

ITEM 1. THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

To simplify the language in this offering circular, "CBI" means Candy Bouquet International, Inc. the franchisor. "You or your" means the person or legal entity and its owners who buys the franchise.

CBI is an Arkansas corporation, incorporated on August 3, 1993. It maintains its principal place of business at 423 East Third Street, Little Rock, Arkansas 72201, and does business under the name **CANDY BOUQUET INTERNATIONAL, INC.**

CBI licenses the use of its name and trademark (see Cover Sheet) to be used with the retail sale of CANDY BOUQUET arrangements and other candy and gift items.

You may open more than one Candy Bouquet retail store within your exclusive territory without signing any additional contracts or other agreement with CBI. There are no additional Franchise Fees for opening additional retail stores, however each additional store will be charged an additional Monthly Association Fee.

You will prepare Candy Bouquets with high quality specialty candies such as hard candies, chocolates, gums, decorative flowers, leaves, small toys and paper goods in a variety of selected containers.

You will prepare the Candy Bouquet arrangements in a storefront or home based operation for special orders and general retail demand. Candy Bouquet products are intended to appeal to customers of all ages and all groups of people. They are intended to be appropriate for all special occasions and to appeal to businesses as well as individuals. Customers may select a Candy Bouquet from those available or place an order by telephone or website. The orders may be picked up at the store, shipped or wired through our exclusive CBI wire service, or delivered for convenience.

To the best of CBI's knowledge, there are no regulations governing the operation of a Candy Bouquet Store in your state. Please refer to Exhibit C for Agents for Service of Process for state. However, in some states, Canadian provinces and other locations there are or may be guidelines for labeling of food items that you may be required to follow. Your local agriculture office or health department should be able to assist you with these laws.

Candy Bouquets are an alternative to traditional flower and candy gifts, and the market for these alternatives is increasing. The competition for a Candy Bouquet Store includes individual stores or small local chains offering floral arrangements, alternative products made with candy, cookies or other items. CBI expects the primary market for Candy Bouquets to be individuals, families, and corporate gift givers.

CBI does not own any affiliates that sell franchises.

The predecessor was Candy Bouquet, a retail operation that was begun at 5800 "R" Street in Little Rock, Arkansas in August 1992 ("CB Predecessor"). The operation was an individual proprietorship and was owned by Margaret M. McEntire. In August 1993, the company was incorporated as Candy Bouquet International, Incorporated and the assets of the individual proprietorship were transferred to the corporate entity at that time. The predecessor and CBI are now the same company.

In January 1989, a company called Candy Bouquet, Inc. opened a retail store at 1219 S. Shepherd in Houston, Texas ("CB Houston"). The store offered similar products to CBI. The company was owned 50% by Margaret M. McEntire and 50% by another shareholder who managed the store. The store was closed and ceased operation in October 1992 when the Houston shareholder and store manager moved to another town. CBI does not operate under any other name and does not intend to conduct business under any other name, other than its wholesale supply business.

CBI has offered franchises for the same type of business to be operated by you since 1993. CB predecessor offered and sold only one franchise in June 1993, which was sold before CBI's incorporation on August 3, 1993. CBI has not offered franchises in any other line of business. CBI has sold Master Franchises in some states. However, a Master Franchise in the U.S. is not available through this circular.

On January 12, 1999, the capital stock of CBI was transferred to J.A.P. Corporation ("JAP"). Since that date CBI has been operated as a wholly owned subsidiary of JAP. JAP is the parent company of CBI. JAP is an Arkansas corporation organized on January 12, 1999. It maintains its principal place of business at 423 E. 3rd St., Little Rock, AR 72201.

ITEM 2. BUSINESS EXPERIENCE

President, Secretary and Director:

Margaret M. McEntire

From January 1999, until the present she has been the President, Secretary and Director of JAP. JAP owns and operates CBI as a wholly owned subsidiary. From August 3, 1993 until the present Mrs. McEntire has been the President, Secretary and a Director of CBI. From August 1992 until August 1993, she operated CB Predecessor at 5800 "R" Street in Little Rock, Arkansas. From January 1, 1989 to August 3, 1993 Mrs. McEntire was a 50% shareholder of CB Houston of Houston, Texas.

Chief Operating Officer

Jason Risner

From May 2005, until the present he has served as the Chief Operating Officer. His responsibilities include the planning, development, implementation and documentation of specific operational policies and procedures. He is currently enrolled in the "Certified Franchise Executive" Program. From January 2001 until May of 2005 he served as Credit and Collections Manager of CBI. During that time he was a student at the University of Arkansas at Little Rock.

Executive Vice President

Gina McNabb

From January 2003 until the present she has served as Executive Vice President. Her responsibilities include marketing and advertising. She is a member of the Executive Committee. From January 2001 until January 2003 she was the Vice President of Marketing and Advertising. Prior to that she was a student at the University of Arkansas.

Vice President, Distribution

Sherri McClain

From June 2002 until present, she has been Vice President in charge of CBI's Distribution Center. From 1998 to 2002 she was employed as the office manager with Sepco, Inc, a subsidiary of JA Riggs Tractor Company. From 1980 to 1998 she was the Credit and Collections Manager with JA Riggs Tractor Company.

Director of Training

Laine McKenzie

From June 2003, until the present she has served as the Director of Training. Her responsibilities include organization, planning, and training of all new franchisees. Prior to this she worked at a local Candy Bouquet Franchise while attending the University of Central Arkansas.

ITEM 3. LITIGATION

Candy Bouquet International, Inc. (CBI) vs. Candy Flowers, Inc. (Candy Flowers)

CBI sued Candy Flowers in the United States District Court for the Northern District of Ohio, Case No. 1:98 CV 1814 on August 7, 1998, alleging that Candy Flowers fraudulently obtained and misappropriated and converted CBI's trade secrets. CBI also sought to enjoin Candy Flowers and its president Ms. Joanne Comella-Henry who had purchased a Candy Bouquet Franchise, from using CBI's trade secrets and mark "Candy Bouquet", and to recover damages and attorney's fee.

Candy Flowers denied the allegations and counterclaimed seeking a declaration that CBI had no exclusive rights to the name "Candy Bouquet" because Candy Flowers alleged the term is generic for candy floral arrangements. Before any hearings were conducted the parties agreed to settle the case on the following terms.

Candy Flowers denied violating CBI's rights but agreed not to disclose or use certain information designated by CBI as trade secrets. Candy Flowers agreed to discontinue using the term "Candy Bouquet" to describe its candy floral arrangements. Both parties dismissed their claims against the other with prejudice, agreed not to disparage or to interfere with the others' business, and to release each other from all other claims they may have had against the other.

The above case was settled on December 24, 1998.

Candy Bouquet International, Inc. vs. Feil Enterprises, Judy Feil & Dean Feil

On November 4, 1999, CBI filed a lawsuit in the United States District Court, Eastern District of Arkansas against Feil

Enterprises, Inc., Judy Feil and Dean Feil ("Feil")(case number 4-CV-99-825) alleging trademark infringement and breach of the CBI Franchise Agreement. CBI sought a permanent injunction and money damages. On March 7, 2000, the United States District Court found CBI to have a valid trademark and granted CBI's Motion for Summary Judgment. In its order, the Court permanently enjoined Feil from using any name, mark, sign, symbol or telephone number that belongs to CBI or that are substantially similar to the trademarked property of CBI.

Eleanor Wong vs. CBI

In April 2001, Eleanor Wong filed a demand for arbitration against CBI with the American Arbitration Association. Ms. Wong alleged in her demand that based on a map, which included shading, CBI, had sold a portion of her exclusive Territory to another CBI franchisee. CBI filed a response to the demand denying Ms. Wong's allegations and stating that Ms. Wong's Exclusive territory was defined in her franchise agreement not by the map but by six specific postal codes in Vancouver, British Columbia. A hearing on the matter was held on April 21, 2003 and the single arbitrator ruled in favor of CBI.

Candy Bouquet International, Inc. vs. Nie Ji Cheng and Chu Li

On February 4, 2005, CBI filed a demand for arbitration with the International Centre for Dispute Resolution against Nie Ji Cheng and Chu Li of Tianjin, China (ICDR Case #50-114-T-047-05) alleging infringement of trademark, breach of franchise agreement, breach of non-disclosure and non-competition agreement and theft of trade secrets. After a hearing on August 15, 2005, the arbitrator entered an award in favor of CBI. In the award, Nie Ji Cheng and Chu Li were enjoined from violating the CBI franchise agreement and the CBI non-disclosure and non-competition agreement. CBI was awarded a settlement, attorney's fees and expenses.

Other than the items mentioned above, there is no other litigation to be disclosed in this offering circular.

Under the Indiana Franchise Registration and Disclosure Law ("Indiana Franchise Law"), a franchisor must file a franchise registration with the Indiana Securities Division before offering or selling franchises in the state. CBI inadvertently did not file a registration in the State of Indiana until October 23, 2000. 8 franchises were sold before the time that CBI was registered in the State of Indiana. These sales constituted violations of the Indiana Franchise Law. On May 16, 2001, CBI entered a consent order with the Securities Division of the Office of the Indiana Secretary of State in which CBI agreed and was ordered to make a rescission offer to each of the franchisees that purchased a Candy Bouquet franchise before CBI's registration became effective. Of the rescission offers that were made by CBI, five franchisees accepted the rescission offer and three rejected the rescission offer. There were no fines or fees imposed against CBI by the State of Indiana and CBI's registration became effective on July 31, 2000.

Under the Maryland Franchise Registration and Disclosure Law ("Maryland Franchise Law"), a franchisor must annually file a franchise registration with the Maryland Securities Division. CBI initially filed a registration with the State of Maryland in April 1998. However, CBI's franchise registration was inadvertently allowed to expire in May 1998 and one franchise was offered and sold in Maryland in October 1998. The October offer and sale of the franchise by CBI without an effective registration constituted a violation of the Maryland Franchise Law. On June 22, 1999, CBI agreed to the entry of a consent order with the Maryland Securities Commissioner, Matter No. 99-0678, whereby CBI agreed not to offer and sell franchises in violation of the Maryland Franchise Law and further agreed to make an offer of rescission to the Maryland resident who purchased the franchise in October 1998. The rescission offer was not accepted and there were no fines or fees imposed against CBI.

CBI's registration was again inadvertently allowed to expire August 10, 2001. Subsequent to the expiration of the registration, two (2) franchises were offered and sold to Maryland residents in September and November 2001. The two (2) offers and sales after August 10, 2001 constituted violations of the Maryland Franchise Law. On June 5, 2002, the Company agreed to the entry of a consent order with the Maryland Securities Commissioner, Matter No. 2002-0315 whereby the company agreed not to offer or sell franchises in violation of the Maryland Franchise Law and further agreed to make an offer of rescission to the two (2) Maryland residents who purchased franchises after the consent order. Of the rescission offers that were made by CBI, both rejected the rescission offer. CBI also agreed to enroll an employee in a franchise training program approved by the Maryland Securities Division.

Neither CBI, or any person in Item 2 of the UFOC is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

ITEM 4. BANKRUPTCY

No person previously identified in Items 1 or 2 of this offering circular has been involved as a debtor in proceedings under the U.S. Bankruptcy Code required to be disclosed in this Item.

ITEM 5. INITIAL FRANCHISE FEE

CBI bases the franchise fee on the population in the area being sought. Populations are derived from the local Chamber of Commerce office, business control atlas, United States Postal Service, or Census Bureau statistics. The franchise fee schedule is summarized in the following tables:

Population	Initial Fee
1 - 5,000	\$3,900
5,001 - 10,000	\$6,500
10,001 - 20,000	\$9,000
20,001 - 40,000	\$12,000
40,001 - 60,000	\$15,000
60,001 - 80,000	\$18,000

Population	Initial Fee
80,001 - 100,000	\$19,500
100,001 - 125,000	\$20,650
125,001 - 150,000	\$23,000
150,001 - 200,000	\$27,000
200,001 - 250,000	\$31,000
250,001 - and up	\$120 Per thousand

Franchise fees are payable in two parts: You pay 25% of the fee when you sign a Franchise Agreement (Exhibit G) and mail it to CBI. The twenty five percent payment will retain your exclusive territory for a period of four months from the date your payment is received by CBI. Upon receipt of the payment, CBI will schedule your training. You pay the balance or 75% of the franchise fee when you report to CBI headquarters and educational facility for training. The seventy five percent payment must be paid by cashiers check or credit card in US dollars. Opening inventory (see Item 7) and any additional supplies purchased from CBI's wholesale distribution center while at training must be paid by cashiers check or credit card in US dollars. The franchise fee is not refundable. The franchise fee is fully earned by CBI in consideration of administration and other expenses incurred by CBI and for the lost or deferred opportunity to enter into the Franchise Agreement with others.

You may open more than one store within your exclusive territory and there are no additional franchise fees payable to CBI for additional stores within your exclusive territory.

Except for the initial franchise fee and approximately \$2,000 for an initial packet of opening supplies, you are not required to pay any other initial sums or fees.

Initial fees paid in 2005 ranged from \$3,600 to \$51,750

ITEM 6. OTHER FEES

NAME OF FEE	AMOUNT	DATE DUE	REMARKS
Royalty	None		There is no royalty fee.
Advertising	None		There is no advertising fee.
Additional Assistance	\$50 per hour.	30 days after billing	Includes advice for site selection, advertising, marketing, etc.
Transfer	\$3,000	Prior to transfer	You pay when you sell your franchise.

Audit	None		There is no audit requirement.
Renewal	25% of Initial Franchise Fee. See Item 5.	At time of renewal	Renewal term is for 5 years.
Monthly Association Fee	See Following Table	You pay monthly via electronic transfer within 30 days of billing.	CBI bases the association fee on the population of the Exclusive Territory - See Table below.
Site Inspection Fee (Upon your request)	\$50 per hour plus expenses.	30 days after billing.	Site Inspections are not done unless requested by you. This inspection is to assist in evaluating sites you have selected. (See Section 5C of the Franchise Agreement)
Referral Fee For Wire Services	20% of the sale price.	Within 30 days of sale.	You will keep 20% of collected funds. Balance goes to franchisee filling order. (See Section 11.A of the Franchise Agreement)
Continuing Inventory	\$1,000 - \$2,000	Monthly or as needed.	This amount will vary depending on sales volume and season.
Upgrades, Remodeling, Refurbishing	\$175 - \$6000	As needed	This amount varies depending on location.

The table shown above is a list of fees payable to CBI or imposed by CBI after beginning your Candy Bouquet franchise. The above listed fees are nonrefundable.

Monthly Association Fee Based On Population*

Population	Monthly Association Fee
1 - 5,000	\$55
5,001 - 10,000	\$70
10,001 - 20,000	\$85
20,001 - 40,000	\$100
40,001 - 60,000	\$115
60,001 - 80,000	\$135

Population	Monthly Association Fee
80,001 - 100,000	\$145
100,001 - 125,000	\$165
125,001 - 150,000	\$195
150,001 - 200,000	\$235
200,001 - 250,000	\$275
250,001 - and up	\$1.25 per thousand

* CBI bills a Monthly Association Fee of \$50 for each additional retail location that you open within your exclusive territory.

If you do not pay any franchise association fees, invoices, or other amounts due to CBI within thirty days after receiving written notice that these fees are due, or do not disclose the opening of additional retail locations within 30

days before opening, CBI can reclaim your entire exclusive area. You will no longer have the privileges or rights associated with the franchise. CBI can re-sell the territory. The association fee is to cover the cost of a periodic newsletter, revisions and updating of the Operations Manual and for general advice and support to you.

ITEM 7. INITIAL INVESTMENT

	LOW RANGE	LOW RANGE	MID RANGE	HIGH RANGE	WHEN DUE	TO WHOM PAYABLE
	HOME BASED (1)	STORE FRONT (2)	STORE FRONT (3)	STORE FRONT (4)		
Initial Franchise Fee (5)	\$3,900	\$6,500	\$18,000	\$31,000	25% at Signing of Franchise Agreement and 75% when reporting for training	CBI
Living Expenses While Training (6)	\$500	\$500	\$500	\$500	During Training	Hotel & Restaurants
Real Estate Improvements (7)	\$175	\$1,500	\$5,000	\$6,000	Before Opening	Landlord or Vendors
Equipment	\$175	\$200	\$300	\$300	Before Opening	CBI or Vendors
Auto (8)	\$100	\$200	\$350	\$500	Monthly Payment	Lien Holder
Signs (9)	\$70	\$250	\$400	\$700	Before Opening	CBI or Vendors
Utility Deposits, and Insurance (10)	\$200	\$400	\$600	\$600	Before Opening	Suppliers, Utilities, Insurance Co. etc.
Rent, first month (11)	\$0	\$500	\$1,000	\$1,500	Before Opening	Landlord
Opening Inventory (12)	\$2,000	\$2,000	\$2,000	\$2,000	Before Opening	CBI or Vendors
Advertising and Promotion (13)	\$100	\$500	\$1,000	\$1,500	As Occurred	Vendors
Additional Funds - three months (14)	\$250	\$1,500	\$2,750	\$4,000	As Occurred	Vendors
Working Capital and Misc. (15)	\$200	\$500	\$750	\$1,000	As Occurred	Vendors
Company Representative Visit for Store Grand Opening (16)	\$0	\$0	\$530	\$530	As Occurred	CBI
Total	\$7,670	\$14,550	\$33,180	\$50,330		

Your estimated initial investment for a single operating location is listed in the above table. The estimated cost for additional stores in a multi-store operation will be approximately the same, for each location, as shown in the table, with the exception of the initial franchise fee, living expenses while training, and auto expenses.

Notes:

- (1) Based on an area under 5,000 in population.
- (2) Based on an area between 5,001 and 10,000 in population.
- (3) Based on an area between 60,001 and 80,000 in population.
- (4) Based on an area between 200,001 and 250,000. The Initial Franchise Fee for an area above 250,000 will be priced at \$120 per thousand.
- (5) CBI does not finance the Initial Franchise Fee.
- (6) These figures do not include an estimate of travel cost from your home for training and return.
- (7) These are estimates of improvements to real estate only.
- (8) Deliveries are a large part of Candy Bouquet business, however a specially designed vehicle is not required and therefore a family car will suffice. Deliveries can also be contracted out.

(9) You must display the name "CANDY BOUQUET" on the exterior of your Store in lettering that is at least sixteen inches high. You must also display CBI's trademark in color, at least twenty-six inches high, within the interior of the store and on the exterior of the store or in the window of the store.

(10) You must carry at least \$500,000 General Liability Insurance, and \$500,000 Automobile Liability Insurance. See Section 12G of the Franchise Agreement. Health department, food establishment agencies, fire department, labor department, sales taxes and other similar government agencies may require permits and licenses.

(11) These are estimates, based on experience for towns of less than 10,000 population and shops with less than 600 square feet to towns or franchise areas with 80,000 population and shops with more than 600 square feet.

(12) This is an estimate for four levels of operation and is based on the experience of CBI. These estimated amounts may vary depending on your location, distance from suppliers and holiday demand. CBI bases continuing inventory requirements on the same criteria as the initial inventory. Exact figures cannot be determined until your store has been in operation for at least one year. Your management style and skill is also a factor. Included in these estimates are two equipment items that are not a reoccurring cost. You must pay your opening inventory purchases before leaving your initial training week. After your opening inventory purchase, CBI extends a maximum \$1000 line of credit to its domestic franchisees for purchases from CBI's warehouse. You must have a credit card number and a signed authorization form, or a signed ACH Draft Form on file to secure purchases over your credit limit. Franchisees usually purchase additional inventory of supplies above that required for opening inventory.

(13) These estimates will vary with your experience in advertising and marketing.

(14) This range of estimated cost is based on the experience of operating stores for the first 3 months. This item covers miscellaneous costs and expenses as local permit and license fees, employee compensation, and employee training.

(15) CBI recommends that you have adequate working capital. The amount noted above reflects CBI's estimate of the amount needed for four different levels of business style. These figures will vary with your individual store location, style of business, and your personal commitment, experience and ability to manage your business.

(16) CBI will send, if you request, at your cost, a representative to assist you during the initial opening of your store.

NOTE: The figures shown in the table above are estimates. Payments are not refundable unless you negotiate this with the individual suppliers and service providers. A number of variables may affect the pre-opening expenses such as size and condition of the space leased, your available time and construction skills, local government rules and regulations, etc.

The cost for a CBI representative to assist you in the opening of a Candy Bouquet franchise store and/or the selection of a location are included in the above figures for a mid range and high range store only. You must pay for travel and expenses of CBI. CBI will bill for consultations at \$50 per hour. Travel time is not a billable item.

OPTIONAL INVESTMENT: The following optional equipment and supply list is provided as a suggested initial or future enhancement to your store: climate controlled chocolate case, loose candy display counter, fudge making machine, greeting card display case, shrink wrap machine, credit card machine and printer (leasable), electronic cash register, certified scale, and computer with modem and internet access. Although owning a computer is not required, you must have ready access to a computer with modem and Internet access.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to maintain quality control you must buy certain specified items from CBI. These items include Logo items, brochures, stem wire, floral tape, precut cellophane, and Styrofoam. Also for quality control, CBI recommends that you stock selected items listed in CBI's wholesale catalog. CBI estimates a 50% required purchase of all supplies from the CBI Distribution Center.

CBI will not derive revenue from your purchases or leases, except candy and supplies purchased from CBI's Distribution Center or preferred vendors. CBI offers most of the necessary supplies to open a Candy Bouquet franchise operation to you at wholesale prices. As a service to you, CBI sells smaller quantities of supplies to be purchased than from traditional wholesale suppliers. CBI negotiates with manufactures and wholesale suppliers, and purchases in large quantities in order to reduce the cost of these supplies for your benefit. When you do purchase candy or supplies from CBI, or their preferred vendors, then CBI will profit from these purchases. There are no purchasing or distribution cooperatives. The estimated amount of inventory and equipment that you will need to purchase is shown in the Table in Item 7.

You may use a personalized website with your Candy Bouquet business. This website must be approved in writing by CBI and all submissions for approval must be printed and mailed to CBI headquarters. CBI will also designate a free email address for your franchise. This email address must be the only one used in connection with your franchise.

In the year ending December 31, 2005 revenues from the sale of equipment, signs and inventory to Franchisees were \$2,571,132 or 44.3% of CBI's total revenues of \$5,808,223. The estimated cost of equipment, signs and inventory purchased represents a range of 15% to 20% of your total expenditures in establishing your store. Of the total 2005 revenues from the sale of equipment, signs and inventory to Franchisees, \$379,903 or 14.8% of this revenue was required supply purchases from the CBI Distribution Center.

CBI does not impose any specification or standards on your sources of products and services. There are currently no requirements to purchase or lease a store location, or computer. CBI encourages you to consider starting your Candy Bouquet business with as minimal an investment as possible.

ITEM 9. YOUR OBLIGATIONS

THIS TABLE BELOW 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 SECTIONS OF THIS OFFERING CIRCULAR.

<u>OBLIGATION</u>	<u>SECTION IN FRANCHISE AGREEMENT</u>	<u>ITEM IN OFFERING CIRCULAR</u>
a. Site selection and acquisition	Section 7 and 8	Item 12
b. Pre-opening purchases	Section 5B and 5A	Item 6 and 7
c. Site development and other pre-opening requirements	Section 7, 8 and 11	Items 6, 7, 8 and 11
d. Initial and ongoing training	Section 9	Item 11
e. Opening	Section 8C	Item 11
f. Fees	Section 6	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	Section 12	Item 8 and 15
h. Trademarks and proprietary information	Section 14	Items 13 and 14
i. Restrictions on products/services offered	Section 11C	Item 16
j. Warranty and customer service requirements	None	None
k. Territorial development and sales quotas	None	None
l. Ongoing product/service purchases	Section 11	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 12	Item 6 and 7

n. Insurance	Section 12G	Items 7
o. Advertising	Section 11D	Items 6 and 11
p. Indemnification	Section 19C	None
q. Franchisor's participation/management/staffing	Section 12F	Item 15
r. Records/reports	Section 13	None
s. Inspections/audits	Section 15	None
t. Transfer	Section 18D	Item 17
u. Renewal	Section 3	Item 17
v. Post-termination obligations	Section 16C	Item 17
w. Non-competition covenants	Section 17	Items 15 and 17
x. Dispute resolution	Section 19F	Item 17
y. Website restriction	Section 11D	Items 7 and 8
z. Email restriction	Section 11D	Items 8

ITEM 10. FINANCING

CBI is not obligated to offer, directly or indirectly, any arrangements for financing your initial investment or the operation of your business. We are unable to determine whether you will be able to obtain financing for all or any part of your investment, and if you can obtain financing, we cannot predict the terms of this financing. CBI does not offer direct or indirect financing for your initial franchise fee. CBI does not arrange for, or guarantee any of your obligations in opening and operating a Candy Bouquet retail operation. CBI does not encourage borrowing to purchase or operate this franchise. CBI will extend to you a \$1000 credit limit, after your initial starting inventory, to purchase supplies from its wholesale warehouse. Credit terms are Net 30. Purchases from CBI's wholesale warehouse are payable via check, credit card, or electronic funds transfer. Invoices are due within 30 days of billing. You must have a current credit card number and signed authorization form on file to secure purchases over your credit limit. (See Franchise Agreement, Section 5B)

ITEM 11. FRANCHISOR'S OBLIGATIONS

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

1. Before you open your business, CBI will:

(a) Designate your exclusive territory. (See Franchise Agreement, Section 4.) CBI does not select or approve the location of your franchise operation within your territory. CBI will permit you to open multiple units within your exclusive territory. CBI does not provide Site Selection Assistance unless specifically requested (See Item 6, Site Inspection Fee.)

(b) CBI will send, one time, at your request and your cost, a CBI representative to assist in evaluating the locations you have selected to determine how well they compare to the qualities of successful shops. These qualities will include: volume of foot and vehicle traffic, north facing storefront, and visual exposure. CBI does not require a site selection approval. (See Franchise Agreement, Section 10A.)

(c) Provide recommendations for the furniture, fixtures and equipment CBI uses in the model store and will assist you in evaluating and/or locating suppliers for each of those items if requested. CBI does not provide leasehold improvements. CBI does not require the purchase or use, nor provide an electronic cash register or computer. (See Franchise Agreement, Section 8B.)

(d) CBI will give you at least one Training and Operations Manual, with the suggested specifications and patterns for designing and building Candy Bouquets. This manual is confidential and must be returned for destruction upon expiration of this agreement. CBI may modify this manual, but the modification will not alter your status and rights under the Franchise Agreement. The table of contents of the Training and Operations Manual is listed below. (See Franchise Agreement, Section 12D.)

**Training and Operations Manual Table Of Contents
And Number of Pages Per Section**

Getting Started With Business	8
Bouquet Making 101	24
Basic Patterns	46
Quality Control	8
Tips & Pricing	12
Model Shop - Ideal Shop	9
Distribution Center Policies	3
Shipping	5
Chocolate 101	11
General Tips	10
Total Pages	136

**Marketing and Advertising Manual Table Of
Contents And Number of Pages Per Section**

Logo	2
Customer Service	12
Public Relations	10
Corporate	14
Marketing	10
Holidays	16
Samples	30
Total Pages	94

*Portions of both manuals are available for secure download on-line.

Laine McKenzie, Director of Training for CBI, will oversee the training course. CBI trained personnel will assist her. McKenzie has experience in franchise operations and has completed the CBI franchise training under the direction of CBI President, Margaret McEntire.

(e) CBI will provide you with a list of preferred vendors for inventory items not provided by CBI and that may be needed to stock and operate a Candy Bouquet store. (See Franchise Agreement, Section 11B.) CBI will provide a training course for you and one additional person. Currently, all training will take place at the CBI Educational facility located at corporate headquarters in Little Rock, Arkansas. Training classes are usually conducted Monday through Friday morning. CBI encourages you to arrive at CBI headquarters before their scheduled training. This time will be used to go over the UFOC, including your Franchise Agreement, and to finalize your Franchise purchase. You will also be issued information for review before training classes on Monday morning. The cost of training is included in your initial franchise fee. You must pay for the travel, lodging, meals and incidental expenses for you and your employee who attends the training course.

(f) The training course is mandatory and will be conducted by a CBI certified trainer before you open your store. The training course lasts for four and one half days. The actual time will vary depending upon the artistic, creative, and business skills of you and your employees. CBI will schedule a training session within 90 days after you sign the

Franchise Agreement and upon the receipt of twenty five percent of the initial franchise fee. The training includes the observation of and participation in all aspects of store management and operation. If you open multiple units, you will do the training of your employees for each store opened. You perform the hiring and training of your employees. CBI may schedule refresher-training courses if the need arises to inform you and your employees of new products or methods of design and operation. If CBI schedules a refresher course, attendance will not be required. The training is provided at no extra charge, but you will, as with the initial training, pay for your own travel, lodging, meals and incidental expenses. All training programs must be completed to our satisfaction. (See Franchise Agreement, Section 9A, B and C.) The CBI Training Program Outline is shown in the following table. Your franchise business must be open within 90 days after your training date.

Initial Training Course Outline

TOPIC	ITEMS COVERED	CLASSROOM TRAINING
Introduction	Welcome, history and background, discussion of what you are buying.	2 hr
Starting and Operating Your Business	Practical advice and tips in setting up your business.	2 hr
Marketing	Marketing, advertising, sales tips, key assets and skills required.	3 hr
Design and Techniques	Hands on session with homework.	10 hr
Pricing	Methods of pricing your products.	2 hr
Bouquet Making (Mechanics, Construction, & Design)	Practical demonstrations and design criteria for construction and engineering of a Candy Bouquet. Basic wire service designs and seasonal specialties.	15 hr
Packing/Delivering	Packing Candy Bouquets for shipment.	1 hr
Supplies and Suppliers	What you need and how it works. Information on wholesale suppliers, and use of tax ID #.	6 hr
Candy	Chemistry and care of candy, kinds of candy used and where it comes from.	1 hr
Onsite tour of the Distribution Center	Ordering polices and discounts.	3 hr
Closing Ceremonies and Certificate Presentation		1 hr

(g) Assist you to in establishing a plan to advertise and promote the opening of your store(s). CBI does not require, nor provide any advertising. (See Franchise Agreement, Section 11D.)

(h) CBI does not have the power to require cooperatives to be formed, changed, dissolved or merged.

2. After you open your business, and for each additional store you open, CBI will:

(a) send a CBI representative to advise and assist you, at your cost, in all phases of operating your initial retail location during the first three days of operation, if requested. (See Franchise Agreement, Section 10A.)

(b) provide advice and assistance to you by telephone and written communication upon request. CBI may periodically send a representative to your store(s) to inspect and make recommendations regarding operating methods, opportunities for cost savings and marketing improvements, but CBI is not obligated to do so. CBI does not provide regular field supervision. (See Franchise Agreement, Section 10A.)

(c) afford you the ability to use our centralized buying capabilities through our Distribution Center. You will have the opportunity to purchase all needed material for a successful business including but not limited to candy, silk flowers and leaves, equipment, paper goods, containers, promotional materials and other related supplies offered for sale by CBI. You will have the opportunity to utilize our online ordering system. Prices will be favorable to you because of CBI's mass buying ability and because smaller quantities are offered to you than from traditional wholesalers. (See Franchise Agreement, Section 11B.)

(d) furnish you with additions and supplements to the Operations Manual and disclose to you additional trade secrets, if any, developed by CBI that relate to the operation of your Candy Bouquet store. However, CBI will make no changes

to the manual that would impose any unreasonable economic burden on you or unreasonably increase your obligations. (See Franchise Agreement, Section 12D.)

(e) attempt to keep you informed of developments within the Candy Bouquet organization, and invite you and your employees to attend at your own cost all seminars and other functions that CBI may sponsor. (See Franchise Agreement, Section 9C.)

(f) maintain a World Wide Web page that will advertise for the company as a whole at no charge to you. CBI does not provide or charge you for conventional advertising. CBI does not require your participation in any advertising program. CBI permits you to do your own advertising. However, all advertising material must include the Candy Bouquet logo and must be approved by CBI. You are allowed to use mass media advertising. If you opt to have mass media advertising then you must contact all franchises in that advertising area for possible inclusion and/or have a disclaimer in the ad that reads "Or contact the Candy Bouquet nearest you". You may utilize the Internet to promote your web-based business. You are not allowed to promote your business on Internet sites that are directed to an area that does not include your Exclusive Territory. All web-based advertising must be approved in writing by CBI and include the disclaimer "Or contact the Candy Bouquet nearest you."

3. Computer Related Information

CBI retains printed copies of franchise agreements and other records at CBI Headquarters. CBI Distribution Center also keeps printed copies of all transactions on file. CBI maintains a large extranet database for continuing education, networking, and education. CBI offers a (VIP Site) for the exchange of ideas and concepts as well as an (On-Line Catalog) so all inventoried items can be searched and purchased on-line

ITEM 12. TERRITORY

CBI will grant an Exclusive Territory to be determined by negotiation between you and CBI. The Exclusive Territory will be defined as a zip code, city, town, or county or other geographic subdivision and must be contiguous. The population of the territory will be determined by the local Chamber of Commerce, a business control atlas, United States Postal Service, or Census Bureau statistics. Before you sign the Franchise Agreement, CBI and you will agree on the geographic description of the Exclusive Territory. Your Exclusive Territory must be described by at least one zip code. You may open more than one store within your Exclusive Territory.

CBI will not establish a CBI-owned store or sell another Candy Bouquet franchise within your Exclusive Territory or sell Candy Bouquets through any other channels of distribution. You agree that you will not market your products outside of your Exclusive Territory. This provision is not violated by sales originated in your Exclusive Territory and delivered outside of your Exclusive Territory or referral sales.

All supplies purchased from CBI's Distribution Center must be delivered to an address within your exclusive territory.

Continuation of your territorial exclusivity does not depend on achieving a certain sales volume, market penetration or other contingency. You will own the rights to your Exclusive Territory for the term of your Franchise Agreement and upon renewal. You may open more than one Candy Bouquet retail store within your Exclusive Territory without signing any additional contracts or other agreement with CBI. CBI must be notified if an additional retail store is opened. CBI may not market, sell or distribute Candy Bouquet arrangements under a different trademark within your Exclusive Territory. You may not sell or distribute any Candy Bouquet or candy type products under a different name.

All CBI territories are sold on a first come first serve basis. Existing franchisees have no rights of first refusal or options to acquire additional or contiguous territories.

As stated above, a franchisee's Exclusive Territory is generally defined by one or more zip or other postal codes. Because of changes in areas covered by zip codes, clerical error or other mistake, it is possible that the same territory could be sold to two (2) franchisees. CBI has undertaken to employ its best efforts to avoid such occurrences. However, in the event the same territory or a portion of a territory is sold to more than one franchisee, you agree in the Franchise Agreement that CBI's only obligation to you is to give you the option of receiving another territory of approximately the same population or receiving a refund of the pro-rated percent of your franchise fee based on the area that has been double-sold.

ITEM 13. TRADEMARKS and COPYRIGHTS

CBI grants to you the right to operate a business under the name "CANDY BOUQUET" and "CANDY BOUQUET - A DELICIOUS ALTERNATIVE TO FLOWERS." And any other trade names, trademarks, service marks, and logos that may be developed for use by CBI, CBI hereby grants the rights (collectively the "Marks"). Marks are used to identify your business. CBI owns all marks.

"CANDY BOUQUET, A DELICIOUS ALTERNATIVE TO FLOWERS" as shown on the cover of this offering circular, is a registered trademark on the principal register of the United States Patent and Trademark Office ("PTO") with CBI as registrant. It was given the registration number 1,862,669, U.S. Classification 46 and International Classification 30, on November 15, 1994. The identification of CBI's goods sold was amended by the PTO to "Individually wrapped candies arranged to simulate a floral bouquet". The first date of use was January 1, 1989.

The trademark is registered in Canada with the Canadian Intellectual Property Office. The registration date in Canada is August 19, 1997 and the registration number is TM A480,905.

In addition, CBI has recently received notice from the World Intellectual Property Organization that our U.S. trademarked logo was registered under the Madrid Protocol. Registration began on August 1, 2005 under registration 864026. Each applicable country has up to 18 months to examine the request for protection under its laws.

There are currently no material determinations of the PTO, trademark trial and appeal board, the trademark administrator of this state or any court; pending infringement, opposition or cancellation; and pending material litigation involving the principal trademarks.

CBI alone has the right to control or settle any legal actions or proceedings regarding its trademark. CBI will protect your right to use the Marks or indemnify you from any loss, cost or expenses arising out of any claim, suit or demand regarding the use of the name. You agree not to contest CBI's right, title, or interest in this Mark.

If CBI requires you to modify or discontinue the use of its trade name or to use one or more substitute names or Marks, you must do so.

There are no infringing uses known to CBI that could materially affect your use of the trademarks in this state or in other states in which your franchised business is to be located or is located.

You must use all Marks of CBI in full compliance with the rules prescribed by CBI. You are prohibited from using Candy Bouquet or the CBI trademark as part of any corporate name. You will conduct all business under your own name (individual, partnership, corporation or any other legal entity) doing business as (DBA) "CANDY BOUQUET" or "CANDY BOUQUET - A DELICIOUS ALTERNATIVE TO FLOWERS." In addition, you may not use any CBI trademark with the sale of any unauthorized product or service or in any other manner not explicitly authorized in writing by CBI.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

CBI does not own any patent rights that are material to the franchise. CBI believes that it has trade secrets and proprietary rights relating to the operation of its stores, and in the design and construction of its products, which may be suitable for copyright protection. CBI reserves rights, which it has in these items.

CBI may, in its sole discretion, obtain copyright registration for any unregistered items.

CBI possesses certain confidential information and trade secrets, consisting of the following categories CBI has developed:

1. Techniques for designing, constructing, pricing and selling Candy Bouquets and operating a Candy Bouquet store;
2. Marketing programs for a Candy Bouquet store (when applicable); and
3. CBI's procedures (collectively, the "Confidential Information").

You will not acquire any interest in the Confidential Information learned, other than the right to utilize the same in ownership and operation of your business during the term of your Franchise Agreement. The use or duplication of the Confidential Information in any other business will constitute an unfair method of competition with CBI and its other franchisees. CBI will disclose the Confidential Information to you solely on the condition you agree that:

1. You will not use the Confidential Information in any other business or capacity;
2. You will maintain the absolute confidentiality of the Confidential Information at all times during and after the term of the Franchise Agreement;
3. You will not make unauthorized copies of any portion of the Confidential Information which is disclosed to you in written or other tangible form; and
4. You will adopt and implement all reasonable procedures CBI prescribes to prevent the unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure by your employees, and the use of nondisclosure and non-competition clauses in employment and other agreement with your employees.

No patents or copyrights are material to the Franchise.

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

If you are an individual you must provide direct, on-premises supervision of the business. If you are a business or legal entity, the person who owns the majority interest must provide direct on-site supervision. A manager that has successfully completed CBI's training course must directly supervise the business. The manager or any employee cannot have an interest or business relationship with any of CBI's business competitors. The manager and all employees must sign a nondisclosure agreement to maintain confidentiality of the trade secrets (see Section 14 of the Franchise Agreement) and to conform to the covenants not to compete (see Section 17 of the Franchise Agreement). All owners of the franchised business must sign the nondisclosure agreement.

ITEM 16. RESTRICTIONS ON WHAT YOU MAY SELL

You must stock and sell Candy Bouquet arrangements in your business operation. In addition, CBI has designated optional items for sale that include Candy Bouquet Kits, gift basket kits loose and packaged candy, cards, balloons, gift baskets, flowers and other compatible gift items. CBI has the right to change or amend the types of authorized goods and services provided by you. CBI does not allow you to sell items that will damage the image or goodwill of Candy Bouquet.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
a. Term of the franchise	Section 2	Term is for 5 years from date of Franchise Agreement.
b. Renewal	Section 3	Sign any new agreements required by CBI. Fee is 25% of Initial Franchise Fee and can be renewed for unlimited 5-year periods.
c. Requirements for you to renew or extend	Section 3	Not be in default of current Franchise Agreement or any other agreement with CBI, and have substantially complied with the current agreements. Remit to CBI 25% of initial fee, and sign any new agreements required by CBI at the time of renewal.
d. Termination by you	Section 16B	
e. Termination by CBI without	None	

cause		
f. Termination by CBI with cause	Section 16B	CBI can terminate if you default, ie. fail to meet financial obligations to CBI, fail to purchase required items, fail to disclose opening of multiple locations, file bankruptcy, etc.
g. "Cause" defined - defaults which can be cured	Section 16B	Non-compliance if cured within specified time. ie. fees, sanitation problems.
h. "Cause" defined - defaults which cannot be cured	Section 16B	Non-curable defaults, i.e. conviction of felony, repeated defaults, abandonment, misrepresentation, unapproved transactions, and bankruptcy.
i. Your obligations on termination/non-renewal	Section 16C	De-identification, payments of amounts due, comply with non-compete provisions.
CBI's obligations on termination/non-renewal	Section 16D	No obligation.
j. Assignment of contract by CBI	Section 18A	No restrictions on CBI's right to assign.
k. "Transfer" by you - definition	Section 18D	Can transfer to individual, legal or business entity with permission from CBI.
l. CBI's approval of transfer by you	Section 18D	Pay a transfer fee of \$3,000 and assignee completes all training courses at a cost of \$500 per training course. Must sign new Franchise Agreement.
m. Conditions for CBI approval of transfer	Section 18D	New franchisee qualifies, transfer fee paid, purchase agreement approved. Training arranged, new agreement signed.
n. Your death or incapacity	Section 18E	Territory and license inure to your heirs. Franchise Agreement terms remain the same.
o. Offering your Franchise for Sale	Section 18F	"For Sale" Signage is prohibited
p. CBI's right of first refusal to acquire your exclusive territory	None	
q. CBI's option to purchase your exclusive territory	None	
r. Non-competition covenants during the term of the franchise	Section 17	No involvement in competing business anywhere without prior written consent.
s. Non-competition covenants after the franchise is terminated business for 10 years [and within the Exclusive Territory] or expires	Section 17	No competing business for 10 years and within 25 miles of another CBI franchise. [Indiana: No competing business for 3 years and within the exclusive territory. This provision may not be enforceable under California law.]
t. Modification of the agreement	Section 19E	No modifications generally.
u. Integration/merger clause	Section 19E	Only the terms of the Franchise Agreement are binding (subject to state law).
v. Dispute resolution by arbitration	Section 19F	The parties agree to settlement by arbitration in the State of Arkansas, except in those states listed in Exhibit G and pages 17 and 18 of the Franchise Agreement.
w. Choice of forum	Section 19G2	Litigation must be in the State of Arkansas, except in those states listed in Exhibit G and pages 17 and 18 of the Franchise Agreement.
x. Choice of law	Section 19G1	Arkansas law applies, except in those states listed in Exhibit G and pages 17 and 18 of the Franchise Agreement.
y. Force Majeure	Section 19N	Default relating to uncontrollable circumstances

These states have statutes which may supersede the franchise agreement in your relationship with CBI including the areas of termination and renewal of your franchise: ARKANSAS [Ark. Code ANN. § 4-72-201 et seq. Stat. Section 70-807], CALIFORNIA Corp. Code §§ 31000-31516, CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, tit 6 § 2552.], HAWAII [Rev. Stat. Section 482E-1 – 482E-12], ILLINOIS [815 ILCS 705/19 and 705/20], INDIANA Code §§ 1-51, INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MARYLAND [Stat section 14-216C (25)] 14-233 MICHIGAN Comp. Laws §§ 445.1501 – 445.1545, MICHIGAN [Stat. Section 19.854(27)], MINNESOTA Stat. §§ 80C.01-80C.22, MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], NEW YORK Gen. Bus. Law §§ 680-695, NORTH DAKOTA Cent Code § 51-19-01, OREGON Rev. Stat. §§ 650.005- 650.085, RHODE ISLAND Fen. Laws §§ 19-28.1-1 – 19-28.1-34, SOUTH DAKOTA [Codified Laws Section 37-5A-51], TEXAS Rec. Civ. Stat. Ann. Art. 16.01, VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN Stat. §§ 553.01 – 553.78, WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions, which may supersede the franchise agreement in your relationship with CBI including the areas of termination and renewal of your franchise. Federal Law may preempt these state laws and regulations with respect to arbitration.

ITEM 18. PUBLIC FIGURES

CBI does not use any public figure to promote its franchise.

ITEM 19. EARNINGS CLAIMS

CBI does not furnish or authorize any affiliated person to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a Candy Bouquet franchise operation. Actual results will vary from store to store and from the level of commitment and business ability of the franchisee. CBI cannot estimate the results of any particular franchise.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable. We also recommend consulting with an attorney, an accountant, and/or other business advisor before you sign the Franchise Agreement.

ITEM 20. OUTLETS AND FRANCHISE INFORMATION

Includes any franchisee that failed to communicate with CBI within 10 weeks of the preparation date.

(See Pages 17-22)
For a complete list of franchises, see **Exhibit A**

**COMPANY-OWNED BUSINESS STATUS SUMMARY
FOR YEARS 2005/2004/2003**

States/Territory	Businesses			Business Closed			Company-		
Arkansas	0	0	0	1	0	0	0	1	1
Totals	0	0	0	1	0	0	0	1	1

**PROJECTED OPENINGS
IN YEAR 2005**

State/Territory	Agreements Signed for Outlets Not yet Opened as of 12/31/05	Projected Franchised Business Openings 1/1/06 through 12/31/06	Projected Company-Owned Business Openings in 2005
Alabama		3	
Alaska		1	
Arizona		6	
Arkansas		4	
California		22	
Colorado		4	
Connecticut		3	
D. C.		1	
Florida		14	
Georgia		6	
Guam		2	
Hawaii		2	
Illinois		9	
Indiana		5	
Iowa		2	
Kansas		1	
Kentucky		4	
Louisiana		2	
Maine		1	
Maryland		3	
Massachusetts		5	
Michigan		8	
Minnesota		3	
Missouri		5	
Montana		2	
N. Carolina		3	
N. Dakota		2	
Nebraska		3	
Nevada		2	
New Hampshire		3	
New Jersey		9	
New Mexico		1	
New York		13	
Ohio		6	
Oklahoma		2	
Oregon		1	
Puerto Rico		2	
Rhode Island		2	
S. Carolina		3	
Tennessee		5	
Texas		16	
Utah		1	
Vermont		3	
Virginia		6	
Washington		2	
West Virginia		3	
Wisconsin		5	
Wyoming		2	

Foreign			
Australia		3	
Bolivia		1	
Canada		10	
China		1	
Cyprus		2	
Ecuador		1	
El Salvador		1	
Hong Kong		1	
Japan		1	
Jordan		1	
Mexico		3	
Nicaragua		1	
Panama		1	
South Africa		1	
TOTAL		256	

ITEM 20. Outlets and Franchise Information

FRANCHISED BUSINESS STATUS SUMMARY
FOR YEARS 2005/2004/2003

State/Territory	Cancelled or Terminated by Franchisor			Not Renewed by Franchisor			Reaquired by Franchisor			Voluntarily Ceased for Other Reasons			Total Closings from Left Columns			Transfers by Franchisee			Franchise Sales and/or Openings			Franchises Operating Year End			
	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	
Alabama	1									1	2	1	1	2	2		2	3	3		9	7	5		
Alaska										1			1		1				1	1		6	6	6	
Arizona			1					1		1	4	3	1	5	4	1	1	1	4	6		14	11	10	
Arkansas	1									7	3		8	3		5	4	7	2	6	2	38	44	41	
California			3							5	14	4	5	14	7	1	3	5	32	15	11	68	41	40	
Colorado	1									3	3	1	4	3	1		1		7	1	2	17	14	16	
Conneticut										1	2		1	2				2	4	3	10	8	5		
D. C.																				1					
Delaware										1			1		2						4	4	5		
Florida	1		3							4	5	2	5	5	5	2	6	7	13	13	10	47	39	31	
Georgia			1							2			2	1				7	3	5	17	10	9		
Guam																			2		2	2	0		
Hawaii			1							1		1		2				2	1	2	5	4	3		
Idaho											1			1	1						2	2	2		
Illinois		1								1	4	2	1	5	2	2	3	3	9	7	9	30	22	20	
Indiana		1	1							2	1		3	2				2	7	4	16	14	10		
Iowa										3	1		3	1			1	1	2	2	5	7	6		
Kansas		1	1							1	2	3	1	3	4		2	1	1	1	1	8	8	10	
Kentucky	1									4	1	1	5	1	1		1	3	3	4	14	16	14		
Louisiana										1	2	1	1	2	1			2			7	6	8		
Maine										2			2					1		1	2	3	3		
Maryland			1							7	3	1	7	3	2	4		2	1	4	12	17	19		
Massachusetts											1			1				4			5	1	1		
Michigan		1	1							5	2	2	5	3	3	1	1	7	7	8	23	21	17		
Minnesota		1								2	1		3	1				2	2	5	11	9	10		
Mississippi										2			2								1	1	3		
Missouri			3							4	2		4	5			2	4	3	5	15	11	12		
Montana			1							1			1	1	2	1	1	4	1	1	12	9	8		
N. Carolina	1	1	2							2	4	1	3	5	3		2	1	6	1	11	13	12		
N. Dakota		1											1					2		1	3	1	2		
Nebraska		1								2	4	2	2	5	2		1	1			3	3	5	10	
Nevada										1	1	1	1	1	1	1		3	1	1	7	5	5		
New Hampshire										1		2	1		2			4	1		5	2	1		
New Jersey		2									3	2		5	2		1	14	5	5	27	13	13		
New Mexico										2			2						1	1	5	7	6		
New York		3									5	2		8	2	6		19	9	6	41	22	21		
Ohio										6	1		6	1		1	1	1	8	4	5	21	19	16	
Oklahoma		2	2								4			6	2			3	1		5	2	7		
Oregon		1									1			2			2	1		1	4	3	5		
Pennsylvania	2		1							2	2		4	2	1		3	9	10	7	36	31	23		
Puerto Rico																	1	2			3	1	1		
Rhode Island											2			2						2	1	1	1		
S. Carolina										2		2	2		2	1		1	4	2	1	10	8	6	
S. Dakota										1			1								4	4	5		
Tennessee	1	4	2							1	2		2	6	2		1	6		3	16	12	18		
Texas	2	4	6							11	7	5	13	11	11	5	4	1	15	18	9	53	51	44	
Utah										1			1				1	1			4	4	4		
Vermont																		3			3				
Virginia		3								1	3	1	1	6	1		2	7	4	5	16	10	12		
Virgin Islands																	1				1	1	1		
Washington			3							2		2	2		5		1	1	1	3	12	13	12		
West Virginia		1												1				4		1	5	1	2		
Wisconsin			1							4	3		4	3	1		1	4	3	7	17	17	17		
Wyoming	1												1			1			2	1	6	7	5		
SUBTOTAL	12	28	34	0	0	0	0	0	1	0	84	101	53	96	130	87	39	39	40	225	157	144	719	590	563

Foreign

State/Territory	Cancelled or Terminated by Franchisor			Not Renewed by Franchisor			Required by Franchisor			Franchisees Voluntarily Ceased for Other Reasons			Total Closings from Left Columns			Transfers by Franchisee			Franchise Sales and/or Openings			Franchises Operating Year End			
	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	05	04	03	
Australia																			3			3			
Bahamas																						1	1	1	
Bahrain		1												1										1	
Barbados										1			1										1	1	
Bermuda																			1			1			
Canada			1					1		8	4	6	8	5	7	1	1	1	10	12	5	44	42	35	
China		1												1							1	1	1	2	
Costa Rica		1												1										1	
Cyprus																1					2	3	3	3	
Dominica Rep.												1			1										
Ecuador																			1			1	1		
Egypt												1			1							1	1	1	
El Salvador																			1			1	1		
Haiti																						1	1	1	
Honduras																						1	1	1	
Hong Kong																			1			1			
Hungary																						1	1	1	
Japan										1			1								1	1	2	2	
Jordan																			1			1			
Korea	1												1				2					1	2	2	
Kuwait											1			1										1	
Lebanon																						1	1	1	
Malaysia											1			1								1	1	2	
Mexico			1							1			1		1		1	4	4	1	12	9	5		
Mozambique												1			1										
Neth. Antilles																						1	1	1	
New Zealand																						1	1	1	
Nicaragua																			1			1	1		
Norway																						1	1	1	
Palau																1						1	1	1	
Panama																				1		1	1	1	
Philippines																						1	1	1	
Romania																						1	1	1	
Russia																						1	1	1	
Saudi Arabia																						1	1	1	
Singapore											1			1										1	
South Africa																			1			1			
Spain																						1	1	1	
UAE		1												1										1	
Ukraine																							1	1	1
UK																							1	1	1
Venezuela										1	1	1	1	1	1								1	2	
Trinidad and Tobago																						1	1	1	1

SUBTOTAL	1	4	2	0	0	0	0	1	0	12	8	10	13	13	12	1	3	4	21	19	12	92	84	78
TOTAL	13	32	36				0		0	96	109	63	109	143	99	40	42	44	246	176	156	811	674	641

Note: All numbers are as of December 31 for each year specified.

Transfers of Territory 2005

Information on current franchisees can be found in the Franchise Listing (Item 21).

Kathy Bonner 923 S. Kings Hwy Nash, TX 75569 (903) 832-7020 to Samantha Oglesby 73 Timberlane Texarkana, TX 75501
 Nancy Jingoli 26 Bighorn Station Henderson, NV 89012 to Jan Medcalf 150 Painted Mountain Las Vegas, NV 89148
 Janice White 112 Sharon Dr Great Falls, MT 59405 (406) 727-7493 to Kevin Pierson 317 31st Street South Great Falls, MT 59405
 Kimberly Windle 423 Kirkwood Lewisville, TX 75067 (817) 501-7500 to Tony Romero 10809 Sky Ridge Court Haslet, TX 76052
 Kathleen Waterbury 37910 Alex Drive Soldotna, AK 99669 (907) 262-3986 to Barbara J. Larion 41980 Sacaloff Dr. Soldotna, AK 99669
 Peggy Oshea 1908 Wolverine Harker Heights, TX 76548 (254) 680-4444 to Ramona Blanchard 2910 Curtis Dr Copperas Cove, TX 76522
 Shawn Wolfe 7344 Levin Dashiell Hebron, MD 21830 to Charlotte Bosch 7344 Levin Dashiell Hebron, MD 21830
 Cindy Hair 24 Oakland Pointe Circle Oakland, FL 34760 (352) 241-2045 to Jeseira Cartagena 14935 Margaux Dr. Clermont, FL 34711
 Amy Hasseman 46150 TR 1163 Conesville, OH 43811 (740) 622-0500 to Steve Hamilton 1736 Buena Vista Dr. Coshocton, OH 43812
 Brenda Phillips 2954 Whippoorwill Ln. Fayetteville, AR 72701 (479) 444-0282 to Ann Gray 1618 Oak Tree Lane Rogers, AR 72756
 Donna Garland 235 N Jefferson Sheridan, WY 82801 (307) 674-1810 to Gretchen Danford 1919 Stadium Dr Sheridan, WY 82801
 Mindy Anscombe 421 Fowler St Howell, MI 48843 to Kathryn Alward 205 Mason Howell, MI 48843
 Myra Brennan 219 N. Manhattan Ave. N. Massapequa, NY 11758 (516) 735 7227 to Patricia Sabella 27 Radial Lane Levittown, NY 11756
 Wanda McIntosh 27700 Wildhorse Road Havre, MT 59501 (406) 265-9269 to Wendy Gerky PO Box 641 Hvre, MT 59501
 Kathleen Kinsella 27408 North Weir Rd Athol, ID 83801 (208) 665-7936 to Emily Ward 4774 W. Woodside Ave Coeur d Alene, ID 83815
 Theresa Storie Rt. 1 Box 224 Sidney, AR 72577 (479) 254-3646 to Melinda Duty 1804 S. 23rd Street Rogers, AR 72758
 Jean Beamer 345 Garrisons Circle Smyrna, DE 19977 (302) 378-2329 to Kimberly Page 14 Shale St. Townsend, DE 19734
 April Bailey 3718 JFK North Little Rock, AR 72116 (501) 835-2599 to Tamara Belanger 6817 Gap Point Cr Sherwood, AR 72120
 Daniel Corbin 6436 Loudon Court Salisbury, MD 21801 (410) 822-6360 to Lisa Hill 9077 May Apple Lane Easton, MD 21601
 Daniel Corbin 6436 Loudon Court Salisbury, MD 21801 (410) 822-6360 to Lisa Hill 9077 May Apple Lane Easton, MD 21601
 Laurie Jones 17 Woodhaven Drive Greenville, SC 29609 (864) 335-8313 to Anthony L. Horton 143 Golf Lane Fountain Inn, SC 29644-5632
 Shawn Wolfe 7344 Levin Dashiell Hebron, MD 21830 to Charlotte Bosch 7344 Levin Dashiell Hebron, MD 21830
 Shawn Wolfe 7344 Levin Dashiell Hebron, MD 21830 to Charlotte Bosch 7344 Levin Dashiell Hebron, MD 21830
 Elizabeth Rodgers 1452 Owl Creek Ln Swansea, IL 62226 (618) 234 2056 to Scott A. Scharf 711 Niebruegge Lane Freeburg, IL 62243
 Barney Allen 2336 Country Grace New Braunfels, TX 78130 (830) 626-0775 to Michael Harrison 1835 Raida Drive New Braunfels, TX 78130
 Princess Young 6469 S. Alameda Rd. Gold Canyon, AZ 85218 (480) 655-5969 to Florence Rusay 21299 Lords Way Queen Creed, AZ 85242
 Ginna Day 1616 Bay Crest Trail Heath, TX 75032 (972) 771-5288 to Jamie Godfrey 612 Liechty Ct Rockwall, TX 75032
 Laura Perkins 1008 St. Lucille Dr. Schenectady, NY 12306 (518) 782-9825 to Mary Ellen Crucetti 5 Andrea Ct Watervliet, NY 12189
 April Bailey 13 Haywood Cabot, AR 72023 (501) 835-2599 to Tamara Belonger 6817 Gap Point Cr Sherwood, AR 72120
 Laura Perkins 1008 St. Lucille Dr. Schenectady, NY 12306 (518) 782-9825 to Mary Ellen Crucetti 5 Andrea Ct Watervliet, NY 12189
 Christine Bennett 23 Gale Dr Lancaster, NY 14086 (716) 684-4460 to Christine Ductor 108 Campus Drive North Amherst, NY 14226
 Christine Bennett 45 Hillside Pkwy. Lancaster, NY 14086 (716) 684-4460 to Christine Ductor 108 Campus Drive North Amherst, NY 14226
 Stephanie Rutherford 97 Red Head Road Saint John, NB E2P 1K8 (506) 652-2639 to Suzanne Goyette 1018 Dever Road Saint John, NB E2L 4Z6
 Laura R. Perkins 1008 St. Lucille Dr. Schenectady, NY 12306 (518) 782-9825 to Mary Ellen Crucetti 5 Andrea Ct Watervliet, NY 12189
 Debra Hillier 14 Wellington Drive Saunemin, IL 61769 (815) 674-1811 to Mary Wright 300 E. Spencer, Lot 109 Dwight, IL 60420

Closings in 2005

Big Rock Petroleum, Inc.	P.O. Box 7486	Little Rock, Arkansas 72217 CANADA
Big Rock Petroleum, Inc.	P.O. Box 7486	Little Rock, Arkansas 72217 (501) 664-6959
Leslie Helge	7610 Menaul N.E.	Albuquerque, New Mexico 87110 (505) 293-4439
Paul Petty	100 Lambert Circle	Searcy, Arkansas 72143 (501) 268-7907
Rose Hanna	250 S. Reynolds St., Ste. 610	Alexandria, Virginia 22304 (703) 370-8187
Gail Winer	PO Box 1067	Frederick, Maryland 21702 (240) 674-0359
Angie Seewalt-Thielen	85 Douglasview Rise, SE	Calgary, Alberta T2Z 2P5 CANADA (403) 226-4051
Barbara Wannop	328-10 St.	Brandon, Manitoba R7A 4G1 CANADA
Laura Wismer	5433 Clayton Road #F	Clayton, California 94517 (510) 672-2102
Elaine Graves	1008 Clinton Road	Jackson, Michigan 49202
Kathy Darnell	1653 Prairie Circle	Lexington, Kentucky 40515 (859) 273-9256
Mike Engelke	P. O. Box 861	Siloam Springs, Arkansas 72761 (479) 524-4487
Gail Winer	PO Box 1067	Frederick, Maryland 21702 (301) 831-3244
Niurka La Rosa de Ponce'	Av. Principal Urb. Los Chorros Res. Camurana Dos	Caracus, Estado Miranda 1071 VENEZUELA (582) 239-2516
Audrey Graham	9811-96 Ave.	Morinville, Alberta T8R 1H1 CANADA (780) 939-5464
Mike Engelke	P. O. Box 861	Siloam Springs, Arkansas 72761 (479) 524-4487
Susan Sadeghi	2622 Fondren	Houston, Texas 77063 (281) 856-2466
Nanette Kelsey	3709 Keller Road	Temple, Texas 76504 (254) 773-9399
Eileen McCormick	1272 SW 9th St	Boca Raton, Florida 33486 (561) 391-3152
Ernest J. Raithel	951 Elkins Lake	Huntsville, Texas 77340 (936) 435-0863
James Featherston	2221 W Beebe-Capps Expy	Searcy, Arkansas 72143 (501) 279-2068
Patricia Lamonte	1951 Florida Ave., Suite E	Denham Springs, Louisiana 70726 (225) 274-0536
Nerissa Drapiza	1117 Mandarin Dr.	Upper Marlboro, Maryland 20774 (301) 249-7716
Deborah Gartrell-Kemp	3971 Hooper Rd	New Windsor, Maryland 21776 (410) 875-9224
James Wilcox	7415 Whileaway Road East	Park City, Utah 84098 (801) 268-6032
Renee Bettinger	22796 Telegraph	Brownstown, Michigan 48183 (734) 362-7962
Becky Miller	210 Martinek Lane	Palmer, Texas 75152 (972) 878-2648
Michelle Bates	4826 Willis Rd	North Branch, Michigan 48461 (810) 688-7466
Christopher Raders	317 7th St	Hoquiam, Washington 98550 (360) 532-4784
Ellen Regenold	10 West Fourth Street, Suite 162	Waterloo, Iowa 50701 (319) 833-8008
Lela Maynard	103 Town & Country Shopping Center	Pikeville, Kentucky 41501 (606) 432-2172
Theresa Murray	219 Long Creek Road	Havelock, North Carolina 28532 (252) 463-3447
Deborah Hradecky	218 Taylor St	Sterling, Colorado 80751 (970) 522-3668
Susan Joyce Teslak	19 Park Crescent	Fernie, British Columbia V0B 1M0 CANADA (250) 423-3706
Charlyn Yonesaki	91-122 Puhikani Place	Ewa Beach, Hawaii 96706 (808) 683-0201
Crystal Durbin	6941 Thayer Road	Mt. Vernon, Ohio 43050 (740) 392-5857
Ana Maria Junco Rodrigo	fuentes De Blanca, Tecamachalco cp53950	Naucalpan, Edo. de Mexico, MEXICO 52-94-01-85
Deborah Hradecky	218 Taylor St.	Sterling, Colorado 80751 (970) 522-3668

Tammy Stinebaugh
 Sherry Tedrick
 Dawn Ritzhaupt
 Christopher B. Streeter
 Louis Martin
 Carrie Dodd
 Jennifer Banks
 Laura Reetz
 Mary Hansen
 Myong Tran
 Loree Maroszek
 Aekyong Baker
 Toni Aronold
 Yong Song
 Bill Thorne
 Charlene DiNuzzo
 Rosanne Lapierre
 Cindy Fadell
 Chera Gaviglio
 Zina Stoner
 Marlene Linnbom
 Amber Macks
 Lisa Tumminia
 Dolores Gonzales
 Alison Batten
 Loretta Opstelten
 Derrick Long
 Barbara Van Horn
 Lynda Holbrook
 Kazuko Jimbo
 Michelle Ammons
 Cindy Macasaet
 Mary Hastings
 Seon-Hee Lee
 Dean Bays
 Nancy Wachtel
 Lori Hannah
 Rork Essman
 Rita Stone
 Deborah Roffers
 Lori Kirchofer
 Donita Valerius
 Joseph M. Cassidy
 Jodie Donahey
 Deanna Arndt
 Collin Liu
 David Tuzson
 Caroline Scaff
 Michelle Richards
 Chandra Harris
 Alice Smith
 Rork Essman
 Tracey Harrington
 Donna Burchfield
 Stephanie Karch
 Cindy Selner
 Karen Harris
 Arlene Welker
 Ronda Balahtsis
 Michael Anthony
 Wendy Kershaw
 Shawn Wroda
 Pamela Horwich
 Maria Partida
 Sherry Ann Jackson
 Simson Green
 Julie Goldstein
 Joy Francis
 Barbara A. Choy
 Jan Medcalf
 Julie Hurley

1605 Springfield Ct.
 5412-45 Ave
 265 Bateman Mill Rd
 #7 Sandstone Dr.
 5800 Broadway #204
 17 Three Oaks
 110 Pine Forest Drive
 818 Pennsylvania Ave, Apt 202
 210 E. Lake St.
 8 Apache Trail
 1488 Nashau Court
 3240 E Normandy Woods Dr
 7622 E. Callisto Cir #106
 5 Winterberry Ct.
 1500 Quaker Lane
 17 West Street
 528 King St.
 17709 Curry Branch Rd.
 21317 105Th PL SE
 121 Canyon Pines Way
 20305 Chandler Drive
 #12 Dogwood Cor
 34 Rowans Park
 7 Ocaso Drive
 7509 Troy Stone Dr
 4335 E. 131st Pl.
 1733 Roundtree Circle
 5410 Woodmancote
 71 Morse Avenue
 3-10-8-510 Kamiya Kita-Ku
 PO Box 729
 39107 Levi St.
 112 Robyn Ridge
 LG Apt 510-703, Shinbong dong
 1373 Emerald Forest Pkwy
 3493 Deer Creek Pallodian Circle
 4417 NW Black Forest Way
 130 Tiller Drive
 3640 Nebo Road
 512 Willis Avenue
 P.O. Box 498
 1216 S. 167th Street
 RR3 Box 313
 8749 Weddel
 7154 Depew Circle
 5316 Central Ave
 1226 Peacock Dr.
 4344 West 150th Terrace
 14305 Brushy Fork Rd
 7640 Jamie Renee Lane
 209 Allison Rd
 130 Tiller Drive
 412 Little Lake Road
 999 Dekalb Rd.
 1420 Reynolds Street
 8722 Breeze Willow
 103 Ridge Crest Drive
 603 Harbor View Drive
 7395 Bloomingburg New Holland Rd.
 390 Mt. Zion Road
 5125 Bong Ct #B
 101 William Whitworth Road
 711 Mihara Lane
 1160 Hammer Ave #G
 1733 8th St.
 1030 Inabnet, Apt103
 24256 Bradford Ct.
 115 White Acres Circle
 1122 Brambling Court
 150 Painted Mountain
 18101 Bent tree Estates

Wapakoneta, Ohio 45895 (419) 738-4264
 Drayton Valley, Alberta T7A 1K6 CANADA (780) 542-7351
 Shediac Cape, NB E4P 2Y9 CANADA (506) 532-8030
 Nashua, New Hampshire 03060 (603) 882-0658
 San Antonio, Texas 78209
 Ethridge, Tennessee 38456 (931) 829-3091
 Selma, Alabama 36701 (334) 875-3439
 Sheboygan, Wisconsin 53081 (920) 783-0163
 Ventura, Iowa 50482 (641) 829-3844
 Winchester, Kentucky 40391 (859) 744-0333
 Oneida, Wisconsin 54155 (920) 491-9100
 Ellicott City, Maryland 21043 (410) 465-0559
 Tucson, Arizona 85715 (520) 296-3243
 Hunt Valley, Maryland 21030 (410) 665-6433
 Salem, Ohio 44460 (330) 337-9526
 Danvers, Massachusetts 01923 (978) 777-7242
 Weyburn, Saskatchewan S4H OP7 CANADA (306) 842-7398
 Louisville, Kentucky 40245 (502) 243-2744
 Kent, Washington 98031 (253) 856-7784
 Payne, Wyoming 83127 (208) 483-2582
 Yorba Linda, California 92887 (714) 779-1999
 Nashville, Arkansas 71852 (870) 845-2513
 St. George, Barbados BARBADOS (246) 437-2134
 Santa Fe, New Mexico 87508 (505) 471-5811
 Fuquay-Varina, North Carolina 27526 (919) 557-6289
 Thornton, Colorado 80241 (303) 254-8054
 Diamond Bar, California 91765 (951) 861-2068
 Humble, Texas 77346 (281) 812-3053
 South Attleboro, Massachusetts 02703 (508) 639-5112
 Tokyo, JAPAN 813-3946-7654
 Van, Texas 75790 (903) 963-1905
 Newark, California 94560 (510) 796-7209
 Mt. Horeb, Wisconsin 53572 (608) 437-3554
 Yong IN, Kyong Kido, Korea KOREA 011-82-31-890-2288
 Charleston, South Carolina 29414 (843) 769-6543
 Deerfield Beach, Florida 33442 (954) 570-3377
 Gainesville, Florida 32605 (352) 378-9449
 Powell, Ohio 43065 (614) 760-7232
 Madisonville, Kentucky 42431 (270) 825-4435
 Ashland, Wisconsin 54806 (715) 682-3903
 Stockertown, Pennsylvania 18083 (610) 614-0961
 Omaha, Nebraska 68130 (402) 333-0982
 Bloomsburg, Pennsylvania 17815 (570) 384-3484
 Taylor, Michigan 48180 (313) 295-4552
 Arvada, Colorado 80003 (303) 667-4417
 Hot Springs, Arkansas 71913 (501) 276-1594
 Scottsbluff, Nebraska 69361 (308) 632-1971
 Leawood, Kansas 66224 (913) 851-1389
 Newark, Ohio 43056 (740) 763-3825
 North Richardland Hills, Texas 76180 (817) 605-6044 DC
 Gibsonia, Pennsylvania 15044 (724) 443-6136
 Powell, Ohio 43065 (614) 760-7232
 Hutto, Texas 78634 (512) 846-2939
 Conway, Arkansas 72581 (501) 362-8678
 Key West, Florida 33040 (305) 296-0993
 San Antonio, Texas 78254 (210) 543-2715
 Boerne, Texas 78006 (830) 230-5042
 Prosperity, South Carolina 29127 (803) 322-0205
 New Holland, Ohio 43145 (740) 495-9111
 Arkadelphia, Arkansas 71923 (870) 246-2787
 Andrews AFB, Maryland 20762 (301) 599-0337
 Pulaski, Tennessee 38478 (931) 636-6234
 Corvallis, Montana 59828 (406) 961-3384
 Norco, California 92860 (909) 340-4623
 Wyandotte, Michigan 48192 (734) 246-7927
 Monroe, Louisiana 71203 (682) 518-7245
 Plainfield, Illinois 60585 (815) 577-7171
 Sparta, North Carolina 28675 (336) 372-7781
 Bradenton, Florida 34212 (941) 747-5455
 Las Vegas, Nevada 89148 (702) 240-2128
 Council Bluffs, Iowa 51503 (712) 322-9276

ITEM 21. FINANCIAL STATEMENTS

Audited Financial Statements for the years ending December 31, 2005, December 31, 2004, and December 31, 2003 are included in Exhibit B.

ITEM 22. CONTRACTS

The Contracts referred to as the "Non Disclosure and Non Competition Agreement", "Web Content Agreement", and "Franchise Agreement" are attached hereto as Exhibits E, F, and G respectively.

ITEM 23. RECEIPT

The last page of the offering circular (following the exhibits and attachments) is a document acknowledging receipt of the offering circular by you (one copy for you and one to be signed and returned to CBI).
(See Exhibit I, two copies)