

- You will pay for all transportation and wage expenses for each additional person you choose to involve in training.
- Prior to commencing training, you will pay us the cost of training materials, food and lodging for each additional person. Lodging and meals will be provided at locations we designate. Currently, the approximate cost of training materials is \$200 to \$300 for each additional person (if you are accompanied by a spouse or other person that is not purchasing a franchise, then that person will not attend training, but may purchase lodging and meals as described below). Currently, the approximate cost of meals during initial training is \$500 for each additional person. If you share your room with the additional person, then you will not incur additional expense for lodging. Each additional room costs approximately \$700 to \$800 for the approximately 4 days of initial training.

You must complete the training program unless, at our reasonable discretion, based upon your experience, we deem the training unnecessary.

We will not be liable for your costs or expenses if we terminate the Franchise Agreement because you fail to complete the mandatory training to our satisfaction. If you are a corporation, a partnership or a limited liability company, at least one trainee must be one of your principal owners. If you or your principal owners will not be directly involved in the supervision of the franchise business, you must employ a designated manager who also has completed the training program to our satisfaction.

See Items 6 and 7, above, for a discussion of the costs and expenses associated with this training. (Franchise Agreement, Section 3.1).

Deleted: This training will occur at our headquarters in Lafayette, Louisiana or other locations we will designate.

On two separate occasions, at the time the Franchise opens for business and upon not less than 35 days prior written notice to us, we will provide the full-time services of a trainer at your franchise premises for up to two days (per occasion) to assist with marketing, employee training, form use, sales assistance and use of the Operations Manual. We will bear the trainer's expenses for this assistance.

At your option and upon not less than 35 days' prior written notice to us, you or your managers and employees may receive additional training at our training center or at other agreed upon locations. All expenses of this training will be borne by you, including but not limited to your or our travel, lodging, meals, compensation, and our reasonable costs and expenses including a reasonable training fee at our then current rates. You will not receive any compensation for services rendered by the trainee during this or any other training. (Franchise Agreement, Section 3.2).

We may provide refresher training programs, seminars or other courses designed to assist you with your franchise business and may require that you or your managers attend and complete them to our satisfaction. These programs and seminars will be held at locations we designate and will be provided without charge to you. You will be exclusively responsible for paying all travel, living and other expenses and compensation of attending these programs and seminars. Each year, you or the designated managers of your Franchise will be required to attend up to 20 hours of programs and seminars, depending upon program and seminar availability. (Franchise Agreement, Section 3.2).

DURING THE OPERATION OF YOUR FRANCHISE BUSINESS, WE WILL:

We will provide ongoing assistance, for your training, advertising, sales assistance and use of the Operations Manual. (Franchise Agreement, Section 3.2)

We will assist in the administration of **DNA SERVICES** advertising programs and the formulation of promotion programs.

See Item 6 concerning advertising assessments and required contributions. We currently do not have any local franchisee advertising cooperatives that collect and administer advertising funds. The funds are not audited. Annual financial statements of the funds are available for your review once they have been prepared, usually within 60 days after the end of the relevant period.

Summary of Advertising Fund Contributions and Expenses for Fiscal Year 2006

Expenses:	Corporate overhead	\$0	0%
	Production of commercials and market research	\$0	0%
	Market level advertising	\$0	100%
Total expenses:		\$0	100%
Advertising fund contributions:		\$0	100%
Excess of expenses over contributions:		\$0	0%

We will make an accounting of the operation of the advertising fund annually and will make such accounting available to you upon request.

~~Service Centers that we operate will contribute to the advertising fund in the same manner as our franchisees. While advertising materials note that franchises are available from us, no advertising funds are used for advertising that is principally a solicitation for the sale of franchises.~~

Deleted: Locations

We may receive payment for providing advertising goods or services to our franchisees.

We are not required to spend any amount on advertising in the area or territory where you are located. Any advertising fees not spent in the fiscal year in which they accrue will be carried over for use in future years.

Refer to Items 6, 8 and 9 for more information about advertising.

We or our designee will direct all advertising programs used to promote the products and services offered by our franchisees. We will have sole discretion over all creative concepts, materials and media used in these programs. Advertisements generally will be in both print and broadcast media, initially with local and regional coverage. We may use an outside advertising agency to create advertising. We may make available to you, from time to time, approved advertising and promotional plans and materials at our cost. You will not be obligated to accept or purchase and advertising and promotional plans and materials offered to you by us. (Franchise Agreement, Section 2.2)

~~As part of your obligation to place advertising in your market area each month, you will purchase and maintain advertisements, advertising your franchise, in the yellow page telephone directories that service some or all of your franchise territory. The yellow page advertising must have lead designation and must comply with other form and content specifications in our Operations Manual. Depending on your location and the form and content specification in our Operations Manual, these costs range from \$100 to \$1,500 per month. This advertisement will be in the form and have the content specified from time to time in the Operations Manual. (Franchise Agreement, Section 2.2)~~

Deleted: We will purchase and maintain advertisements, advertising your franchise, in the yellow page telephone directories that service the some or all of your franchise territory. The cost of this advertising will be withheld from your share of the test proceeds we are to pay you as outlined in Section 2.2, above. This advertisement will be in the form and have the content specified from time to time in the Operations Manual.

You will spend in your Franchise Territory the greater of **4%** of your Gross Revenue or **\$500** per month during your first year of operation and the greater of **2%** of your Gross Revenue or **\$250** per month after your first year of operation to advertise and promote your franchise (the "Local Advertising Contribution"). For **Rural** franchises, this local market advertising will include an advertisement painted on your franchised business vehicle. You will report the nature, extent and amount of these local expenditures, in the form and at the times we require in the Operations Manual. (Franchise Agreement, Section 2.2).

All advertising by you in any medium must be conducted in a professional manner, must conform to the standards and requirements in our confidential Operations Manual. From time to time, we will supply to you samples of local advertisements we approve. You may use those

advertisements at any time. You will submit to us all advertising copy and other advertising and promotional materials, public relations programs and press releases before you use them in your local advertising program. You will not use any advertising copy, public relations program or press release or other promotional material until we approve it. (Franchise Agreement, Section 2.2).

All Internet marketing is part of our marketing programs described in the Operations Manual and defined in the Franchise Agreement, and must be coordinated through us and approved by us. You may not market independently on the Internet or acquire an independent Internet domain name or web site.

At any time, we may create or modify advertising regions for the purpose of establishing regional advertising, marketing and promotional programs. We will promptly notify you and our other franchisees, of the establishment, modification, geographical boundaries and governing rules for regional advertising regions. We may require all franchisees located within each geographic region to meet periodically for the purpose of creating and establishing regional advertising programs. Each franchise operation and each operation we own and operate will be entitled to one vote at these meetings. For the purpose of this subsection, each operation we own will be deemed to be a franchise.

If at any meeting of the franchisees in an advertising region, **65%** of the franchisees vote to contribute to a regional advertising program, all franchisees within that region will be obligated to make a contribution to a regional advertising fund in the amount established by the vote (the "Regional Advertising Fund"). No advertising region may require any franchisee in that region to make a contribution to a Regional Advertising Fund in excess of **4%** of that franchisee's Gross Revenue during the first year of operation of the Franchise, or in excess of **2%** of that franchisee's Gross Revenue after the first year of operation. These amounts will be credited towards your Local Advertising Contribution obligation described above. Each Regional Advertising Fund will be administered by representatives elected by each region, at a meeting we call for this purpose. (Franchise Agreement, Section 2.2).

We may inspect your franchise premises and conduct activities to ensure compliance with the terms of the Franchise Agreement and Operations Manual to assure consistent quality and service throughout our franchise system. (Franchise Agreement, Section 5.2).

We may inspect the facilities of your manufacturers, suppliers, and distributors from time to time and notify you and the manufacturers, suppliers, and distributors in writing of any failure to meet our specifications and standards. (Franchise Agreement, Section 5.1).

We may provide other supervision, assistance, or services although we are not bound by the Franchise Agreement or any related agreement to do so. These may include, among other things, advertising materials, literature, additional assistance in training, secret shopper programs, promotional materials, bulletins on new services, products, merchandise, and new sales and marketing developments and techniques.

The typical length of time between the signing of the franchise agreement or first payment of consideration for the Franchise and the opening of the Franchise for business is about **60 to 90** days. You or your manager will complete to our exclusive satisfaction the mandatory training defined above, find a site location that is acceptable to you and approved by us, and commence full and continuous operation of the Franchise within **120** days after execution of the Franchise Agreement. Factors that may affect this time are finding and negotiating for the franchise premises, arranging for the training session, preparing and equipping the franchise premises, obtaining initial inventory, financing and business permit requirements, and your personal operational needs. If this commencement of operation obligation is not fulfilled, we may terminate this Agreement by refunding the Initial Franchise Fee. Any failure to commence operation caused by a war or civil disturbance, a natural disaster, a labor dispute, shortages or other events beyond your reasonable control will be excused for a period of time that we deem reasonable under the circumstances. (Franchise Agreement, Section 4.1).

You or the manager must complete the mandatory training program to our exclusive satisfaction or we may terminate the Franchise Agreement upon refunding the Initial Franchise Fee. (Franchise Agreement, Section 3.1).

COMPUTER SYSTEMS:

We require you to have a computer system that conforms to our computer and software requirements. (Franchise Agreement, Section 5.9). These accounting, security and inventory control computer systems must be approved by us. We provide written specifications for these systems to you in the Operations Manual. You purchase, lease, or otherwise acquire, from sources of your choice and at your expense, computer hardware and software (including but not limited to programs, software, computer terminals, scanners, security cameras, camcorders, high speed internet access and cash registers). These must be totally compatible with and strictly conform to all requirements, standards and specifications we set in the Operations Manual. You must have these systems in operation when you open your franchise for business. It is your obligation, not ours, to maintain, repair, upgrade or update your computer hardware or software. The annual cost of these services will vary depending upon your system, your business needs and the suppliers you chose.

The cost of this computer software and hardware is included within Item 7, above. You must have one or more Pentium 4 or better PCs, VGA Monitors, keyboards, Laser or comparable printer, scanner, copier, Hayes compatible modems of 56K or better, 10 GB storage capacity, 512 MB of RAM or better, and appropriate operating software. You should have cable or DSL high speed internet access if available. We do not provide or maintain any of these items. All of the hardware and software items may be purchased from and maintained by any supplier you select except for the optional OKC point of purchase/inventory control and the CRM system software which are obtained from and supported by us.

We may have independent access to your computer systems for reporting purposes. You are required to upgrade the computer systems to keep pace with technological advances, as expressed in updates to the Operations Manual. There are no contractual limits on the frequency or cost of these upgrades. The computer systems and software is used to generate daily sales reports for you. The computer system collects and generates sales, rate and operating information and data. There are no contractual limits on our access to the information and data stored in your computer systems.

As described in Item 6, above, DNA DataLink is our proprietary, secure web based operating system. There are no additional computer requirements necessary to run the system, other than an internet connection (high-speed is recommended). The system is required of all franchisees.

E-Problem Disclaimer: Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, the Year 2000 and similar date related problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps so that E-Problems will not materially affect our business. We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

12. TERRITORY

You will receive a territory in which to operate your franchise. An **Urban franchise territory** consists of a population of 500,000 to 2,500,000 persons. A **Rural Mobil franchise territory** consists of a population of 50,000 to 500,000 persons. Population counts are based on reasonable and reliable information, including U.S. census information, local jurisdiction geographic studies, chamber of commerce information, etc. Your franchise territory is identified in Section 1.1 of the Franchise Agreement. The exact conformation of the franchise territory will depend upon your approval and our market analysis, market penetration plans and franchise placement strategies and prior franchise commitments.

Deleted: Office

You must obtain our prior written approval for the site of the franchise premises and your lease related to it. During the term of the Franchise Agreement, we agree not to establish, or license anyone else to establish, any business office or mobile operation using the Service Marks or the Method of Operation within the Franchise Territory, or to otherwise modify your territorial rights, without your prior written consent, except as otherwise described below.

Deleted: Neither you, we nor our other franchisees are limited to where our products may be installed.¶

We will not use the Service Marks on any service or product within the Franchise Territory in other distribution methods including mass merchandisers, mail order catalogues, health shows, local and state fairs, home shows and similar limited access environments, television buying networks and clubs or any other forms of direct sales. If we or our affiliate participate in such other distribution methods, whether or not within the Franchise Territory, it will be under marks and product configurations different than those offered through your franchise.

We may purchase or be purchased by, or merge or combine with, competing businesses, wherever located.

Through our internet referral program, we will refer to you any and all internet inquires within the Franchise Territory.

Some **DNA SERVICES** franchises may be placed at a location where another, separate business is operated under another business name, such as an insurance medical examination office or doctor's office. If the Franchise Premises is at that type of location, it will be deemed "co-branded" for the purposes of the Franchise Agreement.

You may not establish or operate any other **DNA SERVICES** establishment without executing a separate Franchise Agreement for that facility.

We will help analyze your market area, help determine site feasibility, and assist in the selection of the franchise location, subject to your approval. While we agree to use our experience and expertise to assist in the selection of locations, we do not guarantee success for the location selected by you or accept any responsibility for any consequences of your choice of the franchise site.

Among the factors we consider to determine the feasibility of possible franchise sites are general location, traffic patterns, parking, size, physical characteristics, proximity to competing businesses, lease terms, sign visibility, neighborhood economic profile, population density and accessibility.

You must receive our written permission before you establish or relocate your franchise office location.

Except with our prior written permission, you will not place under any circumstances advertisements using the Service Marks in or originating from any area other than the Franchise Territory.

Except as otherwise provided in the Franchise Agreement or the Operations Manual, you may not directly market to, solicit or service customers whose principal home address or place of business is outside the Franchise Territory. You may not advertise in any media whose primary circulation is outside the Franchise Territory, except with our prior written permission and the prior written consent of any of our franchisees whose territory is reached by that media. All Internet marketing is part of our marketing programs described in the Operations Manual and defined in the Franchise Agreement, and must be coordinated through us and approved by us. You may not market independently on the Internet or acquire an independent Internet domain name or web site.

Only we may place national or regional advertising.

Our affiliate sells DNA tests via the internet under different names such as:

needdnatest.com,
dnaconfirmation.com
fastpaternity.com;
needadnatest.com;
wantadnatest.com;
petdnatest.com;
thednalink.com;
pedigreetest.com;
animaldnatest.com;
dnaforpet.com;
dnaformypet.com;
dnaforanimalpedigree.com;
dnaforpedigree.com;
vetdnaservices.com;
petdnaservices.com;
petdnasoa.com;
vetdnasoa.com;
dnaforadoption.com;
dnaservicesofamerica.com;
acknowledgmentofpaternity.com;
paternityeducation.com;
socialsecurityforchild.com;
dnaforimmigration.com;
dnaforfamilies.com;
dnaforgrandparents.com;
dnaforsurrogacy.com;
dnaforinfidelity.com;
dnaforinvestigators.com;

These sites are linked to our company website, www.dnasoa.com, and are used to generate traffic to our company website. All services requested by clients within your territory will be forwarded to you once you complete them they will be credited to you. We have not established and do not intend to establish other franchises or company-owned outlets selling similar products or services under a different method of operation, trade name or service mark. Neither we nor our affiliates are contractually restricted from doing so.

Deleted: are used for inexpensive Non-Chain of Custody purposes

You do not receive the right to acquire additional franchises or to grant subfranchises. There is a minimum sales quota. Continuation of your Franchise is dependent upon you attaining a minimum average sales level, in the Franchise Territory, of an average of 20 paid DNA tests per month, measured at the end of each calendar quarter. The monthly minimum sales requirement will begin 24 months after you execute the Franchise Agreement.

Except as described in this Item 12, there are no other circumstances that permit us to modify your territorial rights.

13. TRADEMARKS

Comment [RD55]: Jeff, contact Brad to discuss submitting registrations for marks.

We own and give you the right to operate your franchise under the service marks "DNA SERVICES OF AMERICA," "DNA SERVICES," "DNA SERVICES INTERNATIONAL" and "SEEKING THE TRUTH WHEN IT MATTERS MOST."

We claim common law rights to the service marks and any other marks we use in interstate commerce in the United States. This claim is based upon our widespread use of the marks in interstate commerce.

Our affiliate DNA Services of America, Inc. registered the following marks on the Principal Register of the U.S. Patent and Trademark Office:

"SEEKING THE TRUTH WHEN IT MATTERS MOST" October 11, 2005, Registration No. 3005956.

"DNA SERVICES OF AMERICA" November 1, 2005, Registration No. 3011237.

On November 18, 2005 our affiliate assigned these two marks to us. (USPTO Reel/Frame 3258/0666).

We have applied to register the following marks on the Principal Register of the U.S. Patent and Trademark Office:

DNA SERVICES, December . 2006, Application No. _____

DNA SERVICES INTERNATIONAL, December . 2006, Application No. _____

We have no other state registrations for these or any other marks.

We will allow you to use all other trade names, trademarks, service marks, and logos we now own or may in the future develop for the DNA SERVICES franchise system. We refer to all of these commercial symbols as the "service marks."

The service marks are our sole and exclusive property. You will immediately notify us of any infringement of, or challenge to, your use of the service marks. We will have sole discretion to take or not to take action, as we deem appropriate. You must follow our rules when you use the service marks. You may not use the service marks in any manner we have not authorized in writing. You cannot use our service marks as part of the name of your business entity or with modifying words, designs or symbols except as we authorize in writing. You may not use our service marks in connection with the sale of any unauthorized product or service.

Deleted: By not having a Principal Register federal registration for "DNA SERVICES" and "DNA SERVICES INTERNATIONAL", we do not have certain presumptive legal rights granted by a registration. . ¶
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Any goodwill associated with the service marks, including any goodwill that might be deemed to have arisen through your activities, will accrue directly and exclusively to our benefit, except as otherwise provided by applicable law.

You may not use or give others permission to use the service marks, or any colorable imitation of them, combined with any other words or phrases.

We may change or modify any part of the service marks from time to time at our sole discretion. You will accept, use and protect, for the purposes of the franchise, all changes and modifications as if they were a part of the service marks at the time the franchise agreement is executed. You will bear all costs and expenses that may be reasonably necessary as a result of these changes or modifications. Under no circumstances will we be liable to you for any damages, costs, losses, or detriments related to of these changes or modifications.

There are no presently effective determinations of the Patent Office, the trademark administrator of any state or any court, any pending interference, opposition or cancellation proceeding and any pending material litigation involving the service marks in any state.

There are no agreements currently in effect that limit our rights to use or license the use of the service marks. We know of no other infringing uses that could materially affect your use of the service marks.

14. PATENTS, COPYRIGHT & PROPRIETARY INFORMATION

We intend to affix a statutory notice of copyright to our Operations Manual, to most of our advertising materials, and to the service marks and logos and to all modifications and additions to them. There are no determinations, agreements, infringements or obligations currently affecting these notices or copyrights. You have no rights to the copyrighted material. You are granted the right and are required to use the copyrighted items in your franchise business operations. Our right to use and license the copyrighted items is not materially limited by any agreement or known infringing use.

The Operations Manual is described in Item 11. Although we have not filed applications for copyright registration, all copyrighted materials are our property. Item 11 describes limits on use of the copyrighted materials and other proprietary information by you and your employees. You must contact us immediately if you learn of any unauthorized use of our proprietary information. You must also agree to not contest our rights to and interest in our copyrights and other proprietary information.

We hold no patents relevant to the franchise. There are no current determinations or pending proceedings with the Patent and Trademark Office or any court regarding any pending patent.

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

We recommend that you, or one of your owners if you are a corporation or partnership, participate fully in the actual day-to-day operation of the franchise business. Managers you employ to help you to operate the franchise must successfully complete the mandatory training program described in Item 11. Your employees that have access to proprietary information must sign confidentiality agreements, and your managers and all of your owners must sign confidentiality and non-competition agreements similar to the confidentiality and non-compete provisions of the Franchise Agreement. You and your managers cannot have a relationship with or interest in any of our business competitors. Your managers do not have to have an ownership interest in you if you are a corporation, partnership or other form of business entity.

Each of your owners/partners must assume and agree to discharge all of your obligations under the Franchise Agreement. The personal guarantee is found in section 10 "Signatures" at the end of the franchise agreement. Neither your spouse nor your owners' or partners' spouses must sign the franchise agreement, personal guarantee, or confidentiality/non-competition agreements.

Our Step-In Rights. It is important to prevent any interruption of the franchise that would cause harm to your franchise and to our franchise system and lessen their value. Therefore, you authorize us to step in to operate your franchise for as long as we believe necessary and practical in our exclusive judgment. We may do so without waiving any other rights or remedies that we may have. Cause for stepping-in may include our reasonable determination that: you are incapable of operating the franchise; you are absent or incapacitated because of illness or death; you have failed to pay when due any taxes or assessments against the franchise or property used in the franchise; you have failed to pay when due any liens or encumbrances placed upon or against your business property; or we decide that significant operational problems require us to operate the franchise for a time.

All revenue from our operation of the franchise will be for your exclusive account. We will pay from that revenue all expenses, debts and liabilities we incur during our operation of the franchise. This will include our personnel and administrative costs, plus 15 percent to cover our overhead expenses. In addition, we will have the option, but not the obligation, to pay for you any claims owed by you to any creditor or employee of the franchise. You will reimburse us upon demand for these payments.

16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require that you offer and sell only programs and services that we approve in writing. You must offer all products, goods and services that we designate as required by our franchisees. We reserve the right, without limitation, to modify and add to the authorized programs, products,

goods and services.

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 offering circular.

Provision	Section in Franchise Agreement	Summary
a. Term of Franchise	Section 1.1	5 years
b. Renewal or Extension of Term	Section 6.1	If you are in good standing, you may renew for periods of 5 years under the terms of our then current franchise agreement forms.
c. Requirements for Renewal	Section 6.1	Give notice at least 3 and not more than 6 months before expiration of the initial term; refurbish, remodel, and replace the Franchise Premises, fixtures, and equipment to conform to the then current Operations Manual and Method of Operation; reimburse us for our reasonable out-of-pocket costs concerning the renewal; execute a general release; sign new franchise agreement; and you or your designated manager must successfully complete any retraining program we prescribe in writing.
d. Termination by You	Section 6.2	You can terminate at any time upon 10 days prior written notice if we materially breach and do not cure within 30 days.
e. Termination by Us Without Cause	None	
f. Termination by Us With Cause	Section 6.3	We can terminate only if you default.
g. "Cause" Defined – Curable	Section 6.3(A)	You have 30 days to cure any default not listed in Section 6.3(B).
h. "Cause" Defined – Non-curable	Section 6.3(B)	Bankruptcy and insolvency, abandonment, repeated default, misrepresentations, levy of execution, conviction of felony, noncompliance with laws, nonpayment of fees, operating in a manner that creates imminent danger, disclosure of confidential information.

Provision	Section in Franchise Agreement	Summary
i. Your Duties and Obligations on Termination or Non-renewal	Sections 5.7, 5.8, 6.5, 6.6 & 6.8	De-identification, return of manuals, release of phone numbers, payment of sums owed, confidentiality, and non-competition.
j. Assignment of Contract by Us	Section 7.1	There are no restrictions on our right to transfer.
k. "Transfer" by You – Definition	Section 7.1	Restrictions apply if you sell, transfer, assign, encumber, give, lease, or sublease (collectively called "transfer") the whole or any part of: the franchise agreement, substantial assets of the franchise, or ownership or control of you.
l. Our Approval of Your Transfer	Section 7.1	We have the right to approve all transfers.
m. Conditions for Our Approval of Transfer	Section 7.1	The transferee must qualify as a franchisee, he must assume your obligations, you may not be in default, the transferee must successfully complete the mandatory training, the transfer fee is \$1500 , the transferee must sign a new franchise agreement on our then current terms, and you must release us.
n. Our Right of First Refusal to Acquire Your Business	Section 7.4	We may purchase on the same terms that are acceptable to you. We have 30 days to decide whether to purchase after you notify us of the proposed sale.
o. Our Option to Purchase Your Business	Section 7.3	You will give us the right of first purchase before soliciting offers from a third party if you choose to sell your franchise business. We have 30 days to decide whether to purchase after you notify us of your intent to sell.
p. Your Death or Disability	Section 7.2	Within 180 days, your heirs, beneficiaries, devisees or legal representatives may apply to continue to operate the franchise (in which case there is no transfer fee), or transfer Franchise interest.
q. Non-Competition Covenants During the Term of the Franchise	Sections 5.7 and 5.8	You may not disclose confidential information or compete.
r. Non-Competition Covenants After the Franchise is Terminated or Expires	Sections 5.7, 5.8, 6.5 & 6.8	You will assure that you and your owners, directors, officers, partners, shareholders, employees, consultants, and agents, for a period of two years after expiration or termination of the Agreement, will not divert or directly or indirectly attempt to divert any of our business or any of

Provision	Section in Franchise Agreement	Summary
		<p>our members to any competing system, or employ or seek to employ any person we employ or any other person who is at that time operating or employed by or at any of our franchises or otherwise directly or indirectly induce these persons to leave their employment.</p> <p>You and your owners, shareholders, partners, directors, officers, employees, and agents, and the members of their immediate families or households (who have actual knowledge of or access to the Operations Manual or Method of Operation), will not directly or indirectly participate in or serve in any other capacity in any business engaged directly or indirectly in any business that offers products or services that are substantially similar to the products and services that are part of our Method of Operation for 720 days after termination, expiration or transfer of the Franchise Agreement within the Franchise Territory, within a 100 mile radius of the Franchise Territory, and within a 100 mile radius of any other DNA Services location we operate or license for operation, and within the United States of America.</p>
s. Modification of the Agreement	Sections 5.5 & 9.7	Modifications require the signed written agreement of the parties. We may modify the Operations Manual.
t. Integration/Merger Clause	Sections 5.1, 5.5, 9.7 & 9.8	Only the terms of the Franchise Agreement and Operations Manual are binding. Any other promises may not be enforceable.
u. Dispute Resolution by Mediation and Arbitration	Section 9.7 & 9.8	Disputes are required to be arbitrated. All disputes are subject to at least 8 hours of mediation at shared expense in Lafayette, Louisiana . The prevailing party in any arbitration, insolvency proceeding, bankruptcy proceeding, suit, or action to enforce this Agreement will recover its arbitration, proceeding, and court costs and reasonable attorney fees.

Provision	Section in Franchise Agreement	Summary
v. Choice of Forum	Section 9.7	Arbitration and Litigation must be in Lafayette, Louisiana , except as stated in the State Addenda to this offering circular.
w. Choice of Law	Section 9.7	Louisiana law applies except to the extent governed by the United States Trademark Act and except as stated in the State Addenda to this offering circular and in those states whose franchise laws require exclusive application.

These states have statutes, which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal:

ARKANSAS (Stat. Section 70-807)
 CALIFORNIA (Bus. & Prof. Code Sections 20000-20043)
 CONNECTICUT (Gen. Stat. Section 42-133e et seq.)
 DELAWARE (Code, tit.)
 HAWAII (Rev. Stat. Section 482-E1)
 ILLINOIS (815 ILCS 705/1-44)
 INDIANA (Stat. Section 23-2-2.7)
 MICHIGAN (Stat. Section 19.854(27))
 MINNESOTA (Stat. Section 80C.14)
 MISSISSIPPI (Code Section 75-24-51)
 MISSOURI (Stat. Section 407.400)
 NEBRASKA (Rev. Stat. Section 8-401)
 NEW JERSEY (Stat. Section 56.10-1)
 SOUTH DAKOTA (Codified Laws Section 37-5A-51)
 VIRGINIA (Code 13.1-557-574, 13.1-564)
 WASHINGTON (Code Section 19.100.180)
 WISCONSIN (Stat. Section 135.03)

These and other states may have court decisions, which may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of the Franchise.

18. PUBLIC FIGURES

No public figure is involved in our franchise program at the present time.

19. EARNINGS CLAIMS

Except as described below, we do not furnish nor do we authorize our sales agents to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a **DNA SERVICES** franchise operation. Actual results vary from franchise to franchise and we cannot estimate the results of any particular franchise. However, under law we may give a prospective franchisee who is seeking to buy a specific operating location actual operating results of that unit, together with the last known address of each owner of the unit during the prior three years.

MATERIAL ASSUMPTIONS FOR TABLES

The gross sales (all receipts generated from sales, excluding discounts and refunds) shown in the below table are the actual results of operations of our franchisees, including those owned by companies controlled by our shareholder, Jeffrey A. Martin, and our affiliate, DNA Services of America, Inc. The results are provided through October 31, 2006. The table has not been audited. When considering the following data, you should take into consideration the population and demographics of each location in reference to those of your locale.

Deleted: the shareholder-owned operations of

Deleted: affiliate, DNA Services of America, Inc., in Lafayette, Louisiana, from May 2004 to

DNA SERVICES OF AMERICA- LA301

Jeffrey A. Martin Enterprises, Inc.
1507 Kaliste Saloom Road, Suite D
Lafayette, LA 70508

Deleted: Our affiliate operates, promotes, and advertises businesses that offer highest quality DNA identification, paternity and forensics testing and provides DNA testing information, national sales support, and orientation to its offices. See Item 1 above. Our affiliate uses the same labs that you will be required to use and uses similar pricing as set forth in section 2.2 of the franchise agreement. When considering this data, you should take into consideration the population and demographics of the Lafayette, Louisiana area in reference to those of your locale. Our affiliate used an accrual basis of accounting in the following table. ¶

<u>Month</u>	<u>Gross Sales</u>	<u>Lab Costs¹</u>	<u>Wages²</u>	<u>Operating Profit/Loss</u>
May-04	\$900.00	\$420.00	\$650.00	(\$170.00)
Jun-04	\$2,100.00	\$1,050.00	\$650.00	\$400.00
Jul-04	\$4,620.00	\$2,300.00	\$650.00	\$1,670.00
Aug-04	\$4,745.00	\$2,390.00	\$650.00	\$1,705.00
Sep-04	\$7,865.00	\$3,910.00	\$1,300.00	\$2,655.00
Oct-04	\$10,785.00	\$5,390.00	\$1,300.00	\$4,095.00
Nov-04	\$6,550.00	\$3,260.00	\$1,300.00	\$1,990.00
Dec-04	\$8,900.00	\$4,420.00	\$1,950.00	\$2,530.00
Jan-05	\$10,705.00	\$5,260.00	\$1,950.00	\$3,495.00
Feb-05	\$11,445.00	\$5,800.00	\$1,950.00	\$3,695.00
Mar-05	\$15,575.00	\$7,460.00	\$1,950.00	\$6,165.00
Apr-05	\$10,625.00	\$5,130.00	\$1,950.00	\$3,545.00
May-05	\$13,055.00	\$6,370.00	\$1,950.00	\$4,735.00
Jun-05	\$17,210.00	\$8,230.00	\$1,950.00	\$7,030.00
Jul-05	\$11,160.00	\$5,140.00	\$2,600.00	\$3,420.00
Aug-05	\$15,825.00	\$6,975.00	\$2,600.00	\$6,250.00
Sep-05	\$16,730.00	\$7,780.00	\$2,600.00	\$6,350.00
Oct-05	\$14,610.00	\$5,700.00	\$2,600.00	\$6,310.00
Nov-05	\$15,385.00	\$7,160.00	\$3,100.00	\$5,125.00

<u>Dec-05</u>	<u>\$14,350.00</u>	<u>\$5,480.00</u>	<u>\$3,100.00</u>	<u>\$5,770.00</u>
<u>Jan-06</u>	<u>\$14,845.00</u>	<u>\$5,645.00</u>	<u>\$3,100.00</u>	<u>\$6,100.00</u>
<u>Feb-06</u>	<u>\$19,250.00</u>	<u>\$9,093.00</u>	<u>\$3,100.00</u>	<u>\$7,057.00</u>
<u>Mar-06</u>	<u>\$18,725.00</u>	<u>\$8,743.00</u>	<u>\$3,100.00</u>	<u>\$6,882.00</u>
<u>Apr-06</u>	<u>\$15,875.00</u>	<u>\$7,366.00</u>	<u>\$3,100.00</u>	<u>\$5,409.00</u>
<u>May-06</u>	<u>\$11,315.00</u>	<u>\$5,297.00</u>	<u>\$3,100.00</u>	<u>\$2,918.00</u>
<u>Jun-06</u>	<u>\$13,095.00</u>	<u>\$6,087.00</u>	<u>\$3,100.00</u>	<u>\$3,908.00</u>
<u>Jul-06</u>	<u>\$13,630.00</u>	<u>\$6,132.00</u>	<u>\$3,100.00</u>	<u>\$4,398.00</u>
<u>Aug-06</u>	<u>\$16,110.00</u>	<u>\$7,424.00</u>	<u>\$3,100.00</u>	<u>\$5,586.00</u>
<u>Sep-06</u>	<u>\$13,425.00</u>	<u>\$6,082.00</u>	<u>\$3,100.00</u>	<u>\$4,243.00</u>
<u>Oct-06</u>	<u>\$12,975.00</u>	<u>\$5,884.00</u>	<u>\$3,100.00</u>	<u>\$3,991.00</u>

DNA SERVICES OF AMERICA- LA302

DNA Services of America, Inc.
625 Colonial Drive
Baton Rouge, LA 70806

<i>Month</i>	<i>Gross Sales</i>	<i>Lab Costs¹</i>	<i>Wages²</i>	<i>Operating Profit/Loss</i>
<u>Jan-05</u>	<u>\$2,325.00</u>	<u>\$1,190.00</u>	<u>\$0.00</u>	<u>\$1,135.00</u>
<u>Feb-05</u>	<u>\$4,205.00</u>	<u>\$2,190.00</u>	<u>\$0.00</u>	<u>\$2,015.00</u>
<u>Mar-05</u>	<u>\$7,615.00</u>	<u>\$3,690.00</u>	<u>\$0.00</u>	<u>\$3,925.00</u>
<u>Apr-05</u>	<u>\$5,250.00</u>	<u>\$2,810.00</u>	<u>\$0.00</u>	<u>\$2,440.00</u>
<u>May-05</u>	<u>\$4,575.00</u>	<u>\$2,310.00</u>	<u>\$0.00</u>	<u>\$2,265.00</u>
<u>Jun-05</u>	<u>\$4,175.00</u>	<u>\$1,950.00</u>	<u>\$0.00</u>	<u>\$2,225.00</u>
<u>Jul-05</u>	<u>\$5,525.00</u>	<u>\$2,670.00</u>	<u>\$0.00</u>	<u>\$2,855.00</u>
<u>Aug-05</u>	<u>\$4,325.00</u>	<u>\$2,130.00</u>	<u>\$0.00</u>	<u>\$2,195.00</u>
<u>Sep-05</u>	<u>\$2,355.00</u>	<u>\$1,190.00</u>	<u>\$0.00</u>	<u>\$1,165.00</u>
<u>Oct-05</u>	<u>\$5,500.00</u>	<u>\$2,750.00</u>	<u>\$0.00</u>	<u>\$2,750.00</u>
<u>Nov-05</u>	<u>\$4,025.00</u>	<u>\$2,310.00</u>	<u>\$0.00</u>	<u>\$1,715.00</u>
<u>Dec-05</u>	<u>\$3,575.00</u>	<u>\$1,760.00</u>	<u>\$0.00</u>	<u>\$1,815.00</u>
<u>Jan-06</u>	<u>\$7,100.00</u>	<u>\$3,600.00</u>	<u>\$0.00</u>	<u>\$3,500.00</u>
<u>Feb-06</u>	<u>\$7,975.00</u>	<u>\$3,780.00</u>	<u>\$0.00</u>	<u>\$4,195.00</u>
<u>Mar-06</u>	<u>\$8,505.00</u>	<u>\$3,690.00</u>	<u>\$0.00</u>	<u>\$4,815.00</u>
<u>Apr-06</u>	<u>\$6,175.00</u>	<u>\$3,340.00</u>	<u>\$0.00</u>	<u>\$2,835.00</u>
<u>May-06</u>	<u>\$7,360.00</u>	<u>\$3,587.00</u>	<u>\$0.00</u>	<u>\$3,773.00</u>
<u>Jun-06</u>	<u>\$5,425.00</u>	<u>\$2,650.00</u>	<u>\$0.00</u>	<u>\$2,775.00</u>
<u>Jul-06</u>	<u>\$4,350.00</u>	<u>\$2,490.00</u>	<u>\$0.00</u>	<u>\$1,860.00</u>
<u>Aug-06</u>	<u>\$8,925.00</u>	<u>\$4,220.00</u>	<u>\$0.00</u>	<u>\$4,705.00</u>
<u>Sep-06</u>	<u>\$8,185.00</u>	<u>\$3,660.00</u>	<u>\$0.00</u>	<u>\$4,525.00</u>
<u>Oct-06</u>	<u>\$7,740.00</u>	<u>\$2,390.00</u>	<u>\$0.00</u>	<u>\$5,350.00</u>

DNA SERVICES OF AMERICA- LA304

DNA Services of America, Inc.
3519 Patrick Street, Suite 207
Lake Charles, LA 70605

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Jun-05	\$2,550.00	\$1,260.00	\$0.00	\$1,290.00
Jul-05	\$1,700.00	\$840.00	\$0.00	\$860.00
Aug-05	\$1,700.00	\$840.00	\$0.00	\$860.00
Sep-05	\$2,675.00	\$1,340.00	\$0.00	\$1,335.00
Oct-05	\$1,400.00	\$710.00	\$0.00	\$690.00
Nov-05	\$0.00	\$0.00	\$0.00	\$0.00
Dec-05	\$3,950.00	\$1,890.00	\$0.00	\$2,060.00
Jan-06	\$1,825.00	\$920.00	\$0.00	\$905.00
Feb-06	\$3,525.00	\$1,760.00	\$0.00	\$1,765.00
Mar-06	\$5,850.00	\$2,949.00	\$0.00	\$2,901.00
Apr-06	\$6,325.00	\$3,121.00	\$0.00	\$3,204.00
May-06	\$2,075.00	\$1,080.00	\$0.00	\$995.00
Jun-06	\$5,175.00	\$2,583.00	\$0.00	\$2,592.00
Jul-06	\$4,700.00	\$2,450.00	\$0.00	\$2,250.00
Aug-06	\$8,820.00	\$4,302.00	\$0.00	\$4,518.00
Sep-06	\$6,125.00	\$2,998.00	\$0.00	\$3,127.00
Oct-06	\$700.00	\$380.00	\$0.00	\$320.00

DNA SERVICES OF AMERICA- OK301/OK302³

Jeffrey A. Martin Enterprises, Inc.

OK301:

6218 South Lewis Avenue, Suite 113

Tulsa, OK 74136

OK302:

2525 NW Expressway, Suite 624-A

Oklahoma City, OK 73112

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Nov-05	\$5,425.00	\$2,600.00	\$1,800.00	\$1,025.00
Dec-05	\$2,675.00	\$1,340.00	\$1,800.00	(\$465.00)
Jan-06	\$4,375.00	\$2,138.00	\$1,800.00	\$437.00
Feb-06	\$5,750.00	\$2,810.00	\$1,800.00	\$1,140.00
Mar-06	\$4,775.00	\$2,310.00	\$1,800.00	\$665.00
Apr-06	\$8,090.00	\$3,902.00	\$1,800.00	\$2,388.00
May-06	\$5,755.00	\$2,740.00	\$1,800.00	\$3,015.00
Jun-06	\$8,325.00	\$3,927.00	\$1,800.00	\$2,598.00
Jul-06	\$5,315.00	\$2,660.00	\$1,800.00	\$855.00
Aug-06	\$7,770.00	\$3,740.00	\$1,800.00	\$2,230.00
Sep-06	\$7,005.00	\$3,732.00	\$3,300.00	(\$27.00)
Oct-06	\$7,275.00	\$3,585.00	\$3,300.00	\$390.00

DNA SERVICES OF AMERICA- FL302

Raquel Mandel, Independent Franchisee

300 South Pine Island Road, Suite 206

Plantation, FL 33324

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Feb-06	\$2,075.00	\$1,025.00	\$0.00	\$1,050.00
Mar-06	\$3,284.00	\$1,550.00	\$0.00	\$1,734.00
Apr-06	\$7,375.00	\$3,579.00	\$0.00	\$3,796.00
May-06	\$6,895.00	\$3,570.00	\$0.00	\$3,325.00
Jun-06	\$9,944.00	\$4,825.00	\$0.00	\$5,119.00
Jul-06	\$5,806.00	\$2,710.00	\$0.00	\$3,096.00
Aug-06	\$14,330.00	\$7,145.00	\$611.00	\$6,574.00
Sep-06	\$10,674.00	\$5,067.00	\$1,410.00	\$4,197.00
Oct-06	\$12,135.00	\$5,464.00	\$1,396.00	\$5,275.00

DNA SERVICES OF AMERICA- MS301

Jeffrey A. Martin Enterprises, Inc.
1815 Hospital Drive, Suite 482
Jackson, MS 39204

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Mar-06	\$3,475.00	\$1,750.00	\$0.00	\$1,725.00
Apr-06	\$6,785.00	\$3,409.00	\$0.00	\$3,376.00
May-06	\$900.00	\$420.00	\$0.00	\$480.00
Jun-06	\$6,960.00	\$3,225.00	\$1,800.00	\$1,935.00
Jul-06	\$3,335.00	\$1,630.00	\$3,300.00	(\$1,595.00)
Aug-06	\$3,045.00	\$1,470.00	\$3,300.00	(\$1,725.00)
Sep-06	\$6,090.00	\$2,822.00	\$1,800.00	\$1,468.00
Oct-06	\$7,085.00	\$3,292.00	\$3,100.00	\$693.00

DNA SERVICES OF AMERICA- LA305/LA3051*

Jeffrey A. Martin Enterprises, Inc.
820 Jordan Street, Suite 510-C
Shreveport, LA 71101

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Mar-06	\$10,200.00	\$6,871.00	\$0.00	\$3,329.00
Apr-06	\$3,450.00	\$1,710.00	\$0.00	\$1,740.00
May-06	\$3,620.00	\$1,760.00	\$0.00	\$1,860.00
Jun-06	\$8,315.00	\$3,938.00	\$1,800.00	\$2,577.00
Jul-06	\$8,375.00	\$3,750.00	\$3,300.00	\$1,325.00
Aug-06	\$11,605.00	\$5,327.00	\$3,300.00	\$2,978.00
Sep-06	\$10,925.00	\$4,960.00	\$3,300.00	\$2,665.00
Oct-06	\$6,480.00	\$3,125.00	\$3,100.00	\$255.00

DNA SERVICES OF AMERICA- MO201

Susan Johnson, Independent Franchisee
19401 East 40 Highway, Suite 120-A

Independence, MO 64055

<i>Month</i>	<i>Gross Sales</i>	<i>Lab Costs¹</i>	<i>Wages²</i>	<i>Operating Profit/Loss</i>
May-06	\$1,275.00	\$630.00	\$0.00	\$645.00
Jun-06	\$1,525.00	\$710.00	\$0.00	\$815.00
Jul-06	\$1,525.00	\$1,000.00	\$0.00	\$525.00
Aug-06	\$2,500.00	\$1,210.00	\$0.00	\$1,290.00
Sep-06	\$3,075.00	\$1,725.00	\$0.00	\$1,350.00
Oct-06	\$5,910.00	\$2,730.00	\$0.00	\$3,180.00

DNA SERVICES OF AMERICA- KY301 (RURAL)

Keith Reed, Independent Franchisee
1823 McIntosh Street, Suite 117
Bowling Green, KY 42104

<i>Month</i>	<i>Gross Sales</i>	<i>Lab Costs¹</i>	<i>Wages²</i>	<i>Operating Profit/Loss</i>
May-06	\$450.00	\$210.00	\$0.00	\$240.00
Jun-06	\$450.00	\$210.00	\$0.00	\$240.00
Jul-06	\$1,150.00	\$595.00	\$0.00	\$555.00
Aug-06	\$2,100.00	\$1,070.00	\$0.00	\$1,030.00
Sep-06	\$1,350.00	\$630.00	\$0.00	\$720.00
Oct-06	\$900.00	\$420.00	\$0.00	\$480.00

DNA SERVICES OF AMERICA- LA303/LA3031⁵

Jill C. Romero, Independent Franchisee
3350 Ridgelake Drive, Suite 259
Metairie, LA 70002

<i>Month</i>	<i>Gross Sales</i>	<i>Lab Costs¹</i>	<i>Wages²</i>	<i>Operating Profit/Loss</i>
Jun-06	\$15,035.00	\$7,750.00	\$2,220.69	\$5,064.31
Jul-06	\$8,815.00	\$4,795.00	\$1,606.61	\$2,413.39
Aug-06	\$15,050.00	\$7,245.00	\$1,903.14	\$5,901.86
Sep-06	\$10,790.00	\$5,455.00	\$1,829.00	\$3,506.00
Oct-06	\$13,485.00	\$6,249.00	\$1,849.00	\$5,387.00

DNA SERVICES OF AMERICA- OR102

Tom Cross, Independent Franchisee
1310 Coburg Road, Suite 10
Eugene, OR 97401

<i>Month</i>	<i>Gross Sales</i>	<i>Lab Costs¹</i>	<i>Wages²</i>	<i>Operating Profit/Loss</i>
Aug-06	\$220.00	\$0.00	\$0.00	\$220.00
Sep-06	\$1,350.00	\$630.00	\$0.00	\$720.00

Oct-06	\$470.00	\$210.00	\$0.00	\$260.00
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DNA SERVICES OF AMERICA- OR101

Rithya S. Tang, Independent Franchisee
 3939 NE Hancock Street, Suite 209
 Portland, OR 97212

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Sep-06	\$900.00	\$420.00	\$0.00	\$480.00
Oct-06	\$1,200.00	\$680.00	\$0.00	\$520.00

DNA SERVICES OF AMERICA- MI201

Tony Bembrister, Independent Franchisee
 3133 Van Horn Road
 Trenton, MI 48183

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Oct-06	\$1,070.00	\$420.00	\$0.00	\$650.00

DNA SERVICES OF AMERICA- CA102

David Winters, Independent Franchisee
 326 West Douglas Avenue
 El Cajon, CA 92020

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Oct-06	\$1,045.00	\$500.00	\$0.00	\$545.00

DNA SERVICES OF AMERICA- NC301

Neal Stutt, Independent Franchisee
 7424 Chapel Hill Road, Suite 108
 Raleigh, NC 27607

Month	Gross Sales	Lab Costs¹	Wages²	Operating Profit/Loss
Oct-06	\$1,600.00	\$805.00	\$0.00	\$795.00

1 – Lab Costs represent the amount paid to our contracted laboratory for their services of performing the laboratory DNA examinations. In addition, while our affiliate did not pay us for our administrative expenses as we require of our franchisees (as described in Item 6 above), we included those costs in Lab Costs.

2 – Wages consist of payments made to employees for offering and selling services to customers, obtaining DNA samples from customers, and sending the samples to the labs.

3 – Service Center **OK302** (in Oklahoma City, Oklahoma) is a sub-office of Service Center **OK301** (in Tulsa, Oklahoma).

4 – Service Center **LA3051** (in Alexandria, Louisiana) is a sub-office of Service Center **LA305** (in Shreveport, Louisiana).

5 – Service Center **LA3031** (in Houma, Louisiana office) is a sub-office of Service Center **LA303** (in Metairie, Louisiana).

SUBSTANTIATION OF THE EARNINGS CLAIMS DATA

Data used in preparing the earnings claim will be made available to you on reasonable request.

THE ABOVE TABLES INCLUDE LAB COSTS AND WAGES, BUT DO NOT REFLECT ANY OTHER COSTS AND EXPENSES THAT MUST BE DEDUCTED FROM GROSS REVENUE FIGURES TO OBTAIN NET INCOME OR PROFIT. YOU SHOULD CONDUCT AN INDEPENDENT INVESTIGATION OF THE COSTS AND EXPENSES YOU WILL INCUR IN OPERATING YOUR FRANCHISED BUSINESS. FRANCHISEES OR FORMER FRANCHISEES, LISTED IN THE OFFERING CIRCULAR, MAY BE ONE SOURCE OF THIS INFORMATION.

THE SALES, PROFITS AND EARNINGS OF AN INDIVIDUAL FRANCHISE MAY VARY GREATLY DEPENDING ON A WIDE VARIETY OF FACTORS, INCLUDING THE LOCATION OF THE FRANCHISE, POPULATION DEMOGRAPHICS, COMPETITION IN THE AREA, THE FRANCHISEE'S BUSINESS, MANAGEMENT AND SALES EXPERTISE, ECONOMIC AND MARKET CONDITIONS, LABOR AND PRODUCT COSTS, ETC. WE ENCOURAGE YOU TO CONTACT FRANCHISEES OR FORMER FRANCHISEES, LISTED IN THE OFFERING CIRCULAR, TO ASK ABOUT THEIR ACTUAL COSTS, PROFITS AND EARNINGS.

A NEW FRANCHISEE'S INDIVIDUAL FINANCIAL RESULTS ARE LIKELY TO DIFFER FROM THE RESULTS DISCLOSED IN THIS ITEM 19. THESE RESULTS SHOULD NOT BE CONSIDERED AS THE ACTUAL OR POTENTIAL SALES, PROFITS OR EARNINGS THAT WILL BE REALIZED BY ANY FRANCHISE. WE DO NOT REPRESENT THAT ANY FRANCHISEE CAN EXPECT TO ATTAIN THESE SALES, PROFITS OR EARNINGS.

**20.
LIST OF FRANCHISE OUTLETS**

FRANCHISE STATUS SUMMARY AS OF OCTOBER 31, 2005 AND AUGUST 31 AND NOVEMBER 1, 2006

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired By Company	Left The System Other	Total From Left Columns	Franchises as of October 31, 2005, August 31, 2006 and November 1, 2006
Arizona	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
California	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	01/1
Colorado	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Florida	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/2
Georgia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Kentucky	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
Louisiana	0/0/2	0/0/0	0/0/0	0/0/0	0/0/0	0/0/2	0/5/5*
Michigan	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1

Mississippi	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
Missouri	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
North Carolina	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
Ohio	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Oklahoma	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/2/2**
Oregon	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/2/2
Pennsylvania	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Tennessee	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
Texas	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Wisconsin	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Totals***	0/0/2	0/0/0	0/0/0	0/0/0	0/0/0	0/0/2	0/17/18

* This table includes the Alexandria, Louisiana office, which is a sub-office of the Shreveport, Louisiana office. This table also includes the Houma, Louisiana office, which is a sub-office of the New Orleans, Louisiana office.

** This table includes the Oklahoma City, Oklahoma office, which is a sub-office of the Tulsa, Oklahoma office.

*** The numbers in the "Totals" columns may exceed the number of franchises affected because several events may have affected the same operation. For example, the same franchise may have had multiple owners. These numbers include franchises owned by companies controlled by our shareholder Jeffrey A. Martin. See Item 2, above.

Our affiliate, DNA Services of America, Inc., owns and operates businesses of the type we are offering to you as follows:

**STATUS OF AFFILIATE OWNED OPERATIONS
AS OF OCTOBER 31, 2005 AND FOR YEAR END - AUGUST 31 AND NOVEMBER 1, 2006**

State	Businesses Closed During Year	Businesses Open During Year	Total Businesses Operating at Year End
Louisiana	0/0/0	0/0/0	6/2/2*
Mississippi	0/0/0	0/0/0	1/0/2**
Oklahoma	0/0/0	0/0/0	2/0/2***
Totals	0/0/0	0/0/0	6/2/2

* The New Orleans, Louisiana office (and its sub-office) were transferred to Jeffrey A. Martin Enterprises, Inc. in January 2006 and were transferred to a new owner franchisee in June 2006. The Shreveport, Louisiana office (and its sub-office) were transferred to Jeffrey A. Martin Enterprises, Inc. March 2006. These offices are franchises and are accounted for in the "Franchise Status Summary" table.

** The Jackson, Mississippi office was transferred to Jeffrey A. Martin Enterprises, Inc. March 2006. This office is a franchise and is accounted for in the "Franchise Status Summary" table.

*** The Tulsa, Oklahoma office and its Oklahoma City sub-office were transferred to Jeffrey A. Martin Enterprises, Inc. November 2005. These offices are franchises and are accounted for in the "Franchise Status Summary" table.

**STATUS OF SHAREHOLDER-OWNED OPERATIONS
AS OF OCTOBER 31, 2005 AND FOR YEAR END - AUGUST 31 AND NOVEMBER 1, 2006**

State	Businesses Closed During Year	Businesses Open During Year	Total Businesses Operating at Year End
Louisiana	0/0/0	0/0/0	1/0/0*
Totals	0/0/0	0/0/0	1/0/0

* The Lafayette, Louisiana office, owned by Jeffrey A. Martin Enterprises, Inc., became a franchise in January 2006 and is accounted for in the "Franchise Status Summary" table.

PROJECTED OPENINGS THROUGH AUGUST 31, 2007

STATE	FRANCHISE AGREEMENTS SIGNED BUT STORE NOT OPEN AS OF OCTOBER 31, 2005 AND AUGUST 31 AND NOVEMBER 1, 2006	PROJECTED NEW FRANCHISED STORES IN NEXT FISCAL YEAR	PROJECTED COMPANY-OWNED OPENINGS IN NEXT FISCAL YEAR
Alabama	0/0/0	1	0
Arizona	0/0/0	1	0
Arkansas	0/0/0	1	0
California	0/1/0	2	0
Colorado	0/0/0	1	0
Florida	0/0/0	2	0
Georgia	0/0/0	1	0
Louisiana	0/0/0	2	0
Michigan	0/1/0	2	0
Mississippi	0/0/0	1	0
Missouri	0/0/0	1	0
New York	0/0/0	2	0
North Carolina	0/1/0	1	0
Ohio	0/0/0	1	0
Oklahoma	0/0/0	2	0
Oregon	0/2/0	1	0
Pennsylvania	0/0/0	1	0
Tennessee	0/1/0	2	0
Texas	0/0/0	2	0
Washington	0/0/0	2	0
Wisconsin	0/0/0	1	0
Totals	0/6/0	30	0

* NOTE: These are projections of the number of new franchises we expect will open in the next fiscal year. It is, however, only a projection. The chart shows those states which we consider priority states, however, we do not plan to sell franchises in all of those states in the upcoming year. We continue to look for new franchisees throughout the United States and will open locations in any state in which we find qualified purchasers. Therefore, the actual number of new franchisees in any state that open in the next fiscal year could vary from the number described above.

The following is our shareholder-owned administrative center and the corresponding addresses and telephone numbers as of **November 1, 2006**:

Case Management Center (CMC) - LA300
Jeffrey A. Martin, President and CEO
Terri Stromatt, Chief Operating Officer
Arthur Paine, CPA, Chief Financial Officer
Steve Shenberger, Director of Franchise Development
Robert Friedman, Regional Director
Rick Foster, Regional Director
Jennifer Dore, Operations Manager
Cindy Huval, Customer Care Man

1507 Kaliste Saloom Road, Suite D
Lafayette, LA 70508
Phone: 337.769.1806
Fax: 337.769.1807
Toll Free: 866.4DNASOA OR 866.436.2762

Jeff's Cell: 337.296.6152
Terri Office: 866.347.3649
Steve Office: 866.432.7021
Robert Office: 530.533.7836
Rick Office: 832.230.8982
Email: jeff@dnasoa.com
Email: terri@dnasoa.com
Email: paine@dnasoa.com
Email: steve@dnasoa.com
Email: robert@dnasoa.com
Email: rick@dnasoa.com
Email: jennifer@dnasoa.com
Email: cindy@dnasoa.com

The following is a complete listing of all of our franchisees and the addresses and telephone numbers of all of their operations as of **November 1, 2006**:

California Offices

San Diego, CA – CA102

David Winters, Independent Franchisee
Beverly Winters, Customer Care Manager
326 W. Douglas Ave
El Cajon, CA 92020
Phone: 619.588.0362
Fax: 619.599.8050
Email: sandiego@dnasoa.com
Email: david@dnasoa.com

Florida Offices

Fort Lauderdale, FL - FL302

Raquel Mandel, Independent Franchisee
Mariam Peguero, Case Manager
300 South Pine Island Road,
Suite 206
Plantation, FL 33324
Phone: 954.476.4646
Fax: 954.475.5505
Email: fortlauderdale@dnasoa.com

Deleted: Joshden Enterprises, Inc.1
Raquel Mandel, Regional Manager1

Miami, FL - FL303 (Sub-office of Fort Lauderdale, FL office)

Raquel Mandel, Independent Franchisee
Phone: 305.936.1115
Fax: 954.476.5505
Email: miami@dnasoa.com

Louisiana Offices

New Orleans, LA - LA303

Jill C. Romero, Independent Franchisee
3350 Ridgelake Dr., Ste. 259
Metairie, LA 70002
Phone: 504.456.3180
Fax: 504.456.3184
Email: neworleans@dnasoa.com

Email: jill@dnasoa.com

Houma, LA - LA3031 (sub-office of New Orleans, LA office)

Jill C. Romero, Independent Franchisee

Amy Domangue, Case Manager

6430 Park Avenue, Suite A

Houma, LA 70364

Phone: 985.873.5448

Fax: 985.873.5848

Email: houma@dnasoa.com

Email: jill@dnasoa.com

Deleted: <#>Lafayette- LA301*
Jamie Trahan, Case Manager
Nicole Patin, Case Manager
Jill Romero, District Manager
1507 Kaliste Saloom Road, Suite D
Lafayette, LA 70508
Phone: 337.769.1806
Fax: 337.769.1807
Toll Free: 866.4DNASOA OR
866.436.2762
Email: jamie@dnasoa.com
Email: nicole@dnasoa.com
Email: jill@dnasoa.com

Kentucky Offices

Bowling Green, KY – KY301

Keith Reed, Independent Franchisee

1823 McIntosh St., Suite 117

Bowling Green, KY 42104

Phone: 270.781.4020

Fax: 270.721.0018

Email: bowlinggreen@dnasoa.com

Deleted: <#>New Orleans- LA303*
Jill C. Romero, District Manager
Phone: 504.456.3180
Fax: 504.456.3184
Email: neworleans@dnasoa.com
<#>
<#>Houma- LA3031*
<#>Jill C. Romero, District
Manager
Amy Domangue, Case Manager
6430 Park Avenue, Suite A
Houma, LA 70364
Phone: 985.873.5448
Fax: 985.873.5848
Email: houma@dnasoa.com

Michigan Offices

Detroit, MI – MI201

Tony Bembnister, Independent Franchisee

Stephany Bembnister, Case Manager

3133 Van Horn Road

Trenton, MI 48183

Phone: 734.692.4362

Fax: 734.692.4366

Email: detroit@dnasoa.com

Missouri Offices

Kansas City, MO – MO201

Susan Johnson, Independent Franchisee

19401 E. 40 Highway, Suite 120-A

Independence, MO 64055

Phone: 816.795.5599

Fax: 866.560.0097

Email: kansascity@dnasoa.com

Deleted: Oklahoma Offices
<#>
<#>Tulsa- OK301*
Kelly Connally, Customer Care
Manager
320 South Boston Ave, Suite 1030
Tulsa, OK 74103
Phone: 918.585.3620
<#>Home: 918.224.7797
Fax: 504.910.8787
Toll Free: 877.585.4362
Rick Cell: 918.809.5476
Email: tulsa@dnasoa.com
¶
<#>Oklahoma City- OK302*
Judy Loy, Customer Care Manager
2525 NW Expressway, Suite 624 A
Oklahoma City, OK 73112
Phone: 405.840.3620
Home: 918.224.7797
Fax: 504.910.8787
Toll Free: 877.585.4362
Rick Cell: 918.809.5476
Email: okc@dnasoa.com

North Carolina Offices

Raleigh-Durham, NC – NC301

Neal Stutt, Independent Franchisee

7424 Chapel Hill Rd, Suite 108

Raleigh, NC 27607

Phone: 919.851.1019

Fax: 919.851.4164

Email: raleigh-durham@dnasoa.com

Oregon Offices

Portland, OR – OR101

Rithya S. Tang, Independent Franchisee

3939 NE Hancock St., Suite 209

Portland, OR 97212

Phone: 503.206.3906

Fax: 877.211.1455

Email: portland@dnasoa.com

Eugene, OR – OR102

Tom Cross, Independent Franchisee

Joyce Cross, Case Manager

1310 Coburg Rd, Suite 10

Eugene, OR 97401

Phone: 541.484.7353

Fax: 541.484.7153

Email: eugene@dnasoa.com

Email: tom@dnasoa.com

Tennessee Offices

Knoxville, TN – TN301

Jim Hummell, Independent Franchisee

Linda Hummell, Customer Care Manager

Donna Call, Case Manager

317 Ellis Ave., Suite 317

Maryville, TN 37804

Phone: 865.379.1182

Fax: 865.379.1145

Email: knoxville@dnasoa.com

The following is a complete listing of all of the operations owned by our affiliate (DNA Services of America, Inc.) or our shareholder through his company Jeffrey A. Martin Enterprises, Inc. and the corresponding addresses and telephone numbers as of November 1, 2006:

Louisiana Offices

Shreveport, LA - LA305*

Jeffrey A. Martin Enterprises, Inc.

Amie Caskey Roberts, Customer Care Manager

Theresa James, Case Manager

820 Jordan Street, Suite 510-C

Shreveport, LA 71101

Phone: 318.227.8339

Fax: 888.823.9350

Email: amie@dnasoa.com

Email: shreveport@dnasoa.com

Alexandria, LA - LA3051* (sub-office of Shreveport, LA office)

Jeffrey A. Martin Enterprises, Inc.

1106 Mac Arthur Drive, Suite 7

Alexandria, LA 71303

Phone: 318.448.4252

Fax: 888.823.9350

| Email: alexandria@dnasoa.com

Baton Rouge- LA302

DNA Services of America, Inc.

Tara Melton, Branch Manager

Chris Melton, Branch Manager

625 Colonial Drive

Baton Rouge, LA 70806

Phone: 225.930.6020

Fax: 225.930.6021

Chris Cell: 225.773.4606

Toll Free: 866.391.3DNA OR 866.391.3362

Email: tara@dnasoa.com

| Email: chris@dnasoa.com

Lafayette, LA - LA301*

Jeffrey A. Martin Enterprises, Inc.

Jamie Trahan, Case Manager

Nicole Patin, Case Manager

1507 Kaliste Saloom Road, Suite D

Lafayette, LA 70508

Phone: 337.769.1806

Fax: 337.769.1807

Email: lafayette@dnasoa.com

Email: jamie@dnasoa.com

Email: nicole@dnasoa.com

Lake Charles- LA304

DNA Services of America, Inc.

Dorothy Iles, Case Manager

3519 Patrick Street, Suite 207

Lake Charles, LA 70605

Phone: 337.884.3726

Phone: 337.884.1626

Fax: 337.462.6569

Email: dorothy@dnasoa.com

Mississippi Offices

Jackson- MS301*

Jeffrey A. Martin Enterprises, Inc.

Jimmy Jones, Community Relations Manager

1815 Hospital Drive, Suite 482

Jackson, MS 39204

Phone: 601.362.3555

Fax: 601.984.9008

Toll Free: 866.399.4362

Email: jackson@dnasoa.com

Oklahoma Offices

Tulsa, OK - OK301*

Jeffrey A. Martin Enterprises, Inc.

Kelly Connally, Customer Care Manager

6218 South Lewis Avenue, Suite 113

Tulsa, OK 74136-1030
Phone: 918.585.3620
Fax: 888.647.3794
Email: kelly@dnasoa.com
Email: tulsa@dnasoa.com

Oklahoma City, OK - OK302*
Jeffrey A. Martin Enterprises, Inc.
2525 NW Expressway, Suite 624 A
Oklahoma City, OK 73112
Phone: 405.840.3620
Fax: 888.647.3794
Email: okc@dnasoa.com

*These franchises are owned by Jeffrey A. Martin Enterprises, Inc., which has one of our shareholders, Jeffrey Martin (see Item 2), as its sole shareholder.

The following is a complete listing of all of the names and last known home address and telephone number of every franchisee who has had an operation terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the date of this Offering Circular. **NONE**

21. FINANCIAL STATEMENTS

Attached are our audited financial statements as of September 30, 2005 and August 31, 2006. Our fiscal year end is August 31.

22. CONTRACTS

Attached are sample copies of the following agreements you may have to sign when you purchase your franchise.

Sample Franchise Agreement
Conditional Assignment of Phone Number
Abandonment, Relinquishment, and Termination of Assumed Business Name
State Law Addendum

23. RECEIPT

Attached to this offering circular are three Acknowledgments of Receipt. The first evidences your receipt of the Franchise Agreement in final form ready for execution (Exhibit H). The last two are duplicates that evidence your receipt of this Offering Circular - one is to be retained by you, the other by us (Exhibit I).