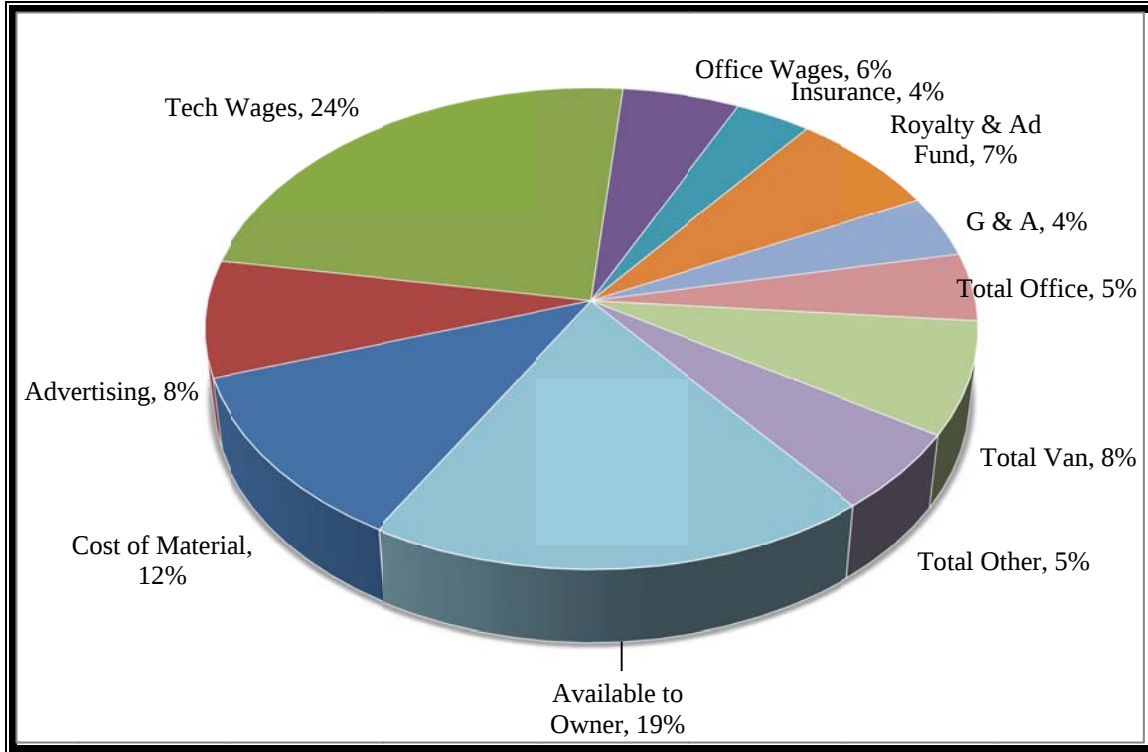
The following charts and table show the profit and loss achieved by the Mr. Handyman Owners who achieved between \$400,000 and \$1,250,000 in Gross Sales in 2013, who submitted their year-end profit and loss statement by February 15, 2014. At the start of 2013, the total months in operation for these owners ranged from 3 to 118. 1A shows the average profit and loss for these owners in dollars. 1B shows the average profit and loss for these owners as a percentage of their total Gross Sales.

1A - AVERAGES FOR OWNERS WHO IN 2013 ACHIEVED BETWEEN \$400,000 AND \$1,250,000 IN GROSS SALES - SHOWN IN DOLLARS



Description	2013 Average Sales	High	Low	Number Above Average	Number Below Average	% Above Average	% Below Average
Labor Revenue	\$ 513,304	\$ 830,810	\$ 293,825	12	18	40%	60%
Material Revenue	\$ 101,313	\$ 283,339	\$ -	15	15	50%	50%
Miscellaneous	\$ 19,196	\$ 52,534	\$ (631)	9	21	30%	70%
Total Revenue	\$ 633,814	\$ 1,211,672	\$ 412,028	11	19	37%	63%
Cost of Material	\$ 73,827	\$ 152,534	\$ (631)	13	17	43%	57%
Advertising	\$ 50,881	\$ 91,767	\$ 5,909	12	18	40%	60%
Tech Wages	\$ 149,193	\$ 310,315	\$ 86,098	15	15	50%	50%
Office Wages	\$ 34,196	\$ 96,392	\$ -	13	17	43%	57%
Insurance	\$ 22,107	\$ 51,123	\$ 7,533	12	18	40%	60%
Royalty & Ad Fund	\$ 45,276	\$ 88,267	\$ 28,603	11	19	37%	63%
G & A	\$ 25,769	\$ 60,695	\$ 10,895	11	19	37%	63%
Total Office	\$ 28,670	\$ 48,475	\$ 8,787	15	15	50%	50%
Total Van	\$ 47,184	\$ 70,275	\$ 2,228	17	13	57%	43%
Total Other Exp.	\$ 39,422	\$ 176,726	\$ 296	13	17	43%	57%
Total Expense	\$ 516,526	\$ 1,023,406	\$ 39,067	11	19	37%	63%
Available to Owner	\$ 117,288	\$ 344,812	\$ 32,353	12	18	40%	60%

1B - AVERAGES FOR OWNERS WHO IN 2013 ACHIEVED BETWEEN \$400,000 AND \$1,250,000 IN GROSS SALES - SHOWN IN PERCENT

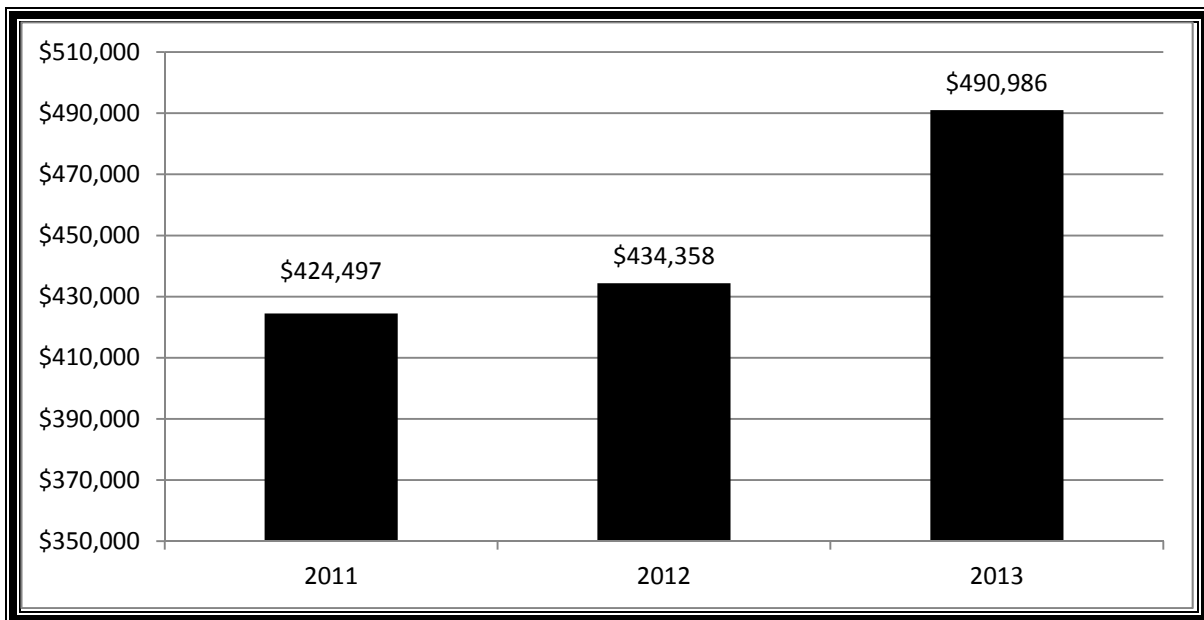


Description	2013Average Sales %	High %	Low %	Number Above Average	Number Below Average	% Above Average	% Below Average
Labor Revenue	81%	100%	64%	17	13	57%	43%
Material Revenue	16%	29%	0%	14	16	47%	53%
Miscellaneous	3%	13%	0%	9	21	30%	70%
Total Revenue	100%	100%	100%	0	30	0%	100%
Cost of Material	12%	22%	1%	12	18	40%	60%
Advertising	8%	16%	1%	15	15	50%	50%
Tech Wages	24%	39%	17%	13	17	43%	57%
Office Wages	5%	13%	0%	15	15	50%	50%
Insurance	3%	7%	1%	10	20	33%	67%
Royalty & Ad Fund	7%	8%	5%	18	12	60%	40%
G & A	4%	10%	2%	13	17	43%	57%
Total Office	5%	10%	1%	14	16	47%	53%
Total Van	7%	14%	4%	14	16	47%	53%
Total Other Exp.	6%	25%	0%	13	17	43%	57%
Total Expense	81%	93%	67%	19	11	63%	37%
Available to Owner	19%	33%	7%	11	19	37%	63%

As of December 31, 2013 19 of the 30 owners Operators represented in tables 1A and 1B operated multiple Mr. Handyman franchises and each such Operator's results are consolidated for the purposes of this table. The remaining 11 Operators who achieved between \$400,000 and \$1,250,000 in Gross Sales in 2013 were excluded because they did not turn in their finalized year-end Profit and Loss Statement by February 15, 2014.

TABLE 2 – STATEMENT OF AVERAGE GROSS SALES INFORMATION BY YEAR FOR ESTABLISHED OPERATORS

The following table provides the average annual Gross Sales information by year for all established Operators. For this chart, we consider an operator to be established if the business started operation on or before December 31, 2009. The average Gross Sales numbers are based on the Gross Sales figures for the calendar years 2011 to 2013, as reported by the established Operators directly through the Software, and does not include sales tax. This table excludes revenue from one established operator whose business generates more than half of its total revenue from services not currently adopted system wide and whose revenue exceeds 5 million dollars.



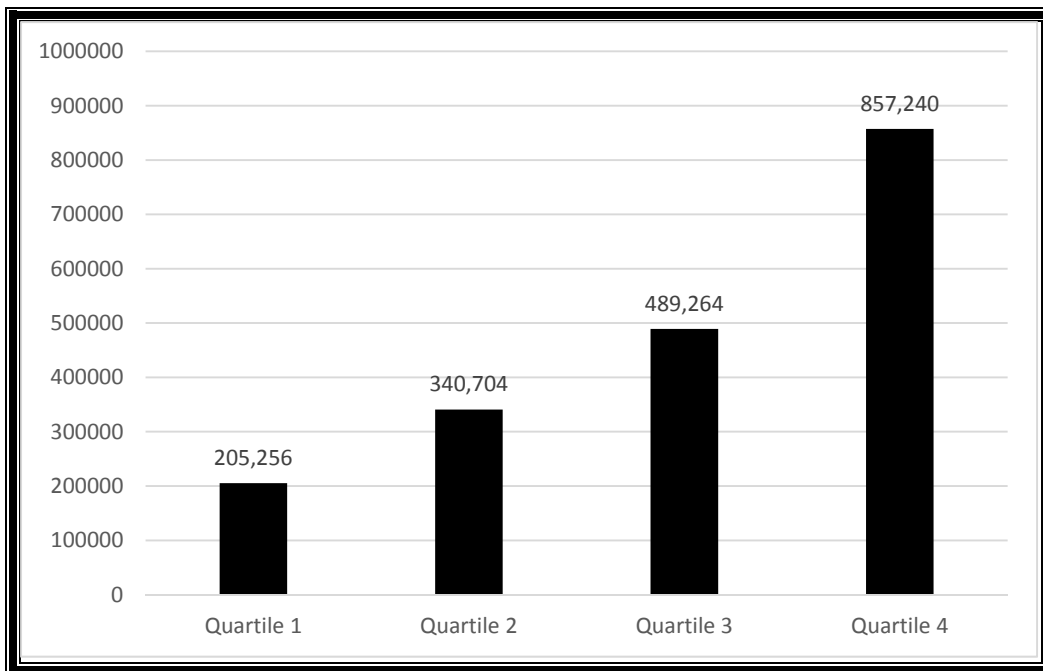
Year	Average Annual Sales	High	Low	Number of Owners	Number Above Average	Number Below Average	Percent Above	Percent Below
2011	\$ 424,497	\$ 1,691,460	\$ 64,410	87	39	48	45%	55%
2012	\$ 434,358	\$ 1,623,409	\$ 52,518	87	35	52	40%	60%
2013	\$ 490,986	\$ 1,607,095	\$ 95,487	87	34	53	39%	61%

As of December 31, 2013, 47 Operators represented in this table operated multiple Mr. Handyman franchises and each such Operator's results are consolidated for the purposes of this table.

TABLE 3: STATEMENT OF 2013 AVERAGE GROSS SALES INFORMATION BY QUARTILE

Table 3 provides the average Gross Sales information in 2013, by quartile, for all Operators in business for at least two full calendar years as of December 31, 2013. The average Gross Sales numbers are based on the Gross Sales figures for the calendar year 2013 as reported by the Operators directly through the Software, and do not include sales tax. This table excludes revenue from one established operator whose business generates more than half of its total revenue from services not currently adopted system wide and whose revenue exceeds 5 million dollars.

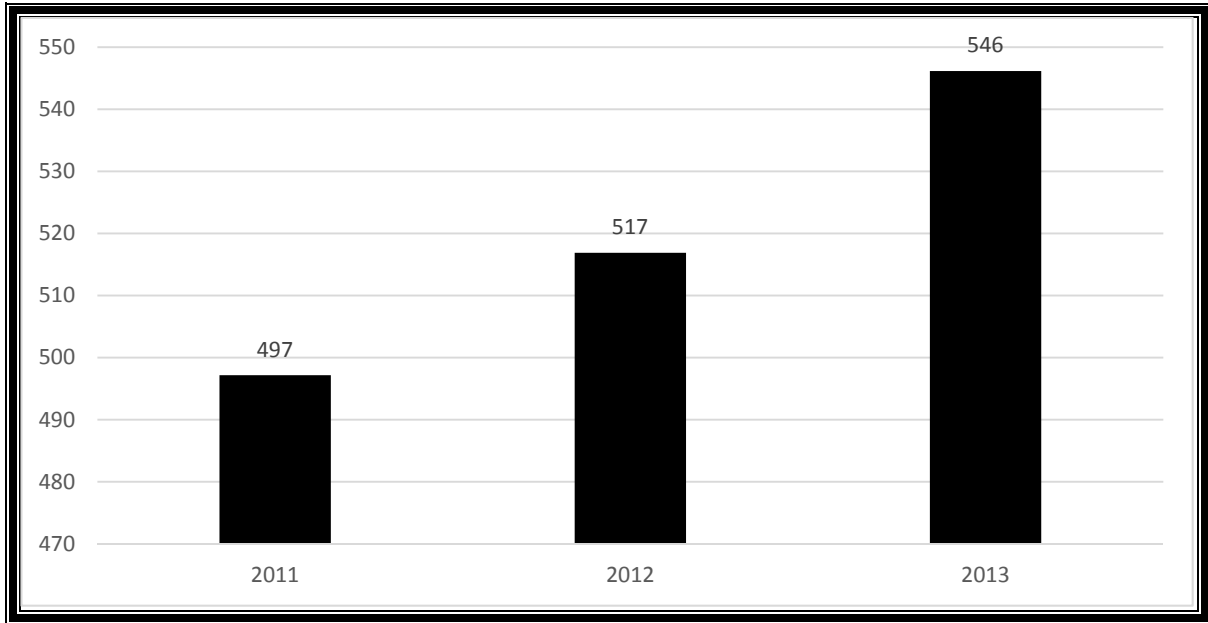
2013 AVERAGE GROSS SALES BY QUARTILE FOR ALL OPERATORS WHO HAVE BEEN IN BUSINESS FOR AT LEAST TWO CALENDAR YEARS



Quartile	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Average Gross Sales	\$ 205,256	\$ 340,704	\$ 489,264	\$ 857,240
High	\$ 273,705	\$ 402,364	\$ 568,380	\$ 1,607,095
Low	\$ 95,487	\$ 282,829	\$ 408,907	\$ 583,520
Number of Operators	25	25	26	25
Number Above Average	14	13	12	9
Number Below Average	11	12	14	16
Percent Above Average	56%	52%	46%	36%
Percent Below Average	44%	48%	54%	64%

TABLE 4 – STATEMENT OF AVERAGE PROJECT SIZE 2011-2013

The following table provides the average project size in the years 2011-2013 as reported to us by the Mr. Handyman Operators in the Software. Includes all active owners open at any time during the years 2011-2013. This table excludes 3 active owners who are not using the most current version of the Software through which this data was collected. This table excludes revenue from one established operator whose business generates more than half of its total revenue from services not currently adopted system wide and whose revenue exceeds 5 million dollars.



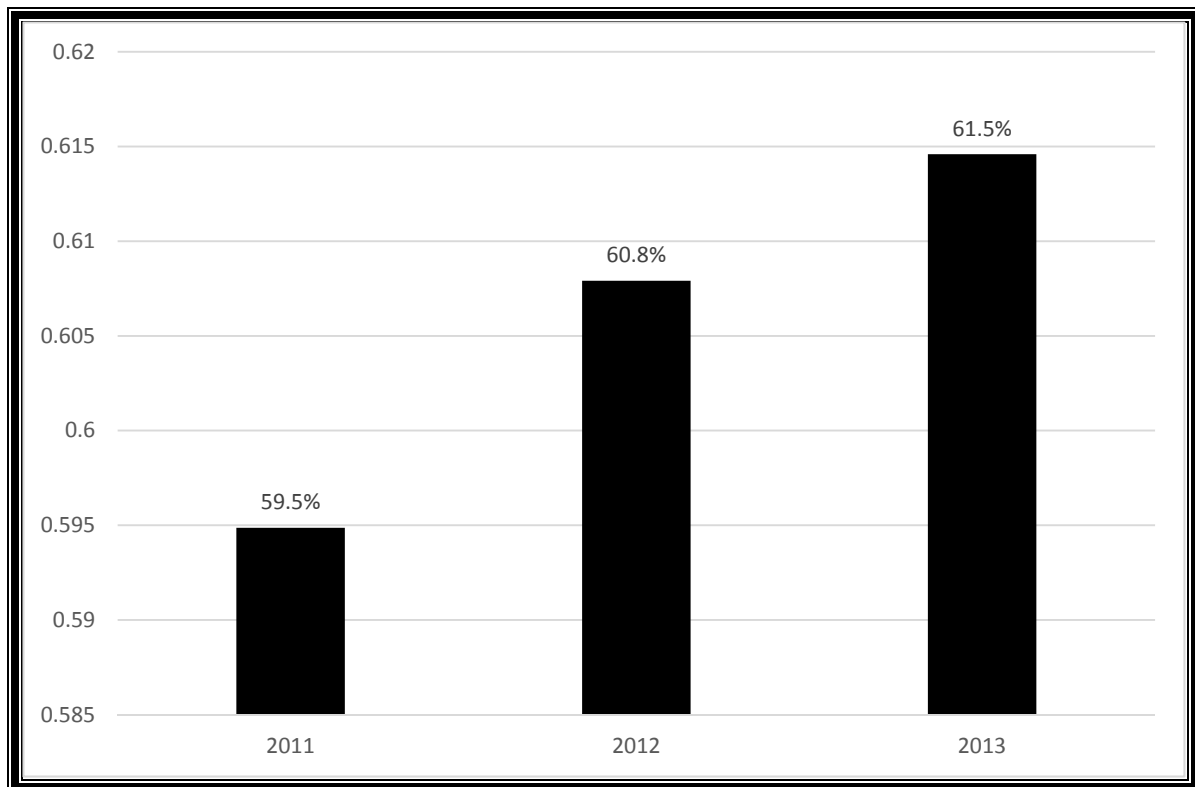
Year	Average Project Size	High	Low	Number of Owners	Number Above Average	Number Below Average	Percent Above	Percent Below
2011	\$497	\$1,922	\$119	181	78	103	43%	57%
2012	\$517	\$1,413	\$146	154	66	88	43%	57%
2013	\$546	\$1,165	\$180	124	54	70	44%	56%

* * *

TABLE 5: CUSTOMER FREQUENCY IN 2011-2013

The following shows the percent of sales derived from repeat customers. A repeat customer is one that has used our service at least once and spent more than \$75 on services. This includes established Operators. For this chart, we consider an operator to be established if the business started operation on or before December 31, 2009. Results are as reported to us by the Operators in the Software, who used the newer versions of the Software to report Gross Sales.

Yearly Revenue Percent from Repeat Customers



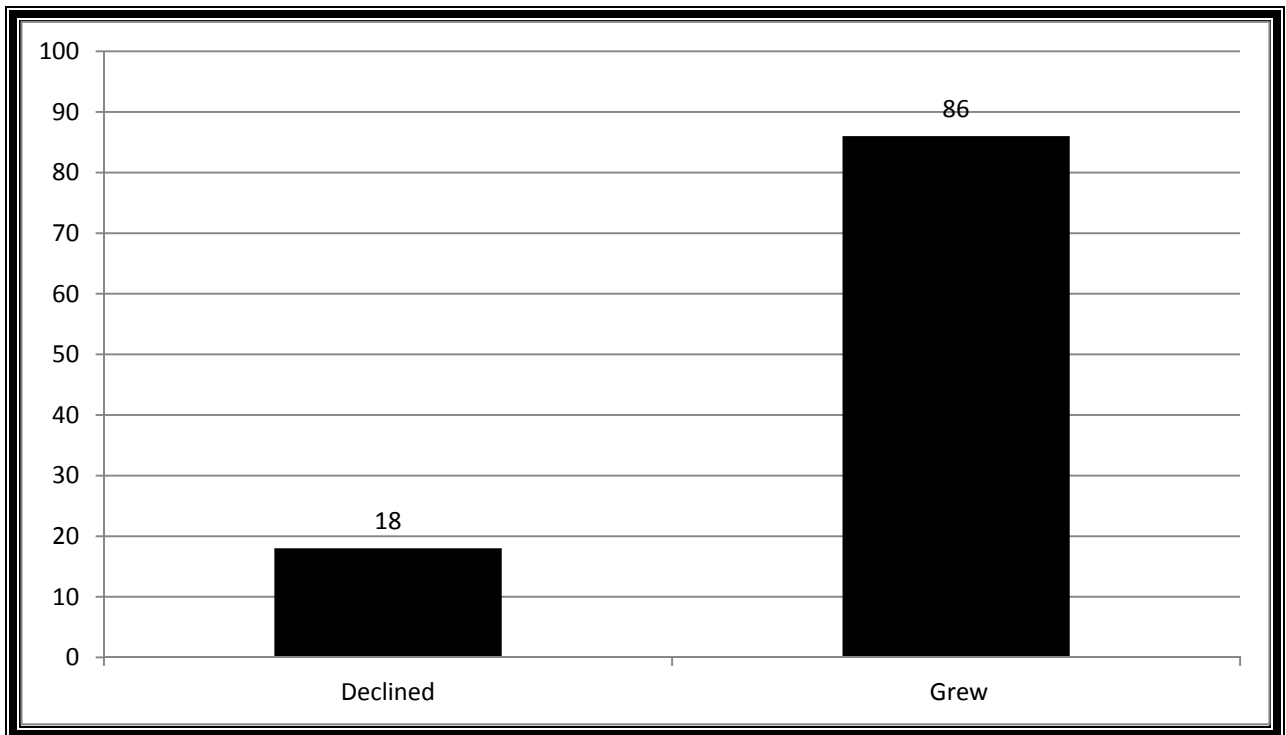
Year	Average Percent Repeat	High	Low	Number of Owners	Number Above Average	Number Below Average	Percent Above	Percent Below
2011	59.5%	87%	33%	91	39	52	43%	57%
2012	60.8%	85%	26%	91	36	55	40%	60%
2013	61.5%	80%	34%	91	31	60	34%	66%

* * *

TABLE 6: YEAR OVER YEAR GROWTH OR DECLINE IN 2013

The following chart shows the count of Operators that grew their business in 2013 versus those that did not grow their business or saw a decline. This includes all active owners who started operation on or before December 31, 2011.

Year Over Year Count Of Growth Versus Decline



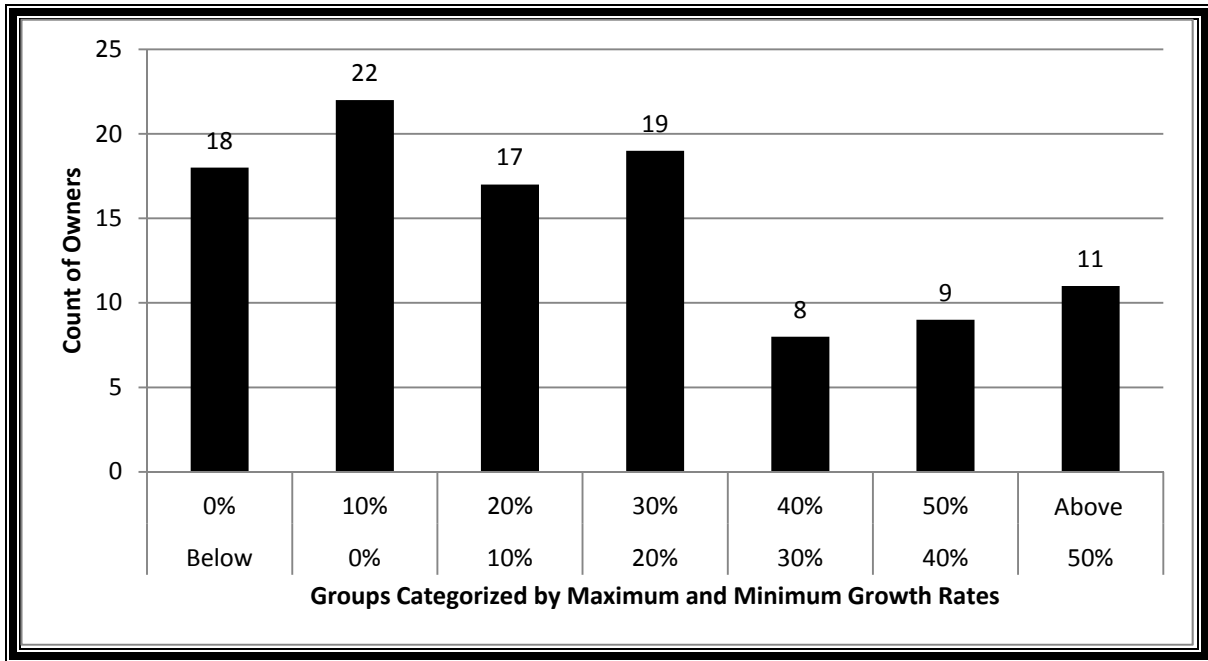
Year	Average Percent Growth	High	Low	Number of Owners	Number Above Average	Number Below Average	Percent Above	Percent Below
2013	14%	345%	-32%	104	54	50	52%	48%

* * *

TABLE 7: YEAR OVER YEAR GROWTH IN 2013

The following chart shows the count of Operators categorized by distinct growth rates for 2013 over 2012. This includes all active owners who started operation on or before December 31, 2011. Each group is distinguished by a maximum and minimum growth rate.

Year Over Year Percent Growth By Growth Rate Groups



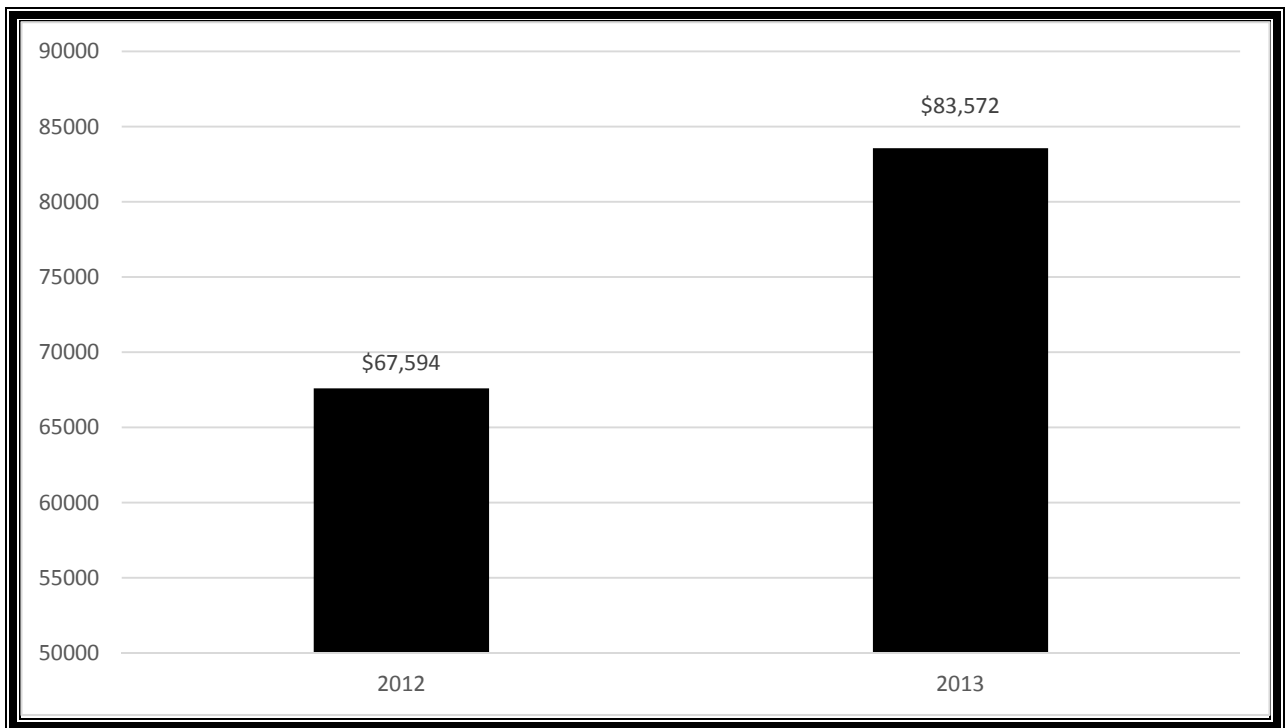
Growth Rate		Count	Percent of Total
From	To		
Below	0%	18	17%
0%	10%	22	21%
10%	20%	17	16%
20%	30%	19	18%
30%	40%	8	8%
40%	50%	9	9%
50%	Above	11	11%
Total		104	100%

* * *

TABLE 8: COMMERCIAL REVENUE

The following chart shows the average commercial revenue in 2012 and 2013. This includes all active owners who started operation on or before December 31, 2011. This table excludes revenue from one established operator whose business generates more than half of its total revenue from services not currently adopted system wide and whose revenue exceeds 5 million dollars.

Average Commercial Revenue By Year



Year	Average Commercial Sales	High	Low	Number of Owners	Number Above Average	Number Below Average	Percent Above	Percent Below
2012	\$ 67,594	\$ 398,723	\$ 3,054	91	29	62	32%	68%
2013	\$ 83,572	\$ 651,029	\$ 1,795	91	35	56	38%	62%

* * *

We do not make any representations or statements of actual or average or projected or forecasted sales, profits or earnings to franchisees except for the information that appears in this Item.

Actual results vary from franchise to franchise, and we cannot estimate the results of a particular franchise. Your results may vary upon the location of your business. A new franchisee's individual financial results are likely to differ from the results shown in the Financial Performance Representation. Achieving any sales level is a function of having enough staff and vans to adequately meet demand. We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors prior to executing the Franchise Agreement.

Table 1 above was prepared from unaudited Annual Profit and Loss Statements, as prepared by the Operators and submitted to us. Tables 2-8 were prepared from data obtained from the unaudited royalty report statements prepared by Mr. Handyman International for the statement periods of January 1 to December 31 including the years 2009, 2010, 2011, 2012, and 2013 unless otherwise indicated. We have in our possession written substantiation of the information used to compile the Franchise Performance Representation. At your written request, we will make this written substantiation available to you.

The earnings claim figures in Tables 2-8 do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenues or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating the Franchised Business. Franchisees or former franchisees listed in the Disclosure Document may be one source of information.

Gross sales reflect the total sales for the Operators included in the sample, as reported to us through the Software, and does not include sales tax.

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ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 20.1

SYSTEM WIDE OUTLET SUMMARY FOR YEARS 2011 TO 2013

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2011	269	232	-37
	2012	232	186	-46
	2013	186	188	2
Company-Owned	2011	0	0	0
	2012	0	0	0
	2013	0	0	0
Total Outlets	2011	269	232	-37
	2012	232	186	-46
	2013	186	188	2

TABLE NUMBER 20.2

**TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN FRANCHISOR) FOR YEARS 2011 TO 2013**

State	Year	Number of Transfers		State	Year	Number of Transfers
AZ	2011	0		MN	2011	0
	2012	3			2012	0
	2013	0			2013	1
CT	2011	1		NH	2011	1
	2012	0			2012	0
	2013	0			2013	0
DC	2011	0		NC	2011	1
	2012	0			2012	0
	2013	1			2013	0
IL	2011	3		TX	2011	0
	2012	3			2012	1
	2013	1			2013	1

State	Year	Number of Transfers		State	Year	Number of Transfers
MA	2011	0		VA	2011	0
	2012	0			2012	0
	2013	1			2013	1
MD	2011	0		Total	2011	11
	2012	0			2012	6
	2013	1			2013	7

TABLE NUMBER 20.3
STATUS OF FRANCHISED OUTLETS FOR YEARS 2011 TO 2013

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
AL	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
AZ	2011	7	0	0	0	0	0	7
	2012	7	0	0	0	0	1	6
	2013	6	0	0	0	0	1	5
AR	2011	1	0	0	0	0	0	0
	2012	0	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
CA	2011	42	0	0	0	0	16	26
	2012	26	0	1	0	0	9	16
	2013	16	0	0	0	0	0	16
CO	2011	4	1	1	0	0	2	2
	2012	2	0	0	0	0	0	2
	2013	2	1	0	0	0	1	2
CT	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	0	5
	2013	5	0	0	0	0	0	5

State	Year	Outlets at Start of Year	Outlets Opened	Term-inations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
DE	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
DC	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
FL	2011	13	0	0	0	0	1	12
	2012	12	0	1	0	0	3	8
	2013	8	2	0	0	0	0	10
GA	2011	4	0	0	0	0	2	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
ID	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
IL	2011	14	1	1	0	0	1	13
	2012	13	1	0	1	0	0	13
	2013	13	0	0	0	0	0	13
IN	2011	3	2	0	1	0	0	4
	2012	4	0	0	0	0	0	4
	2013	4	0	0	0	0	0	4
KS	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
KY	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
MD	2011	14	0	0	0	0	2	12
	2012	12	0	0	0	0	0	12
	2013	12	0	0	0	0	0	12
MA	2011	13	0	0	0	0	1	12
	2012	12	0	0	0	0	0	12
	2013	12	2	0	0	0	0	14
MI	2011	9	0	0	0	0	0	9
	2012	9	1	0	0	0	1	9
	2013	9	0	0	0	0	1	8

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
MN	2011	5	0	0	0	0	2	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	1	2
MO	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	1	1
	2013	1	0	0	0	0	0	1
NE	2011	3	0	0	0	0	0	3
	2012	3	0	0	0	0	1	2
	2013	2	0	0	0	0	0	2
NH	2011	2	0	0	0	0	0	2
	2012	2	0	0	0	0	0	2
	2013	2	0	0	0	0	0	2
NJ	2011	15	0	0	0	0	1	14
	2012	14	1	0	3	0	1	11
	2013	11	0	1	0	0	1	9
NM	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	0	0	0	0	0	0
NY	2011	15	0	0	0	0	4	11
	2012	11	0	0	0	0	3	8
	2013	8	1	1	0	0	0	8
NC	2011	9	0	0	0	0	0	9
	2012	9	0	1	2	0	3	3
	2013	3	1	0	0	0	1	3
OH	2011	5	0	0	0	0	0	5
	2012	5	0	0	0	0	1	4
	2013	4	0	0	0	0	0	4
PA	2011	16	0	0	0	0	1	15
	2012	15	0	0	0	0	6	9
	2013	9	0	0	0	0	0	9
SC	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	1	0
	2013	0	1	0	0	0	0	1
TN	2011	3	0	0	0	0	0	3
	2012	3	0	0	0	0	2	1
	2013	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
TX	2011	24	0	1	0	0	0	23
	2012	23	0	0	0	0	3	20
	2013	20	2	0	0	0	0	22
UT	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
VA	2011	15	0	0	0	0	1	14
	2012	14	0	0	0	0	0	14
	2013	14	1	0	0	0	0	15
WA	2011	10	0	0	0	0	0	10
	2012	10	0	0	0	0	0	10
	2013	10	0	0	0	0	0	10
WV	2011	1	0	0	0	0	0	1
	2012	1	0	0	0	0	0	1
	2013	1	0	0	0	0	0	1
WI	2011	4	0	0	0	0	1	3
	2012	3	0	0	0	0	0	3
	2013	3	0	0	0	0	0	3
Total	2011	269	4	3	1	0	37	232
	2012	232	3	3	6	0	41	185
	2013	185	11	2	0	0	6	188

TABLE NUMBER 20.4
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2011 TO 2013

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Total	2011	0	0	0	0	0	0
	2012	0	0	0	0	0	0
	2013	0	0	0	0	0	0

TABLE NUMBER 20.5

PROJECTED OPENINGS AS OF DECEMBER 31, 2013

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Arizona	0	1	0
California	0	1	0
Florida	0	1	0
Georgia	0	1	0
Kansas	0	1	0
Massachusetts	0	1	0
Minnesota	0	1	0
Missouri	0	1	0
New Jersey	0	1	0
North Carolina	0	1	0
Pennsylvania	0	1	0
Texas	1	1	0
Total	1	12	0

Note 1: In Tables No. 20.1- 20.5 there have been no franchise activity in the states omitted from the tables during the years indicated.

Note 2: Exhibit F includes the names, addresses and telephone numbers of all franchise owners as of December 31, 2013.

Note 3: Exhibit G includes the name, city and state, and the current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our last fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Note 4: During the last three fiscal years, in some instances, current and former franchisees signed provisions restricting their ability to speak openly about their experience with Mr. Handyman. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Note 5: One of the trademark-specific franchisee organizations associated with the franchise system being offered which we have created, sponsored or endorsed. The Franchise Advisory Council, established in 2003 at 3948 Ranchero Dr., Ann Arbor, MI 48108. As of the date

of this Disclosure Document, the Chairmen is David Ambinder, Franchisee. Other members include: Brian Dunn, Daniel Johnson, John Van Orden, Jo McCabe, and Allen Ellison.

Note 6: The second trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed. The National Marketing Committee, established in 2012 at 3948 Ranchero Dr., Ann Arbor, MI 48108. As of the date of this Disclosure Document, the Chairman is Teddy Tenenbaum, Franchisee. Other members include: Kevin Crysler, David Sipp, Kim Owczarzak, Mike McCalley, Michael Carney, and FAC representative David Ambinder.

Note 7: As of the date of this issuance, no independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS.

Exhibit B is our audited balance sheets, statements of operations, stockholders' equity and cash flows as of December 31, 2013, December 31, 2012 and December 31, 2011. We have a calendar fiscal year end.

ITEM 22. CONTRACTS.

Copies of all proposed agreements regarding the franchise offering are included in Exhibit A. These include our Franchise Agreement and all exhibits to it:

1. Franchise Agreement (Exhibit A-1 of the Disclosure Document)
2. Territory Agreement (Exhibit A of the Franchise Agreement)
3. Initial Package (Exhibit B of the Franchise Agreement)
4. Software License Agreement (Exhibit C to the Franchise Agreement)
5. Telephone Listing Agreement (Exhibit D to the Franchise Agreement)
6. Additional Disclosures/Riders (Exhibit A-2 of the Franchise Agreement)
7. Confidentiality Agreement (Exhibit A-3 of the Franchise Agreement)
8. Disclosure Acknowledgment Statement (Exhibit A-4 of the Franchise Agreement)
9. Mutual Release (Exhibits A-5 and A-6 of the Franchise Agreement)
10. Bank Account Debit Authorization (Exhibit A-8 of the Franchise Agreement)

ITEM 23. RECEIPTS.

The final page of this Disclosure Document (Exhibit K of the Disclosure Document) is a detachable document acknowledging your receipt of the Disclosure Document. If that page or any other pages or exhibits are missing from your copy, please notify us immediately.

EXHIBIT A-1. FRANCHISE AGREEMENT AND RELATED MATERIAL

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Mr. Handyman International, LLC

Franchise Agreement

THIS FRANCHISE AGREEMENT (the "Agreement" or "Franchise Agreement") is made and entered into this _____ day of _____, 20____, by and between Mr. Handyman International, LLC, a Michigan limited liability company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as "we," "us," and "ourselves"), and «Name1» and «Name2» (together referred to as the "Managing Owner"³), residents of the state of «state», and «LLC_or_Corp_», a «state» Company to be formed or already existing whose principal address is «Address» (referred to in this Agreement as "you," "your" or "Franchisee"). The Managing Owners are personally responsible for the obligations of the Franchisee under this Agreement, except not for third party claims as excluded in section 14.C.

1. INTRODUCTION, ACKNOWLEDGMENTS, AND AWARD OF FRANCHISE.

A. INTRODUCTION.

In 1996, the Mr. Handyman system for residential and business repair and maintenance originated in Massachusetts. In January 2000, we purchased the know-how, trademark and design "Mr. Handyman," and the rights to franchise the system in the United States. We have spent considerable resources, time, and effort on the development and promotion of Mr. Handyman businesses.

We use, promote, and license certain trade and service marks and other commercial symbols in operating Mr. Handyman businesses in the United States and Canada, including the trade and service mark "Mr. Handyman" (collectively, the "Marks"). These marks have gained and continue to gain public acceptance and goodwill, and we may continue to create, use, and license additional trademarks, service marks, and commercial symbols in operating Mr. Handyman businesses.

We award to persons, who meet our qualifications and are willing to undertake the investment and effort, a franchise to own and operate a Mr. Handyman business offering the services and products we authorize and approve while utilizing our business formats, methods, procedures, signs, equipment, standards, specifications, and Marks ("the System").

Following your evaluation of the Mr. Handyman franchise system, you have expressed to us your desire to obtain the right to own and be licensed to operate a Mr. Handyman Franchised Business (the "Franchised Business").

This Franchise Agreement governs the ongoing relationship between you and us.

B. AWARD OF FRANCHISE.

You have applied for a franchise to own and operate a Mr. Handyman business. Subject to all of the terms and conditions of this Franchise Agreement, we hereby award you a franchise (the "Franchise"), to operate a Mr. Handyman business utilizing the Mr. Handyman System and the Licensed Marks within a geographic territory (the "Territory"). The Territory is described in Exhibit A attached to this Franchise Agreement. The term of the franchise will be 10 years (the "Initial Term"), commencing on the date of this Franchise Agreement.

³ In the case of multiple owners, the owner with day-to-day responsibility and authority to run the Franchised Business, and with whom we will communicate, shall be identified on the first "Managing Owner" signature line.

You must at all times faithfully, honestly, and diligently perform your obligations under the Franchise Agreement. You must not engage in any other business or activity that conflicts with your obligations to operate the Franchised Business. You must designate the Managing Owner (the "Designated Owner") who will be our primary individual contact with the Franchised Business. The Designated Owner must exert her/his full-time best efforts on a year-round basis to manage, promote and enhance the Franchised Business.

Before attending Initial Training, and/or upon any change to the Legal Entity ownership, you must submit to us a Corporate Resolution which states the name of the Corporation or LLC, the legal names of all of the partners or shareholders, the percentage of ownership that each member controls, their place of residence and their agreement to be bound by the terms of the Franchise Agreement. In the case of multiple owners, you must submit a dispute resolution that states what you will do in the event that there is a conflict between any owners of the legal entity. In addition, at all times, at least 67% of the company must be controlled by owners who have executed the Franchise Agreement. The remaining owners must sign a written agreement to maintain confidentiality of the trade secrets and their agreement to abide by the covenant not to compete, as described in Sections 6 and 13 of the Franchise Agreement.

C. TERRITORY.

Your Territory is described in Exhibit A. You may not solicit or perform services for customers geographically located outside your Territory without our prior written approval. During the term of this Franchise Agreement, we promise not to (i) operate ourselves, nor award to any other party a franchise to operate, a Mr. Handyman business within your Territory; except as provided for in this Section; nor (ii) modify the Territory without your prior written permission.

You may not perform any business, perform services, or actively market for customers geographically located outside your Territory without our written approval. In the event that you request and receive our approval to service areas outside of your Territory, and we subsequently withdraw our approval, or award a MR. HANDYMAN franchise to a third party whose territory includes customers that you have been servicing, all information regarding such customers is to be immediately transferred to us. In addition, you will immediately discontinue any and all solicitation of customers in said area and will refer any requests for service to the Franchise Owner who has purchased the territory. You will receive no compensation for such cessation of service or for information delivery. Failure to comply with our written notice requiring such customer transfer can result in termination of the Franchised Business as specified in Section 12.

At times, you may receive requests to perform commercial work. You agree that if for any reason you decide not to perform the job, then we may refer the job to the closest neighboring franchisee that is in compliance with the Franchise Agreement at no compensation to you.

You must also select your business office site within your Territory. You may not locate your office outside of your Territory without our express written consent. Should you have authorization from us to locate your office outside of your Territory; you agree that should a Franchise Owner purchase the Territory where your business office is located, you will move the location of your office, unless you have attained written authorization from the new Franchise Owner and us.

D. RIGHTS WE RESERVE.

We retain, as we deem appropriate, the rights to:

1. Establish, and allow other Franchise Owners to establish, Mr. Handyman businesses at any location inside or outside of your Territory on any terms and conditions, but

subject to the same restrictions upon their marketing and servicing in your Territory that you are subject to in their Territory;

2. Solicit, market to, advertise, and build regional and national account relationships, whose offices may be located inside or outside your Territory;

3. Offer and sell services and products within the Territory which do not comprise a part of the Mr. Handyman repair and maintenance System and, in connection with this right, to exploit our Marks, name, reputation, and know-how;

4. Sell Mr. Handyman identified products through other channels of distribution.

5. Acquire businesses inside and outside your Territory providing services similar to those provided under the System and to be acquired by such a business.

6. Offer additional services for our Mr. Handyman Franchisees to perform under the Marks; however, you may be required to meet certain qualifications, sign another contract and/or pay a fee prior to offering these services.

7. We reserve the right at any time, at our sole discretion, to allow another Mr. Handyman Franchisee(s) to locate their office(s) within your Territory, provided that our agreement with the other Mr. Handyman Franchisee(s) whose office is located in your Territory states that they may not market or service customers that are located within your awarded Territory.

Although we have not done so, we and our affiliates may sell products under the Trademarks within and outside your Territory through any method of distribution, although it may not be through a Mr. Handyman location in your Territory. This includes sales through such channels of distribution as the Internet, Catalog Sales, Telemarketing or other Direct Marketing Sales (together referred to as "Alternative Distribution Channels"). You may not use Alternative Distribution Channels to make sales outside or inside your Territory and you may not receive compensation for our sales through Alternative Distribution Channels except as described in the following paragraph.

If we engage in electronic commerce through any Internet, World Wide Web or other computer network site or sell through any other Alternative Distribution Channel, and we receive orders for any residential or commercial maintenance and repair, calling for performance in your Territory, we will offer the order to you at the price we establish. If you choose not to fulfill the order, if you do not meet the requirements or otherwise, are unable to fulfill the order, then another Mr. Handyman Franchised Business may fulfill the order, and you will be entitled to no compensation in connection with this.

We and our affiliates can use Alternative Distribution Channels to make sales within your Territory of products or services under Trademarks different from the Trademarks you will use under the Franchise Agreement, but we and our affiliates have not yet made any sales of this time.

E. OTHER BUSINESSES.

It is agreed and understood no other business or business operations may be undertaken through your Franchised Company entity without our prior written permission.

2. FEES AND OTHER MONETARY REQUIREMENTS.

A. INITIAL FRANCHISE FEE.

You promise to pay us a non-recurring fee (the "Initial Franchise Fee") in the amount of \$49,900 upon your execution of this Franchise Agreement. The Initial Franchise Fee is composed of two components:

a \$19,900 Initial Licensing Fee;

a \$30,000 Territory Fee.

The number of Target Households being awarded in this Franchise Agreement is: X

Within 6 months of our receipt of the Initial Franchise Fee, you promise to complete our Initial Training (the "Initial Training") to our satisfaction (as defined in Section 3.A). and to start up your new Business within two months of attending Initial Training. In the event that you do not do so, this Franchise Agreement shall be terminated.

Except for the Convention Allowance listed in Item 5.1.2 and 5.2, there are no other refunds under any circumstances.

If this is an additional Franchise being awarded to you, a Renewal Term or Transfer Agreement, the Licensing Fee is waived. If this is a Renewal Term or Transfer Agreement, the Territory Fee is waived. In Renewal Terms, you will need to pay the Renewal Fee, which is non-refundable. If this is a Transfer Term you (or the Selling owner) will need to pay the then current Transfer Fee, which is refundable up until you complete Initial Training.

B. INITIAL PACKAGE FEE.

You promise to pay us a fee for specified software, equipment, and supplies (the "Initial Package") in the amount of \$9,500 at the time you sign this Franchise Agreement. The Initial Package consists of our then current proprietary franchise management software, a personal computer and accompanying software, and certain equipment, products, and supplies as described and listed in Exhibit B-1, which is attached to this Franchise Agreement.

If this is a Transfer, you may purchase a reduced Initial Package, in the amount of \$5,400 (Exhibit B-2). If your agreement with the Seller includes a computer that is less than two years old, which also meets our current requirements, this item will be removed from the Initial Package, and the amount due will be \$2,825.

The Initial Package is not refundable, except that if you attend the first Convention that is scheduled to take place within one year of your successful completion of the Initial Training Program you will receive a \$1,000 Convention Allowance (the "Allowance"). The Allowance is to be used primarily towards the registration fee, but any remaining balance may be applied towards travel, lodging and/or meals. This allowance will be rebated to you after you attend the first Mr. Handyman Convention that is scheduled after your completion of Initial Training. If you do not attend the Convention, it will not be refunded to you.

The Initial Package shall be shipped to you F.O.B. from our approved suppliers within fourteen days of your successful completion of Initial Training.

C. ROYALTY.

You promise to pay us a weekly royalty (the "Royalty"). The royalty structure will be as follows:

3.5 % on material revenue generated;

7 % on Gross Sales less material revenue generated

For the purposes of calculating Royalty, our week begins on Sunday and ends on Saturday ("Royalty Week"). On the Thursday which is twelve days after the end of the Royalty Week, you must submit to us through your franchise management software or another method we have approved, a correct statement of Gross Sales achieved by the Franchised Business during the Royalty Week (the "Due Date") along with any other information we specify. We will then draft the royalty from your bank account (the "EFT date"). You must sign and deliver to us, before you

attend Initial Training, the documents we require that authorize us to automatically debit your business checking account for Royalties and any other amounts you owe us. We have the right to verify your Royalty payments and reports at any time.

If you fail to report your Gross Sales on time, and/or transmit it to us as required, you will be subject to a late royalty fee. In addition, we can debit your account for the same Royalty that we debited during the previous, or most recently reported week. Our debit of your account will not relieve you of your obligation to pay any late fees or interest due under Section 2.D. However, if you send us the late report, the royalty you owe and any late fees and interest, within 21 days after the Due Date, and the Royalty you owe is less than what we debited from your account, we will give you a credit for the difference. If the Royalty you owe is more than what we debited, we will draft your account for the difference the following week.

We can require you to pay the Royalty by means other than automatic debit (e.g., by check) whenever we deem appropriate, and you promise to comply with our payment instructions.

D. LATE REPORT FEE, LATE PAYMENT SERVICE FEE AND INTEREST.

If you fail to report your Gross Sales on Thursday, achieved by the Franchised Business for the Sunday through Saturday of the past week, the then current weekly late fee will be imposed per report until the royalty reports have been submitted. At this time, the current weekly late fee per report is \$20.00.

In the event that the Royalty, or any other due fee, is not available in your account for debiting when due, a late payment fee will be imposed of 5% of the amount due, or \$20, whichever sum is greater, for each week past due. Additionally, interest will be imposed at the rate of 12% per annum, or the maximum rate permitted by applicable law, whichever is greater, from the date such amounts were originally due until the date paid. If we incur a Non-Sufficient Fee (NSF) from the bank because the monies due were not available for debiting when due, you will be assessed an amount equal to what the bank assessed us for the NSF. We can debit your account for the late payment, NSF and interest fees.

You acknowledge that this Paragraph does not constitute our agreement to accept any payments after they are due, or our commitment to extend credit to or otherwise finance the operation of the Franchised Business. Notwithstanding the provisions of this Section, your failure to pay all amounts when due constitutes grounds for termination of this Franchise Agreement, as provided in Section 12.

E. DEFINITION OF GROSS SALES.

Gross Sales, as used in this Franchise Agreement, includes all revenue you derive from operating the Franchised Business, whether in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. All barter and/or exchange transactions for which you furnish services and/or products in exchange for goods or services will, for the purpose of determining Gross Sales, be valued at the full retail value of the goods and/or services you provide. You may deduct from Gross Sales the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged.

F. REQUIREMENT TO ACHIEVE A MINIMUM LEVEL OF GROSS SALES.

You acknowledge and agree that we have awarded you this Franchise and Territory with the expectation that you will be able to develop a Franchised Business that will achieve a minimum level of weekly Gross Sales (the "Minimum Gross Sales") as follows:

<u>Months in Operation</u>	<u>Minimum Weekly Gross Sales Required</u>
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Months 0-12	No Minimum
Months 13-24	\$2,000
Months 25-36	\$3,000
Months 37-48	\$4,000
Months 49 or more	\$5,000

At any time after 12 months in operation, if you do not achieve the above required Minimum Gross Sales, averaged over a period of three consecutive weeks, then we may collect a Royalty equal to what you would have been assessed had you achieved the Minimum Gross Sales.

If this is a renewal term, you will be required to meet the Minimum Weekly Gross Revenue requirement for “Months 49 or more” for the entirety of the renewal term. If you have been awarded more than one Franchise Agreement, you will be required to meet the Minimum Weekly Gross Sales for each individual Franchise Agreement.

If this is a transfer term, when calculating the Minimum Weekly Gross sales requirement, the Months in Operation will begin upon the original start date of the Franchised Business by the previous owner(s). (For example, if the seller started business in April 2008, and now it is May 2013, then the minimums will be calculated at the level of Months 49 or more.) The original start date of the Franchised Business is: _____.

G. LOCAL MARKETING, ADVERTISING, AND PROMOTION.

1. Local Marketing Requirement

You acknowledge and agree that to secure new customers for the Franchised Business you must aggressively conduct, at your expense, marketing, advertising, and promotional programs at the local level. We require you to spend a minimum of \$3,000 per month average per Franchise Agreement each calendar year for local marketing, advertising, and promotional programs (the "Local Marketing Requirement"). All advertising and marketing materials are required to comply with our guidelines as specified in our operating manuals. You promise to provide to us, for our approval and prior to your usage, any and all advertising and promotional materials featuring art, graphics, or copy not originally prepared by us for your use. If you do not receive written approval within 10 days of our receipt, such advertising and promotional materials will be considered unapproved. We also require you to submit an annual marketing plan for approval. We may, at our sole discretion, allow certain other expenditures to count towards a maximum credit of \$300 per month towards your Local Marketing Requirement (“LMR credit”). Each year, any LMR credits available will be posted on our intranet website or Manuals, and may include items such as properly decalped vehicles, the use of certain vendors, etc. We may modify the LMR credits at our sole discretion.

Failure to spend the required annual minimum for local advertising will be a material breach of this Franchise Agreement. We may request each month that you submit to us, in the format that we require, an accurate accounting of your local marketing expenditures during the preceding month for approved marketing, advertising and promotion. If you fail to provide an accurate accounting, or fail to meet the annual local marketing requirement in any year, then, in addition to any other remedies available to Mr. Handyman International, LLC., we may require you to deposit with us the difference between the local marketing requirement and what was actually spent by you for marketing, advertising and promotion plus any late fees and/or interest due. Mr. Handyman International, LLC., will use such amount, less late fees and interest, in the Franchisee’s

Territory for marketing, advertising and promotion that it deems in its sole discretion, to be in the best interests of the Franchised Business.

2. *Advertising Cooperative Area*

We have the right to designate any geographical area as a Mr. Handyman advertising cooperative area, and to change the boundaries for the area at any time. If and when a cooperative exists where your territory is located, you must become a member, pay the weekly fee which ranges between 1.25% and 2.00% of Gross Sales, but may be higher, if so determined by the cooperative group, and sign an advertising cooperative agreement in a form reasonably satisfactory to us. Each cooperative will be organized for the sole purpose of placing advertising and administering local advertising programs in accordance with plans approved by us. Each cooperative will be governed by majority vote of the owners whose territories are located within the advertising cooperative area. Any monies paid by you to the Advertising Cooperative will be considered part of the fulfillment of your Local Marketing Requirement, and is not an additional requirement.

3. *Telephone and Telephone Directory*

As part of your local marketing, you promise to acquire and maintain a dedicated Mr. Handyman business telephone line that, in consideration for our granting you a Franchise, you agree to assign to us as a part of this Franchise Agreement (Exhibit D). We have the right to specify the specific type, model and/or carrier that you must pay for and use for this service. This line must be answered by a person during business hours. You are required to pay for, and use, the Call Center that we authorize to answer incoming sales calls for rollover, evenings, and weekends. The Call Center may require that you utilize a phone provider that features a call forwarding functionality. We may at any time, with 30 days prior notice to you, designate another method, vendor or manner for answering sales calls. If you wish to utilize an answering service, it must be approved by us. If we do not respond to your written request for approval of the answering service, within 10 business days of your written request to us, you can consider it unapproved by us.

We will use our best effort to maintain a service through which selected phone calls to our Mr. Handyman toll free phone number, 877-MrHandyman, will be forwarded to you or Mr. Handyman International, LLC. In the phone routing process, we will use our best effort to route calls to you from prospective customers requesting service in your Territory. We do not guarantee that every phone call requesting service in your Territory will be routed to you. You will be billed the then current fee for calls made to the 877-MrHandyman number that are routed to your office, at this time the current fee is \$0.12 per minute. We will use our best efforts to maintain this service 24 hours per day, seven days per week subject to acts of God, or circumstances beyond our reasonable control, including power outages and the unavailability of telephone services.

You promise to maintain a 24 hour answering service on your business line, which must be approved by us prior to use, and you promise to continually list the Franchised Business in the "White Pages" of the primary telephone directory servicing your Territory and, at a minimum, a trademark listing advertising your Franchised Business in the "Yellow Pages" of the primary directory servicing your Territory. If two or more Mr. Handyman businesses are served by the same telephone directory, we may require you to list all businesses under one Mr. Handyman heading. In such an instance, you promise to pay your pro-rata share of the total expense of the joint listing which is determined by dividing the total expense by the number of Franchised Businesses that are listed.

4. *Marketing materials*

You must use our approved advertising and marketing materials, or receive our written approval, before using any and all advertising and promotional materials featuring art, graphics or

copy not originally prepared by us for your use. If you do not receive our written approval or disapproval within 10 days of our receipt of your written request, such advertising and promotional materials will be considered unapproved.

We may offer and sell advertising, marketing, and promotional materials at any time. You have no obligation to purchase any such materials or forms from us. Should you elect to purchase such materials from someone other than us or our approved supplier, they must meet System standards and specifications.

H. NATIONAL/REGIONAL MARKETING, ADVERTISING AND PROMOTION FUND.

Recognizing the value of marketing, advertising, and promotion to the goodwill and public image of the System, we have established a national/regional marketing and promotion fund (the "Fund") for marketing, advertising, promotion, cross-promotion, and public relations programs and materials. You promise to contribute to the fund 1.25% of your Gross Sales. All contributions will be by automatic debit and will be made in the same manner as your Royalties.

Monies collected for the Fund may be used to pay the costs, including personnel, associated with preparing and producing video, audio, and written materials, administering and placing national, regional, and multi-regional marketing and advertising programs, administering and placing cross-promotion programs with third parties, and employing outside advertising and public relations agencies to provide assistance and support for public relations, market research, and other advertising, promotion, and marketing activities.

We will administer these programs for a fee not to exceed 10% of the National Marketing Fund revenues and agreed upon, in advance, by the National Marketing Committee. Our expenditures of the fund will be at our sole discretion and we are not obligated to do it in a way that benefits each franchisee equally or in proportion to their payments. Any materials developed by the Fund will be made available to you through our fulfillment supplier for the published fees.

The Fund will not be our asset, will not be commingled with our other funds, will be accounted for separately from our other funds, and will be held for the benefit of the System. We will furnish to you upon request an annual statement of monies collected and costs incurred by the Fund. We can have the Fund incorporated or operated through a separate entity anytime we deem appropriate, and the successor entity will have all of the rights and duties specified in this section. Monies from the fund will not be expended on advertising that is principally a solicitation for the sale of new franchises.

I. FRANCHISE MANAGEMENT SOFTWARE LICENSING AGREEMENT AND FEES.

You will be required to (i) utilize our then current franchise management software system in the operation of the Franchised Business; and (ii) execute and maintain a quarterly renewable, software licensing agreement (attached to this Franchise Agreement as Exhibit C);

J. HIGH SPEED INTERNET CONNECTION, ELECTRONIC MAIL NETWORK & WEB SITE

You promise to subscribe to, maintain, and utilize a DSL, Cable or Satellite high speed internet connection and electronic mail (referred to as "email") network account with independent suppliers which, from time to time, we approve. If you do not receive written approval or disapproval within 10 days of our written receipt of your request, such supplier will be considered unapproved. We have the right to specify the specific type and/or carrier that you must pay for and use for this service. You may not use the marks in any fashion in the domain name portion of the email. You also promise to subscribe to, and pay for, as directed by us, a customized web site connected to our web site and managed by our web site provider. You may not attempt to redirect the customized web site. You may not implement a web site or URL for the Franchise Business

either yourself or through a third party. We have the option of setting up an email server ourselves, and if we do, you agree to use and pay for it as your email account for all email related to the Franchised Business. We may require that you keep your database on an independent server, or we may require that you keep it on a server that we maintain, for which you would pay.

K. OUTSTANDING ROYALTIES AND FEES OF PREDECESSOR.

In the event that you were awarded your franchise as a result of your purchase of all, or substantially all, of the assets of the Franchised Business owned by a previous franchisee in the Territory, you promise to pay us the following fees if they are not timely paid by your predecessor: (i) Our current transfer fee to defray expenses we incur in the transfer; and (ii) any and all outstanding Royalties, Marketing/Promotion fund contributions, fees, amounts owed for purchases from us, late payments, and interests, and any applicable broker fees.

L. SERVICE TECHNICIAN.

You must employ a full-time, experienced Service Technician to perform the handyman services for the Franchised Business. If the Managing Owner is experienced, as determined by us, he or she may serve as the Service Technician.

3. TRAINING AND GENERAL GUIDANCE.

A. TRAINING.

Before you begin operating the Franchised Business, we will furnish Initial Training (the "Initial Training") to you on the operation of a Franchised Business. You promise to complete the Initial Training to our satisfaction and failure to do so will result in the termination of this Franchise Agreement. You will not be able to attend Initial Training until you have paid all fees due to us and completed Right Start, as described in the Right Start manual.

The Initial Training will be seven days in duration. Five days will be held at a location designated by us. We may also require that you attend one of our field training centers for two to three days. This training will be conducted by our training staff, franchise services team and experienced franchise owners. Although we will furnish the Initial Training to you and one other person at no additional fee or other charge, you will be responsible for all travel and living expenses that you incur while training.

You may designate, with our approval and on a "space available" basis, additional persons to attend other sessions of the Initial Training for which you will be charged our then current training fee. In addition, each person whom we approve to attend the Initial Training will be required to execute our then current Confidentiality and Non-Compete Agreement prior to the start of training. The Initial Training fee will be due and payable prior to the start of the training program and you will be responsible for the payment of all travel and living expenses incurred by your designees while training.

You promise to attend periodic refresher training courses, conferences, and conventions at the times and locations we determine, and for which we may charge fees. We will determine the duration, curriculum, and location of any such sessions. You will be responsible for all travel and living expenses that you incur while attending such sessions. In no event will you be required to attend any such session more than once every 2 years. If you do not attend at least one National Convention every two (2) years, we may debit your account \$1,000.

If this is an additional Franchise being awarded to you, and you have already attended Initial Training, the requirement that you attend Initial Training and a Launch is waived, as is our obligation to provide this to you at no additional fee. If this is a Transfer, you will need to attend

the Initial Training course in Ann Arbor, MI. However, you are not required to attend, and we are not required to provide, the business launch and on-site training.

B. GENERAL GUIDANCE.

You will have access to information helpful to the operation of the Franchised Business based on reports you submit to us and/or inspections that we make. In addition, we will furnish guidance to you on:

1. new products, services, and methods which we may have discovered or have developed for the System;
2. the purchase and use of supplies, uniforms, equipment, and products;
3. the formulation and implementation of advertising and promotional programs using such merchandising, marketing, and advertising research data and advice as we may, from time to time, develop for use in your local market;
4. employee recruitment, training, and retention;
5. the financial and daily operation of the Franchised Business including its accounting and record keeping functions.

This guidance will, at our discretion, be furnished in our operating manuals, bulletins or other written materials, conferences, conventions or other training sessions, toll-free telephone consultations, electronic communications, and in consultations at our office or the offices of the Franchised Business.

C. OPERATING MANUALS.

We will loan to you during the term of this Franchise Agreement one copy of our operating manuals (the "Manuals"). These Manuals contain our proprietary information and trade secrets and consist of the materials (including, as applicable, audiotapes, videotapes, magnetic media, computer software, compact discs, proprietary business forms, written materials, and the Mr. Handyman Owner's Intranet web site) that we generally furnish to Franchise Owners from time to time for use in operating a Franchised Business. The Manuals contain mandatory and suggested specifications, standards, operating procedures, and rules (the "System Standards") that we prescribe from time to time for the operation of a Franchised Business, and information on your other obligations under this Franchise Agreement and related agreements. We may modify the Manuals from time to time to reflect changes in the System Standards.

You promise to keep your copy of the Manuals current and in a secure location in the principal office of the Franchised Business. In the event of a dispute over its contents, the master copy of each of the Manuals that we maintain at our principal office will be controlling. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Manuals. If all or any of the Manuals are lost, destroyed or significantly damaged, you promise to obtain replacements at our then applicable charge.

If this is an additional Franchise being awarded to you, the set of Manuals that was loaned to you with the original franchise are to be shared between all the Franchised Businesses and we are not obligated to send you another set.

D. DELEGATION OF PERFORMANCE.

You agree that we have the right to delegate the performance of any portion or all of our obligations and duties under this Franchise Agreement to designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

4. MARKS.

A. OWNERSHIP AND GOODWILL OF MARKS.

1. You acknowledge that we own and have all rights to the Marks.
2. Your right to use the Marks is derived only from this Franchise Agreement and is limited to your operation of the Franchised Business in accordance and in compliance with this Franchise Agreement and all System Standards we prescribe from time to time during its term.
3. You promise to use only the Marks that we designate in writing, and will use them only in the manner that we authorize.
4. You agree that your use of the Marks, and any goodwill established by this use, will be exclusively for our benefit and that this Franchise Agreement does not confer any goodwill or other interest in the Marks upon you (other than the right to operate a Franchised Business under this Franchise Agreement).
5. All provisions of this Franchise Agreement applicable to the Marks apply to any additional proprietary trade and service marks and commercial symbols that we authorize you to use.
6. The right and license of the Marks awarded to you under this Franchise Agreement is non-exclusive, and we may (i) award other licenses and franchises for the Marks, in addition to those licenses already awarded; and/or (ii) use the Marks in connection with marketing and selling any products and services as we deem appropriate.

B. NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You promise to notify us immediately of any apparent infringement or challenge to your use of any Mark or of any claim by any person of any rights in any Mark, and not to communicate with any person other than us and our attorneys, and your attorneys, in any infringement, challenge or claim. We have sole discretion to take the action we deem appropriate and the right to control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or any other administrative proceeding arising out of any infringement, challenge or claim, or otherwise relating to any Mark. We shall indemnify and hold you harmless against any loss, damage, or expense incurred in connection with any such infringement, challenge or claim; provided however, our indemnity shall be only to the extent that you are using the Marks in accordance with the terms and conditions of this Franchise Agreement. You promise to sign any and all instruments and documents, render the assistance, and do the acts and things that, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interest in the Marks.

C. LIMITATIONS ON YOUR USE OF MARKS.

1. You promise to use the Marks as the only identification of the Franchised Business, except that you agree to identify yourself as the owner of an independent entity in the manners that we prescribe.
2. You promise to affix the Marks upon such vehicles, uniforms, equipment, containers, fixtures, signs, stationery, advertising, sales/promotional materials, and such other objects, in such size, color, lettering style and fashion, and at such places as we may designate in the Manuals.
3. You promise to not use the Marks or any words or symbols confusingly similar to them, as part of any corporate or other legal name or with any prefix, suffix or other modifying words, terms, designs or symbols. You may not use the Marks in connection with the sale of any

unauthorized product or service, on an Internet web site of your own design, nor in any other manner not explicitly authorized in writing by us.

4. Except as expressly provided in the Manuals, you may not display any other trademarks, logotypes, symbols or service marks, nor may you use any other marks in connection with the Marks, or with the Franchised Business, without our prior written approval.

5. You promise that all advertising and promotional materials that you use will bear the appropriate "®" or "©" registration symbol and/or such other appropriate notice of ownership, registration or copyright as we may require.

6. You promise to submit to us, for our approval, the assumed or trade name (the "DBA") you intend to use in the operation of the Franchised Business prior to filing for it as required by local laws. We may approve or not approve such DBA at our discretion. All filings or affidavits, following your receipt from us of an approved DBA, must state that the filing or affidavit is made as "a franchise of Mr. Handyman International, LLC." The approved DBA is the only DBA that you may use. You may not use a different name under any circumstances, including as a domain name, URL address, marketing, or for any other function.

7. We are the lawful and sole owner of the domain name www.mrhandyman.com. You cannot register any of the Marks that are now or in the future owned by us or any abbreviation, acronym or variation of the Marks or any other name that could be deemed confusingly similar, as Internet domain names. We retain the sole right to advertise the system on the Internet and to create, operate, maintain, modify and/or discontinue using of any web sites which use the Marks. You may access our web site. Except as we authorize in writing in advance; however, you cannot: (i) link or frame our web site; (ii) conduct any business, or offer to sell or advertise any products or services on the worldwide web; and (iii) create or register any Internet domain names in connection with your Franchise. The only exception is that you may list the Mr. Handyman business in the local online directory, provided that you list the National Toll Free number and when possible, request and pay for the directory to link the listing to the Mr. Handyman web site.

8. You promise not use the Marks in any internet advertising, except as provided for under the then current Internet policy, as published in the most current Manuals and/or Intranet Site. This includes, but is not limited to: web sites, domain names, URL's, linking, meta-tags, social media platforms as well as any other method of performing e-commerce activities. If approved to engage in Internet Marketing, you agree to adhere to the Internet Marketing policy, including our specifications on placement, key words, meta tags, titles, etc., and other requirements as we determine. You agree to claim the online listings that we designate, and to claim and update them only as instructed by us.

D. DISCONTINUANCE OF USE OF MARKS.

If it becomes advisable at any time in our sole discretion to modify or discontinue the use of any Mark and/or use one or more additional or substitute names or marks, you promise to comply with our direction within a reasonable time after you have received notice. We will not be liable to you for any expenses, losses or damages that you sustain as the result of any such addition, modification, substitution and/or discontinuance of a Mark, and you promise to not commence or join in any litigation or other proceeding against us for any such expenses, losses or damages.

5. CONFIDENTIAL AND PROPRIETARY INFORMATION.

A. CONFIDENTIAL INFORMATION.

We possess (and will continue to develop and acquire) certain confidential information (the "Confidential Information") relating to the development and operation of Mr. Handyman businesses. The Confidential Information includes (without limitation):

1. general operating procedures for a Franchised Business;
2. personnel guidelines for hiring, training, retaining, promoting, and supporting handyman and administrative staff;
3. a Franchise Management Software System;
4. the Right Start and Initial Training program;
5. written marketing and advertising materials, audio tapes, and programs for their utilization;
6. knowledge of specifications and suppliers of certain assets and supplies for the Franchised Business;
7. information on operating results and financial performance of Mr. Handyman businesses other than your own.
8. The Manuals and Mr. Handyman Owner's Intranet web site and its contents.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to utilize that which is disclosed to you in operating the Franchised Business during the term of this Franchise Agreement, and that the use or duplication of any Confidential Information in any other business would constitute an unfair method of competition. You also acknowledge and agree that the Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you promise to:

9. not use Confidential Information in any other business or capacity;
10. maintain the absolute confidentiality of Confidential Information during and after the term of this Franchise Agreement;
11. not make unauthorized copies of any portion of Confidential Information disclosed via electronic medium, written format, or other tangible form;
12. adopt and implement all reasonable procedures that we prescribe from time to time to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restrictions on disclosure to employees of the Franchised Business and others.

The foregoing restrictions will not apply to such information that:

13. is now public knowledge or hereafter becomes public knowledge through no fault of yours;
14. is properly provided to you without restriction by a third party having no such restriction;
15. is required to be disclosed by order of a competent court or governmental authority, provided, however, that (i) you provide us with prompt written notice of any claim or litigation that could give rise to such a requirement; (ii) you furnish only that portion of the confidential information that you are required to disclose; and (iii) you advise the governmental authority of your confidentiality obligations under this Franchise Agreement.

B. PROPRIETARY INFORMATION/CUSTOMER LISTS.

You acknowledge and agree that we own any and all customer lists and their contents that you may develop during the normal course of operating the Franchised Business. You promise to

keep an up-to-date list of all current and former customers in the most current version of the Franchise Management Software, including their name, telephone number, complete mailing address, frequency of service, last date serviced, and price of service, which we may access without limitation. You promise to make available to us, upon our request, an electronic copy, or in a form we approve, a complete list of current and former customers, including their name, telephone number, complete mailing address, frequency of service, last date serviced, and price of service, and other information concerning such customers as we request. The information will be utilized periodically in the development and execution of various marketing strategies for the mutual benefit of you and us. We retain sole discretion in the development of all marketing strategies. You promise not to use any customer list for any purpose other than in the normal operation of the Franchised Business without our prior written approval. We promise to not make the customer list available to any third or related party, excepting only those agents of ours acting in an audit capacity as provided for in Section 8 of this Franchise Agreement, or acting in a marketing capacity as provided for in Sections 1 and 2 of this Franchise Agreement. We reserve the right to communicate with people on the customer list.

6. COVENANTS NOT TO COMPETE.

A. FOR YOU.

You promise, during the term of this Franchise Agreement, to not:

1. engage as an owner, partner, shareholder, director, officer, employee, consultant, agent, or in any other capacity (collectively referred to as “principals”), neither directly nor indirectly, through corporations, partnerships, limited liability companies, trusts, associations, joint ventures, individually, or other unincorporated businesses, perform any services for, engage in or acquire, participate or have any financial or other interest in any other business offering residential or business maintenance or repair business, or any other services or products offered by Mr. Handyman Businesses; provided, however, that this provision shall not apply to the operation of any other Mr. Handyman franchised business pursuant to a valid franchise agreement with Mr. Handyman.

2. Use our confidential information, System, Manuals, Marks, customer lists, trade secrets, trade dress, proprietary knowledge or know-how or any colorable imitations, in the design, development or operation of any business whether or not similar to, or the same, as that conducted by the Franchised Business.

B. FOR YOUR EMPLOYEES.

At the start of their employment, you promise to require, as consideration for employment, each of your employees to execute nondisclosure and confidentiality agreements that we have approved. Such agreements will prohibit disclosure, by the employee to any other person or legal entity, of any trade secrets, customer lists, or other information, knowledge or know-how regarding the System or the operation of the Franchised Business, which is deemed confidential or proprietary by us. Such employee non-disclosure and confidentiality agreements will, to the fullest extent permitted by applicable law, prevent employees from servicing or soliciting any of the customers of your Franchised Business, except in their capacities as employees of the Franchised Business. We may require at any time that a fully signed copy of each employee non-disclosure and confidentiality agreement will be sent to us.

C. OUR RIGHT TO ENFORCE NON-COMPETITION COVENANTS.

You agree and acknowledge that a violation of the covenants not to compete as listed in this Section will result in immediate and irreparable injury to us for which no adequate remedy at law will be available. Accordingly, you consent to the entry of an injunction prohibiting any

conduct by you in violation of the terms of the covenants not to compete. Further, you expressly agree that the existence of any claims you may have against us, whether or not arising from this Franchise Agreement or otherwise, will not constitute a defense to the enforcement by us of these covenants not to compete. If we prevail, you promise to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by us in connection with the enforcement of these covenants not to compete if you are found to be in violation of your confidentiality and/or your non-competition obligation(s) under this Franchise Agreement. The protection awarded in this Paragraph will be in addition to, and not in lieu of, all other protections for such trade secrets and confidential information as may otherwise be afforded in law or in equity.

7. SYSTEM STANDARDS.

A. COMPLIANCE WITH SYSTEM STANDARDS.

You acknowledge and agree that the operation and maintenance of your Franchised Business according to System Standards as essential to preserving the goodwill for the Marks and all Mr. Handyman franchises. Therefore, at all times during the term of this Franchise Agreement, you promise, as the Managing Owner, to devote your full-time, year round best efforts to operate and maintain your Franchised Business according to each and every System Standard, even if you believe that a System Standard, as originally issued or subsequently modified or supplemented, is not in the System's or your Franchise's best interest. System Standards may be periodically modified and supplemented during the term of this Franchise Agreement. Furthermore, you promise to use your best efforts to assure that your employees and representatives conduct themselves during business hours and/or whenever they are in a Mr. Handyman vehicle or uniform, in a manner which is consistent with the professional and ethical image of the System.

System Standards as specified and periodically amended in the Manuals may regulate one or more of the following for your franchise:

1. use and display of the Marks;
2. services and products which we authorize you to sell to the public;
3. the use of environmentally and employee safe supplies and equipment, although we will not require you to use any specific brand of supplies and equipment;
4. a dress code, during business hours, for you, your employees, and your representatives;
5. suppliers you may use for the purchase of uniforms and van decals;
6. vehicle type, model, color, trademark representation, and appearance (no rust or body damage). These specifications are included in our Manuals. All vehicles purchased or leased for the business are to be, and maintained, in a "good" condition as defined by KELLY BLUE BOOK ("Good" condition means that the vehicle is free of any major defects. The paint, body and interior have only minor (if any) blemishes, and there are no major mechanical problems. In states where rust is a problem, this should be very minimal). All vehicles used in the business are to be decaled as required by Mr. Handyman and the decals are to be free of defects;
7. business forms and stationery;
8. designated and approved suppliers for trademarked business assets and supplies;
9. types and amounts of insurance coverage;
10. compliance with applicable laws including obtaining required licenses and permits, payment of all taxes, assessments, fees, fines, and penalties arising out of the operation of the Franchised Business;

11. adhering to good business practices, observing high standards of honesty, integrity, fair dealing, and ethical business conduct in all dealings with customers, suppliers, and us, and notifying us if any action, suit or proceeding is commenced against you or your Franchise;

12. general operations including maintaining, at a minimum, Monday through Friday 8:30 AM to 5:00 PM business hours, sales, marketing, advertising, and promotional programs, call center usage, phone type/model/provider, and materials and media used in these programs, personnel practices, bookkeeping, accounting, data processing, and record keeping systems, and forms, methods, content, and frequency of reports to us of sales and financial performance, and the furnishing of tax returns related to the Franchised Business and other operating and financial information to us;

13. to ensure positive customer relations and to maintain the goodwill of the System, you must provide response within one business day to any and all customer inquiries or complaints, and make best efforts to resolve the issue within 7 days of the initial customer contact, even when such response may necessitate re-performing a task, or issuing a refund of monies received;

14. any other aspect of the operation and maintenance of your Franchised Business that we determine, from time to time, to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and the System;

15. public figures you choose in connection with local promotions;

16. use of a computer, phone system, and electronic mail that meets our requirements, as periodically updated;

17. Use best efforts to refer customers in neighboring territories to the correct franchisee within one business hour from when the lead was received. Conform with our territory infringement policy, as published on the Mr. Handyman Owner's Intranet website and/or the Manuals, which provides for the payment of fees and penalties for providing service or an estimate to a customer located in another owner's territory. This is in addition to any remedies under this Franchise Agreement, up to and including termination (12.t); and

18. marketing, advertising, and promotional material prepared by you

B. MODIFICATION OF SYSTEM STANDARDS.

You acknowledge and agree that the System must continue to evolve in order to reflect changing market conditions and to meet new and changing consumer demands. As a consequence, changes, modifications, and variations to the System's Standards may be required from time to time to preserve and enhance the public image of the System and enhance the operational efficiency of all franchises.

You, therefore, agree that we may periodically and upon notice, add to, modify or change the System, including without limitation, the adoption and use of new or modified trademarks, uniforms, signs, vehicle types, products, equipment, services, techniques, proprietary software, non-proprietary software, methodologies, and sales strategies, and you promise to promptly accept, implement, use, and display in the operation of your Franchised Business, all such additions, modifications, and changes at your expense.

We will not require you to make any changes, modifications, and variations to the System that are not required of all Franchise Owners; further we will periodically meet with representative groups of Franchisees and solicit their input prior to the implementation of any material change or modification. Your failure to comply with modifications to System Standards within 90 days is an incurable default under this Franchise Agreement, as provided in Section 12.

C. INSURANCE.

Before attending Initial Training, you promise to purchase and maintain in full force and effect throughout the term of this Franchise Agreement at your expense, insurance protecting you, your employees, and us, our officers, and employees, against loss, liability, fire, personal injury, death, property damages, or theft arising from, or occurring in connection with the operation and promotion of the Franchised Business.

You acknowledge and agree that the insurance you will maintain reflects the minimum amounts of coverage we require, are not meant to reflect the actual needs you may have, other state-mandated coverage and that it is your responsibility to carefully evaluate if such minimum will adequately meet your needs and state requirements, (i.e. flood insurance, employment practices liability, pollution or major medical etc). All policies will be written by an insurance company(ies) that is/are licensed in the state in which you are doing business, and that has an A.M. Best rating of "A-" or better. Currently you are not obligated by the terms of the Franchise Agreement to purchase your insurance from any specific provider, although we reserve the right to specify the specific provider that you must use in the future. Our current requirements are described below:

1. Commercial General Liability Insurance. Coverage for "bodily injury," "property damage," and "personal and advertising injury" with no exclusion or limitation applying to the products / completed operations liability coverage. Limits must be at least \$2,000,000 general aggregate, \$2,000,000 products and completed operations aggregate, \$1,000,000 personal and advertising injury limit and \$1,000,000 per occurrence limit. Contractual liability coverage including the assumed personal injury endorsement must be included to cover the indemnity provisions of this Franchise Agreement. The exclusion for employer's liability shall not apply to claims for covered contractually assumed liability claims. Such policy shall contain a waiver of subrogation endorsement as to claims against Mr. Handyman International.

Mr. Handyman International, LLC., shall be named as an additional insured on this policy on a primary and noncontributory basis, and with a Grantor of Franchise Form CG2029 or an insurer's comparable form.

2. Automobile Liability Insurance. You shall maintain insurance with a combined single limit, CSL, of \$1,000,000 for bodily injury and property damage for all owned or leased vehicles and include a hired and non-owned endorsement. Additionally, uninsured motorist and under-insured motorist coverage will be equal to the CSL.

3. Workers' Compensation and Employers' Liability. Statutorily required workers' compensation insurance and employer's liability insurance shall be maintained with limits of at least \$500,000 by accident, \$500,000 by disease and \$500,000 policy limit. In "Monopolistic States", Ohio, North Dakota, Washington and Wyoming "Stop Gap" coverage must be purchased separately or added to the CGL policy. "Stop Gap" in Ohio must not contain exclusion with the "substantially certain to occur" language.

4. Employee Dishonesty Insurance. You shall maintain employee dishonesty insurance with minimum limits of \$25,000 per loss and such coverage shall also cover acts of stealing against third parties.

5. Umbrella Liability Insurance. You shall maintain a commercial umbrella liability insurance policy with a limit of at least \$1,000,000 per occurrence and aggregate and shall list the commercial general liability, automobile liability and workers' compensation/employers' liability policies as scheduled underlying policies.

6. Other Insurance. You shall maintain any state, county, local or other municipal insurance requirements.

No deductible or self-insured retention can exceed \$5,000 for any required insurance policy, except that you may have retention of up to \$10,000 on the Umbrella Liability Insurance policy.

You may not reduce the policy limits, restrict coverage, cancel or otherwise alter or amend any insurance policy without our written consent.

All policies will name Mr. Handyman International, LLC., its employees and officers and director as additional insured, will contain no provision which in any way limits or reduces coverage for you in the event of a claim by any one or more of the Indemnified Parties, will extend to and provide indemnity for all obligations assumed by you and all items for which you are required to indemnify us, will be primary to and without right of contribution from any other insurance purchased by the Indemnified Parties, and will provide, by endorsement, that we receive at least notice of 10 days of any intent to cancel or materially alter any policy.

At least 10 days prior to attending training, whenever a change is made to your policy, and before expiration of any insurance coverage, you promise to submit to us a copy, certificate or other acceptable proof of such insurance with a copy of the Additional Insured Endorsement on your policy. On occasion, Mr. Handyman may request complete copies of all insurance policies to insure compliance with the insurance provisions of this contract. Periodically we may reasonably determine and modify the minimum insurance limits and require different or additional kinds of insurance to reflect changes in insurance standards, normal business practices, higher court awards, and other relevant circumstance.

If you do not maintain the required insurance coverage, or if you do not furnish us with satisfactory evidence of insurance coverage and premium payments, we may obtain, at our sole option and in addition to our other rights and remedies under this Franchise Agreement, any required insurance coverage on your behalf. We are under no obligation whatsoever to obtain such insurance, but if we do so, you must fully cooperate with us in our efforts and must promptly sign all forms required to obtain or maintain the insurance. You must also allow any inspections of your Mr. Handyman Business required to obtain or maintain the insurance. Finally, you must pay us, on demand, any costs and premiums we incur in obtaining insurance on your behalf, along with an 18% administrative fee. Neither your obligation to maintain insurance coverage nor our maintenance of insurance on your behalf, will reduce or absolve you of any obligations of indemnification described in this Franchise Agreement.

You promise to promptly report all material claims or potential claims, against you, any Indemnified Party or us, to the insurer, and to us.

D. RECORDS, REPORTS AND FINANCIAL STATEMENTS.

We require you to use the Software for maintaining customer records for the Franchised Business. We have confidential access to your databases and related information from this software management system, which we use to compute the Royalty due on Gross Sales, and to make other evaluations and verifications. In addition, you promise to establish and maintain, at your expense, an accounting system that conforms to the requirements and formats that, from time to time, we prescribe in the Confidential Manuals. You promise to furnish us, in the manner and format that we require:

1. by Thursday of each week a Royalty report for the Sunday through Saturday of the past week;
2. upon our request a back-up of the *Franchise Management Software System* database that includes all current and former customers;

3. on the 25th day of each month the Franchised Business's operation an unaudited income statement for the preceding month, in a form satisfactory to us, and such additional reports as we may require;
4. within 90 days after the close of your fiscal year a complete income statement;
5. within 10 days of our request, exact copies of any state, federal or other income tax returns covering the operation of the Franchised Business
6. by December 15 of each year, Financial Projections for the upcoming year.
7. by December 15 of each year, a Marketing Plan for the upcoming year.
8. by each February 15 (for July-Dec) and July 15 (for Jan-June), a complete accounting of all local marketing expenditures for the previous two quarters.

You promise to verify and sign each report and financial statement in the manner that we prescribe. We can disclose data derived from these reports without specifically identifying you or the Franchised Business (unless we have your written consent to do so). We can require you to have audited financial statements prepared on an annual basis if you fail to comply with any provision of this Franchise Agreement. Finally, you will allow us, as we deem appropriate, timely access to your copy of our franchise management computer software and other computer systems that you maintain, in order to retrieve all information relating to the operation of the Franchised Business.

In future updates, we can require you to utilize a web-based financial accounting system for your business operations; for which we would have automatic password access to your financial reports on this system.

You promise to maintain all records, reports, and financial statements for a period of 5 years during and following the termination of this Franchise Agreement.

E. COMPLIANCE WITH LAWS.

You will, at your expense, secure and maintain in force all required licenses, permits, and certificates relating to the operation of the Franchised Business and shall operate the Franchised Business in full compliance with all applicable local, state and federal laws, rules and regulations. You must, at your expense, comply with all federal, state, and local laws and regulations that apply to residential and business maintenance and repair services in general. If your state or county licenses contractors, you must be licensed before commencing operation of the Franchised Business and maintain throughout the term of the Franchise Agreement and any Renewal Terms. Certain states restrict advertising and/or performing plumbing and electrical work to those who have a license for those specific industries. If your state or county licenses plumbing and electrical work, you must be licensed before completing any plumbing and electrical work.

It is your sole responsibility to investigate the federal, state and local laws and regulations that pertain to business and residential maintenance and repair service services prior to signing the Franchise Agreement, as well as to stay apprised of any changes during the Term of this Franchise Agreement. You must maintain your license(s) in good standing with the licensing authority for the entire term of the Franchise Agreement and all renewals.

You will notify us in writing within five (5) days of the commencement of any action, suit or proceeding for the issuance of any order, written injunction, award, decree, or any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.

F. MULTIPLE AGREEMENTS.

If you have been awarded more than one Mr. Handyman Franchise, then you agree that any default under any of the Mr. Handyman Franchise Agreements awarded to you shall constitute a default under all your Franchise Businesses and any of the available remedies under all your Franchise Agreements shall apply;

8. INSPECTIONS AND AUDITS.

A. *OUR RIGHT TO INSPECT THE FRANCHISED BUSINESS.*

To determine whether you are complying with this Franchise Agreement and all System Standards, we have the right at any time during business hours to perform an on-site inspection of your business at its principal office. During such inspection, we may participate in quality checks of homes being serviced, review your books and records, review your promotional materials and media advertising, review your personnel files and practices, interview employees, and/or review any and all components of the Franchised Business.

You promise to cooperate fully with us in any inspection of your business, and we promise to use our best efforts to not interfere with its operation.

B. *OUR RIGHT TO AUDIT.*

We have the right at any time during business hours, and without prior notice to you, to inspect and audit or cause to be inspected and audited, any and all financial statements, reports, income tax records, sales tax records, payroll records, software databases, and other records. You promise to cooperate fully with our representatives, and independent accountants we hire, to conduct any inspection or audit.

If any inspection or audit discloses an understatement of Gross Sales, we can debit your account, as provided in Sections 2.C. and 2.H., for the Royalty and Marketing and Promotion Fund contributions which are due on the amount of the understatement, plus 100% of understated Gross Sales and interest, at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is greater, and all late fees, from the date originally due until the date of payment.

If an inspection or audit is made necessary by your failure to furnish reports, supporting records or other information as required, or to furnish these items on a timely basis, or if an understatement of Royalty is greater than 2% or for failure to record all customers in the Software, for any period reviewed, you promise to reimburse us for the cost of the inspection or audit, including without limitation, the charges of attorneys and independent accountants, the travel expenses, room and board, and compensation of our employees and/or contractors. Further, if an understatement of Royalty is greater than 5%, you also promise to pay us an additional penalty fee equal to 10% of the total amount of the understated Gross Sales.

These remedies are in addition to our other remedies and rights under this Franchise Agreement and applicable law.

9. TAXES AND ADVANCES.

A. *TAXES.*

You promise to pay all taxes as required by local, state or federal laws regarding the products, service or equipment furnished, or used in connection with the operation of the Franchised Business. You promise to promptly pay us, when due, the amount of all sales taxes, use taxes, personal property taxes, and similar taxes imposed upon, required to be collected or paid by us, to your state and/or local government, on account of services or goods furnished by us to you through sale, lease or otherwise, or on account of collection by us of the Initial Franchise Fee, the Initial Package Fee, Royalties or any other payments to us called for by this Franchise Agreement.

B. *ADVANCES.*

You promise to promptly reimburse us for all amounts that we have paid or have been obligated to pay, on your behalf for any unpaid tax liability.

10. TRANSFER.

A. BY US.

This Franchise Agreement is fully transferable by us and will inure to the benefit of any transferee or other legal successor to our interests herein.

B. BY YOU.

If you are in full compliance with this Franchise Agreement, then, with our prior written approval, you may transfer this Franchise Agreement, the Franchise and Business, and any part of your ownership in it (including any voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition). Any such assignment, transfer or encumbrance without such approval will constitute a breach of this Franchise Agreement. Any change of ownership requires our approval and must meet the conditions specified below, and the payment of the transfer fee will be due should the change of ownership be 33% or more in the aggregate. We will not, however, unreasonably withhold our approval provided that the conditions specified below are met:

1. you are in full compliance with this Franchise Agreement;
2. the transferee has demonstrated sufficient business experience, aptitude, and financial resources to meet our then current standards for new Franchise Owners, which may include aptitude or assessment testing;
3. the transferee and its owners and affiliates are not engaged in a competitive business, unless they agree to operate all competitive businesses as part of the Mr. Handyman System;
4. you provide us with written authorization to release to the transferee any and all information about the operation of the Franchised Business which we have collected;
5. the transferee has executed our then current form of Franchise Agreement for a full term;
6. you or the transferee has paid us: (a) our then current transfer fee upon execution of the Franchise Agreement to defray expenses we incur in the transfer, including the costs of training the transferee (we will waive the transfer fee for transfers to your spouse, children or parent); (b) all royalties, Marketing & Promotion Fund contributions, fees, amounts owed for purchases from us, late payments and interest; and (c) any applicable broker fees if you utilize a third party broker to locate the transferee.
7. the transferee has successfully completed our Initial Training program;
8. you have executed a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, and agents;
9. we have approved the material terms and conditions of the transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the Franchised Business;
10. if you finance any part of the sale price of the transferred interest, you agree that all of the transferee's obligations under any promissory notes, agreements or security interests that you have reserved in the Franchised Business, are subordinate to the transferee's obligation to pay Royalties, Marketing and Promotion Fund contributions, and other amounts due to us and otherwise to comply with this Franchise Agreement.

11. in the event of an approved transfer to a wholly-owned corporation or limited liability company, we will require you to own and control at least 67 % of the issued and outstanding capital stock or other ownership interest;

12. you must have attended Initial Training and your business must be open in order to transfer the business.

C. YOUR DEATH OR DISABILITY.

Upon your death or disability, your executor, administrator, conservator, guardian or other personal representative must transfer your interest in this Franchise Agreement to a third party within a reasonable amount of time, but not to exceed 6 months. The transfer will be subject to all of the terms and conditions applicable to transfers that are contained in this Section, with the exception that the transfer fee will be waived if the third party is your spouse or child or parent.

In the event of your death or disability, and prior to a transfer of your interests in this Franchise Agreement, your spouse, child, parent or other immediate family member may, if such party otherwise would qualify as a transferee, operate the Franchised Business, provided that such person personally manages the business on a full-time basis, successfully completes Initial Training, and signs a new Franchise Agreement.

For the purposes of this section disability is defined as a condition that materially impairs your ability to operate the Franchised Business in accordance with this Franchise Agreement.

D. OUR RIGHT OF FIRST REFUSAL.

If you at any time determine to sell, assign or transfer for consideration (does not apply to your death or disability) your interest in this Franchise Agreement, you agree to obtain a bona fide, executed written offer and earnest money (in the amount of 5% or more of the offering price) from a responsible and fully disclosed offer and immediately submit to us a true and complete copy of the offer which includes details of the payment terms. To be a valid, bona fide offer, the proposed purchase price is to be denominated in a dollar amount.

When there is a transfer of 100% of Franchisee's ownership in the Franchise Agreement, we have the right, exercisable by written notice delivered to you within 30 days from the date of the delivery to us, of both an exact copy of the offer, and all other information we request, to purchase the interest for the priceless the transfer fee, for all the same 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 purchaser;
3. we will have 60 days, after giving notice of our election to purchase, to prepare for and complete closing;
4. we are entitled to receive, and you agree to make, all customary representations and warranties given to the proposed purchaser.

If we do not exercise our right of first refusal, you may complete the sale to the purchaser on the exact terms of the offer, subject to our approval of the transfer as provided in Paragraphs B of this Section. If the sale is not completed within 60 days after the expiration of our right of first refusal, or if there is a material change in the terms of the sale (which you agree promptly to communicate to us), we will have an additional right of first refusal during the 30 day period following either the expiration of the 60 day period or notice to us of the material change(s) in the terms of the sale, either on the terms originally offered, or the modified terms, at our option.

11. EXPIRATION OF THIS AGREEMENT.

A. YOUR RIGHT TO RENEW THIS AGREEMENT.

Upon the expiration of this Franchise Agreement, provided that during its term you complied substantially with its provisions, including the timely payment of all fees and royalties, you may renew your Franchise for additional terms of 10 years each (the "Successor Term").

We may refuse to offer you a Successor Term if you (i) are not, at the time, in substantial compliance with this Franchise Agreement or any other ancillary agreement then in effect between you and us; (ii) have received written notice by us 3 or more times during the last two years of the Initial Term or any Successor Terms for failure to comply with the terms of this Franchise Agreement, and were in violation of your obligation(s), whether or not such failure is subsequently cured; and/or (iii) have repeatedly failed to make timely payment to us of all sums due to us.

B. AWARD OF A SUCCESSOR AGREEMENT.

You promise to give us written notice of your election to renew this Franchise Agreement no earlier than 9 and no later than 6 months, before the expiration of this Franchise Agreement. We promise to give you notice of our decision (referred to as "Our Notice") not more than 45 days after we receive your notice, in accordance with Paragraph A of this Section: (i) to award you a Renewal Term; (ii) to award you a Renewal Term on the condition that you correct any provisions of the Franchise Agreement with which you are not in compliance; or (iii) not to award you a Renewal Term based on our determination that you have not substantially complied with this Franchise Agreement during its term. If applicable, Our Notice will state the actions you promise to take to correct operating deficiencies and in a reasonable time period in which these deficiencies are to be corrected.

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

If you are approved, and have been notified of our decision to renew the Franchise Agreement, prior to our execution of the Renewal Agreement, we may require that you attend additional training, not to exceed five days in length.

C. AGREEMENTS/RELEASES.

If you satisfy all of the other conditions to the awarding of a Renewal Term, you promise to execute the form of Franchise Agreement and any ancillary agreements we are customarily using at the time. In no event will the Territory or Royalty for the Renewal Term be changed from that contained in this Franchise Agreement. You further promise to execute a mutual general release, in a form satisfactory to us, of any and all claims against either of us and our respective shareholders, officers, directors, employees, agents, successors, and assigns.

D. SUCCESSOR TERM FEE.

You promise to pay us 20% of the then current Initial Licensing Fee per Franchise Agreement, upon execution of your Successor Agreement. This fee is due even if you paid a transfer fee rather than an Initial Licensing Fee at the beginning of the first term of the Franchise Agreement.

12. TERMINATION OF AGREEMENT.

We have the right to terminate this Franchise Agreement, effective upon delivery of written notice to you, if:

- a. you fail to attend training and/or fulfill all the pre-training requirements, which include the payment of all monies due to us, and the completion of all the required tasks as designated in the Right Start Manual;
- b. you fail to commence operation of the Franchised Business within 2 months following your successful completion of the Initial Training Program;
- c. you have made or make any material misrepresentation or omission in purchasing the Franchise or operating the Franchised Business;
- d. you receive from us 3 or more notices to cure the same or similar defaults or violations of this Franchise Agreement within any two-year period of time, regardless of whether such defaults were cured after such notice;
- e. you are or have been convicted by a trial court of or plead no contest to, a felony;
- f. you fail to make payment of any amounts due to us, you fail to make loan payments to a third party when such loan payments were guaranteed by both you and us or funds are not available in your account for debiting when they are due and you do not correct the failure within 10 days of your receipt of written notice of the failure;
- g. you understate your Royalty by 5%, in any reported financial statement, on three or more occasions, during any consecutive two-year time frame during the term of this Franchise Agreement, regardless of whether or not you subsequently rectify the deficiency;
- h. you violate any of the transfer provisions contained in this Franchise Agreement;
- i. you engage in any dishonest or unethical conduct which may adversely affect the reputation of the Franchised Business or the general goodwill associated with the Marks;
- j. you fail, for a period of 15 days after notification of non-compliance by appropriate authority, to comply with any federal, state federal, state or local law ordinance or regulation applicable to the operation of the Franchised Business;
- k. you violate any covenant of confidentiality, non-disclosure or covenant not to compete provision contained in this Franchise Agreement, or you otherwise disclose, use, permit the use of, copies, duplicates, records, transmits or otherwise reproduce any Manuals, business forms, videos, compact discs, audiotapes, material or proprietary information, customer list, knowledge or know-how created or used by us and designated for confidential use within the System, without our prior written approval;
- l. you cease to continuously and actively operate the Franchised Business for five consecutive days, unless caused by an act of God or other circumstance beyond the Franchisee's control, as determined by Franchisor; or the business telephone is disconnected at any time and no new number is immediately reinstalled or reconnected; or Franchisee's conduct is otherwise determined by Franchisor to constitute an abandonment by the Franchisee;
- m. you fail to comply with any part or condition, warranty, certification or other provision required by this Franchise Agreement, the Manuals, and/or other Mr. Handyman confidential materials, and do not correct the failure within 30 days after written notice of the failure to comply is delivered to you;
- n. you fail to comply with modifications to System Standards within the required time period;
- o. you fail to acquire or continuously maintain the required minimum levels of insurance, fail to have Franchisor named as an additional insured or fail to provide a current certificate of insurance to Franchisor as required in Section 7.C. However, we will not exercise

our right to terminate this Franchise Agreement if upon receipt of notice from us, you immediately cease operating the Franchised Business and obtain the required insurance within ten days after written notice is delivered to you;

p. you fail to receive our prior written approval and use products or materials that do not meet our standards and specifications and/or do not promptly discontinue use after written notice from us;

q. you fail to timely provide us with any report, statement or return required by this Franchise Agreement within 10 days after written notice of the failure is delivered to you;

r. you fail to operate the Franchised Business as specified by us in the Franchise Agreement, the Mr. Handyman owner's Intranet web site, the Manuals, and/or other confidential materials, and fail to cure such non-compliance or deficiency within 30 days or written notice from us;

s. you fail to service all customers in a friendly and respectful manner consistent with our System Standards and reputation;

t. you service customers outside of your Territory; or following your receipt of written notice from us, you fail to cease servicing customers located outside of your Territory and/or you fail to provide us or, if the Territory has been purchased by another Franchise Owner, the Franchise Owner whose Territory the customer is located in, information regarding their names, locations, and service requirements as required;

u. you fail to have at least one managing owner of the Franchise Business dedicate his or her full-time attention to the operations and the continuing growth of the Franchise Business; and/or you fail to timely respond and/or communicate with Mr. Handyman and do not cure this default within 15 days after written notice from us; and/or

v. you fail to attend or send a representative in your place, to a minimum of one training course, convention or regional meeting per two calendar years, and you fail to get approval prior to their commencement to miss them, provided that at least two of the above named events have been offered during that two calendar year period.

Notwithstanding the above stated notice periods, if one of the listed failures or defaults cannot be cured within the time period specified above, and you promptly commence all reasonable actions to effectuate a cure and diligently pursue those actions to completion, then we will not terminate this Franchise Agreement.

13. POST TERMINATION OBLIGATIONS.

A. PAYMENT OF AMOUNTS OWED TO US.

You promise to pay to us, on the effective date of termination or expiration of this Franchise Agreement or at any later date that the amounts due to us are determined: (i) all Royalties, Marketing and Promotion Fund contributions, fees, amounts owed for purchases from us, late payments, and interest; and (ii) upon termination for any default, the actual and consequential damages, costs, and expenses (including reasonable attorney and expert fees) incurred by us as a result of your default.

The obligation to pay said sums will create a lien in favor of us against any and all of the personal property, furnishings, equipment, signs, fixtures, and inventory of the Franchised Business, and/or against any monies we hold or otherwise come to our possession.

Any transferee (or purchaser of all or substantially all of the assets of the Franchised Business) shall be liable for payment of such items if you do not timely pay them. Provided,

however, the foregoing sentence will not release or discharge you from your obligations to pay us pursuant to this section and/or to indemnify or reimburse the transferee or purchaser pursuant to the applicable purchase or Transfer Agreement.

B. MARKS.

Upon the termination or expiration of this Franchise Agreement, you promise to:

1. strictly comply with, observe, and abide by all of the provisions of the Covenants Not to Compete and Non-Solicitation Requirements as set forth in Sections 13.D-F;
2. neither directly nor indirectly represent to the public that any other business you may then own or operate, is or was operated as, or was in any way connected to, the System;
3. not hold yourself out or advertise in any context that you were a former Franchise Owner of ours;
4. immediately refrain from engaging in any business relationship or having any contact with customers or former customers of the Franchised Business or to provide them services or for any other purpose(s) related to the Franchised Business;
5. assign any and all accounts receivable to us for collection unless all Royalties and other payment obligations to us are paid in full. In connection with this assignment, you appoint us as attorney-in-fact to engage in such collection activities and you specifically undertake to refrain from engaging in any such collection activities. We promise to employ good faith efforts, including, where appropriate in our sole and exclusive judgment, the commencement of legal proceedings to collect such accounts receivable. We have no duty or obligation to you to accomplish the collection of such accounts receivable. We will remit to you any such sums collected after first deducting all monies owed to us and our costs of collection;
6. not operate or do business under any name or in any manner which might tend to give the general public the impression that you are operating a Mr. Handyman franchise or any confusingly similar business;
7. take the action required to cancel all DBAs or equivalent registrations relating to your use of any Mark;
8. deliver to us, within 7 days, an electronic and hard copy list of the names, telephone numbers, complete mailing addresses, frequency of service, last date of service, and price of such service for all customers serviced by you and the names, addresses, and telephone numbers of the employees rendering such service to each customer;
9. remove all signage from vehicles and/or store fronts and deliver to us, within 7 days, all Manuals, proprietary information, confidential material, proprietary software, signs, sign-faces, marketing and advertising materials, forms, uniforms, job signs, decals (or proof of their removal), and other materials containing any Mark or otherwise identifying or relating to a Mr. Handyman business, and allow us, without liability to you or third parties, to remove all of these items from vehicle(s) and your place of business;
10. notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, telecopy or other numbers and any telephone directory listings associated with any Mark, and authorize the transfer of these numbers and directory listings to us or, at our direction, instruct the telephone company to forward all calls made to your telephone number to numbers we specify. If you fail to do so, we can take whatever action is necessary, on your behalf and consistent with the Telephone Listing Agreement attached to this Franchise Agreement as Exhibit D, to effect these events;

11. agree to cooperate with us to the extent necessary to effectuate any changes in telephone numbers or other transfers of our property to us, including the signing of any forms, authorizations, or other necessary documents;

12. deliver to us, upon our request, an assignment of any real estate leases for property from which the Franchised Business was operated (this shall not apply if the Franchised Business was operated from your residence);

13. deliver to us, within 30 days, evidence that is satisfactory to us of your compliance with each of the foregoing obligations.

C. CONFIDENTIAL INFORMATION.

You promise that, upon termination or expiration of this Franchise Agreement, you will immediately cease to use any of our Confidential Information (including the Software or any other computer software that we have licensed to you) in any business or otherwise, and return to us all copies of the Manuals and other confidential materials that we have loaned to you, and shall not maintain any copies of any such materials, in whole or part, for itself.

D. COVENANT NOT TO COMPETE.

For a period of 2 years following expiration and nonrenewal, transfer or termination of this Franchise Agreement or that of any principal's interest in the Business, neither you nor any of your principals shall, directly or indirectly, through corporations, partnerships, limited liability companies, trusts, associations, joint ventures, individually or other unincorporated businesses, perform any services for, engage in or acquire, participate or have any financial or other interest in any other business offering residential or business maintenance or repair services, and/or other services or products offered by Mr. Handyman Businesses: (1) within the Territory as defined in Exhibit A of this Agreement; (2) a geographic area which is within a 25 mile area surrounding the outside perimeter of the Territory as defined in Exhibit A of this Agreement or (3) within a 20 mile radius of any Mr. Handyman Business in existence on the date of expiration, transfer or termination of this Agreement; provided, however, that this provision shall not apply to the operation of any other Mr. Handyman Business Franchised Business pursuant to a valid franchise agreement with Mr. Handyman. The aforesaid 2-year period shall be tolled during any period of noncompliance.

Accordingly, for a period of two (2) years after the expiration and nonrenewal, transfer or termination of this Franchise Agreement, regardless of the cause, you agree that neither you, nor your principals, including any partners or shareholders, nor any member of your principals immediate family members, shall directly or indirectly, for yourself or through, on behalf of, or in conjunction with any other person, partnership or corporation own, maintain, engage in, be employed by, or have any interest in any company which engages in any business competing in whole or in part with Mr. Handyman franchisees, solicits work for Mr. Handyman franchisees which otherwise would fall under a National Account Program, or which grants franchises or licenses for any business competing in whole or in part with Franchisor.

E. NON-SOLICITATION.

You acknowledge and reaffirm that the Mr. Handyman customer list developed under your Franchise Agreement and all customer information contained therein are trade secrets and the sole and exclusive proprietary information of Mr. Handyman International, LLC, and that you have no ownership right(s) or any other interest in this customer list and information except as a Mr. Handyman franchisee. In the event of the expiration and nonrenewal, transfer or termination of your Franchise Agreement with Mr. Handyman International, LLC., you will not use, disclose or retain, in any form, this customer list or any of the customer information contained therein. You

further acknowledge and agree that if, after the expiration and nonrenewal, transfer or termination of your Franchise Agreement, you will not solicit or market to any customers included on the list on behalf of yourself or others, that you would inevitably use or disclose the customer list and information to do so.

Accordingly, for a period of two (2) years after the expiration and nonrenewal, transfer or termination of this Franchise Agreement, regardless of the cause, you agree that neither you, nor your principals, including any partners or shareholders, nor any member of your principals immediate family members, directly or indirectly, for yourself or through, on behalf of, or in conjunction with any other person, partnership or corporation solicit business from then existing or prospective Mr. Handyman customers or customers with whom your former Mr. Handyman franchise did business in the preceding 5 years for any related or competitive business purpose nor solicit any employee of Mr. Handyman or any other Mr. Handyman System franchisee to discontinue his employment.

F. SPOUSES AND IMMEDIATE FAMILY MEMBERS.

It shall be deemed a breach of this Agreement if your spouse, parent, sibling or children should engage in any of the prohibited conduct.

G. CONTINUING OBLIGATIONS.

All of our and your obligations which expressly or by their nature survive the expiration or termination of this Agreement, will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

H. REFORMATION.

It is the intention of the parties that this section be enforced to the fullest extent possible. If a court shall determine that it is not enforceable as drawn, then it shall be reformed and enforced to the fullest extent lawful in the jurisdiction.

14. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

A. INDEPENDENT CONTRACTORS.

You acknowledge and agree that, under this Franchise Agreement; you are and will be an independent contractor of ours. You will not be deemed an employee of ours for any purpose, and no employee of yours will be deemed to be an employee of ours for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Nothing in this Franchise Agreement will be construed so as to create a partnership, joint venture or agency. You do not have any power to obligate us for any expenses, liabilities or other obligations, other than as is specifically provided for in this Franchise Agreement. We will not have the power to hire or fire your employees and, except as expressly provided in this Franchise Agreement, we may not control or have access to your funds or expenditures, or in any other way exercise dominion or control over the Franchised Business.

You promise to identify yourself conspicuously in all dealings with customers, suppliers, public officials, the Franchised Business's contractors and employees, and others, and in the manner we prescribe, as the owner of the Franchised Business under a Franchise that we have awarded and to place notices of independent ownership on the forms, business vehicles, stationery, and advertising, and other materials we require you to use from time to time.

B. NO LIABILITY FOR ACTS OF OTHER PARTY.

Neither you nor we will make any express or implied agreements, warranties, guarantees or representations, or incur any debt in the name of, or on behalf of, the other party or represent that the relationship between you and us is other than that of franchisor and Franchise Owner. We do not assume any liability, and will not be deemed liable for any agreements, representations or warranties made by you which are not expressly authorized under this Franchise Agreement, for any damages to any person or property which directly or indirectly arise from or relate to the operation of the Franchised Business franchised by this Franchise Agreement.

C. INDEMNIFICATION.

You promise to protect, defend, and indemnify us, and all of our past, present, and future shareholders, direct and indirect parent companies, subsidiaries, affiliates, officers, directors, employees, attorneys, and designees (the "Indemnified Parties"), and hold them harmless from and against any and all costs and expenses, including attorneys' fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person, firm or corporation or to any property arising out of or in connection with, your operation of the Franchised Business. We agree to provide you with reasonable notice of and cooperate with you in connection with any claims for which we will seek indemnification.

Notwithstanding the above-stated indemnification regarding any third party claims and/or liabilities, we agree to waive and release the Manager Owner(s) from personal responsibility for these indemnifications, and we will look for recovery only from the Franchisee. Provided, however, at the time of any event giving rise to an indemnification, if the insurance coverages required in Section 7.C are not maintained and/or we are not included as an additional named insured or for any other reason beyond our control we are not covered by the insurance, then this waiver and release is null and void, and the personal indemnifications set forth above remain in full force and effect.

Under no circumstances will we, or any other Indemnified Party, be required to seek recovery from any insurer or other third party, in order to maintain and recover fully a claim against you. You agree that a failure to pursue recovery against others will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

We promise to protect, defend and indemnify you, and all of your past, present and future shareholders, officers, directors, employees, attorneys and designees (the indemnifying parties), and hold them harmless from and against any and all costs and expenses, including attorneys' fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person, firm or corporation or any property arising out of or in connection with your right to use the Marks, confidential and proprietary information provided to you by us pursuant to this Franchise Agreement and/or your right to operate the Business System.

D. NO LIABILITY FOR TECHNOLOGY FAILURE

We are not liable for any direct, incidental or consequential damages, including but not limited to: lost profits, lost savings or consequential, punitive or incidental damages arising out of or in any way connected to a technology-related problem, such as high speed internet connection, electronic mail, software, web site, file servers, computer and other electronic equipment or call center.

15. ENFORCEMENT.

A. SEVERABILITY.

Nothing contained in this Franchise Agreement will be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Franchise Agreement or the Manuals, and any present or future statute, law ordinance or regulation contrary to which the parties have no legal right to contract, the latter will prevail, but in such event the provisions of this Franchise Agreement or the Manuals thus affected, will be curtailed and limited only to the extent necessary to bring them within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Franchise Agreement or the Manuals, will be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision will be deemed deleted, and the remaining part of this Franchise Agreement will continue in full force and effect.

If any covenant in this Franchise Agreement which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable by reducing any part or all of the covenant, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law is applicable to the validity of the covenant.

If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of termination or refusal to renew, than this Franchise Agreement, the prior notice or other action required by such law or rule will be substituted for the notice requirements of this Franchise Agreement. Such modification to this Franchise Agreement will be effective only in such jurisdiction and this Franchise Agreement will otherwise be enforced as originally made and entered into in all other jurisdictions.

B. WAIVER OF OBLIGATIONS.

Either of us may, by written notice, unilaterally waive or reduce any obligation or restriction of the other party under this Franchise Agreement. The waiver or reduction may be revoked at any time, for any reason, on 10 days written notice.

C. FEES AND EXPENSES.

Should either we or you commence any action or proceeding for the purpose of enforcing or preventing, the breach of any provision of this Franchise Agreement, whether by arbitration, judicial or quasi-judicial action or otherwise or for damages for any alleged breach of any provision or for a declaration of such party's rights or obligations under this Franchise Agreement, then the prevailing party will be reimbursed by the losing party for all costs and expenses incurred in connection with such action, including, but not limited to, reasonable attorneys' and experts' fees for the services rendered to such prevailing party. All sums that are due but unpaid to either party will bear interest from the date due at the highest rate applicable by law.

D. YOU MAY NOT WITHHOLD PAYMENT TO US.

You promise to not withhold payment of any amount due to us on the grounds of our alleged nonperformance or for any other reason. You agree that all claims will, if not otherwise resolved, be submitted to arbitration as provided in Paragraph F of this Section.

E. RIGHTS OF PARTIES ARE CUMULATIVE.

Your and our rights are cumulative and no exercise or enforcement by either of us of any right or remedy in this Franchise Agreement will preclude the exercise or enforcement by that party of any other right of remedy to which it is entitled by law.

F. ARBITRATION.

Except for any controversy or claim relating to the improper or unauthorized use or ownership of the Marks, the breach of non-competition covenants or the disclosure or improper or

unauthorized use of confidential or proprietary information by you, all controversies, disputes or claims between us and our shareholders, officers, directors, agents, and employees, and you, arising out of or related to (i) this Franchise Agreement or any other agreement between you and us or any provision of any these agreements; (ii) our relationship with you; (iii) the validity of this Franchise Agreement or any other agreement between you and us or any provision of any of those agreements; and/or (iv) any System Standard relating to the establishment or operation of the Franchised Business; will be submitted for final and binding arbitration, on demand of either party, to the office of the American Arbitration Association closest to our then existing principal business address. The arbitration proceedings will be conducted at that American Arbitration Association office and, except as otherwise provided in this Franchise Agreement, will be heard by an arbitrator, chosen by you and us, but if we cannot agree upon an arbitrator, then we shall each select one arbitrator, and the two arbitrators shall select a third arbitrator, this third arbitrator will alone hear the dispute, in accordance with the then current commercial arbitration rules of the American Arbitration Association. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 ET SEQ) and not by any state arbitration law.

At least five (5) business days prior to the arbitration hearing, we will each provide our last best offer to resolve the dispute to one another, as well as to the arbitrator. Notwithstanding any other provision set forth in this section or elsewhere in the Franchise Agreement, it is agreed and understood that the arbitrator shall only have the right to select one or the other of these last best offers as his/her final decision. The arbitrator may not under any circumstances reach any other determination. The party whose last best offer is not selected by the arbitrator shall pay the costs and expenses of the arbitrator and of the other party, including the other party's attorney fees. So long as it is set forth in a party's last best offer to resolve the dispute, the arbitrator shall have the right to award specific performance and/or injunctive relief. The arbitrator will not have the right to declare any mark generic or otherwise invalid or to award exemplary or punitive damages.

The award and decision of the arbitrators will be conclusive and binding upon all parties hereto, and judgment upon the award may be entered in any court of competent jurisdiction.

We and you promise to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Franchise Agreement, whichever expires earlier. We and you further promise that, in connection with any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as described above will be forever barred.

We and you agree that arbitration will be conducted on an individual, not a class-wide, basis, and that an arbitration proceeding between us and our shareholders, officers, directors, agents, employees, and you may not be consolidated with any other arbitration proceeding between us and any other person, corporation or partnership.

Notwithstanding anything to the contrary contained in this Paragraph, we and you 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 you must contemporaneously submit our dispute for arbitration on the merits as provided in this Section.

The provisions of this Paragraph are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to, and notwithstanding, the expiration or termination of this Franchise Agreement

G. JURISDICTION.

Subject to Section 15.F., you agree that all actions arising under this Franchise Agreement or otherwise, as a result of the relationship between you and us shall be commenced in the state, and in the state or federal court of general jurisdiction, closest to where our principal business address then is located, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction of or venue in such courts. Notwithstanding the foregoing, you agree that we may enforce this Franchise Agreement and any arbitration orders in the courts of the state or states in which you are domiciled or the Franchised Business is located.

H. CHOICE OF 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 as required hereby, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 ET SEQ) or Federal Law, this Franchise Agreement, the Franchise and all claims arising from the relationship between us and you will be governed by the laws of the state where our principal business address is located.

I. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

Except for the mutual indemnification obligations under Section 14(C), and claims we bring against you for your unauthorized use of the Marks or unauthorized use or disclosure of any confidential information, we and you waive, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that, in the event of a dispute between us, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains.

We and you irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either of us.

We and you agree any litigation will be conducted on an individual, not a class-wide, basis, and that any judicial proceeding between us and our shareholders, officers, directors, agents, employees, and you may not be consolidated with any other judicial proceeding between us and any other person, corporation or partnership.

J. BINDING EFFECT.

This Franchise Agreement is binding us and you and will inure to the benefit of the parties hereto and their respective executors, administrators, heirs, assigns, and successors in interest and may not be modified, except by a written agreement signed by you and us.

K. LIMITATIONS OF CLAIMS.

Except for claims arising from your non-payment or underpayment of amounts you owe us under this Franchise Agreement, any and all claims arising out of or relating to this Franchise Agreement or our relationship with you will be barred unless a judicial or arbitration proceeding is commenced within one year from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claim.

L. CONSTRUCTION.

The introduction and exhibits are a part of this Franchise Agreement which, together with the Manuals and our other written policies, constitute our and your entire agreement except as provided below, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Franchise Agreement, except that you acknowledge that we justifiably have relied on your representations made before the execution of this Franchise Agreement. Except as contemplated by the arbitration provisions of Section 15.F. nothing in this

Franchise Agreement is intended, nor is deemed, to confer any rights or remedies upon any person or legal entity not a party to this Franchise Agreement.

Except where this Franchise Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed initiated or effected actions that require our approval.

The headings of the sections and paragraphs in this Franchise Agreement are for convenience only and do not define, limit or construe the contents of such sections or paragraphs.

References in this Franchise Agreement to "we," "us," and "our," with respect to all of our rights and all of your obligations to us under this Franchise Agreement, will be deemed to include any of our affiliates with whom you deal. The term "affiliate," as used in this Franchise Agreement with respect to you or us, means any person or entity directly or indirectly owned or controlled by, under common control with or owning or controlling you or us. For purposes of this definition, "control" means the power to direct or cause the direction of management and policies.

If two or more persons are the Franchise Owner under this Franchise Agreement, their obligation and liability to us will be joint and several. This Franchise Agreement may be executed in multiple copies, each of which will be deemed an original.

Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document.

M. COMPLIANCE WITH OTHER LAWS

You must comply with all national, state, and local laws and regulations that apply. It is your responsibility to carefully and thoroughly investigate these laws, discuss them with your attorney and/or advisors, and ensure that you understand them.

N. WAIVERS

We will not be deemed to have waived our right to demand exact compliance with any of the terms of this Franchise Agreement, even if at any time: (a) we do not exercise a right or power available to us under this Franchise Agreement; or (b) we do not insist on your strict compliance with the terms of this Franchise Agreement; or (c) if there develops a custom or practice which is at variance with the terms of this Franchise Agreement; or (d) if we accept payments which are otherwise due to us under this Franchise Agreement. Similarly, our waiver of any particular breach or series of breaches under this Franchise Agreement or of any similar term in any other agreement between you and us or between us and any other franchise owner, will not affect our rights with respect to any later breach by you or anyone else.

16. NOTICES AND PAYMENTS.

Any notice, report, payment, or other communication that is required to be delivered by the provisions of this Franchise Agreement, will be in writing and will be deemed to be delivered: (i) at the time of hand delivery; (ii) at the time delivered via computer transmission and, in the case of Royalty and Marketing and Promotion Fund contributions, at the time we actually debit your account; (iii) one business day after transmission by telecopy, facsimile or other electronic system; (iv) one business day after being placed in the hands of a commercial courier service for next business day delivery; and/or (v) three business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

All communications are to be addressed to the party to be notified at its most current principal business address. Both you and we agree to immediately notify the other of any change in

address. Any required payment or report that we do not actually receive during regular business hours on the date due will be deemed delinquent.

17. YOUR AFFIRMATIONS.

In awarding this Franchise, we are relying upon your statements, as affirmed by your initials to the left of each statement, that:

- ___ ___ As the Managing Owner you agree to devote your full-time, best efforts to the development and management of your Franchised Business. At least one Managing Owner will operate the Franchised Business on a full-time basis.
- ___ ___ We have not made, nor have you relied, on any representation as to the past or future sales, volume or potential profitability, earnings or income of the Franchised Business or any other Mr. Handyman Franchised Business, other than the information provided in our Disclosure Document.
- ___ ___ You have had the opportunity, and have been encouraged by us, to independently investigate and analyze both the Mr. Handyman franchise opportunity and the terms and provisions of this Franchise Agreement by contacting any and all of our franchise owners and by utilizing the services of attorneys, accountants, or other advisors as you deem to be necessary.
- ___ ___ You are not relying on any representation or statement that we have made regarding the anticipated income, earnings and growth of Mr. Handyman International, LLC, the Mr. Handyman franchise system or the viability of the Mr. Handyman franchise opportunity.
- ___ ___ That, like any other business, the nature of the business conducted by Mr. Handyman Franchised Businesses may, and probably will, evolve over time.
- ___ ___ That your abilities and efforts are vital to the success of the Franchised Business.
- ___ ___ That continually securing new customers is necessary to the Franchised Business and requires you to make consistent and repeated marketing and advertising efforts through a variety of mediums.
- ___ ___ We have certain rights reserved to us to own and operate Mr. Handyman businesses, to franchise others to operate Mr. Handyman businesses, and to otherwise use the System, Marks, know-how, techniques, and procedures, including (without limitation) those expressly set forth in Section 1.D. of this Franchise Agreement.
- ___ ___ As expressly set forth in Section 15, certain disputes, controversies, or claims between us will be submitted to Arbitration and we both waive rights to or claims for, any punitive or exemplary damages either of us may have against the other.
- ___ ___ We may sell our assets, Marks, or the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations; may undertake a re-financing, re-capitalization, leverage buyout or other economic or financial restructuring; with regard to any or all of the above sales, assignments, and dispositions, you expressly agree to provide reasonable closing certificates and other documentation as reasonably requested by us to conclude the transaction, and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variations of them) and/or the loss of association with or identification of Mr. Handyman International, LLC., as the franchisor of this Franchise Agreement.

____ The covenants not to compete and non-solicitations set forth in this Franchise Agreement are fair and reasonable, and will not impose any undue hardship on you, since you have other considerable skills, experience, and education which will afford you the opportunity to derive income from other endeavors.

____ Your employees will perform the services for your customers.

____ All information that you have set forth in any and all applications, financial statements, and submissions to us is true, complete, and accurate in all respects, and you expressly acknowledge that we are relying upon the truthfulness, completeness, and accuracy of such information.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Franchise Agreement on the date stated on the first page hereof.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____
J.B. Sassano
Its: Authorized Representative

Date: _____

MANAGING OWNER

«Name1»
FRANCHISEE: «LLC_or_Corp_»

Date: _____

By: _____
«Name1»
Its: Authorized Representative

Date: _____

EXHIBIT A TO THE FRANCHISE AGREEMENT – TERRITORY

**EXHIBIT A
TO THE FRANCHISE AGREEMENT
BETWEEN MR. HANDYMAN INTERNATIONAL, LLC
AND
«Legal_Name»
TERRITORY**

The “Territory” referred to in Section 1 of the Franchise Agreement will be defined as follows:

2010 U.S. Census Bureau - Census Tracts					
County of «County», State of «state» («state_code»-«county_code»)					
«t1»	«t2»	«t3»	«t4»	«t5»	«t6»
«t7»	«t8»	«t9»	«t10»	«t11»	«t12»
«t13»	«t14»	«t15»	«t16»	«t17»	«t18»
«t19»	«t20»	«t21»	«t22»	«t23»	«t24»
«t25»	«t26»	«t27»			

If any of the Census Tracts identified in the Territory are defined by political boundaries such as counties, city, etc., the boundaries will be considered fixed as of the date of this Franchise Agreement and will not change for the purpose of this Franchise Agreement, notwithstanding a political reorganization or change to the boundaries or regions. All street boundaries will be deemed to end at the street center line unless otherwise specified above. This Exhibit A shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp_»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

EXHIBIT B-1 TO THE FRANCHISE AGREEMENT – INITIAL PACKAGE

**EXHIBIT B-1
TO THE FRANCHISE AGREEMENT
BETWEEN MR. HANDYMAN INTERNATIONAL, LLC
AND
«Legal_Name»**

INITIAL PACKAGE

Item	Quantity
<i>Office Supplies</i>	
Business Cards	500
Personalized Letterhead	500
Personalized Envelopes	500
5-in-1 Labor Law Poster	1
Mr. Handyman Magnets	500
Water Resistant Red Shoe Covers	1 case
<i>Accounting and Record Keeping Supplies</i>	
QuickBooks Accounting Software Package, 500 computer checks, 200 deposit slips, 500 window envelopes and 1 endorsement stamp	1 set
Franchise Management Software System License and Software	1
<i>Marketing Materials and Customer Supplies</i>	
Mr. Handyman Brochures	500
Mr. Handyman Door Hangers	500
Mr. Handyman Invoice Forms	500
Mr. Handyman Daily Job Envelopes	500
Mr. Handyman Payment Return Envelopes	500
Sales Lead Control Sheets	5 Pads
Household Maintenance Folders	300
Service Check List	500
Gift Certificates	200
Zippered Padfolio	2
Yard Signs	50
Commercial Brochures	250
Notecards and Envelopes	250
Bagel Boxes	50
Counter Displays	5
Grand Opening Public Relations Program	1
<i>Uniforms</i>	
Mr. Handyman Polo Shirts	4
Mr. Handyman Oxford Shirts	4
<i>Manuals - All manuals are the property of Mr. Handyman International, LLC, on loan to Franchise Owner</i>	
Right Start Manual	1
Operations, Standards & Reference Manual	1

Item	Quantity
Marketing Toolbox Manual	1
<i>Franchise Management Software System</i> Manual	1
Material Safety Data Sheets	1
Professional Selling/CSR's Guide	1
<i>DVDs</i>	
Professional Selling	1
Technician Training	1
<i>Technology</i>	
Personal computer (meeting our specifications)	1
Laser Printer/fax/copier/scanner	1
Battery Backup	1
<i>Convention Allowance</i>	1

EXHIBIT B-2 TO THE FRANCHISE AGREEMENT – TRANSFER INITIAL PACKAGE

**EXHIBIT B-2
TO THE FRANCHISE AGREEMENT
BETWEEN MR. HANDYMAN INTERNATIONAL, LLC
AND
«Legal_Name»**

TRANSFER INITIAL PACKAGE

Item	Quantity
<i>Office Supplies</i>	
Business Cards	500
Personalized Letterhead	500
Personalized Envelopes	500
Grand Opening Public Relations Program	1
Mr. Handyman Oxford Shirts	4
Mr. Handyman Polo Shirts	4
<i>Accounting and Record Keeping Supplies</i>	
500 computer checks, 200 deposit slips, 500 window envelopes and 1 endorsement stamp	1 set
<i>Manuals - All manuals are the property of Mr. Handyman International, LLC, on loan to Franchise Owner</i>	
Right Start Manual	1
Operations, Standards & Reference Manual	1
Marketing Toolbox Manual	1
Franchise Management Software System Manual	1
Material Safety Data Sheets	1
Professional Selling/CSR's Guide	1
<i>Technology *</i>	
Personal computer (meeting our specifications)	1
Laser Printer/fax/copier/scanner	1
Battery Backup	1
QuickBooks Accounting Software Package	1
<i>Convention Allowance</i>	1

* Listed Technology items may be omitted as described in Section 2.B.

**EXHIBIT C TO THE FRANCHISE AGREEMENT – FRANCHISE
MANAGEMENT SOFTWARE LICENSE AGREEMENT**

**EXHIBIT C
TO THE FRANCHISE AGREEMENT BETWEEN
MR. HANDYMAN INTERNATIONAL, LLC
AND
«Legal_Name»**

FRANCHISE MANAGEMENT SOFTWARE LICENSE AGREEMENT

Mr. Handyman International, LLC a Michigan limited liability company, having its principal office at 3948 Ranchero Drive, Ann Arbor, Michigan 48108 ("MHI"), grants a renewable license ("License") to «Legal_Name» with offices at «Address» ("Licensee"), upon the terms set forth in this Agreement and subject to all the terms of a Franchise Agreement between MHI and Licensee.

TERMS AND CONDITIONS

License Grant: MHI grants to Licensee a renewable License to use the Franchise Management Software system (the "Product"), and all subsequent upgrades distributed to Licensee ("Upgrades"), on Licensee's computer network, subject to the terms and conditions of the License Agreement. Copies of the database may be made for backup purposes. This License does not extend to other parties, even if they use the same computer or network. MHI reserves the right to issue new modules, which may be separately licensed. You must upgrade the Software within a timely manner when new releases are released.

1. Title and Copyright: Title and copyrights in and to the Product and all accompanying material shall remain with MHI and its licensors' subcontractors. Licensee may not copy any of these materials except as needed for internal use. All rights not specifically granted under this agreement are reserved by MHI.

2. Term: This License is a quarterly license. It shall be renewed each quarter and shall remain in effect throughout the term of the Franchise Agreement between MHI and Licensee.

3. Copies and Listings: The Licensee shall not copy or reverse-engineer the Product in whole or in part, nor shall it permit other parties to do so, except that Licensee may make a single copy of the Product for backup or archival purposes. The Product includes computer software, associated media, any printed materials, and any electronic documentation.

4. Protection of Product: Licensee agrees not to make available to any party the Product or any of its parts. Licensee agrees to take appropriate action with its employees and any other parties to obtain assurances of non-disclosure consistent with this Agreement.

Licensee recognizes that the Product is MHI copyrighted property, represents a large investment of human and financial resources by MHI, is a trade secret of MHI, and is confidential information. Licensee agrees to keep the Product, and all related materials, confidential. Licensee will use its best efforts, including any reasonable security precautions as MHI may request, to ensure that the proprietary rights of MHI are preserved to the fullest extent possible under the law. In addition to the right to terminate this Agreement, MHI shall be entitled to seek appropriate injunctive relief in the event of any violation of the confidentiality of its copyrighted materials, and to bring an action at law where appropriate.

5. Limitations on Reverse Engineering, Decompilation, and Disassembly. Licensee agrees not to reverse engineer, decompile, or disassemble the Product, nor shall it

permit others to do so, except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation.

6. Assignment and Sub-Licensing: This License shall not be assigned or sub-licensed by Licensee, except with the prior, specific written consent of MHI.

7. Warranty: MHI warrants that the Product, when delivered to Licensee, shall be free from material defects and shall substantially conform to the program documentation. Licensee acknowledges that the Product is of such complexity that it may have certain defects when delivered. Licensee agrees that the sole responsibility liability of MHI shall be to use reasonable efforts to correct program errors in the Product, and not to correct problems due to the hardware upon which the Product is operated, interaction with other non-standard software, or incorrect handling or employment of the Product by Licensee. All warranties extend only to the Licensee.

THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, STATUTORY OR OTHERWISE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Limitation of Liability; Limitation of Actions: MHI SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS FROM ANY CAUSE ARISING OUT OF OR IN ANY WAY CONNECTED NEITHER WITH THE PRODUCT, NOR FOR ANY CLAIM OR DEMAND BY OR AGAINST LICENSEE. No action arising out of the transactions under this Agreement may be brought by either party more than one year after the cause of action has occurred. Additionally, any cause of action for improper use, transfer, sub-licensing or disclosure of the Product or materials may be brought within one year of the date when MHI shall have actual knowledge thereof. In the event MHI must institute suit to enforce the terms and conditions of this Agreement, Licensee shall pay reasonable attorneys fees and costs incurred by MHI.

9. Termination by MHI: The parties agree that any of the following events shall be considered to be a default under the terms of this Agreement, shall entitle MHI to terminate this Agreement, and shall authorize MHI to immediately terminate Licensee's access to the Product: (a) failure to maintain the Franchise Agreement between MHI and Licensee in good standing; (b) failure to make payments of any kind to MHI in full or on time; (c) failure to comply with any covenants or agreements herein; and/or (d) Licensee's disposing of, licensing or transferring the Product, other than strictly in accordance with the terms of this Agreement.

Upon termination of this Agreement, Licensee shall immediately deliver to MHI all Products, and copies of Products, and related materials in its possession, and shall not maintain any copies of any such materials, in whole or part, for itself. Licensee will not, directly or indirectly, export or transmit (i) the Product or related documentation or technical data to any country to which such export or transmission is restricted by any applicable U.S. regulation or statute, without the prior written consent, if required, of the Bureau of Export Administration of the U.S. Department of Commerce or such other governmental entity as may have jurisdiction over such export or transmission.

Miscellaneous: In the event that any part of this Agreement shall be found to be unenforceable, such findings shall not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein, all promises, undertakings, representations, agreements and arrangements with reference to the subject matter of this Agreement. This Agreement shall be construed in accordance with the laws of the State of Michigan, and shall be deemed to have been made in the State of

Michigan. This Agreement may not be modified, except by a written agreement signed by MHI and Licensee. This Exhibit C shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp_»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

EXHIBIT D TO THE FRANCHISE AGREEMENT– TELEPHONE LISTING AGREEMENT

**EXHIBIT D
TO THE FRANCHISE AGREEMENT BETWEEN
MR. HANDYMAN INTERNATIONAL, LLC
AND
«Legal_Name»**

TELEPHONE LISTING AGREEMENT

In accordance with the terms of the Franchise Agreement between Mr. Handyman, International, LLC ("FRANCHISOR"), a Michigan limited liability company, and «Legal_Name» ("FRANCHISE OWNER") executed concurrently with this Assignment, under which FRANCHISOR granted FRANCHISE OWNER the right to own and operate a Franchised Business (the "Franchised Business"), located in the area defined in Exhibit A to the Franchise Agreement, FRANCHISE OWNER, for value received, hereby assigns to FRANCHISOR all of FRANCHISE OWNER'S right, title, and interest in and to those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the "Telephone Numbers and Listings") associated with FRANCHISOR's trade and service marks and used from time to time in connection with the operation of the Franchised Business.

This assignment is for collateral purposes only and, except as specified herein, FRANCHISOR will have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless FRANCHISOR will notify the telephone company and all listing agencies (collectively, the "Telephone Company") pursuant to the terms hereof to effectuate the assignment.

Upon termination or expiration of the Franchise Agreement (without renewal or extension), FRANCHISOR will have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings, and, in such event, FRANCHISE OWNER will have no further right, title or interest in the Telephone Numbers and Listings and will remain liable to the Telephone Company for all past due fees owing to the Telephone Company on or before the effective date of the assignment hereunder.

FRANCHISE OWNER agrees and acknowledges that as between FRANCHISOR and FRANCHISE OWNER, upon termination or expiration of the Franchise Agreement, FRANCHISOR will have the sole right to and interest in the Telephone Numbers and Listings, and FRANCHISE OWNER appoints FRANCHISOR as FRANCHISE OWNER'S true and lawful attorney-in-fact to direct the Telephone Company to assign same to FRANCHISOR, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, FRANCHISE OWNER will immediately notify the Telephone Company to assign the Telephone Numbers and Listings to FRANCHISOR. If FRANCHISE OWNER fails to promptly direct the Telephone Company to assign the Telephone Numbers and Listings to FRANCHISOR, FRANCHISOR will direct the Telephone Company to effectuate the assignment, contemplated hereunder, to FRANCHISOR.

The parties agree that the Telephone Company may accept written direction from FRANCHISOR or this Assignment, as conclusive proof of FRANCHISOR's exclusive rights in and to the Telephone Numbers and Listings upon such termination or expiration.

The parties further agree that if the Telephone Company requires that the parties execute the Telephone Company's assignment forms or other documentation at the time of termination or expiration, FRANCHISOR's execution of such forms or documentation will effectuate Franchise Owner's consent and agreement to the assignment. The parties agree that at any time after the date hereof, they will perform such acts and execute and deliver such documents as may be necessary

to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement. This Exhibit D shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp_»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

EXHIBIT E TO THE FRANCHISE AGREEMENT- DISCLOSURE
ACKNOWLEDGMENT STATEMENT

(To be completed by each signatory to the Franchise Agreement)

Through the use of this document, we desire to ascertain that you, «Legal_Name», understand and comprehend that the purchase of a Mr. Handyman franchise is a very important business decision, complete with its associated risks, and that it is the policy of Mr. Handyman International, LLC to verify that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Mr. Handyman International, LLC

1. I recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including my skills and abilities, the hours I work, the competition, interest rates, the economy, inflation, business location, operation costs, lease terms, and costs and the market place where my franchise will operate. I hereby acknowledge my willingness to undertake these risks.
2. I acknowledge receipt of the Mr. Handyman International, LLC Franchise Disclosure Document and Exhibits. I acknowledge that I have had the opportunity to personally and carefully review these documents. Furthermore, I have been advised to seek professional assistance, to have professionals review the documents, and to consult with other franchise owners regarding the risks associated with the purchase of the franchise.
3. I agree and state that the decision to enter into this business, with its associated risks is in no manner predicated upon any oral representations, assurances, warranties, guarantees or promised made by Mr. Handyman International, LLC or any of its officers, employees or agents (including any franchise broker) as to the likelihood of success of the franchise. I further acknowledge that I have not received any information from Mr. Handyman International, LLC or any of its officers, employees or agents (including any franchise brokers) concerning actual, average, projected or forecasted franchise sales, profits or earnings, other than that which is contained in Item 19 of the Franchise Disclosure Document. If I believe that I have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings, I will describe them in the space below. *If no information concerning actual, average, projected or forecasted franchise sales, profits or earnings, other than those contained in Item 19, have been received, please write "None."*

«Name1»

Date: _____

EXHIBIT F-1 TO THE FRANCHISE AGREEMENT – STANDARD CONSUMER NOTE

EXHIBIT F-1
TO THE FRANCHISE AGREEMENT
BETWEEN
MR. HANDYMAN INTERNATIONAL, LLC. AND
«Legal_Name»

DATED _____, 20__

CONSUMER NOTE

Amount Due: [\$Amount]

DUE DATE: [Date]

FOR VALUE RECEIVED, the receipt of which is acknowledged, the undersigned, [Name], promise to pay to the order of Mr. Handyman International, LLC., a Michigan Limited Liability Company, located at 3948 Ranchero Drive, Ann Arbor, Michigan 48108, the principal sum of [\$Amount], together with an annual percentage rate of 9.9% interest, due on [Date] or at least one business day prior to attending Initial Training, whichever occurs first.

This Promissory Note may be prepaid in full at any time without restriction or penalty.

The undersigned hereby waives presentation for payment, demand, notice of non-payment, protest, and all other demands and notices required by law (statutory or otherwise). In the event that the undersigned should default under this Promissory Note, and legal proceedings are commenced to collect the indebtedness evidenced hereby, the undersigned agrees to pay all costs and expenses, including reasonable attorney fees, incurred in the collection of this Promissory Note.

Should the undersigned transfer or assign his/her franchise rights to a third party prior to the pay-off of this Promissory Note, said Promissory Note must be paid in full before Mr. Handyman International, LLC., will approve such transfer or assignment.

The validity, construction, interpretation, and enforceability of the terms of this Promissory Note shall be determined and governed by the laws of the State of Michigan. The undersigned hereby confirms that the proceeds of this Promissory Note will be used for the business purpose of starting up this Mr. Handyman business. As provided in this Franchise Agreement this Promissory Note is personally guaranteed by [Name].

[Name]

In his/her personal capacity

Date: _____

EXHIBIT F-2 TO THE FRANCHISE AGREEMENT- CONSUMER NOTE

EXHIBIT F-2

TO THE FRANCHISE AGREEMENT

BETWEEN

MR. HANDYMAN INTERNATIONAL, LLC. AND

«Legal_Name»

DATED _____, 20__

CONSUMER NOTE

Amount Due: [\$Amount]

DUE DATE: [FINAL Date]

FOR VALUE RECEIVED, the receipt of which is acknowledged, the undersigned, [Name], promise to pay to the order of Mr. Handyman International, a Michigan Limited Liability Company, located at 3948 Ranchero Drive, Ann Arbor, Michigan 48108, the principal sum of [\$Amount]. There is no interest assessed if paid on or before [First due date]. Should the undersigned not pay the balance due on or before [First due date], then interest will be charged at a rate of 9.9%. However, the balance of the note and all interest is due no later than one business day prior to attending Initial Training or [Final Due Date], whichever occurs first. A non-refundable \$250 Administrative Fee must accompany this note.

This Promissory Note may be prepaid in full at any time without restriction or penalty.

The undersigned hereby waives presentation for payment, demand, notice of non-payment, protest, and all other demands and notices required by law (statutory or otherwise). In the event that the undersigned should default under this Promissory Note, and legal proceedings are commenced to collect the indebtedness evidenced hereby, the undersigned agrees to pay all costs and expenses, including reasonable attorney fees, incurred in the collection of this Promissory Note.

Should the undersigned transfer or assign his/her franchise rights to a third party prior to the pay-off of this Promissory Note, said Promissory Note must be paid in full before Mr. Handyman International, LLC, will approve such transfer or assignment.

The validity, construction, interpretation and enforceability of the terms of this Promissory Note shall be determined and governed by the laws of the State of Michigan. The undersigned hereby confirms that the proceeds of this Promissory Note will be used for the business purpose of starting up this Mr. Handyman business. As provided in this Franchise Agreement this Promissory Note is personally guaranteed by [Name].

[Name]

In his/her personal capacity

Date: _____

EXHIBIT A-2: STATE ADDENDA AND RIDER

RIDER TO THE FRANCHISE AGREEMENT FOR USE IN ILLINOIS

This Amendment shall pertain to franchises sold in the State of Illinois and shall be for the purpose of complying with Illinois statutes and regulations. Despite anything to the contrary in the Franchise Agreement, if there is a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement.

1. Section 15.J of the Franchise Agreement is supplemented to include the following: Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the State of Illinois.

2. Section 15.H of the Franchise Agreement is amended to include the following: However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Illinois Franchise Disclosure Act of 1987 and the Rules and Regulations under the Act with respect to the offer and sale of a franchise and the franchise relationship. Where required under Illinois law, the laws of the State of Illinois will govern.

3. Section 15.K of the Franchise Agreement is supplemented to include the following: No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to Franchisee of a written notice disclosing the violation, whichever shall first expire.

4. Section 705/41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in Section 15.M of the Franchise Agreement is inconsistent with Illinois law, Illinois law will control.

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan Limited Liability Company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN MARYLAND

This is a Rider to the Franchise Agreement, (the “Agreement”) which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State] and [LLC or Corp Name], a [State] company to be formed or already existing (referred to in this Agreement as “you,” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

1. Background: We and you are parties to that certain Agreement that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Agreement. This Rider is being executed because (a) the offer or sale of the franchise for the Mr. Handyman franchise you will operate under the Agreement was made in the State of Maryland and you will operate the Franchise in the State of Maryland and/or (b) you are a resident of the State of Maryland.

2. Expiration of this Agreement: Pursuant to COMAR 02.02.08.16L, the following is added to the end of Sections 10.B.8 and 11.C. of the Agreement: “The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

3. Enforcement: The following is added at the end of Section 15.F. and 15.K. of the Agreement: “Any limitation of claims provisions shall not act to reduce the three year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. Jurisdiction: Pursuant to Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law, the following is added at the end of Sections 15.G. and 15.H. of the Agreement: “You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

5. Integration: The following is added to the Franchise Agreement as Section 15.O. Integration: “Nothing in the Franchise Agreement or any related Agreements are intended to disclaim the representations made in the Franchise Disclosure Document that was issued to you prior to the execution of this Franchise Agreement.”

6. Acknowledgment: Pursuant to Section 14-226 of the Maryland Franchise Registration and Disclosure Law The following is added at the end of Section 17 of the Agreement and to the Disclosure Acknowledgment Statement: “The representations, acknowledgments and affirmations in the preceding section are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Act.”

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN MINNESOTA

This is a Rider to the Franchise Agreement, (the "Agreement") which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as "we," "us," and "ourselves"), and [Legal Name 1] and [Legal Name 2] (referred to as "you" and "Managing Owner"), residents of the State of [State] and [LLC or Corp Name], a [State] company to be formed or already existing (referred to in this Agreement as "you," "your" or "Franchisee").

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. 80C.01 through 80C.22, and the Rules and Regulations promulgated there under by the Minnesota Commissioner of Commerce, Minn. Rule 2860.0100 through 2860.9930, the parties to the attached Mr. Handyman International, LLC Franchise Agreement (the "Agreement") agree as follows:

1. Background. We and you are parties to that certain Agreement that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Agreement. This Rider is being executed because (a) the offer or sale of the franchise for the Mr. Handyman franchise you will operate under the Agreement was made in the State of Minnesota and you will operate the Franchise in the State of Minnesota and/or (b) you are a resident of the State of Minnesota.

2. Marks. The following language is added at the end of Section 4 of the Agreement: "Pursuant to Minnesota Stat. Sec. 80C.12, Subd. 1(g), we are required to protect any rights that you have to use our proprietary rights, including your right to use the trademarks,

service marks, trade names, logotypes or other commercial symbols and indemnify the franchisee from any loss, costs or expenses arising out of any claim, suite or demand regarding the use of the name.”

3. Termination by Franchisor: The following language is added to Section 12 of the Agreement: “With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the Franchise Agreement.”

4. Waiver of Punitive Damages and Jury Trial. The following is added to Section 15.I, if the Agreement: “Minn. Rule 2860.4400J, prohibits the waiver of a jury trial.”

5. Limitations of Claims. The following is added to Section 15.K. of the Agreement: “Minn. Stat. 80C.17, Subd. 5 require that no action may be commenced pursuant to this section more than three years after the cause of action occurs.”

6. Governing Law/Consent to Jurisdiction. The following language is added to Section 15.G. if the Agreement: “PURSUANT TO MINN. STAT. 80C.21 AND MINN. RULE 2860.4400J, THESE SECTIONS SHALL NOT IN ANY WAY ABROGATE OR REDUCE YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES 1984, CHAPTER 80C, INCLUDING THE RIGHT TO SUBMIT MATTERS TO THE JURISDICTION OF THE COURTS OF MINNESOTA.”

7. Agreements/Releases. The following language is added to Section 11.C.: “Provided; however, that such general releases do not apply to the extent prohibited by applicable law with respect to claims which arise under Minn. Rule 2860.4400D.”

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan Limited Liability Company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

Date: _____

«Name1»

FRANCHISEE: «LLC_or_Corp»

By: _____

Date: _____

«Name1»

Its: Authorized Representative

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN NEW YORK

This is a Rider to the Franchise Agreement, (the “Agreement”) which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State]

and [LLC or Corp Name], a [State] company to be formed or already existing (referred to in this Agreement as “you,” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

1. BACKGROUND. We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Mr. Handyman Business that you will operate under the Franchise Agreement was made in the State of New York, and/or (b) you are a resident of New York and will operate the Business in New York.

2. AGREEMENTS/RELEASES. Section 11.C. of the Franchise Agreement is amended by adding the following language to the end of the last sentence of the paragraph: “Provided, however, that all rights Franchisee enjoys and any causes of action arising in Franchisee’s favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force; it being the intent of the proviso that the non-waiver provisions of GBL 687 and 687.5 be satisfied.”

3. TERMINATION OF AGREEMENT BY FRANCHISEE. Section 11.A. of the Franchise Agreement is amended by adding the following as the last sentence: “ Franchisee also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.”

4. TRANSFER BY US. Section 10.A. of the Franchise Agreement is amended by adding the following language at the end: “However, to the extent required by applicable law, no assignment will be made except to an assignee that, in our good faith judgment, is willing and able to assume our obligations under this Agreement.”

5. GOVERNING LAW/CONSENT TO JURISDICTION. Sections 15.G. and 15.H. of the Franchise Agreement are amended by adding the following language: “HOWEVER, THE GOVERNING CHOICE OF LAW SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON FRANCHISEE BY THE PROVISIONS OF ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK.”

6. BINDING EFFECT. Section 15.J. of the Franchise Agreement is amended by adding the following language: “Modifications to the Operations Manual will not unreasonably affect Franchisee’s obligations, including economic requirements, under this Agreement.”

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

Mr. Handyman International LLC, a Michigan Limited Liability Company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____

Date: _____

«Name1»

Its: Authorized Representative

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN NORTH DAKOTA

This is a Rider to the Franchise Agreement, (the “Agreement”) which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State] and [LLC or Corp Name], a [State] company to be formed or already existing whose principal address is [Address] (referred to in this Agreement as “you,” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Mr. Handyman Business that you will operate under the Franchise Agreement was made in the State of North Dakota, and/or (b) you are a resident of North Dakota and your Business will be located or operated in North Dakota.

2. **AGREEMENTS/RELEASES.** Sections 10.B.8 and 11.C. of the Franchise Agreement are amended by adding the following: “Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.”

3. **COVENANT NOT TO COMPETE.** Section 13.D of the Franchise Agreement is amended by adding the following: “Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, you acknowledge and agree that we intend to seek enforcement of these provisions to the extent allowed under the law.”

4. **ARBITRATION.** The following is added to the end of the first paragraph of Section 16.F. of the Franchise Agreement: “However, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which Mr. Handyman and Franchisee agree.”

5. **GOVERNING LAW.** The following is added to the end of Section 16.H. of the Franchise Agreement: “except as otherwise required by North Dakota law.”

6. **CONSENT TO JURISDICTION.** Section 2.G. of the Franchise Agreement is amended by adding the following language: “Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, and subject to Franchisee’s arbitration obligations, Franchisee may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.”

7. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL. To the extent required by the North Dakota Franchise Investment Law, the following paragraph is deleted from Section 15.I. of the Franchise Agreement: “You and we irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either of us.”

8. LIMITATIONS OF CLAIMS. Section 15.K. of the Franchise Agreement is amended by adding the following: “The time limitations set forth in this subsection might be modified by the North Dakota Franchise Investment Law.”

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____
J.B. Sassano
Its: Authorized Representative

MANAGING OWNER

«Name1» Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____ Date: _____
«Name1»
Its: Authorized Representative

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN VIRGINIA

This is a Rider to the Franchise Agreement, (the “Agreement”) which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State] and [LLC or Corp Name], a [State] company to be formed or already existing (referred to in this Agreement as “you,” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

1. BACKGROUND. We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Mr. Handyman Business that you will operate under the Franchise Agreement was made in the State of Virginia, and/or (b) you are a resident of Virginia and your Business will be located or operated in Virginia.

2. TERMINATION. Section 12. of the Franchise Agreement is amended by adding the following: “Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or

termination stated in the Franchise Agreement does not constitute “reasonable cause”, as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan limited liability company

By: _____
J.B. Sassano
Its: Authorized Representative

MANAGING OWNER

«Name1» Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____ Date: _____
«Name1»
Its: Authorized Representative

RIDER TO A MR. HANDYMAN FRANCHISE AGREEMENT FOR USE IN WASHINGTON

This is a Rider to the Franchise Agreement, (the “Agreement”) which is being executed concurrently with this Rider, between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State] and [LLC or Corp Name], a [State] company to be formed or already existing (referred to in this Agreement as “you,” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement, in the event of a conflict between the terms of this Rider and the terms of the Franchise Agreement, the terms of this Rider shall control and supersede the Franchise Agreement. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise.

We and you are parties to that certain Agreement that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Mr. Handyman Business that you will operate under the Franchise Agreement was made in the State of Washington, and/or (b) you are a resident of Washington and your Business will be located or operated in Washington.

1. The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. If any provision in the Franchise Agreement is inconsistent with the relationship provisions of the Revised Code of Washington, Section 19.100.180 or any other requirements of the Washington Franchise Investment Protection Act (the “Act”), the provisions of the Act will prevail over the inconsistent terms of the Franchise

Agreement. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

3. A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as right to a jury trial may not be enforceable.

4. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this Rider. In all other respects, the terms and conditions contained in your Franchise Agreement, and any previous Addendums to your Franchise Agreement, remain in effect. This Rider shall be effective as of the date of the Franchise Agreement.

MR. HANDYMAN INTERNATIONAL, LLC, a Michigan Limited Liability Company

By: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

«Name1»

Date: _____

FRANCHISEE: «LLC_or_Corp»

By: _____

«Name1»

Its: Authorized Representative

Date: _____

EXHIBIT A-3: CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

With respect to determining the feasibility of whether or not to purchase a Mr. Handyman franchise, Mr. Handyman International, LLC., is prepared to provide you with certain financial, business, marketing, and operational information concerning the business operations of Mr. Handyman International, LLC.

We are able to provide you this Information with your explicit understanding and agreement that you recognize and agree that this information is confidential and valuable, and that this information constitutes special and unique proprietary rights and assets of Mr. Handyman International, LLC.

The term "Confidential Information" shall mean and include any and all information disclosed by us to you relating to the Mr. Handyman business and potential trade name and internet web names, whether copyrighted or patented. Provided; however, confidential information shall not include information which:

- A. Is disclosed to you following the date of this Agreement by a third party who is not under an obligation to keep the information confidential;
- B. Is or becomes publicly disclosed through no act or omission of yours; and/or
- C. Information previously known by you prior to contact with Mr. Handyman

In accepting this Information, you agree that you will not disclose it to any third party or make use of it yourself, in any regard, with the exception that it may disclosed to an attorney, accountant or business consultant that you utilize as part of your due diligence process, provided you assure they are informed of, and comply with, all the terms of this Non-Disclosure Agreement.

You further agree to maintain the confidentiality of any and all confidential information which has been provided to you in a manner using at least the same degree of care as the manner used to maintain the confidentiality of your most confidential information.

In the event that you do not purchase a Mr. Handyman business, or upon our request at any time, you agree to return all materials furnished to you, or to certify in writing that such information has been destroyed.

You further recognize that breach of this Confidentiality and Non-Disclosure Agreement by you will cause severe and irreparable damage to Mr. Handyman International, LLC. and that Mr. Handyman International, LLC., may pursue all of its rights and remedies after any breach, including specific performance.

Please indicate that you agree to the conditions, as stated above, under which confidential information will be furnished to you by signing a copy of this letter in the space provided below.

ACKNOWLEDGED:

By: _____

Date: _____

Signature

EXHIBIT A-4: DISCLOSURE AND ACKNOWLEDGEMENT STATEMENT

To Be Completed By the Franchise Owner Upon
Execution of the Franchise Agreement.

Through the use of this document, we desire to ascertain that you understand and comprehend that the purchase of a Mr. Handyman International franchise is a business decision, complete with its associated risks, and that it is the policy of Mr. Handyman International, LLC to verify that you are not relying upon any oral statement, representations, promises, or assurances during the negotiations for the purchase of the franchise which have not been authorized by Mr. Handyman International, LLC.

1. I recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including my skills and abilities, the hours I work, the competition, interest rates, the economy, inflation, business location, operation costs, lease terms, and costs and the market place. I hereby acknowledge my willingness to undertake these risks.
2. I acknowledge receipt of the Mr. Handyman International, LLC Franchise Disclosure Document and Exhibits. I acknowledge that I have had the opportunity to personally and carefully review these documents. Furthermore, I have been advised to seek professional assistance, to have professionals review the documents, and to consult with other franchise owners regarding the risks associated with the purchase of the franchise.
3. I agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representations, assurances, warranties, guarantees or promises made by Mr. Handyman International, LLC or any of its officers, employees or agents (including any franchise broker) as to the likelihood of success of the franchise. I further acknowledge that I have not received any information from Mr. Handyman International, LLC or any of its officers, employees or agents (including any franchise brokers) concerning actual, average, projected or forecasted franchise sales, profits or earnings, other than that which is contained in Item 19 of the Franchise Disclosure Document. If I believe that I have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings, I will describe them in the space below. If no information concerning actual, average, projected or forecasted franchise sales, profits or earnings, other than those contained in Item 19, have been received, please write "None."

Acknowledged By: _____

Date: _____

EXHIBIT A-5: GENERAL RELEASE – RENEWAL

MUTUAL RELEASE

THIS SETTLEMENT AND MUTUAL RELEASE is being made by and between Mr. Handyman International, LLC (“MR. HANDYMAN” and/or “FRANCHISOR”) and [Name] (the “FRANCHISE OWNER”), resident of [State] and [Company Name] (“FRANCHISEE”) and shall be effective as of the date of the last signature below.

WITNESSETH:

WHEREAS, MR. HANDYMAN, FRANCHISEE and FRANCHISE OWNER are all parties to the Franchise Agreement dated [FA Date], (the “Franchise Agreement”) for the operation of a MR. HANDYMAN business in a defined territory in the state of [State] (the “Business”); which Franchise Agreement(s) is being renewed.

WHEREAS, MR. HANDYMAN, FRANCHISEE and FRANCHISE OWNER have reached agreement that it is in the best interest of all parties for FRANCHISEE and FRANCHISE OWNER to discontinue operations and terminate the Franchise Agreement, upon the terms and conditions specified below, and for the parties to exchange mutual releases;

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by and between each of the parties, it is agreed and understood as follows:

1. **Renewal Agreements.** FRANCHISE OWNER and FRANCHISOR have agreed upon new renewal Franchise Agreements, to be executed contemporaneously with this Mutual Release, which will replace your original Franchise Agreements, thus continuing FRANCHISE OWNER’s rights to operate a Mr. Handyman business within a Territory, as defined in the Franchise Agreement in the State of [State].

2. **MUTUAL RELEASES.** The parties hereby agree to the following mutual releases:

A. **RELEASE BY FRANCHISE OWNER AND FRANCHISEE.** Except for the obligations of MR. HANDYMAN contained in this Mutual Release (including attached Exhibit A), FRANCHISE OWNER AND FRANCHISEE, for themselves, and their officers, directors, shareholders, managers, members, employees, agents, heirs, successors and assigns, and for every other person, firm, entity, and/or corporation succeeding to their respective interests of FRANCHISE OWNER AND FRANCHISEE (collectively, the “Franchisee Group”), hereby release, acquit, and forever discharge FRANCHISOR, and its directors, officers, managers, members, shareholders, employees, agents, legal representatives, heirs, successors and assigns, and every other person, firm, entity, and/or corporation succeeding to its interests (the “Franchisor Group”), from any and all claims, actions, causes of action, demands, liabilities costs, losses, expenses and suits whatsoever and of every conceivable kind, character and nature, whether absolute or contingent and whether known or unknown, which FRANCHISE OWNER, FRANCHISEE and any other member of the Franchisee Group have, have had or may ever have against any of the Franchisor Group, by reason of or arising out of or in any way related to any facts, events, circumstances, or occurrences existing or happening prior to the date of this Mutual Release including, without limitation, claims arising from or with respect to the Franchise Agreement.

B. **RELEASE BY FRANCHISOR.** Except for the obligations of FRANCHISEE OWNER and/or FRANCHISEE contained in this Mutual Release (including attached Exhibit A) and the matters expressly excluded from this Mutual Release in subsection 2.B(i) below, FRANCHISOR for itself and its officers, directors, shareholders, managers, members, employees, agents, heirs, successors and assigns, and for every other person, firm,

entity, and/or corporation succeeding to the interests of FRANCHISOR (the “Franchisor Group”), hereby releases, acquits, and forever discharges FRANCHISE OWNER AND FRANCHISEE, and their respective directors, officers, managers, members, shareholders, employees, agents, legal representatives, heirs, successors and assigns, and every other person, firm, entity, and/or corporation succeeding to its interests (the “Franchisee Group”), from any and all claims, actions, causes of action, demands, liabilities costs, losses, expenses and suits whatsoever and of every conceivable kind, character and nature, whether absolute or contingent and whether known or unknown, which FRANCHISOR and any other member of the Franchisor Group have, have had or may ever have against any of the Franchisee Group, by reason of or arising out of or in any way related to any facts, events circumstances or occurrences existing or happening prior to the date of this Mutual Release including, without limitation, claims arising from or with respect to the Franchise Agreement.

(i) **EXCLUSIONS.** FRANCHISE OWNER and FRANCHISEE acknowledge and agree that the release by FRANCHISOR set forth in Section 2.B above does not, and shall not be construed or interpreted to, release FRANCHISEE, FRANCHISE OWNER and/or any other member of the Franchisee Group from any and all claims, actions, causes of action, demands, liabilities, costs, losses, expenses and suits arising out of or with respect to the obligations of FRANCHISEE, FRANCHISE OWNER and/or any other member of the Franchisee Group under Sections 5, 6, 13 and/or 14.C of the Franchise Agreement, including without limitation, any breach or violation of any of such obligations. FRANCHISE OWNER and FRANCHISEE represent and warrant that they are not in breach of, and have not breached, their obligations under Sections 5 and 6 of the Franchise Agreement.

3. **ARBITRATION.** Any controversy or claim whatsoever arising out of or relating to this Mutual Release or the enforcement of the promises made by the parties herein or with regard to the interpretation, formation or breach of this Mutual Release, shall be settled by arbitration conducted in Southfield, Michigan in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The Arbitrator must award costs and attorney’s fees of the successful party.

4. **NO MODIFICATIONS.** Neither this Mutual Release nor any provision of this Mutual Release can be modified or waived in any way, except by an agreement in writing signed by each of the parties hereto, consenting to such modification or waiver.

5. **INDEPENDENT COUNSEL.** All parties hereto do hereby acknowledge and agree that they have been represented by independent counsel of their own choice throughout all negotiations which preceded the execution of this Mutual Release, and that they have executed this Mutual Release with the consent and upon the advice of said independent counsel.

6. **COUNTERPARTS.** This Mutual Release may be signed in two or more counterparts, and will be effective when all the parties and signatories have affixed their signatures to two or more of the counterparts and they have been delivered as aforesaid, at which time the counterparts together will be deemed one original document.

7. **CONFIDENTIAL.** The terms of this Mutual Release shall remain confidential and may not be disclosed except when and to the extent necessary to comply with applicable federal, state or local laws or regulations.

8. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement between the parties hereto concerning the resolution of any and all disputes or controversies between or among them.

9. **Governing Law.** This Mutual Release is governed by the laws of the State of Michigan (without regards to its conflict of laws principles).

10. **MARYLAND.** [USE IN MARYLAND ONLY] This Mutual Release may not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

* * *

IN WITNESS WHEREOF, the parties have caused this Mutual Release to be executed as of the day and year written below.

Mr. Handyman International, LLC., a Michigan Limited Liability Company

By: _____

J.B. Sassano

Its: Authorized Representative

Franchise Owner

Dated: _____

[Franchise Owner Name]

Dated: _____

FRANCHISEE: [Corporation Name]

By: _____

[Franchise Owner Name]

Its: Authorized Representative

Dated: _____

EXHIBIT A-6: GENERAL RELEASE – ASSIGNMENT

MUTUAL RELEASE

THIS SETTLEMENT AND MUTUAL RELEASE is being made by and between Mr. Handyman International, LLC (“MR. HANDYMAN” and/or “FRANCHISOR”) and [Name] (the “FRANCHISE OWNER”), resident of [State] and [Company Name] (“FRANCHISEE”) and shall be effective as of the date of the last signature below.

WITNESSETH:

WHEREAS, MR. HANDYMAN, FRANCHISEE and FRANCHISE OWNER are all parties to the Franchise Agreement dated FA Date, (the “Franchise Agreement”) for the operation of a MR. HANDYMAN business in a defined territory in the state of State (the “Business”);

WHEREAS, MR. HANDYMAN, FRANCHISEE and FRANCHISE OWNER have reached agreement that it is in the best interest of all parties for FRANCHISEE and FRANCHISE OWNER to discontinue operations and terminate the Franchise Agreement, upon the terms and conditions specified below, and for the parties to exchange mutual releases;

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by and between each of the parties, it is agreed and understood as follows:

3. **TERMINATION OF AGREEMENTS.** Effective as of the date last signed below, the Franchise Agreement is terminated and of no further force or effect, with no remaining duties, obligations, responsibilities, rights and/or privileges remaining between the parties. Notwithstanding the foregoing, the obligations, duties and responsibilities of FRANCHISE OWNER AND FRANCHISEE set forth in Exhibit A attached hereto will continue and will survive the termination of the Franchise Agreement.

2. **MUTUAL RELEASES.** The parties hereby agree to the following mutual releases:

A. **RELEASE BY FRANCHISE OWNER AND FRANCHISEE.** Except for the obligations of MR. HANDYMAN contained in this Mutual Release (including attached Exhibit A), FRANCHISE OWNER AND FRANCHISEE, for themselves, and their officers, directors, shareholders, managers, members, employees, agents, heirs, successors and assigns, and for every other person, firm, entity, and/or corporation succeeding to their respective interests of FRANCHISE OWNER AND FRANCHISEE (collectively, the “Franchisee Group”), hereby release, acquit, and forever discharge FRANCHISOR, and its directors, officers, managers, members, shareholders, employees, agents, legal representatives, heirs, successors and assigns, and every other person, firm, entity, and/or corporation succeeding to its interests (the “Franchisor Group”), from any and all claims, actions, causes of action, demands, liabilities costs, losses, expenses and suits whatsoever and of every conceivable kind, character and nature, whether absolute or contingent and whether known or unknown, which FRANCHISE OWNER, FRANCHISEE and any other member of the Franchisee Group have, have had or may ever have against any of the Franchisor Group, by reason of or arising out of or in any way related to any facts, events circumstances or occurrences existing or happening prior to the date of this Mutual Release including, without limitation, claims arising from or with respect to the Franchise Agreement.

B. **RELEASE BY FRANCHISOR.** Except for the obligations of FRANCHISEE OWNER and/or FRANCHISEE contained in this Mutual Release (including attached Exhibit A) and the matters expressly excluded from this Mutual Release in subsection 2.B(i) below, FRANCHISOR for itself and its officers, directors, shareholders, managers,

members, employees, agents, heirs, successors and assigns, and for every other person, firm, entity, and/or corporation succeeding to the interests of FRANCHISOR (the “Franchisor Group”), hereby releases, acquits, and forever discharges FRANCHISE OWNER AND FRANCHISEE, and their respective directors, officers, managers, members, shareholders, employees, agents, legal representatives, heirs, successors and assigns, and every other person, firm, entity, and/or corporation succeeding to its interests (the “Franchisee Group”), from any and all claims, actions, causes of action, demands, liabilities costs, losses, expenses and suits whatsoever and of every conceivable kind, character and nature, whether absolute or contingent and whether known or unknown, which FRANCHISOR and any other member of the Franchisor Group have, have had or may ever have against any of the Franchisee Group, by reason of or arising out of or in any way related to any facts, events circumstances or occurrences existing or happening prior to the date of this Mutual Release including, without limitation, claims arising from or with respect to the Franchise Agreement.

(i) **EXCLUSIONS.** FRANCHISE OWNER and FRANCHISEE acknowledge and agree that the release by FRANCHISOR set forth in Section 2.B above does not, and shall not be construed or interpreted to, release FRANCHISEE, FRANCHISE OWNER and/or any other member of the Franchisee Group from any and all claims, actions, causes of action, demands, liabilities, costs, losses, expenses and suits arising out of or with respect to the obligations of FRANCHISEE, FRANCHISE OWNER and/or any other member of the Franchisee Group under Sections 5, 6 and/or 14.C of the Franchise Agreement, including without limitation, any breach or violation of any of such obligations. FRANCHISE OWNER and FRANCHISEE represent and warrant that they are not in breach of, and have not breached, their obligations under Sections 5 and 6 of the Franchise Agreement.

C. [CALIFORNIA – For use in CA only] Except as set forth herein, Mr. Handyman, FRANCHISE OWNER and FRANCHISEE expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California (“Section 1542”), and does so understanding and acknowledging the significance and consequence of such specific waiver of Section 1542. Section 1542 states as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH EITHER PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AS OF THE DATE OF EXECUTION OF THIS AGREEMENT, WHICH IF KNOWN BY SUCH PARTY WOULD HAVE MATERIALLY AFFECTED THE TERMS OF THE AGREEMENT.”

Notwithstanding the provisions of Section 1542, and for the purpose of implementing the general release and discharges described in this paragraph, Mr. Handyman, FRANCHISE OWNER and FRANCHISEE expressly acknowledge that this Agreement is intended to include in its effect without limitation, all claims described in this paragraph which Mr. Handyman, FRANCHISE OWNER and/or FRANCHISEE does not know or suspect to exist in its favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims.

3. **ARBITRATION.** Any controversy or claim whatsoever arising out of or relating to this Mutual Release or the enforcement of the promises made by the parties herein or with regard to the interpretation, formation or breach of this Mutual Release, shall be settled by arbitration conducted in Southfield, Michigan in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The Arbitrator must award costs and attorney’s fees of the successful party.

4. **NO MODIFICATIONS.** Neither this Mutual Release nor any provision of this Mutual Release can be modified or waived in any way, except by an agreement in writing signed by each of the parties hereto, consenting to such modification or waiver.

5. **INDEPENDENT COUNSEL.** All parties hereto do hereby acknowledge and agree that they have been represented by independent counsel of their own choice throughout all negotiations which preceded the execution of this Mutual Release, and that they have executed this Mutual Release with the consent and upon the advice of said independent counsel.

6. **COUNTERPARTS.** This Mutual Release may be signed in two or more counterparts, and will be effective when all the parties and signatories have affixed their signatures to two or more of the counterparts and they have been delivered as aforesaid, at which time the counterparts together will be deemed one original document.

7. **CONFIDENTIAL.** The terms of this Mutual Release shall remain confidential and may not be disclosed except when and to the extent necessary to comply with applicable federal, state or local laws or regulations.

8. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement between the parties hereto concerning the resolution of any and all disputes or controversies between or among them.

9. **GOVERNING LAW.** This Mutual Release is governed by the laws of the State of Michigan (without regards to its conflict of laws principles).

10. **MARYLAND.** [USE IN MARYLAND ONLY] This Mutual Release may not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

11. **TRANSFER OF THE FRANCHISE AGREEMENT.** [TRANSFERS – USE WHEN BUYER IS PAYING IN INSTALLMENTS] Franchise Owner and Franchisee acknowledge and agree (i) that they negotiated the sale of their franchise to Buyer Company without the assistance or any other involvement of the Franchisor; (ii) that the purchase price for such sale (the “Purchase Price”) will not be paid in full at closing, but will be paid over a period of time after closing, and (iii) that they are assuming the full risk of nonpayment of the Purchase Price. Franchise Owner and Franchisee further agree that they will not, in any manner, at any time, under any set of circumstances, seek payment of any portion of the Purchase Price from Mr. Handyman International, LLC., and/or any of its directors, officers, members, shareholders, employees, agents, representatives, heirs, successors or assigns.

IN WITNESS WHEREOF, the parties have caused this Mutual Release to be executed as of the day and year written below.

Mr. Handyman International, LLC., a Michigan Limited Liability Company

By: _____

Dated: _____

J.B. Sassano

Its: Authorized Representative

Franchise Owner

[Franchise Owner Name]

Dated: _____

FRANCHISEE: [Corporation Name]

By: _____

Dated: _____

[Franchise Owner Name]

Its: Authorized Representative

EXHIBIT A

CONTINUING OBLIGATIONS

1. All Post-Termination Obligations set forth in Section 13 of the Franchise Agreement including the Covenant Not To Compete and Non-solicitation in Sections 13(D)(E)(F) and any applicable addendums.

EXHIBIT A-7: SAMPLE BY-LAWS OF REGIONAL ADVERTISING COOPERATIVE

1. **Participating Owners.** This Addendum and the following revisions to the standard MHM Franchise Agreement are binding upon the Signatory, and any new MHM owner we may bring into MHM, whose territory is located in the Orlando major media broadcast market. This Addendum is also binding upon all transferred and/or buyer(s) of any Orlando MHM Owner's Business.

2. **Co-Op Territory.** The Co-Op Territory consists of the Orlando major media broadcast territory.

3. **Fees and Payment Obligations.** For the Term of this Agreement, each Participating Owner will make a weekly contribution to the Co-Op (the "weekly contribution"). It will be paid to MHM via Electronic Funds Transfer, and is due on the same day as the weekly Royalty. Beginning on your start date or the Royalty Week of [Date] (whichever occurs later), the weekly contribution will be \$X. MHM will place these funds in a separate and segregated Co-Op account.

4. **Accountings.** MHM will pay the advertising bills of the Co-Op from the funds in the segregated account. MHM will send out quarterly unaudited accountings of all Fund expenditures to each Participating Owner by the end of the following quarter.

5. **Co-Op Governance.** Each Participating Owner shall designate a voting member to sit on the Co-Op Committee. Each Participating Owner will receive one vote. In the event a Committee member is unable to attend a meeting, they may send a representative in their place that may vote on their behalf or they may submit a vote in writing to an attending member or by electronic mail, provided it arrives prior to the meeting. The Cooperative shall be governed by the 67% super majority vote of the Committee.

6. **Term.** The Term of this Addendum, for each Participating Owner, shall be one-and-a-half (1.5) years, beginning [Date] and ending [Date]. Provided, however, for a period of thirty (30) days before the end of this Term, this Addendum may be extended by a 67 % super majority vote of Participating Owners and MHM.

7. **Miscellaneous.** In all other respects, the terms and conditions contained in your original Franchise Agreement(s), and any previous signed addendums to your Franchise Agreement remain in full force and effect, to the extent they are consistent with the provisions of this Addendum. In the event of any inconsistencies, the provisions of this Addendum shall govern. Further, this is to confirm we have made no other statements, promises or commitments of any nature concerning this addendum, its subject matter or any other aspect of your franchise business that has not been set forth in writing and signed by both of us.

EXHIBIT A-8: ELECTRONICS FUND TRANSFER AGREEMENT

Mr. Handyman International, LLC

Automatic Debit of Weekly Amount Due to Franchisor

_____ Franchise Managing Owner(s) (referred to as "Franchise Owner") of _____, authorize MR. HANDYMAN INTERNATIONAL, LLC; (referred to as "Franchisor") to debit on every Thursday from Franchise Owner's bank account, the amount of Royalty, National Marketing, and Late Fees or Interest, due to the Franchisor based on Gross Sales of the above reference MR. HANDYMAN franchise, along with any Software, Co-op, Marketing Convention, Regional Meeting or other fees due and owing to the Franchisor as they come due.

Franchise Owner understands that he/she must pay Royalties for Gross Sales as agreed in the Franchise Agreement. Franchise Owner also understands that for purposes of paying Royalty, Franchisor defines the week as beginning on Sunday and ending on Saturday (the "Royalty Week"). Franchise Owner must then submit weekly sales through the franchise management software, to Franchisor two Thursday's after the Royalty week is ended, which is also the twelfth day following the end of the Royalty Week. Franchisor will then draft the royalty from Franchise Owner's bank account the following Thursday, which is 12 days after the Royalty Week ended. Franchise Owner also understands that Franchisor may, with seven days prior notice, periodically specify other dates for reporting and payment of the royalty.

Franchise Owner Bank Information

Bank Name	
Bank Address	
Account Name	
ABA Routing Number	
Account Number	

By: _____

Date: _____

Franchise Managing Owner

EXHIBIT A-9: RENEWAL ADDENDUM

RENEWAL ADDENDUM

TO THE FRANCHISE AGREEMENT BETWEEN

MR. HANDYMAN INTERNATIONAL, LLC.

AND [Legal Name 1] AND [Legal Name 2]

DATED _____, 20__

This is an Addendum to the # Franchise Agreement, which is/are being signed contemporaneously with this Addendum between Mr. Handyman International, LLC., (referred to as “we,” “us,” and “ourselves”) and [Names] (the “Managing Owner”), residents of the State of [State] and [Company], a [State] Company already existing (together referred to as “you” “your” or “Franchisee”).

Notwithstanding anything to the contrary in the Franchise Agreement signed contemporaneously with this Addendum, in the event of a conflict between the terms of this Addendum and the terms of any Franchise Agreement(s), the terms of this Addendum shall control and supersede the Franchise Agreement(s). Any terms not defined herein shall have the same meanings as in the Franchise Agreement(s) and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement(s) unless stated otherwise.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties signing below, it is hereby agreed and understood as follows:

2.A. Initial Franchise Fees

The following supersedes section 2.A. of the Franchise Agreement:

You promise to pay us a non-recurring fee (the "Renewal Fee"), which is non-refundable, in the amount of \$X, upon your execution of this Agreement

2.B. Initial Package Fee

Section 2.B. of the Franchise Agreement is deleted in its entirety.

2.K. Outstanding Royalties and Fees of Predecessor

Section 2.K. of the Franchise Agreement is deleted in its entirety.

3.A. Training and General Guidance.

Paragraphs 1, 2, and 5 of Section 3.A. are deleted in their entirety.

12.a and 12.b Termination By Us

Sections 12.a and 12.b of the Franchise Agreement are deleted in their entirety.

Exhibit B. Initial Package

Exhibit B of the Franchise Agreement is deleted in its entirety.

Miscellaneous. In all other respects, the terms and conditions contained in your renewal Franchise Agreement, and any previous addendums to your renewal Franchise Agreement, remain in full force and effect. Further, this is to confirm we have made no other promises or commitments of any nature concerning this or any other aspect of your franchise business that have not been set forth in writing. All parties hereto do hereby acknowledge and agree that they have been represented by independent counsel of their own choice in the drafting, review and execution of this Addendum, and that they have executed this Addendum with the consent and

upon the advice of said independent counsel. The parties further acknowledge and agree that they have reviewed all of the terms of this Addendum with their attorneys, and have read, understand and voluntarily accept all of its terms.

Mr. Handyman International, LLC, a Michigan Limited Liability Company

By: _____

Date: _____

J.B. Sassano

Its: Authorized Representative

MANAGING OWNER

Date: _____

Name

FRANCHISEE: Company

By: _____

Date: _____

Name

Its: Authorized Representative

EXHIBIT A-10: SUBCONTRACTOR ADDENDUM

SUBCONTRACTOR ADDENDUM
TO THE FRANCHISE AGREEMENT BETWEEN
MR. HANDYMAN INTERNATIONAL, LLC.
AND
[LEGAL NAME 1] AND [LEGAL NAME 2]

DATED _____, 20__

This is an addendum to the [Date] Franchise Agreement between Mr. Handyman International, LLC., a Michigan Limited Liability Company, with its principal place of business at 3948 Ranchero Drive, Ann Arbor, Michigan (referred to in this Agreement as “we,” “us,” “Franchisor,” and “ourselves”), and [Legal Name 1] and [Legal Name 2] (referred to as “you” and “Managing Owner”), residents of the State of [State] and a [State] company to be formed or already existing whose principal address is [Address] (referred to in this Agreement as “you,” “your” or “Franchisee”).

WHEREAS, the parties have entered into a Franchise Agreement (the “Franchise Agreement”) wherein Franchisee obtained the right and undertook the obligation to operate a Mr. Handyman franchise (the “Franchised Business”) within a designated geographic territory (the “Territory”).

WHEREAS, Franchisor has developed a program allowing for the use of Sub-Contractors in the Franchised Business model and wishes to reserve the right to develop additional programs and standards (collectively “SUBCONTRACTOR PROGRAM”).

WHEREAS, Franchisee desires to participate in the SUBCONTRACTOR PROGRAM, pursuant to the terms and conditions of this Addendum.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties signing below, it is hereby agreed and understood as follows:

1. Acknowledgement. You acknowledge that the SUBCONTRACTOR PROGRAM is a voluntary program. You acknowledge and agree that the operation and maintenance of your Franchised Business according to Franchisor’s System Standards is essential to preserving the goodwill of the Mr. Handyman Marks.
2. Term. The initial term of this Addendum will be for one year beginning on the date listed above and will automatically renew, for successive year terms for the remainder of the term of the Franchise Agreement unless terminated earlier by either party. Either party may terminate this Addendum upon 30 day’s written notice. Notwithstanding Franchisor’s rights under Section 12 of the Franchise Agreement Franchisor may terminate this Addendum upon written notice if: (a) the Franchisee is in default of the Franchise Agreement or this Addendum; (b) the Franchisee’s use of Subcontractors causes damage to the reputation of the Mr. Handyman System or the good associated with the Mr. Handyman Marks; or (c) for any other good cause, as determined by Franchisor.
3. Subcontractor Defined. Except as otherwise provided in this section, a Subcontractor, for purposes of this addendum, is defined as any person or firm who performs work for your Franchised Business who also meets any one of the following criteria: (a) you report their pay through the use of any IRS Form 1099; (b) they are an independent contractor and

not a hired technician or employee of the Franchised Business; or (c) they are responsible for the payment of their payroll taxes. A person or firm who otherwise meets the definition of a Subcontractor is not a Subcontractor if any one of the following criteria is met: (a) their work is considered unskilled; (b) they are a general laborer; (c) they work through a temporary agency; (d) they are another Mr. Handyman Franchise; or (e) they are under the regular employment as a technician of another Mr. Handyman Franchise.

4. Subcontractor Revenue. Subcontractor Revenue, as used in this Addendum, is defined as any revenue you charge a customer for the labor and materials provided by a Subcontractor.

For example: you perform a bathroom job and charge the customers a total of \$10,000. You charge the customer \$7,000 for labor (Tech and casual/temporary), \$2,500 for materials (purchased and van stock), and \$500 for Subcontractor labor and materials to move a drain. You will pay 7% Labor Royalties on the \$7,000; you will pay 3.5% Materials Royalties on the \$2,500; and you will pay 3.5% Subcontractor Royalties on the \$500.

You may deduct from Gross Sales the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged.

5. Royalties. Franchisee must report all Subcontractor Revenue in the Toolbox Royalty Report at the royalty rate of 3.5%. The System Standards regarding the proper method of reporting this revenue shall be set forth in the Subcontractor Guidelines and must be strictly adhered to at all times. Any Subcontractor Revenue reported in violation of the Subcontractor Guidelines, shall be assessed an additional royalty of 3.5%.
6. Maximum Use of Subcontractors. Franchisee's use of subcontractors is limited by the following provisions:
 - a. In the event that the Franchised Business has annual revenues of \$500,000 or less, the Franchised Business may not have Subcontractor Revenue in excess of 10% of its total annual revenue;
 - b. In the event that the Franchised Business has annual revenue greater than or equal to \$500,001, the Franchised Business may not have Subcontractor Revenue in excess of 20% of its total annual revenue.
 - c. Exceptions. In the event that the Franchised Business achieves revenues of \$1,000,001 or more, Franchisee may submit a request to the Franchisor to increase the percentage of revenue produced by subcontractors. At the Franchisor's sole discretion, this amount may be temporarily increased. Any increase will be communicated to you in writing, and will only be effective for the calendar year for which the request was granted. You may not exceed the maximum revenue levels provided herein until the Franchisor has communicated its written acceptance of your request. Additionally, notwithstanding anything to the contrary herein, at the Franchisor's sole discretion, the Subcontractor Guidelines may be modified to allow for an increase to the Maximum Use of Subcontractors for Franchisees of any revenue level.

The Franchised Business's revenue for the prior calendar year will be used in calculating the maximum revenue levels under this Section 4. However, in the case of a business experiencing substantial growth, an exception may be made by the Franchisor, at its sole discretion, to calculate the Franchised Business's revenue by multiplying the Franchised Business's average revenue from the preceding 13 weeks by 52.

Exceeding the Subcontractor Revenue levels set forth in this addendum will result in a penalty fee equal to 10% of all Subcontractor Revenue reported for the calendar year in which the violation occurred. This fee will be in addition to any royalties already collected pursuant to the SUBCONTRACTOR PROGRAM.

7. System Standards. Franchisee must comply with all System Standards, including but not limited to all standards relating to the use of subcontractors, as described in the Training Manuals and other supporting documentation for the Subcontractor Program. These System Standards may be modified by Franchisor from time to time and in Franchisor's sole discretion.
8. Entire Agreement. This Addendum, along with the Franchise Agreement, contains the entire agreement between the parties concerning the provisions of the SUBCONTRACTOR PROGRAM; no promises, inducements or representations not contained in this Addendum or the Franchise Agreement have been made, nor shall any be of any force or effect, or binding on the parties. Any terms not defined herein shall have the same meanings as in the Franchise Agreement and any references to sections and paragraphs refer to the sections and paragraphs of the Franchise Agreement unless stated otherwise. Modifications of this Addendum must be in writing and signed by both parties. Mr. Handyman reserves the right to change Mr. Handyman's policies, procedures, standards, specifications or manuals at Mr. Handyman's discretion. In the event of a conflict between this Addendum and the Franchise Agreement, the terms, conditions and intent of this Addendum shall control.

Waiver And Release. In partial consideration of Mr. Handyman International, LLC., signing this Addendum, the Franchise Owner for itself and for the Franchise Owner's employees, representatives, agents, heirs, successors and assigns, hereby releases and forever discharges Mr. Handyman International, LLC., its directors, officers, shareholders, employees, agents, representatives, successors and assigns, from any and all claims, causes of actions, demands, costs, losses, expenses and suits of every kind, character and nature, whether known or unknown, arising out of or in any way relating to the Franchise Agreements, the, and any other acts or omissions of Mr. Handyman International, LLC., prior to the date of this Addendum.

Mr. Handyman International, LLC, a Michigan Limited Liability Company

By: _____
J.B. Sassano
Its: Authorized Representative
MANAGING OWNER

Date: _____

[Legal Name 1]

Date: _____

MANAGING OWNER

Date: _____

[Legal Name 2]

FRANCHISEE: a LLC or Corporation to be formed later

By:_____

Date: _____

[Legal Name 1]

Its: Authorized Representative

FRANCHISEE: [Company Name or a LLC or Corporation to be formed later]

By:_____

Date: _____

[Legal Name 2]

Its: Authorized Representative

EXHIBIT B: FINANCIAL STATEMENTS

**MR. HANDYMAN
INTERNATIONAL, L.L.C.**

FINANCIAL STATEMENTS

DECEMBER 31, 2013

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Independent Auditor's Report

To the Members of
Mr. Handyman International, L.L.C.

Report on the Financial Statements

We have audited the accompanying financial statements of Mr. Handyman International L.L.C., which comprise the balance sheets as of December 31, 2013, 2012 and 2011, and the related statements of earnings and members' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Auditor's Responsibility - Continued

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mr. Handyman International L.L.C. as of December 31, 2013, 2012 and 2011, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Doeren Mayhew", is written in a cursive style.

DOEREN MAYHEW

March 7, 2014
Troy, Michigan

MR. HANDYMAN INTERNATIONAL, L.L.C.

BALANCE SHEETS

ASSETS

	2013	December 31, 2012	2011
Current Assets			
Cash	\$ 5,792	\$ -	\$ 36,812
Accounts receivable			
Trade and royalties	107,283	134,341	187,402
Related party (note 5)	890,574	557,011	930,652
Affiliate (note 2)	-	100,000	150,000
Notes receivable - franchisees (note 3)	22,117	56,722	8,000
Prepaid expenses and other current assets (note 1)	137,484	104,253	104,248
Total current assets	1,163,250	952,327	1,417,114
Other Assets			
Long-term portion of accounts receivable - affiliate (note 2)	-	139,412	208,000
Software, net of accumulated depreciation of \$351,572 in 2013, \$331,300 in 2012 and \$284,984 in 2011 (note 1)	172,725	147,923	62,159
Franchise license and trademark, net of accumulated amortization of \$10,438 in 2013, \$9,688 in 2012 and \$8,938 in 2011 (note 1)	19,562	20,312	21,062
Total other assets	192,287	307,647	291,221
Total assets	<u>\$ 1,355,537</u>	<u>\$ 1,259,974</u>	<u>\$ 1,708,335</u>

LIABILITIES AND MEMBERS' EQUITY

	<u>2013</u>	<u>December 31, 2012</u>	<u>2011</u>
Current Liabilities			
Checks written in advance of deposits	\$ -	\$ 1,731	\$ -
Accounts payable			
Trade	92,444	125,975	150,186
Related party (note 5)	154,610	105,887	787,274
Affiliate (note 2)	35,041	-	-
Deferred revenue	128,950	140,650	3,375
Other accrued expenses	<u>179,171</u>	<u>69,811</u>	<u>59,767</u>
Total current liabilities	590,216	444,054	1,000,602
 Members' Equity	 <u>765,321</u>	 <u>815,920</u>	 <u>707,733</u>
 Total liabilities and members' equity	 <u><u>\$ 1,355,537</u></u>	 <u><u>\$ 1,259,974</u></u>	 <u><u>\$ 1,708,335</u></u>

See accompanying notes to financial statements

MR. HANDYMAN INTERNATIONAL, L.L.C.

STATEMENTS OF EARNINGS AND MEMBERS' EQUITY

		Year Ended December 31,	
	2013	2012	2011
	<u> </u>	<u> </u>	<u> </u>
Revenues	\$ 3,463,639	\$ 3,106,009	\$ 3,318,903
Costs and Expenses	<u>3,298,181</u>	<u>2,997,822</u>	<u>3,208,578</u>
Net Earnings	165,458	108,187	110,325
Members' Equity - Beginning	815,920	707,733	597,408
Member Redemption	(200,000)	-	-
Distributions to Members	<u>(16,057)</u>	<u>-</u>	<u>-</u>
Members' Equity - Ending	<u>\$ 765,321</u>	<u>\$ 815,920</u>	<u>\$ 707,733</u>

See accompanying notes to financial statements

MR. HANDYMAN INTERNATIONAL, L.L.C.

STATEMENTS OF CASH FLOWS

		Year Ended December 31,	
	2013	2012	2011
Cash Flows From Operating Activities:			
Cash received from customers	\$ 3,513,602	\$ 3,247,623	\$ 3,374,279
Cash paid to suppliers and employees	<u>(3,234,561)</u>	<u>(2,964,928)</u>	<u>(3,090,836)</u>
Net cash provided from operating activities	279,041	282,695	283,443
Cash Flows From Investing Activities:			
Software costs	(45,074)	(132,080)	-
Cash Flows From Financing Activities:			
Decrease (increase) in accounts receivable - related party	(333,563)	373,641	(740,439)
Decrease in accounts receivable - affiliate	239,412	118,588	111,859
Increase (decrease) in checks written in advance of deposits	(1,731)	1,731	-
Increase in accounts payable - affiliate	35,041	-	-
Increase (decrease) in accounts payable - related party	48,723	(681,387)	361,872
Member redemption	(200,000)	-	-
Distributions to members	<u>(16,057)</u>	<u>-</u>	<u>-</u>
Net cash provided used in financing activities	<u>(228,175)</u>	<u>(187,427)</u>	<u>(266,708)</u>
Net Increase (Decrease) in Cash	5,792	(36,812)	16,735
Cash - Beginning	<u>-</u>	<u>36,812</u>	<u>20,077</u>
Cash - Ending	<u><u>\$ 5,792</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 36,812</u></u>

See accompanying notes to financial statements

MR. HANDYMAN INTERNATIONAL, L.L.C.

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2013	2012	2011
Cash Flows From Operating Activities:			
Net earnings	\$ 165,458	\$ 108,187	\$ 110,325
Adjustments:			
Depreciation	20,272	46,316	101,085
Amortization	750	750	688
Changes in assets and liabilities:			
Decrease in accounts and royalty fees receivable, franchise fees	61,663	4,339	151,801
Decrease (increase) in prepaid expenses and other current assets	(33,231)	(5)	20,682
Increase (decrease) in accounts payable - trade	(33,531)	(24,211)	5,200
Increase (decrease) in other accrued expenses	109,360	10,044	(9,913)
Increase (decrease) in deferred revenue	(11,700)	137,275	(96,425)
Total adjustments	113,583	174,508	173,118
Net cash provided from operating activities	<u>\$ 279,041</u>	<u>\$ 282,695</u>	<u>\$ 283,443</u>

See accompanying notes to financial statements

MR. HANDYMAN INTERNATIONAL, L.L.C.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013, 2012 AND 2011

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Business

Mr. Handyman International, L.L.C.'s ("the Company") operations are principally related to the sale and support of franchises for home repairs throughout the United States and Canada. The Company has also signed a master franchisor agreement to sell franchises in parts of the United Kingdom and Republic of Ireland starting in 2008.

The Company added 10, 3 and 3 units in the United States for the years ended December 31, 2013, 2012 and 2011, respectively. Franchised areas in operation in the United States amounted to 188, 185 and 232 for the years ended December 31, 2013, 2012 and 2011, respectively.

Revenue Recognition

Fees from the sales of franchises are accounted for in the period when the franchisee has completed training. Franchise fees received for franchisees that have not completed training are recorded as deferred revenue. Commissions and broker fees are recorded in prepaid expenses, and, if the fees have not been paid at year end, accrued franchise costs. Royalty fee income is recognized in the period when earned.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

The Company places its temporary cash investments with high credit quality financial institutions. At times, such investments may be in excess of the FDIC insurance limit.

MR. HANDYMAN INTERNATIONAL, L.L.C.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013, 2012 AND 2011

Note 1 - Nature of Business and Significant Accounting Policies - Continued

Software

Software consists of costs to purchase and internally develop software to be used by the Company and by the franchisees of the Company. Software is carried at cost less accumulated depreciation. The Company uses the straight-line method over the estimated useful life of the software. The depreciation expense for the years ended December 31, 2013, 2012 and 2011 amounted to \$20,272, \$46,316 and \$101,085, respectively.

Intangible Assets

The Company evaluates the recoverability of intangible assets on an annual basis or in certain circumstances as required under generally accepted accounting principles. Intangible assets are evaluated whenever events or changes in circumstances indicate that the carrying value of the asset may be impaired. An impairment loss is recognized when the fair value or the estimated future cash flows expected to result from the use of the asset, including disposition, is less than the carrying value of the asset.

The “Mr. Handyman” name, logo, trademarks, copyrights, manuals and techniques are being amortized on a straight-line basis over 40 years for book and 15 years for tax purposes.

Amortization expense for the years ended December 31, 2013, 2012 and 2011 amounted to \$750, \$750 and \$688, respectively. Annual amortization expense for the five years succeeding December 31, 2013 will be \$750.

Income Taxes

In lieu of Federal income taxes, the members of a Limited Liability Company are taxed on their proportionate share of the Company’s taxable income. Accordingly, no Federal tax provision or liability has been included in the accompanying financial statements. Open audit periods are 2011 through 2013.

MR. HANDYMAN INTERNATIONAL, L.L.C.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013, 2012 AND 2011

Note 1 - Nature of Business and Significant Accounting Policies - Continued

Accounts and Royalty Fees Receivable

Accounts receivable are carried at customer invoice amounts. Royalty fees receivable are generated from billings performed by franchisees for services performed. Accounts and royalty fees receivable are reviewed monthly and based upon collection information and existing economic conditions, delinquent receivables are written-off in the period that determination is made. No allowance account was deemed necessary at year end.

Reclassifications

Certain items contained within the prior years' financial statements have been reclassified in order to conform to the current reporting period. There was no effect on total assets, liabilities, nor equity as a result of these reclassifications.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 7, 2014, which is the date the financial statements were available to be issued.

Note 2 - Accounts Receivable - Affiliate

The Company made advances to and received repayments from the Mr. Handyman National Marketing Fund (the "NMF") in 2013, 2012 and 2011. The receivable due to the Company from the NMF was fully repaid during the year ended December 31, 2013. As of December 31, 2013, the Company had a balance due to the NMF totaling \$35,041.

Note 3 - Notes Receivable - Franchisees

The Company had various notes receivable related to franchise fees due from franchisees totaling \$22,117, \$56,722 and \$8,000 at December 31, 2013, 2012 and 2011, respectively. The notes are unsecured and accrue interest at rates ranging from 4.0% to 9.9% and mature on various dates during the year ending December 31, 2014.

MR. HANDYMAN INTERNATIONAL, L.L.C.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013, 2012 AND 2011

Note 4 - Advertising

The Company expenses advertising costs as incurred. Total advertising expense for the years ended December 31, 2013, 2012 and 2011 amounted to \$13,569, \$21,638 and \$11,748, respectively.

Note 5 - Related Party Transactions

The Company occupies office facilities on an annual basis from a related entity. The Company is charged a monthly fee for these facilities. Total rental expense for the years ended December 31, 2013, 2012 and 2011 amounted to \$27,712, \$27,815 and \$24,624, respectively.

The Company had balances due from related parties through common ownership totaling \$910,574, \$557,011 and \$930,652 as of December 31, 2013, 2012 and 2011, respectively. The Company had balances due to related parties through common ownership totaling \$154,610, \$105,887 and \$787,274 as of December 31, 2013, 2012 and 2011, respectively.

The Company is a guarantor on a related party's line-of-credit. The amount outstanding on the line-of-credit at December 31, 2013 and 2012 was approximately \$1,725,000 and \$1,200,000, respectively.

The Company has also guaranteed a promissory note owed by the members of a related entity that totaled \$167,543 and \$251,316 at December 31, 2013 and 2012, respectively.

Note 6 - Uncertainties

The Company is involved in lawsuits or other legal actions arising from the normal course of business. There are no assets or liabilities recorded for estimated settlements included in the accompanying financial statements. In the opinion of the Company's legal counsel, the outcome of these lawsuits is not determinable at December 31, 2013.

EXHIBIT C: STATE ADMINISTRATORS

STATE	STATE ADMINISTRATOR	STATE	STATE ADMINISTRATOR
CA	California Department of Business Oversight 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 213.576.7500 or Toll Free 866.275.2677	SD	North Dakota Securities Department 600 East Boulevard Avenue State Capital, Fifth Floor Dept. 414 Bismarck, ND 58505-0510 701-328-2910
HI	Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 808.586.2722	OR	Department of Consumer and Business Services Division of Finance and Corporate Securities 350 Winter Street, N.E. #410 Salem, OR 97310 503.378.4387
IL	Attorney General's Office State of Illinois 500 South Second Street Springfield, IL 62706 217.782.4465	RI	State of Rhode Island Department of Business Regulation Securities Division 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 401-462-9587
IN	Indiana Securities Commission Franchise Section, Room E-111 302 West Washington Street Indianapolis, IN 46204 317.232.6681	SD	Department of Labor and Regulation Division of Securities 445 E Capitol Avenue Pierre SD 57501 (605) 773-4823
MD	Maryland Division of Securities Office of the Attorney General 200 St. Paul Place, 20 th Floor Baltimore, MD 21202-2020 410.576.6360	VA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 804.371.9051
MI	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, MI 48913 517.373.7117	WA	Securities Division Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501 360.902.8760
MN	Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101 651.296.4026	WI	Division of Securities 345 W. Washington Ave., 4 th Floor Madison, WI 53703 608-266-2801
NY	New York State Department of Law Bureau of Investor Protection and Securities 120 Broadway, 23 rd Floor New York, NY 10271 212.416.8222		

EXHIBIT D: AGENTS FOR SERVICE OF PROCESS

STATE	AGENT FOR SERVICE OF PROCESS	STATE	AGENT FOR SERVICE OF PROCESS
CA	Commissioner of Business Oversight California Department of Business Oversight 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 213.576.7500 or Toll Free 866.275.2677	ND	Securities Commissioner State of North Dakota 600 East Boulevard Avenue State Capital, Fifth Floor Dept. 414 Bismarck, ND 58505-0510 701-328-4712
HI	Commissioner of Securities of Hawaii Hawaii Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 808.586.2722	OR	Director of Oregon Department of Insurance and Finance 350 Winter Street, N.E. #410 Salem, OR 97310 503.378.4387
IL	Illinois Attorney General State of Illinois 500 South Second Street Springfield, IL 62706 217.782.4465	RI	Director of Rhode Island Department of Business Regulation 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02910 401-462-9587
IN	Indiana Secretary of State 201 State House Indianapolis, IN 46204 317.232.6681	SD	Director of South Dakota Division of Securities 445 East Capital Avenue Pierre, SD 57501-3185 605.773.4823
MD	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 410.576.6360	VA	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 804.371.9051
MI	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1 st Floor Lansing, MI 48913 517.373.7117	WA	Director of Washington Financial Institutions 150 Israel Road SW Tumwater, WA 98501 360.902.8760
MN	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101 651.296.4026	WI	Commissioner of Securities of Wisconsin 345 W. Washington Ave., 4 th Floor Madison, WI 53703 608-266-2801
NY	Secretary of State, New York One Commerce Plaza 99 Washington Avenue Albany, NY 1223 212.416.8222		

EXHIBIT E: STATE ADDENDA TO DISCLOSURE DOCUMENT

ADDITIONAL DISCLOSURES FOR THE STATE OF CALIFORNIA.

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF CORPORATIONS BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

3. Our web site www.mrhandyman.com has not been reviewed or approved by the California Department of Corporations. Any complaints concerning the content of the web site may be directed to the California Department of Corporations at www.corp.ca.gov.

4. The cover page of this Disclosure Document is amended to state that the California Department of Corporation's toll free number is 866.275.2677. It is also amended to add the following RISK FACTOR: THE COMPANY IS GUARANTOR ON A LOAN FOR APPROXIMATELY \$1,725,000.

5. Item 1 of the Disclosure Document is amended to state that our Regional Service Director in California, Mr. Michael Gornet, has established his own corporation, separate and apart from us. Through this corporation, he offers assistance, again separate and apart from us, for new California owners who request help in obtaining qualification under a general contractor's license.

6. The following is added to Item 2: California Regional Service Director - Michael Gornet : Mr. Gornet obtained his California General Contractors License in 2002 and is the Owner, Manager and President of Mr. Handyman of California, Inc., (San Rafael, CA) which he formed in 2004 to assist new franchisees in obtaining the requisite experience to obtain their contractor's license. Mr. Gornet offers training and support to our California Franchisees. He also maintains a California Contractor's license, as well as the appropriate insurance coverages. Mr. Gornet provides oversight to those who enter into employment under him. He also has held a Florida Certified General Contractor License since March 2007 and is the Owner, Manager and President of Mr. Handyman of Florida System, Inc (San Rafael, CA operating in FL). Florida) and of ProTect Painters of California, Inc., since October 2009 (San Rafael, CA).

7. Item 3 of the Disclosure Document is amended to provide that neither the franchisor, nor the franchise brokers identified in Item 2 and Exhibit K of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Security Exchange Act of 1934, 15 U.S.C.A 78a et seq., suspending or expelling such persons from membership in that association or exchange.

8. The following is added to Item 6, footnote 3 regarding royalty and Gross Sales in Item 6: One-third of the royalty payments that you pay to us are paid to Mike Gornet for training and support as our California Regional Service Director.

9. The following is added to Item 11, Training: Our Regional Service Director, Mike Gornet, also assists with Initial Training for new California owners.

10. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

A. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

B. The Franchise Agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Secs. 101 et seq).

C. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

D. The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. This may not be enforceable under California Law. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000-31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000-20043).

E. The Franchise Agreement requires binding arbitration. The arbitration will occur at the American Arbitration Association office located nearest to the offices of Mr. Handyman International, LLC (currently Ann Arbor, MI) with the prevailing party paying for all costs associated with the arbitration. 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 a Franchise Agreement restricting venue to a forum outside of the State of California.

F. The Franchise Agreement requires application of the laws of the State of Michigan. This provision may not be enforceable under California law.

ADDITIONAL DISCLOSURES FOR THE STATE OF FLORIDA

1. The following is added to Item 1: “Our Florida Regional Administrator in Florida, Mr. Michael Gornet, has established his own corporation, separate and apart from us. Through this corporation, he offers assistance, again separate and apart from us, for new Florida owners who request help in obtaining qualification under a general contractor’s license.”

2. The following is added to Item 2: “Florida Regional Administrator – Michael Gornet: Mr. Gornet obtained his Florida Certified General Contractor License in March 2007 and is the Owner, Manager and President of Mr. Handyman of Florida System, Inc., (San Rafael, CA, operating in FL) which he formed in 2007 to assist new franchisees in obtaining the requisite experience to obtain their contractor’s license. Mr. Gornet has managed a similar licensing program in San Rafael, California since May 2004.”

3. The following is added to Item 6; footnote 3 regarding royalty and Gross Sales: “Twenty percent of the royalty payments that you pay to us are paid to Michael Gornet for training and support as our Florida Regional Administrator.”

4. The following is added to Item 11, Training: Our Florida Regional Administrator, Michael Gornet, may also assist with Initial Training for new Florida owners.

ADDITIONAL DISCLOSURES FOR THE STATE OF ILLINOIS.

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 88705/1 ET. SEQ., the Franchise Disclosure Document, in connection with the offer and sale of franchises for use in the State of Illinois, shall be amended to include the following:

The following language is added to the table in Item 17 at the end of the Summary sections of provisions (v) and (w) entitled Choice of Forum and Choice of Law: “except for any claims arising under the Illinois Franchise Disclosure Act of 1987.”

ADDITIONAL DISCLOSURES FOR THE STATE OF MARYLAND.

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Disclosure Document in connection with the offer and sale of franchises for use in the State of Maryland, shall be amended to include the following:

1. The Summary sections of Item 17(c) and (m) of the Disclosure Document captioned “Requirements for franchisee to renew or extend” and “Conditions for franchisor approval of transfer,” are amended by adding the following: “Any general releases you sign will not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law, (See Exhibits A-5 and A-6 for the form of General Release that we currently to intent to use in connection with franchise transfers and renewals).”

2. The “Summary” section of Item 17(h) of the Disclosure Document, captioned “Cause defined – non-curable defaults” is amended by adding the following: “The Franchise Agreement provides for termination upon your insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq), but we will enforce it to the extent enforceable.”

3. The “Summary” section of Item 17(v) of the Disclosure Document, captioned “Choice of Forum,” is amended to read as follows: “Subject to arbitration requirement, ligation generally must be in Michigan, although you may, subject to your arbitration obligation, commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

4. The “Summary” section of Item 17(w) of the Disclosure Document, captioned “Choice of Law,” is amended to read as follows: “Except for Federal Arbitration Act, other federal law, and claims arising under the Maryland Franchise Registration and Disclosure Law, Michigan law applies.”

5. The following is added to the end of the Item 17 chart: “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

6. Exhibit A-F of the Disclosure Document captioned “Disclosure Acknowledgement Statement” is amended as follows: “Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

ADDITIONAL DISCLOSURES FOR THE STATE OF MINNESOTA.

Renewal, Termination, Transfer and Dispute Resolution. The following paragraphs are added at the end of the chart in Item 17:

A. With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Section 80.C.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 non-renewal of the Franchise Agreement.

B. Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2869.4400J, these sections shall not in any way abrogate or reduce your rights as provided in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to the jurisdiction of the courts of Minnesota.

C. Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

D. Minn. Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction or consenting to liquid damages, termination penalties of judgment notices.

E. Minn. Stat. 80C.17, Subd. 5 require that no action may be commenced pursuant to this section more than three years after the cause of action occurs.

F. Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated by the Minnesota Commissioner of Commerce, are met independently without reference to these Additional Disclosures in the Disclosure Document.

ADDITIONAL DISCLOSURES FOR THE STATE OF NEW YORK.

1. The following paragraphs are added at the beginning of Item 3 of the Disclosure Document: “Neither we, any predecessor, any person identified in Item 2 or an affiliate offering franchises under our principle trademark has an administrative, criminal or material action pending against us, it, him or her, alleging a felony; a violation of a franchise, antitrust or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations.

Neither we, any predecessor, any person identified in Item 2 or an affiliate offering franchises under our principle trademark has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge; or been held liable in a civil action alleging; violation of a franchise, antitrust or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable allegations.

Neither we, any predecessor, any person identified in Item 2 or an affiliate offering franchises under our principle trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a franchise as a real estate broker or sales agent.”

2. The following paragraph is added at the beginning of Item 4 of the Disclosure Document: “Neither we, any of our predecessors, affiliates, officers or general partners have, during the 10 year period immediately preceding the date of the Disclosure Document; (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) has obtained a discharge of its debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership, that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of ours held this position in the company or partnership.”

3. The “Summary” section of Item 17(d) of the Disclosure Document is amended by adding the following: “You also may terminate the Franchise Agreement on any grounds available by law.”

4. The “Summary” section of Item 17(j) of the Disclosure Document is amended by adding the following: “However, no assignment will be made except to an assignee, who in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.”

5. The “Summary” section of Items 17(c) and 17(m) of the Disclosure Document are amended by adding the following: “Provided, however, that all rights enjoyed by you and any causes of action arising by your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law, Sections 687.4 and 687.5 be satisfied.”

6. The “Summary” section of Item 17(s) of the Disclosure Document is amended by adding the following: “Modifications to the Operations Manual will not unreasonably affect your obligations, including economic requirements, under the Franchise Agreement.”

7. The “Summary” sections of Items 17(v) and (w) of the Disclosure Document are amended by adding the following: “This choice of law and forum should not be considered a waiver of any right conferred upon you by Article 33 of the General Business Law of the State of New York.”

8. Item 12.1 is amended to state: “The Territory includes a minimum of 55,000 target Households.

ADDITIONAL DISCLOSURES FOR THE STATE OF NORTH DAKOTA

1. The “Summary” sections of Item 17(c) and (m) of the Disclosure Document are amended to add the following: “Any release executed will not apply, to the extent prohibited by applicable law, with respect to claims arising under the North Dakota Franchise Investment Law”

2. The “Summary” section of Item 17(r) of the Disclosure Document is amended to add the following: “Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.”

3. The “Summary” section of Item 17(u) of the Disclosure Document is amended to read as follows: “Except for certain claims, we and you must arbitrate all claims.”

4. The “Summary” section of Item 17(v) of the Disclosure Document is amended to read as follows: “Arbitration generally must be in Michigan courts, except that, subject to your arbitration obligation, and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.”

5. The “Summary” section of Item 17(w) of the Disclosure Document is amended to read as follows: “Except for the federal law, North Dakota law applies.”

ADDITIONAL DISCLOSURES FOR THE STATE OF RHODE ISLAND

1. The “Summary” section of Item 17(v) of the Disclosure Document is amended to read as follows: “Litigation generally must be in Michigan courts, except that subject to your arbitration obligation and to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.”

2. The “Summary” section of Item 17(w) of the Disclosure Document is deleted in its entirety and replaced with the following: “Except for the Federal Arbitration Act, and other

federal law, and except as required by the Rhode Island Franchise Investment Act, Michigan law governs.”

ADDITIONAL DISCLOSURES FOR THE STATE OF VIRGINIA

The following is added to the end of Item 17 of the Disclosure Document: “Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause”, as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

ADDITIONAL DISCLOSURES FOR THE STATE OF WASHINGTON

The following paragraph is added at the end of Item 17 of the Disclosure Document: “If any of the provisions in this Disclosure Document or the Franchise Agreement are inconsistent with the relationship provisions of Revised Code of Washington, Section 19.100.180 or any other requirements of the Washington Franchise Investment Protection Act (the “Act”), the provisions of the Act will prevail over the inconsistent terms of the Disclosure Document or Franchise Agreement.”

EXHIBIT F: LIST OF FRANCHISEES

As of December 31, 2013

Name	Company Name	Address	City, State, Zip	Phone	EMail
Jeff Stilwell	Mr. Handyman of Huntsville	3304 7th Ave SW	Huntsville, AL 35805	256-519-2444	jeff.stilwell@mrhandyman.com
Terry Ackley	Mr. Handyman Deer Valley/Anthem/Carefree	14430 N. 27th Drive	Phoenix, AZ 85053	602-384-2200	terry.ackley@mrhandyman.com
Doug Wertenberger	Mr. Handyman of Central Valley	520 E. Arabian Drive	Gilbert, AZ 85296	480-596-8282	doug.wertenberger@mrhandyman.com
Joseph Debnar	Mr. Handyman of Sonoma County	925 Lakeville St, Suite 237	Petaluma, CA 94954-3329	707-528-1288	joe.debnar@mrhandyman.com
Tom Hofmeister	Mr. Handyman of Arden Arcade	4380 Auburn Blvd.	Sacramento, CA 95841	916-487-8655	tom.hofmeister@mrhandyman.com
Santo Polito III	Mr. Handyman of Glendale, Burbank, La Canada & Altadena	23638 Lyons Ave., #427	Newhall, CA 91321	818-206-8724	santo.polito@mrhandyman.com
Ed Reilly	Mr. Handyman of the South Bay	4001 Inglewood Ave #101-125	Redondo Beach, CA 90278	310-379-3900	ed.reilly@mrhandyman.com
James A. and Sue G. Reinstein	Mr. Handyman of Western Orange County	174 W. Lincoln Avenue #531	Anaheim, CA 92805	714-892-0423	westernoc.ca@mrhandyman.com
David Silverman	Mr. Handyman of West Los Angeles	12405 Venice Blvd Ste 131	Los Angeles, CA 90066	310-390-8300	david.silverman@mrhandyman.com
Teddy Tenenbaum	Mr. Handyman of Beverly Hills, Hollywood and the Valley	11485 Ventura Boulevard, 2nd Floor	Studio City, CA 91604	818-907-7314	teddy.tenenbaum@mrhandyman.com
Michael Wirtes	Mr. Handyman of Rancho Cucamonga	5838 Zapata Place	Alta Loma, CA 91730	909-484-2337	michael.wirtes@mrhandyman.com
David and Cynthia Bartmann	Mr. Handyman of South Suburban Denver	6595 S. Dayton Street Suite 1300	Greenwood Village, CO 80111	303-706-0111	david.bartmann@mrhandyman.com
Dean Hazelwood	Mr. Handyman of E. Boulder, Broomfield & Erie	1300 Plaza Ct. N, Ste. 203	Lafayette, CO 80026	303-396-1000	Dean.hazelwood@mrhandyman.com
Ronald R. and Sharon L. Locandro	Mr. Handyman of Farmington Valley/West Hartford	15 Herman Dr., STE. A	Simsbury, CT 06070	860-651-5396	farmington-valley.ct@mrhandyman.com
Skip Wyatt	Mr. Handyman of Upper Fairfield County	2480 Black Rock Tpke	Fairfield, CT 06825	866-426-3911	upperfairfield.ct@mrhandyman.com
Allen Furrer	Mr. Handyman serving S Lee County	17162 Alico Center Road, Suite 3	Fort Myers, FL 33967	239-271-3999	Allen.furrer@mrhandyman.com
Jay Gravel	Mr. Handyman of Greater Naples	3066 Tamiami Trail, N Suite 303	Naples, FL 34103	239-687-3610	jay.gravel@mrhandyman.com
Michael and Elizabeth McCalley	Mr. Handyman of Clay County/Westside	675 Kingsley Avenue	Orange Park, FL 32073	904-579-2205	mike.mccalley@mrhandyman.com
Dennis McGee	Mr. Handyman of Ocala to West Apopka	600 Market St. Suite 116	Leesburg, FL 34748	352-435-4568	dennis.mcgee@mrhandyman.com

Name	Company Name	Address	City, State, Zip	Phone	E-Mail
Chad Olson	Mr. Handyman of Debarry/Lake Mary/Winter Springs	4044 West Lake Mary Blvd. #104-347	Lake Mary, FL 32746	386-259-3667	chad.olson@mrhandyman.com
Vijai Singh	Mr. Handyman of South Palm Beach	2755 S. Federal Hwy	Boynton Beach, FL 33435	561-547-4460	vijai.singh@mrhandyman.com
Michael D. Slason	Mr. Handyman of SE Orlando	2901 Curry Ford Rd, Unit 212-A	Orlando, FL 32806	407-982-8700	michael.slason@mrhandyman.com
Michael and Suzanna Carney	Mr. Handyman of the Southwest Atlanta Suburbs	1000 Cooper Circle, Suite 103	Peachtree City, GA 30269	678-364-8550	coweta-fayette.ga@mrhandyman.com
James E. Symington	Mr. Handyman of NW Gwinnett	4411 Suwanee Dam Rd, Suite 635	Suwanee, GA 30024	770-945-0500	jim.symington@mrhandyman.com
Keith Braude	Mr. Handyman of South Lake County	1020 N. Milwaukee Ave. Suite 124	Deerfield, IL 60015	847-279-0280	keith.braude@mrhandyman.com
Robert M. Horenkamp	Mr. Handyman of Oak Park & River Forest	1523 N. Harlem Ave	Oak Park, IL 60302	708-613-2233	oakpark.il@mrhandyman.com
Glenn and Debbie Johnson	Mr. Handyman of Hinsdale	414 Plaza Dr Ste 108	Westmont, IL 60559	630-655-3277	glenn.johnson@mrhandyman.com
Catherine Lins	Mr. Handyman of Naperville	1871 S Randall Rd Unit C	Geneva, IL 60134	630-377-2902	callhandyman@comcast.net
Joseph McInerney	Mr. Handyman of Northern Chicago	5618 W. Montrose Avenue	Chicago, IL 60634	773-799-9090	northernchicago@mrhandyman.com
Robert Langreder and Darla Grubbs	Mr. Handyman of Metro East	1309 Vandalia Street	Collinsville, IL 62234	618-659-5055	Bob.langreder@mrhandyman.com
Wayne R. and Kimberly A. Owczarzak	Mr. Handyman of Wheaton	245 W. Roosevelt Rd. Bldg 15 Suite 111	West Chicago, IL 60185	630-701-9452	wayne.owczarzak@mrhandyman.com
Curt Cipares	Mr. Handyman of N La Porte, Porter Counties and New Buffalo	9896 W. 300 North, Bldg. C	Michigan City, IN 46360	219-814-4461	curt.cipares@mrhandyman.com
James Furrer	Mr. Handyman of SE Boone, W Hamilton & N Marion Counties	3327 West 96th Street	Indianapolis, IN 46268	317-208-4848	james.furrer@mrhandyman.com
Donald Kummick	Mr. Handyman of NE Marion and W Hancock Counties	8023 N. CR 600W Suite 102	McCordsville, IN 46055	317-336-5006	donald.kummick@mrhandyman.com
David and Janet Sipp	Mr. Handyman of Northern St. Joseph and Elkhart Counties	51321 Hunting Ridge Trail North	Granger, IN 46530	574-243-3900	southbend.in@mrhandyman.com
Gene Johnson	Mr. Handyman of Louisville Northeast	12200 Shelbyville Rd Ste 205	Louisville, KY 40243	502-244-2709	gene.johnson@mrhandyman.com
Michael Campbell	Mr. Handyman Central MetroWest	30 Main St Ste 14	Ashland, MA 01721	508-231-4639	michael.campbell@mrhandyman.com

Name	Company Name	Address	City, State, Zip	Phone	E-Mail
Bob Foley	Mr. Handyman of Cape Cod	8 Jan Sebastian Dr Ste 5	Sandwich, MA 02563	774-413-5400	Bob.foley@mrhandyman.com
Steve Morad	Mr. Handyman of South Essex County	2 De Bush Avenue, Unit B2	Middleton, MA 01949	978-531-5939	steve.morad@mrhandyman.com
James Prendergast	Mr. Handyman of Eastern Norfolk County	153 Granite St	Medfield, MA 02052	508-668-0098	easternnorfolk.ma@mrhandyman.com
James Prendergast	Mr. Handyman of Central Norfolk County	689 Main St Ste 185	Walpole, MA 02081	508-668-0098	jim.prendergast@mrhandyman.com
Michael Symonds	Mr. Handyman of Central Middlesex	PO Box 78	Carlisle, MA 01741	978-369-1366	mike.symonds@mrhandyman.com
Dennis Turmel	Mr. Handyman of North Essex County	60 Pine St. Unit I	Methuen, MA 01844	978-521-0042	dennis.turmel@mrhandyman.com
Joseph Zeliger	Mr. Handyman of Greater Newton	259 Walnut St. Suite 6	Newton, MA 02460	617-244-4910	joe.zeliger@mrhandyman.com
Rob and Missy Carpenter	Mr. Handyman of North & West Central MD	12 Davis Ave	Frederick, MD 21701	301-695-3636	Carpenters@mrhandyman.com
Kevin Crysler & Diana C. McKinney	Mr. Handyman of Anne Arundel & NE PG	8424 Veterans Hwy Suite 8	Millersville, MD 21108	410-689-4986	kevin.crysler@mrhandyman.com
Kenneth Dunn	Mr. Handyman of Northern Baltimore County	11436 Cronridge Drive Ste K	Owings Mills, MD 21117	410-363-7745	kenneth.dunn@mrhandyman.com
Daniel Hastings	Mr. Handyman of South Montgomery County	240 Main St Ste 200	Gaithersburg, MD 20878	301-963-5949	dan.hastings@mrhandyman.com
Victor and Tanya Strassberger	Mr. Handyman of Northern Montgomery County	13017 Wisteria Drive, #184	Germantown, MD 20874	301-607-6063	victor.strassberger@mrhandyman.com
Greg Kemp	My Handyman of Ann Arbor, Saline, and Chelsea	3796 Plaza Drive, Suite 1C	Ann Arbor, MI 48108	734-662-5555	greg.kemp@myhandyman.com
Todd Mailloux	Mr. Handyman of Bloomfield/Birmingham	PO Box 182	Birmingham, MI 48012	248-642-2282	todd.mailloux@mrhandyman.com
Todd Mailloux	Mr. Handyman of Bloomfield/Birmingham	PO Box 182	Birmingham, MI 48012	586-783-5448	todd.mailloux@mrhandyman.com
Tom Raar	Mr. Handyman of Greater Grand Rapids	3850 29th Street SE, Suite C	Grand Rapids, MI 49512	616-977-2600	grandrapids.mi@mrhandyman.com
Michael and Catharine Tilley	Mr. Handyman of Kalamazoo-St. Joseph	2836 West Main, Suite 100	Kalamazoo, MI 49006	269-762-6100	michael.tilley@mrhandyman.com
Jeff Starn	Mr. Handyman of Chanhassen, Chaska & Shakopee	551 W. 78th Street, Ste 213	Chanhassen, MN 55317	952-937-6225	Jeffrey.starn@mrhandyman.com
David Swanson	Mr. Handyman of SW Minneapolis and SW Suburbs	7600 W 27th St. #213	St. Louis Park, MN 55426	612-547-7000	david.swanson@mrhandyman.com
Michael J. Fitzsimmons	Mr. Handyman of St. Louis - West County	15510 Olive Blvd.	Chesterfield, MO 63017	636-530-1663	michael.fitzsimmons@mrhandyman.com

Name	Company Name	Address	City, State, Zip	Phone	EEmail
John and Kathy Cook	Mr. Handyman of Winston-Salem	4140 Clemmons Rd. PMB 297	Clemmons, NC 27012	336-776-3322	john.cook@mrhandyman.com
Bruce and Robin Foster	Mr. Handyman of Western Wake County	4104 Ridgebluffs Court	Raleigh, NC 27603	919-424-3780	westernwakecounty.nc@mrhandyman.com
William and Bryan Kern	Mr. Handyman of Northern Wake County	6300 Creedmoor Rd., STE 170 #116	Raleigh, NC 27612	919-322-0417	billy.kern@mrhandyman.com
Keith Sullivan	Mr. Handyman of Southeast Lake Norman	712 Hanna Woods	Cramerton, NC 28032	704-661-7033	Ksulli9869@hotmail.com
Dan and Jody Johnson	Mr. Handyman of Papillion	1260 Royal Dr.	Papillion, NE 68046	402-502-5212	daniel.johnson@mrhandyman.com
David Ambinder and Bruce Warren	Mr. Handyman of S. Orange/Westfield/Scotch Plains & Metuchen	1189 Raritan Road	Clark, NJ 07066	908-795-3030	westfield.nj@mrhandyman.com
Stephen and Donna Boehler	Mr. Handyman of NE Monmouth County	49 Calliope Rd	Sayreville, NJ 08872	732-447-2700	nemonmouth.nj@mrhandyman.com
Terry McCarty	Mr. Handyman of Mendham, Dover and Morristown	176 Morris Street, 1st FL	Morristown, NJ 07960	973-878-0127	terry.mccarty@mrhandyman.com
Robert and Susan Palmarozza	Mr. Handyman Tri-County	1474 Route 23 North Suite #7	Wayne, NJ 07470	973-696-9393	tricounty.nj@mrhandyman.com
Raymond C. Wiese	Mr. Handyman of Moorestown-Haddonfield-Voorhees	626 Park Rd Ste 2	Cherry Hill, NJ 08034	856-429-8991	ray.wiese@mrhandyman.com
Patricia McCaffrey and Mark Canelle	Mr. Handyman of Northwest Suffolk County	34 East Main Street, Suite 385	Smithtown, NY 11787	631-265-1183	Mark.canelle@mrhandyman.com
Robert and Patricia Ann Merkl	Mr. Handyman of Eastern Orange County NY	275 East Drive	Walden, NY 12586	845-674-9222	bob.merkl@mrhandyman.com
Lawrence Monte	Mr. Handyman of NE Queens	20507 Hillside Avenue	Hollis, NY 11423	718-468-0400	lawrence.monte@mrhandyman.com
Alan Ratjen	Mr. Handyman of Alvin, Missouri City and Stafford	11322 County Rd 190	Alvin, TX 77511	281-585-1800	alan.ratjen@mrhandyman.com
Michael and Susan Riley	Mr. Handyman of SW Denton and N Tarrant Counties	2201 Long Prairie Rd Ste 107/253	Flower Mound, TX 75022	972-373-9600	swdenton.tx@mrhandyman.com
David Scott	Mr. Handyman of the Park Cities	5930 LBJ Freeway #250	Dallas, TX 75240	972-866-7777	david.scott@mrhandyman.com
Gary Thomas	Mr. Handyman of South Austin/Lakeway	9901 Brodie Ln Ste 160	Austin, TX 78748	512-282-5700	gary.thomas@mrhandyman.com
John and Laura Van Orden	Mr. Handyman of The Woodlands	3750 FM 1488, Suite D-100	Conroe, TX 77384	281-296-2700	john.vanorden@mrhandyman.com

Name	Company Name	Address	City, State, Zip	Phone	EMail
Thomas and Suzanne Ware	Mr. Handyman of S.E. Tarrant County	6001 Woodlake Drive	Arlington, TX 76016	817-563-7444	tom.ware@mrhandyman.com
Victoria Davison and Michael Pembroke	Mr. Handyman of Sandy and Draper	1787 E. Fort Union Boulevard, #202	Cottonwood Heights, Utah 84121	801-748-0101	MrHandymanofSandyandDraper@mrhandyman.com
Neena Batra	Mr. Handyman of Fairfax and Eastern Loudoun Counties	4410 Brookfield Corporate Drive, #221124	Chantilly, VA 20153	703-327-7720	neena.batra@mrhandyman.com
Neils and Elena Brooks	Mr. Handyman of Tidewater	736 Middle Ground Blvd Ste B	Newport News, VA 23606	757-283-5044	neils.brooks@mrhandyman.com
Gina Chapman	Mr. Handyman of Richmond	1129 Gaskins Road, STE 104	Richmond, VA 23238	804-270-7272	gina.chapman@mrhandyman.com
William and JoAnn McCabe	Mr. Handyman of Prince William and Southern Fairfax Counties	9120 I Beam Lane	Manassas, VA 20110	703-368-0035	jo.mccabe@mrhandyman.com
Albert Starck	Mr. Handyman of the Fredericksburg Region	99 Madison Avenue	Fredericksburg, VA 22405	540-654-5542	fredericksburg@mrhandyman.com
John Tarnaski	Mr. Handyman of Chesterfield and the Tri-Cities	12805 Sloan Drive	Chester, VA 23836	804-530-2333	john.tarnaski@mrhandyman.com
Glenn Berkwitt	Mr. Handyman of North Seattle	4509 Interlake Avenue North #177	Seattle, WA 98103	206-522-1213	glenn.berkwitt@mrhandyman.com
Craig DuFrenne	Mr. Handyman of Gig Harbor & Tacoma	5500 Olympic Drive. Suite H-105 #233	Gig Harbor, WA 98335	253-250-0850	craig.dufrenne@mrhandyman.com
Karl-Heinz Finken and Pamela McCoy	Mr. Handyman of North Lake Washington and Bellevue	20126 Ballinger Way NE PMB #90	Shoreline, WA 98155	425-408-1538	karl-heinz.finken@mrhandyman.com
Robert and Maggie Schmidt	Mr. Handyman of SE Bellevue	13300 SE 30th St Ste 209	Bellevue, WA 98005	425-445-2444	bob.schmidt@mrhandyman.com
Cynthia Zynda	Mr. Handyman of Snohomish County	2615 W Casino Road, # 6B	Everett, WA 98204	425-493-0097	cynthia.zynda@mrhandyman.com
David Krivoshia	Mr. Handyman of the Fox Cities	3962 N. Richmond Street	Appleton, WI 54913	920-733-5555	david.krivoshia@mrhandyman.com
Marty and Leslie Putz	Mr. Handyman of Waukesha and North Milwaukee County	2727 N Grandview Blvd Ste 202	Waukesha, WI 53188	262-549-7700	marty.putz@mrhandyman.com
Ryan Tews	Mr. Handyman of Western Dane County	3230 University STE. 12	Madison, WI 53705	608-395-3250	waunakee.wi@mrhandyman.com
Greg and Nancy Paxton	Mr. Handyman of Kanawha Valley	2722 Pennsylvania Ave	Charleston, WV 25302	304-720-0519	greg.paxton@mrhandyman.com

* Indicates signed but not yet opened as of December 31, 2013

EXHIBIT G: LIST OF FORMER FRANCHISEES

The following is a list of every franchisee who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our last fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Name	Address	City	State	Zip	Phone
Debnar, Joseph	925 Lakeville St., Suite 237	Petaluma	CA	94954-3329	707-753-1648
Reilly, Ed	4001 Inglewood Ave #101-125	Redondo Beach	CA	90278	817-656-9040
Russo, Michael	1556 Ocean Avenue, Suite 12	Bohemia	NY	11716	631-319-6340
Ross, Kenneth	90278	Colorado Springs	CO	80922	719-95-0830
Matijasevich, Sylvia	7600 W 27th St. #213	St. Louis Park,	MN	55426	763-424-4929
Herrington, Nancy	1050 N. El Mirage Road Suite H112	Avondale	AZ	85323	623-535-5989
Klauser, Eugene	291 US Highway 22 East, Suite 33	Lebanon	NJ	08833	908-832-6356
Park, Michael and Schattner, Robert	1078 Taft St.	Rockville	MD	20850	800-500-2399
Cook, John and Kathy	4140 Clemmons Rd. PMB 297	Clemmons	NC	27012	704-433-6809
Greg Richardson	6 Sycamore Lane	Piscataway	NJ	08854	732-287-4057
Slagle, Mark	2922 West Jefferson	Trenton	MI	48183	734-671-8788
Deitch, Alan H.	2 Golden Grass Court	Owings Mills	MD	21117	410-356-7071
Brown, Steven L.	1310 Highway 96 E Ste 103	White Bear Lake	MN	55110	952-920-4002
Richardson, Gregory	6 Sycamore Lane	Piscataway	NJ	08854	732-287-4057
Meyers, BJ	Executive Park,#3	Edwardsville	IL	62025	618-659-3932
Palmieri, David	153 Granite St	Medfield	MA	02052	508-850-9007
Desselle, Steve	14099 FM 2920 Ste G-325	Tomball	TX	77377	281-516-7601

EXHIBIT K: RECEIPT.

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Mr. Handyman International, LLC, offers you a franchise, it must provide the Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

If Mr. Handyman International, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit C.

[New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other Agreement or the payment of any consideration that relates to the Franchise Relationship. Michigan, Oregon and Washington require that we give you this Disclosure Document at least 10 business days before the execution of the franchise or other Agreement or the payment of any consideration that relates to the Franchise Relationship.]

Bobbi Branham Ellison and Tom Raymond, all of Mr. Handyman International, LLC, act as our franchise sellers. Their principal business address is 3948 Ranchero Drive, Ann Arbor, MI 48108 and their telephone number is 1-800-289-4600.

_____, of _____, acts as our franchise seller. His/her principal business address is _____ and his/her telephone number is _____.

[This portion may be filled in at a later date in the Addendum to Exhibit K: Receipt.]

Issuance Date: April 1, 2014. (The Effective Date is different in the following states: CA-04/25/14; HI-___/___/___; IL-___/___/___; IN-03/29/14; MD-05/22/14; MI-04/01/14; MN-04/03/14; NY-04/21/14; ND-04/23/14; RI-04/01/14; SD-04/08/14; UT-03/31/14; VA-04/01/14; WA-04/20/14; WI-03/26/14).

See Exhibit D for our registered agents authorized to receive service of process.

This Franchise Disclosure Document included the following Exhibits:

(A-1) Franchise Agreement and Related Materials; (Exhibit A) Franchised Territory; (Exhibit B) Initial Package; (Exhibit C) Software Agreement; (Exhibit D) Telephone Agreement; (Exhibit A-2) State Addenda; (Exhibit A-3) Confidentiality/Non-Competition; (Exhibit A-4) Disclosure and Acknowledgment; (Exhibit A-5) General Release – Renewal; (Exhibit A-6) General Release – Assignment; (Exhibit A-7) Sample By-Laws of Regional Advertising Cooperative; (Exhibit A-8) Electronic Funds Transfer; (B) Financial Statements; (C) State Administrators; (D) Agents For Service of Process; (E) State Addenda to Disclosure Document; (F) List of Franchisees; (G) List of Former Franchisees; and (K) Receipt

Date: _____

Signature of Prospective Franchisee

Print Name

Signature of Prospective Franchisee

Print Name

KEEP THIS COPY FOR YOUR RECORDS.

This Disclosure Document is available by request in either paper or .pdf format, please contact info@mrhandyman.com. You will need to have Adobe Reader installed on your computer to view and print the Disclosure Document in .pdf format. This is available for download at www.adobe.com.

EXHIBIT K: RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Mr. Handyman International, LLC, offers you a franchise, it must provide the Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

If Mr. Handyman International, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit C.

[New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other Agreement or the payment of any consideration that relates to the Franchise Relationship. Michigan, Oregon and Washington require that we give you this Disclosure Document at least 10 business days before the execution of the franchise or other Agreement or the payment of any consideration that relates to the Franchise Relationship.]

Bobbi Branham Ellison and Tom Raymond, all of Mr. Handyman International, LLC, act as our franchise sellers. Their principal business address is 3948 Ranchero Drive, Ann Arbor, MI 48108 and their telephone number is 1-800-289-4600.

_____, of _____, acts as our franchise seller. His/her principal business address is _____ and his/her telephone number is _____.

[This portion may be filled in at a later date in the Addendum to Exhibit K: Receipt.]

Issuance Date: April 1, 2014. (The Effective Date is different in the following states: CA-04/25/14; HI-___/___/___; IL-___/___/___; IN-03/29/14; MD-05/22/14; MI-04/01/14; MN-04/03/14; NY-04/21/14; ND-04/23/14; RI-04/01/14; SD-04/08/14; UT-03/31/14; VA-04/01/14; WA-04/20/14; WI-03/26/14).

See Exhibit D for our registered agents authorized to receive service of process.

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Date: _____

Signature of Prospective Franchisee

Print Name

Signature of Prospective Franchisee

Print Name

PLEASE SIGN AND RETURN TO MR. HANDYMAN INTERNATIONAL, LLC

Please sign this copy of the receipt, date your signature, and return it to Mr. Handyman International, LLC, Franchise Administration Department, 3948 Ranchero Drive, Ann Arbor, MI 48108.

This Disclosure Document is available by request in either paper or .pdf format, please contact info@mrhandyman.com. You will need to have Adobe Reader installed on your computer to view and print the Disclosure Document in .pdf format. This is available for download at www.adobe.com.