

ITEM 1
THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

The Franchisor

To simplify the language in this offering circular “Re-Bath,” “we” or “us” means ReBath, LLC, the franchisor. “You” or “Dealer” means the person, persons or entity who buys the franchise or “Dealership.” Re-Bath is a Delaware limited liability company that was incorporated on December 18, 2001 to serve as a successor in interest to Re-Bath Corp., an Arizona corporation that was incorporated on April 24, 1991 as Re-Bath Franchising Corporation and offered franchises from that time until January 18, 2002, when ReBath, LLC acquired all of its assets, including the rights as franchisor under all of the Re-Bath Corp. Dealership Agreements. Neither we, our affiliates, nor our predecessors have offered franchises in other lines of business. Re-Bath Franchising Corporation changed its name to Re-Bath Corp. on May 12, 1993 and since then has conducted business under its corporate name only. We conduct business only under the names ReBath, LLC and Re-Bath. Our principal business address, and the principal address of our predecessor is:

ReBath, LLC
1055 South Country Club Drive, Bldg 2
Mesa, Arizona 85210-4613
(480) 844-1575
1-800-426-4573

Re-Bath’s agent for service of process is disclosed in Exhibit B.

On December 18, 2001, ReBath, LLC was formed by an investor group that included officers and directors of Re-Bath Corp. On January 18, 2002 ReBath, LLC acquired all of the assets of Re-Bath Corp., including all rights as franchisor under all of the Re-Bath Corp. Dealership Agreements. Re-Bath Corp. began selling Re-Bath franchises in 1991. Neither Re-Bath nor Re-Bath Corp. offers, nor have either of them ever offered, franchises in any other lines of business.

On December 18, 2001, AmBath, LLC (“AmBath”) was founded to consolidate the operations of manufacturing and installations of bathtub liners in the lodging industry that were previously undertaken by American Bathtub Liners, Inc. and AmBath Corp. This consolidation was accomplished on January 18, 2002. Like its predecessor in interest, AmBath Corp., AmBath, LLC will also manufacture and distribute bathtub liners and related products to Re-Bath LLC under an Exclusive License Agreement. Neither AmBath, AmBath Corp, nor AmBath Bathtub Liners, Inc. offers, nor have any of them ever offered, franchises for any business.

Effective January 1, 1998 American Bathtub Liners, Inc., initiated the phasing out of all manufacturing operations. As its only function, American Bathtub Liners, Inc., leased all manufacturing equipment and thermoforming molds to AmBath Corp. With the January 18, 2002 consolidation of operations, this lease is no longer necessary.

Re-Bath, through an Exclusive Licensing Agreement with AmBath, licenses the concept known as Re-Bath bathtub liners, Re-Bath shower base liners, and Re-Bath wall panels. This Agreement includes the exclusive rights for the Licensing, Distribution and Trademark Rights of the concept as well as the goodwill associated with Re-Bath Products throughout the United States and Canada. The 99 year term Exclusive Licensing Agreement provides that AmBath will not offer dealer or franchise agreements, although AmBath will continue to sell and install its manufactured products under its own trade names nationally and internationally to the lodging industry.

Both AmBath and Re-Bath are at the same business address, as noted above, in Mesa, Arizona. AmBath’s phone number is 480-844-2596.

The Franchise Offered

We grant or award a franchise according to an agreement (the "Dealership Agreement") to individuals, partnerships, limited liability companies or corporations ("you"), which gives you the right to operate a franchise (the "Franchised Business," or the "Dealership") that sells and installs Re-Bath Products to the general public. Your Dealership will operate under the trademark RE-BATH. The Dealership Agreement gives you the right to use the Proprietary Marks and the System solely for the Franchised Business.

We have entered into an agreement with Home Depot U.S.A., Inc. ("Home Depot") to place participating dealers and/or displays in selected Home Depot stores throughout the country. If a participating Home Depot store is in your territory, you will have the option to participate in the Home Depot program in that store. Participation in the Home Depot program is voluntary. In addition, if a participating Home Depot store is in an area that is not designated as a territory for a Re-Bath dealer, Re-Bath may offer the opportunity to participate in that store to a nearby dealer selected by Re-Bath by evaluating the dealers with the five closest territories (based on the showroom locations) and selecting the dealer with the highest sales per capita. If you agree to participate in the Home Depot program, you must remain in good standing with us, as a dealer, and must abide by the terms and conditions of a Service Provider Agreement and attachments with Home Depot, in such form and content as Home Depot reasonably requests. Attached as Exhibit K is a copy of the current agreements being used by Home Depot. The attachments include an Intellectual Property Agreement you would need to sign with Homer TLC, a wholly-owned subsidiary of Home Depot. This document protects Home Depot's trademark rights.

If you do not participate in the Home Depot program, or if you are terminated from the Home Depot, your exclusivity in your territory will be revoked solely as to the Home Depot program and we may place another dealer in your territory, solely for the Home Depot program.

You are not required to pay any additional fees either to us or to Home Depot as a result of participating in the Home Depot program. However, you will be required, at your cost, to build and maintain a Re-Bath display in the Home Depot store. In addition, if you choose to participate in the Home Depot program, you and your employees must pass background investigations that include credit reports and criminal records.

We may also enter into similar programs with other home improvement retailers or other mass merchandise retailers.

The market for the Re-Bath Products is well established. You will compete with other liner companies, bathtub refinishers, and remodelers, or others who specialize in replacing bathtubs and showers.

Industry-Specific Regulations

You may be required to apply for construction or contractor licenses or permits depending upon the state, county, or local regulations to do business in your area.

ITEM 2 **BUSINESS EXPERIENCE**

President and Chief Executive Officer: David G. Sanders

Since January 18, 2002 Mr. Sanders has served as President and Chief Executive Officer for both Re-Bath and AmBath. He joined InnBath Liners in 1987 as a National Sales Manager until 1990, when the company changed to American Bathtub Liners. In 1995 Mr. Sanders was promoted to Vice President of Sales and Marketing for AmBath Corp. Mr. Sanders is also a director and member/owner of AmBath/ReBath, LLC, the Delaware limited liability company that, since January 18, 2002 has owned both Re-Bath and AmBath ("AmBath/Re-Bath").

Chief Financial Officer, Treasurer, and Corporate Secretary: Tim Szkatulski

Mr. Szkatulski joined AmBath Corporation in May of 2001 as a controller. In January 2002 he was promoted to Chief Financial Officer and Treasurer for AmBath and Re-Bath. From 1991 to 2001 Mr. Szkatulski served as a controller for Automotive Sales Company, in Tempe, Arizona, which became FleetPride, Inc. in 1998. Mr. Szkatulski is also a director and member/owner of AmBath/Re-Bath.

Executive Director of Human Resources & Administration: Robin Rolando

Ms. Rolando joined InnBath Liners in October 1987 as an Office Manager. In 1988 she was promoted to Director of Operations for American Bathtub Liners. In 1999 Ms. Rolando became the Director of AmBath Human Resources. In January 2002 she was promoted to Executive Director of Human Resources for AmBath and Re-Bath. Ms. Rolando is also a member/owner of AmBath/Re-Bath.

Vice President of Operations: Norm Murdock

Mr. Murdock joined Re-Bath Corp. as the Plant Manager for Ambath Corporation and Re-Bath Corp. in February of 1996. He was promoted to General Manager of Ambath Corporation in August of 2000, and promoted to Vice President of Operations for Re-Bath and AmBath in January 2002. From January of 1988 to February 1995, served as Plant Manager for Valley City Sign Company/Sign Comp, Inc., in Comstock Park, Michigan. Mr. Murdock is also a member/owner of AmBath/Re-Bath.

Director of Franchise Development: Cecil B. Johnson

Mr. Johnson joined Re-Bath in September, 2005 as its Director of Franchise Development. From November 2004 to September 2005, Mr. Johnson was a self employed franchise consultant to Novus Auto Glass in Eden Prairie, Minnesota. From November 2003 to November 2004, Mr. Johnson was a self employed franchise consultant to Maid Brigade in Eden Prairie, Minnesota. From November 2002 to November 2003, he was a self employed franchise consultant to Miracle Ear in Plymouth, Minnesota. From November 2000 to November 2002, he was a self employed franchise buyer for Purofirst International, Inc. in Ft. Lauderdale, Florida. From April 1999 to November 2000, he was a self employed franchise buyer for Zaio.com in St. Charles, Missouri.

Director of Marketing: Joseph E. Butgereit

Mr. Butgereit joined Re-Bath in December, 2005 as the Director of Marketing. From January 2004 through July of 2005, Mr. Butgereit served as Director of Marketing for Wing Zone Franchise Corporation in Atlanta, Georgia. From March of 1996 through January of 2004, Mr. Butgereit was employed by BLIMPIE International, Inc. in Atlanta, Georgia. He began as Marketing Manager, and moved through Senior Marketing Manager, Director of Marketing for East Region, Director of East Region, and National Director of Field Marketing.

Franchise Development Executive: Clair Flaten

Mr. Flaten joined Re-Bath in September, 2005 as a Franchise Development Executive. From March 15 to August 15, 2005, Mr. Flaten served as an associate in the lawn and garden department at Home Depot in Chesterfield, Missouri. From April 1, 2004 to February 1, 2005, he was the Franchise Director for Aire-Master of America in Nixa, Missouri. From September 1, 2002 to March 15, 2004, he was a corporate recruiter for Sales Consultants in Chesterfield, Missouri. From April 1, 1985 to April 1, 2002, he was the Franchise Director at Medicine Shoppe International in St. Louis, Missouri.

ITEM 3
LITIGATION

Rome Enterprises, Inc. et al v. Re-Bath, LLC, CV-01756-JMM. On August 29, 2005, Rome Enterprises, Inc., an existing franchisee, filed a Complaint against us in the United States District Court for the Middle District of Pennsylvania. The Complaint did not arise out of any existing Dealership Agreement, but instead alleged that Re-Bath made a verbal promise to sell an existing franchisee a new franchise territory in Rochester, New York. The Complaint alleged fraudulent misrepresentation, breach of contract, negligent misrepresentation, promissory estoppel and breach of a covenant of good faith and fair dealing, and requested a declaratory judgment that Re-Bath is legally required to sell the franchisee a new territory in Rochester, New York under the same terms as previous Dealership Agreements with the franchisee. The litigation has been dismissed without prejudice, and the parties have agreed to a settlement. Upon finalizing and signing the settlement agreement, the Complaint will be dismissed with prejudice.

Other than this one action, no litigation is required to be disclosed in this Offering Circular.

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
DEALER'S FRANCHISE FEE

When you sign the Dealership Agreement, you pay us an Initial Fee per area or territory. The large market territory will consist of a population of 150,000 or greater. A small market territory will consist of a population of under 150,000. You will be charged at the rate of six cents (\$.06) per person within the large market territory. For example, the Initial Fee for a population count of 150,000 is \$9,000 (150,000 x .06); and the Initial Fee for a population count of 1,000,000 is \$60,000 (1,000,000 x .06). You will be charged a flat fee of \$3,500 for a small market territory. The population is determined by the 2000 United States Census Bureau statistics. In 2005, the Initial Fees we actually received ranged from \$3,500 to \$20,538.

You must pay the Initial Fee, in full, upon execution of the Dealership Agreement, unless you or your company currently operate a business selling and installing bathtub liners. If you are in the bathtub liner industry, you may pay the Initial Fee, as determined by the population of the territory, within 12 months following the date of your Dealership Agreement, at the rate of \$30.00 per unit sold, with 10% interest, by executing a Promissory Note. Any balance owed to us, after twelve months, must be paid in full within 30 days.

You must purchase your initial equipment and supplies (the "Start-Up Package") from us. If you are already in the bathtub liner industry, purchase of the Start-Up Package is optional. The cost of the Start-Up Package is \$6,000.00 for a large market territory or \$3,000.00 for a small market territory. The Start-Up package includes a variety of materials necessary to begin the Franchised Business. The package, unless picked up at training, is shipped from Mesa, Arizona to you at your expense. You may finance the total cost of the Start-Up Package for up to six months, upon the execution of the Dealer Agreement by signing a Promissory Note. The Promissory Note (Exhibit F1) is personally guaranteed by you if you are an individual, or is personally guaranteed by the owners of 15% or more of your equity if you are a legal entity and pledges your rights in the Dealership Agreement as collateral.

The Initial Fee and the payment for the "Start-Up Package" are both fully earned when received or when a promissory note is signed, whichever occurs first, and are both non-refundable.

ITEM 6
OTHER FEES

Name of Fee	Amount	Date Due	Remarks
Royalty	\$25.00/Unit	Payable at time of order of Unit	A Unit is a bathtub liner or shower base liner. Displays and samples are excluded.
Advertising	\$249.00 (large market territory) \$150.00 (small market territory)	Monthly Monthly	This amount is for the national 1-800-BATHTUB advertising participation fee; this amount may change from time to time, but no more than 10% per year. Other than this, there are no continuing advertising fees charged to you but you are required to pay for your own advertising. We set the minimum amounts, which are \$20,000 in the first 12 months after completion of the initial training program for a small market territory, and \$40,000 for a large market territory. After the first 12 months, every dealer must spend at least 10% of its prior year's gross sales on advertising (such 10% to exclude any sales made through the Home Depot program). Gross sales are defined as all revenue generated from sales, installation, and repair of the following before deduction for any expenses: bathtub liners, shower base liners, and wall panels ("Required Products") together with ancillary products such as shower doors, valves, plumbing fixtures, and products necessary for the installation of the Required Products. Advertising requirements include placing local Yellow Page advertising, which we must approve in advance.
Transfer	\$5,000.00	Before consummation of transfer	Transfer fee includes mandatory initial training costs.
	\$350.00	Before consummation of transfer	This document fee is imposed for transfers to corporations, partnerships and limited liability companies owned by you.
Renewal	\$1,000.00	Before renewal date	
Audit	Cost of Audit	Upon Demand	Payable only if audit reveals understatement of 5% or more of royalty or installation.

Name of Fee	Amount	Date Due	Remarks
Interest	18% per annum from date due	Upon Demand	Payable on overdue amounts.
Initial Installation and Operations Training	\$750.00 per person	Before beginning of training	Re-Bath trains 2 people at no cost. This fee is for additional persons.
Home Depot	\$65 for end cap display \$800 - \$1,400 for optional in-store display	As agreed by Dealer and Home Depot	Payable to Home Depot or suppliers of items included in display. Participation in the Home Depot program is optional and is not available to all dealers. See items 1, 8 and 12.
Customer Service	Up to 100% customer's original amount for products and services	Within 30 days after receipt of invoice	If we feel you do not fairly handle a customer complaint, we reserve the right to intervene and satisfy the customer.
Income Taxes	In addition to monthly royalty fees, Franchisor has the right to collect from you the cost of all income taxes, sales taxes and other taxes arising as a result of our licensing of intellectual property to you in the state where your franchise is located, as well as any assessment on the royalty fees, advertising contributions and any other income we receive from you.	Payable monthly with royalty fees	Only imposed if state collects these taxes or assessments.
Supplier Testing Fee	This fee can range from \$100 to \$5,000, depending on the item(s) being tested.	As incurred	You may incur this fee as a result of proposing a new supplier.

Except for the Home Depot fees, all fees are imposed by, and payable to us, and are nonrefundable.

**ITEM 7
INITIAL INVESTMENT**

	Estimated Cost		Method of Payment	When Due	To Whom Payment Made	Whether Refundable
	Large Market	Small Market				
Initial Fee ¹	\$9,000– \$100,000 ²	\$3,500	In full unless in bathtub liner industry, then we finance for 12 months at \$30 per Unit	Upon execution of Dealership Agreement, unless in bathtub liner industry, then payable at time of order of Units for 12 months. Balance at end of 12 months, if any, due within 30	Franchisor	No

	Estimated Cost		Method of Payment	When Due	To Whom Payment Made	Whether Refundable
	Large Market	Small Market				
Start-Up Package ³	\$6,000	\$3,000	Lump sum or 6 monthly payments	days Before training or may be financed for up to 6 months	Franchisor	No
Pre-Opening Salaries, Travel, Transportation and Initial Training ⁴	\$1,500- \$5,000	\$1,500- \$3,000	As arranged	As arranged	Suppliers of transportation, food, employees	No
Custom Product Displays - Improvements- Construction Costs ⁵	\$3,000- \$50,000	\$3,000- \$30,000	As arranged	As arranged	Contractor employees	No
Real Estate ⁶	\$3,400- \$20,000	\$3,400- \$20,000	As arranged	As arranged	Property owner/lessor	No
Signage ⁷	\$3,000- \$5,000	\$3,000- \$5,000	As arranged	As arranged	Suppliers	No
Opening Advertising ⁸	\$13,500- \$27,000	\$6,700- \$13,400	As arranged	As incurred	Suppliers	No
Insurance ⁹	\$2,000- \$4,000	\$2,000- \$4,000	As arranged	As incurred	Insurers	No
Supplies/ Office and Misc. ¹⁰	\$2,000- \$6,000	\$2,000- \$6,000	As Arranged	As incurred	Suppliers	No
Additional Funds- three months ¹¹	\$7,500- \$30,000	\$7,500- \$15,000				
TOTAL ¹²	\$50,900- \$256,000	\$35,600- \$102,900				

¹ The initial fee and certain expenses are discussed in detail in Item 5. The initial fee may vary if you purchase a larger territory. For example, if you purchase a territory with 150,000 people, then the initial fee is \$9,000, and if you purchase a territory with 1,000,000 people, the initial fee is \$60,000. You must pay the initial fee, in full when signing the Dealership Agreement, unless you or your company are currently in business selling and installing bathtub liners. If in the bathtub liner industry, you may finance the initial fee (see Item 5), if we approve, with a Promissory Note for twelve months at the rate of \$30.00 per Unit purchase, at 10% interest per annum. Any balance owed to us, after twelve months, must be paid in full within 30 days. The Promissory Note is personally guaranteed by you if you are an individual, or is personally guaranteed by the owners of 15% or more of your equity if you are a legal entity. The Promissory Note can be prepaid at any time without penalty. If you do not pay on time, penalties include: immediate payment of the full outstanding balance, court costs and attorney's fees if a collection action is necessary, and we have the right to terminate your Dealership Agreement. Promissory Note in Exhibit F2.

- ² In 2004, Re-Bath granted a franchise in Central Florida that had an Initial Fee of \$133,179; however, Re-Bath will not grant any future franchises that have an Initial Fee greater than \$100,000.
- ³ You must purchase your initial equipment and supplies (the "Start-Up Package") from us. If you are already in the bathtub liner industry, purchase of the Start-Up Package is optional. The cost of the Start-Up Package is \$6,000.00 for the large market territory or \$3,000 for the small market territory, which includes a variety of materials necessary to begin the Franchised Business. The package, unless picked up at training, is shipped from Mesa, Arizona to you at your expense. If you meet our credit standards, you may finance the total cost of the Start-Up Package, for up to six months, upon the execution of the Dealer Agreement by signing a Promissory Note. The Promissory Note (Exhibit F1) personally guaranteed by the owners of 15% or more of your equity if you are a legal entity. The Promissory Note pledges your Dealership Agreement as collateral.
- ⁴ We provide instructors and materials. We pay the cost of one hotel room (for maximum of 2 people) during the initial training period only. You must pay for all other expenses, such as transportation including airfare and car rental, food and wages, associated with all training programs. These expenses will not be uniform, but will vary according to the location of the Dealership in relation to the training facilities and other variables.
- ⁵ A minimum of five permanent product displays are necessary to display Re-Bath Products. Two displays must be a combination bathtub liner and wall surround system. Two other displays must be a shower base liner and wall surround system. The fifth display may be a combination of your choice.
- ⁶ If you do not already operate an existing business with adequate showroom space which meets Re-Bath criteria, within six months after the completion of your training, you must open and operate your Dealership from a showroom/office within your exclusive territory. The site should include a minimum of 800 square feet for a showroom for the display of Re-Bath products, and be located in an area with high traffic on or near a main arterial street. You may also need additional square footage for office and storage. Rent is estimated to be between \$3,400 - \$20,000 per year depending on factors such as size, condition and location of the leased premises. You may also be required to pay security deposits, utilities and improvement costs. If the population in your territory increases by 10% or more, as shown in any census conducted by the United States Census Bureau, we may require you to open additional showrooms or alternatives, such as mall kiosks, in your territory. In addition we may require you to open one or more additional showrooms, or additional alternatives such as mall kiosks, if you acquire additional territory from us or from other dealers and we do not enter into a new Dealership Agreement for the additional territory.
- ⁷ Indoor and outdoor signage is necessary to open a showroom and must be approved by Re-Bath.
- ⁸ Advertising includes media buys and promotional items. Expenses may start to incur before opening the Dealership. During the first 12 months after completion of the initial training program, we require you to commit at least \$40,000 for initial advertising in a large market territory to promote your Dealership. In a small market territory, the commitment shall be at least \$20,000. During the first 12 months after completion of initial training program each dealer must spend at least 10% of the dealer's gross sales for the prior 12 months on advertising (such 10% to exclude any sales made through the Home Depot program). We expect you will spend one-third to two-thirds of the first year minimum advertising requirement in the first three months of operation.
- ⁹ Before opening and during the term of your Franchised Business, you need insurance to protect you and us against loss, liability or expense, from personal injury, death, property damage, connected with the operation of your Re-Bath Dealership. You must name us as an additional named insured on the policy. The policy must, at a minimum, include the following: 1. General and Public Liability, with a minimum single limit liability of \$1,000,000 per person; and 2. Property Damage liability insurance with minimum limits of \$500,000 per occurrence. You must have Worker's Compensation and Employer's Liability insurance as required by state and federal law where you operate. You may need other insurance as required by the state in which your Franchised Business operates. You must give us copies of all policies and policy amendments. We require 30 day cancellation notice to us on the insurance policies. Inadequate insurance coverage is cause for us to stop shipment of Products to your Re-Bath Dealership until these requirements are met. All insurance payments are non-refundable, and insurance costs will vary.

- ¹⁰ Includes miscellaneous supplies (in addition to the Start-Up Package) and office supplies that you may need.
- ¹¹ You will need capital to support on-going expenses, like payroll and other monthly fixed costs, to the extent that these costs are not covered by sales revenue. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover on-going expenses for the start-up phase of the Dealership, which we calculate to be three months. This is only an estimate, and there is no guarantee that more working capital will not be needed during this start-up phase or after.
- ¹² We relied upon our collective experience of over 50 years in the industry when preparing these figures. You should carefully review these figures with a business advisor before making any decision to purchase the Franchised Business.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase Re-Bath Products as specified in our Confidential Operations Manuals. These specifications include the specific product type required. We place no restrictions on where or from whom you purchase ancillary products such as shower doors, valves, plumbing fixtures, and products necessary for installation. At the present time, Re-Bath is the only approved source of supply for bathtub liners, shower base liners, and wall panels (the "Required Products") for you as a Re-Bath Dealer. Re-Bath offers our Dealers annual volume discount pricing. You may purchase the Required Products and specified materials and supplies from us or from manufacturers approved by us who demonstrate, to our satisfaction, the ability to meet our reasonable standards and specifications for those items; who possess adequate quality control and capacity to supply your needs promptly and reliably; and who have been previously approved in writing by us and not disapproved later. We may make other Re-Bath Products available to you, either on a private label or third party basis. Generally, you are not obligated to purchase these additional products from us; however, we may add additional items to the list of Required Products if such additional items are manufactured by us or one of our affiliates, or such items incorporate our intellectual property. We may require you to purchase new Required Products, as well as other specific supplies and materials, directly from us or only from manufacturers approved by us.

We derive income from the purchase of supplies by you. In addition, our affiliate, AmBath, LLC., derives income from your purchases by manufacturing the Required Products for us. AmBath LLC had revenue for Required Products in 2005 of approximately \$8,084,733. AmBath's 2005 total revenue represented for Required Products was approximately 45%. We are also an approved provider for other supplies. Other approved manufacturers and their products are listed in the Confidential Operations Manual or available to you upon request. We do not negotiate purchase arrangements with suppliers. We do not provide material benefits to you based upon your use of approved sources. We consider a variety of factors when determining whether to renew or grant additional franchises. Among the factors we consider is compliance with the requirements described above.

If you want to purchase any installation items, or any Required Products from an unapproved manufacturer, you must submit a written request for approval, or request the manufacturer itself to do so. We will not unreasonably withhold approval. We must approve or disapprove the request within 60 days after a request has been submitted. We have the right to require that our representatives be permitted to inspect the manufacturer's facilities, and request samples from the manufacturer be delivered, at our option, either to us or to an independent laboratory designated by us for testing. You are responsible for any testing fees. We may inspect the proposed manufacturer's financial records and investigate its history. We may also re-inspect the facilities and products of any approved manufacturer and revoke approval upon the manufacturer's failure to continue to meet any of our reasonable criteria.

You must not sell or offer for sale any Required Products acquired from the proposed supplier unless and until you receive our written approval of the proposed supplier. We may from time to time revoke our approval of particular products or suppliers when we determine, in our sole discretion, that the products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must stop selling and/or installing any disapproved products and any products acquired from any disapproved supplier.

We have negotiated a program with Home Depot, which is a voluntary program and which will have Home Depot stores selling Re-Bath Products through a display in the selected Home Depot stores. If any of our dealers choose to participate, they will be required to sign an agreement with Home Depot, a copy of which is attached as Exhibit K. If a dealer's participation is terminated by Home Depot for any reason, we reserve the right to sell Re-Bath Products via this program even though the Re-Bath Products will be sold within their protected territory. We will not receive any income or other material benefit from the Home Depot program. We may also enter into similar programs with other home improvement retailers or other mass merchandise retailers.

We estimate the purchase of Required Products, represents approximately 15% to 20% of a Dealer's cost to establish and operate the Franchised Business. During the year ending December 31, 2005, Re-Bath had revenues of \$17,950,000. \$17,105,824 of this amount (approximately 95%) consisted of revenues from the sale of Re-Bath Products to our Dealers. See ReBath, LLC's financial statements attached as Exhibit I.

There are no purchasing or distribution cooperatives.

ITEM 9
DEALER'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS OFFERING CIRCULAR.

Obligation	Section in Agreement	Item in Offering Circular
a. Site selection and acquisition/lease	Articles 6 and 7 of Dealership Agreement	Items 7 and 11
b. Pre-opening purchases/leases	Articles 1, 6, 16, 18 and 22 of Dealership Agreement	Items 5, 6 and 7
c. Site development and other pre-opening requirements	None	None
d. Initial and ongoing training	Articles 4, 5 and 7 of Dealership Agreement	Items 11 and 6
e. Opening	Articles 2 and 6 of Dealership Agreement	Item 11
f. Fees	Articles 1 and 14 of Dealership Agreement	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Articles 6 and 8 of Dealership Agreement	Items 11 and 14
h. Trademarks and proprietary information	Articles 1, 6, 15, 17 and 26 of Dealership Agreement	Items 11, 13 and 14
i. Restrictions on products/services offered	Articles 6 and 9 of Dealership Agreement	Item 16
j. Warranty and customer service requirements	Articles 6, 10 and 26 of Dealership Agreement	Item 6
k. Territorial development and sales quotas	Articles 2 and 19 of Dealership Agreement	Item 12
l. Ongoing products/service purchases	Articles 6 and 9 of Dealership Agreement	Item 8

Obligation	Section in Agreement	Item in Offering Circular
m. Maintenance, appearance and remodeling requirements	Article 6 of Dealership Agreement	None
n. Insurance	Article 22 of Dealership Agreement	Item 7
o. Advertising	Articles 16 and 18 of Dealership Agreement	Items 6 and 11
p. Indemnification	Articles 22 and 29 of Dealership Agreement	None
q. Owner's participation/management/staffing	Article 26 of Dealership Agreement	Item 15
r. Records/reports	Article 6 of Dealership Agreement	None
s. Inspections/audits	Article 6 of Dealership Agreement	Items 6 and 19
t. Transfer	Articles 23 and 24 of Dealership Agreement	Item 17
u. Renewal	Article 21 of Dealership Agreement	Item 17
v. Post-termination obligations	Article 26 of Dealership Agreement	Item 17
w. Non-Competition covenants	Articles 20 and 27 of Dealership Agreements	Item 17
x. Dispute resolution	Article 33 of Dealership Agreement	Item 17

ITEM 10
SUMMARY OF FINANCING OFFERED

ITEM FINANCED SOURCE	AMOUNT FINANCED	DOWN PAYMENT	TERM (YRS)	APR %	MONTHLY PAYMENT	PREPAY PENALTY	SECURITY REQUIRED	LIABILITY UPON DEFAULT	LOSS OF LEGAL RIGHT ON DEFAULT
Initial Fee (Note 1) Example - large market	\$20,000	None	1	10	N/A	None	Personal Guarantee	Loss of Franchise; Atty's fees	None
Initial Fee (Note 1) Example -- small market	\$3,500	None	1	10	N/A	None	Personal Guarantee	Loss of Franchise; Atty's fees	None
Land/Construct	None								
Leased Space	None								
Equipment Lease	None								
Equipment Purch (Note 2)	\$6,000 large market	None	.5	10	\$1,029.37	None	Personal Guarantee	Loss of Franchise; Atty's fees	None
	\$3,000 small market	None	.5	10	\$514.68	None	Personal Guarantee	Loss of Franchise; Atty's Fees	None
Opening Invent.	None								

Other Financing None

Note 1 - You must pay the Initial Fee in full unless you or your company is currently in the bathtub liner business. You may finance the Initial Fee (see Item 5), if we approve, with a Promissory Note for twelve months at the rate of \$30.00 per unit purchased with interest at 10% per annum or as negotiated. Any balance owed to us, after twelve months, must be paid in full within 30 days. The Promissory Note is personally guaranteed by you if you are an individual, or is personally guaranteed by the owners of 15% or more of your equity if you are a legal entity. The Promissory Note can be prepaid at any time without penalty. If you do not pay on time, we can call the loan and demand immediate payment of the full outstanding balance, obtain court costs and attorney's fees if a collection action is necessary and we have the right to terminate your Dealership Agreement. Promissory Note in Exhibit F2.

Note 2 - If you meet our credit standards, we will finance the purchase of your Start-Up Package for up to six months. Our decision to grant, or not grant financing is determined by us and is based upon your need, background and history. The Promissory Note is personally guaranteed by you if you are an individual, or is personally guaranteed by the owners of 15% or more of your equity if you are a legal entity. The Promissory Note can be prepaid at any time without penalty. If you do not pay on time, we can call the loan and demand immediate payment of the full outstanding balance and obtain court costs and attorney's fees if a collection action is necessary. We also have the right to terminate your Dealership Agreement if you do not make payments. Promissory Note in Exhibit F1.

We do not currently, nor do we plan to, discount or sell in whole or in part, any note, contract, or other instrument executed by you nor are there any waivers of defense or similar provision with regard to any financing arrangements.

We do not arrange financing from other sources. We do not receive direct or indirect payment from any person or persons for obtaining or placing financing. As of January 2006 we have been included on the Small Business Association's Franchise Registry. This listing should ensure expedited loan processing for prospective franchisees obtaining SBA financing.

We do not guarantee your obligations to third parties.

ITEM 11 **FRANCHISOR'S OBLIGATIONS**

Except as disclosed below, Re-Bath need not provide any assistance to you.

Pre-Opening Obligations

Before you open your Dealership, we will:

1. Provide you with proprietary and confidential installation criteria specifications for the proper installation of Re-Bath Products. (Article 7 in Dealership Agreement).
2. Provide training as set forth below. (Article 4, Dealership Agreement).
3. Provide, on loan, one copy of the Confidential Operations Manuals. (Article 8, Dealership Agreement).
4. Designate your exclusive territory. (Article 2, Dealership Agreement).
5. Sell you your Start-Up Package. (Article 1, Dealership Agreement).
6. Advise you in selecting an initial showroom site within 4 months after completion of the initial Installation and Operations training program. Your site must have at least 800 square feet in area devoted to display of Re-Bath Products, have adequate storage area, and be located in a high traffic area or on or near a main arterial

street. We must approve or disapprove your site within 30 days after we receive notice of the location. We have never had a situation where we have been unable to reach agreement regarding a showroom site, and we do not expect this to be a concern. If we cannot agree on a site for your showroom, then, at your expense, the dispute will be settled by binding arbitration. If you open additional showrooms, or alternatives such as mall kiosks, we may provide the same assistance and will have the same right to approve or disapprove. (Articles 6 and 33, Dealership Agreement).

Training Programs

Within 90 days after your signing the Dealership Agreement, provide an initial Installation and Operations training program for two people at Re-Bath's Mesa, Arizona headquarters. One of the trainees must be your full time manager and the other must be your full time installer. You must complete the training program to our satisfaction. We pay the cost of 1 hotel room (for a maximum of 2 people), you pay all other personal expenses. (Article 4 of Dealership Agreement) You must offer Re-Bath Products to the general public within 3 months after successful completion of the initial Installation and Operations training program (Article 6 of Dealership Agreement). Failure to comply is a cause for termination. (Article 25 of Dealership Agreement).

If you want to send additional personnel to the initial Installation and Operations training program, you must pay a \$750.00 materials fee and all personal expenses, such as lodging, transportation, wages and food for each extra individual. (Article 4 of Dealership Agreement).

Re-Bath may also hold seminars, sales classes, special conferences and Advanced Installation Training from time to time, which we may require you to attend and pay for. (Article 5 of Dealership Agreement). You are required to have one person, either your manager or a key employee, attend our National Dealer Conferences, which are held approximately every 14 to 20 months. (Article 5 of Dealership Agreement).

Re-Bath will train your manager and one full time installer as follows:

INITIAL INSTALLATION AND OPERATIONS TRAINING PROGRAM

<i>Day</i>	<i>Subject</i>	<i>Time Begun</i>	<i>Instructional Material (s)</i>	<i>Hours of Classroom Training</i>	<i>Instructor & Years of Experience</i>
<i>One</i>	Manufacturing Methods and Templating/ Measuring Techniques	<i>8:00 AM</i>	Manufacturing Facility Tour Product Orientation	Owner 8 hrs	Norm Murdock, Vice President Franchise Operations 10 years
			Installation Training Introduction	Installer 8 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
<i>Two</i>	Installation Techniques Bathtub Installation	<i>8:00 AM</i>	Installation Manual	Installer 8 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
	Marketing Training		Operations Manual	Owner 8 hrs	Jay Butgereit, Marketing Director 10 years
<i>Three</i>	Installation Techniques Bathtub Installation	<i>8:00 AM</i>	Installation Manual	Installer 4 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
	Wall Systems Sales Training		Operations Manual	Owner 8 hrs	Sid Birch, Sales Director 5 years

<i>Day</i>	<i>Subject</i>	<i>Time Begun</i>	<i>Instructional Material (s)</i>	<i>Hours of Classroom Training</i>	<i>Instructor & Years of Experience</i>
<i>Four</i>	Installation Techniques Wall Systems Accessories	<i>8:00 AM</i>	Installation Manual	Installer 4 hrs 4 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
	Sales Training Franchise Operations		Operations Manual	Owner 4 hrs 4 hrs	Sid Birch, Sales Director 5 years Norm Murdock, V.P. Franchise Operations 10 years
<i>Five</i>	Installation Techniques URSB USB	<i>8:00 AM</i>	Installation Manual	Installer 4 hrs 4 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
	Hiring/Human Resources		Operations Manual	Owner 1 hr	Robin Rollando, VP Operations 20 years
	Accounting/Cash Flow/Budgeting Competitive Review			1 hr	Tim Szkatulski, CFO 20 years
	Operations Training			3 hrs 3 hrs	Norm Murdock, VP Franchise Operations 10 years Jan Farr, FAC Supervisor 7 years
<i>Six</i>	Installation Techniques Final Review/Testing	<i>8:00 AM</i>	Installation Manual	Installer 4 hrs	Lemoin Skiles, Corporate Installation Technician 5 years
	Web Ordering System		MAS 200	Owner 4 hrs	Jan Farr, FAC Supervisor 7 years

Company has the right to make such changes in its training staff as it deems necessary.

Continuing Obligations

During the operation of the Franchised Business, we will:

1. Provide consultation and maintain a continuing advisory relationship with you at our sole discretion and subject to the availability of our personnel. We may also provide consultation and counseling to you with respect to sales, merchandising and promotional operating techniques at our option. (Article 7, Dealership Agreement).
2. Provide access to purchase at wholesale prices, the Re-Bath bathtub liners, Re-Bath shower base liners, Re-Bath replacement shower base liners, Re-Bath wall surround systems, Re-Bath replacement tubs, and Re-Bath replacement shower bases, and other products necessary for the operation of the Re-Bath Dealership. (Article 11, Dealership Agreement).
3. Provide accurate identification of Re-Bath Bathtub Liners ordered by you. (Article 12, Dealership Agreement).
4. Loan you a copy of our Confidential Operations Manuals which contain standards, methods, policies and procedures. This manual is confidential and remains our property. Re-Bath will modify or revise this manual, and you must comply with each new or changed standard. (Article 8 of the Dealership Agreement) The Confidential Operations Manual table of contents is Exhibit G.

Advertising and Promotion

Re-Bath's in-house marketing department occasionally provides for placement of national advertising for the entire Re-Bath system. However, most placement is done on a local basis, typically by local advertising agencies hired by individual dealers or the individual dealers themselves.

We will provide copyrighted advertising materials and other advertising materials for your use in local advertising. You may develop advertising materials for your own use, at your own cost. Re-Bath must approve the advertising materials in advance and in writing.

We require you to spend certain annual minimum amounts on advertising. These amounts are described in Item 6. (Articles 6 and 18, Dealership Agreement) We also require you to have at least one external dedicated Re-Bath sign. (Article 16, Dealership Agreement)

Re-Bath has a National Advertising Telephone Number, 1-800-BATHTUB. For national consistency you will be required to participate in the 1-800-BATHTUB program, and pay us monthly fees to participate in using this national toll free telephone number. The participation fee is presently \$249.00 per month for a large market territory and \$150.00 for a small market territory. These participation fees may increase from time to time but no more than 10% per year. (See Item 6, and Article 18, Dealership Agreement)

Re-Bath may, from time to time, establish sales and marketing programs, including but not limited to print advertising, telemarketing, etc., to promote commercial business development for Re-Bath Dealers. These programs are for the benefit of the Dealer and Re-Bath and will be at no charge to Dealer. There are no requirements regarding minimum amounts we must spend on advertising. We do not collect funds from our dealers for any collective or cooperative advertising programs. Upon your written request, no more often than once per our fiscal year, we will provide you an accounting of our advertising expenses if your state laws require us to do so.

You are not required to participate in any other advertising programs. If you wish to expand upon the advertising material we provide and desire to create your own advertising and promotional material, including any internet websites, you must first submit such material to us for approval before use. We will approve or disapprove in writing, in our reasonable discretion, within 15 days after receipt, any submissions from you of proposed advertising materials. Our approval of proposed advertising materials will not be unreasonably withheld. If we do not approve or disapprove any such material within this 15 day period, then such advertising materials will be deemed to be approved in the form submitted.

Site Selection

We will advise you in selecting a business site. The initial showroom site must be within your territory as outlined in Exhibit B of the Dealership Agreement, should include a minimum of 800 square feet for a showroom, and be situated in an area with high traffic, on or near a main arterial street. Within 30 days, we must approve or disapprove in writing, your showroom site after we receive notice of the location and either photographs or video of proposed site. (Article 6, Dealership Agreement) If you and Re-Bath cannot agree upon a site, then at your expense, the controversy will be settled by binding arbitration. (Article 33, Dealership Agreement) If you do not open a showroom within four months after you complete initial training, and no arbitration has commenced regarding a site for a showroom, then we can terminate the dealership relationship upon delivery to you of a notice of termination. (Articles 6 and 25)

We may require you to open one or more additional showrooms, or additional alternatives such as mall kiosks, if you acquire additional territory from us or from other dealers and we do not enter into a new Dealership Agreement for the additional territory. (Article 6, Dealership Agreement)

Electronic Point of Sale and Computer Systems

We do not require that you use an electronic point of sale recording system. We do require that you purchase a facsimile machine with a separate dedicated phone line for communication and operational purposes. We do not require a certain type of fax machine as long as it can send and receive communication. We also require

a personal computer with Internet Explorer 5.0 or equivalent. You are required to use the Re-Bath Web Ordering System to order all products and supplies (See Exhibit J for system requirements). The computer is not required exclusively or solely for Re-Bath and may be used for all other aspects of the business. In the future if we require it, you must upgrade or update your computer hardware or software to our standards. We will have independent access to information and data that is electronically collected.

Opening of Franchised Business

Dealers typically begin selling Re-Bath Products 30 to 60 days after they sign the Dealership Agreement. Dealers must open an initial showroom within four months after completion of initial training. The factors that affect these times are the scheduling of initial training, the ability to obtain a lease, and installation of equipment, fixtures and signs.

NO OTHER SUPERVISION, ASSISTANCE OR SERVICES ARE PROVIDED BY THE FRANCHISOR IN CONNECTION WITH THE ESTABLISHMENT OR OPERATION OF THE FRANCHISED BUSINESS.

ITEM 12 **TERRITORY**

You are given an exclusive territory to operate your Dealership to market and install Re-Bath Products. The exclusive territory is determined by use of metropolitan and rural statistical population data. The exclusive territories are within defined geographical areas and can be outlined by counties, city limits, streets, roads, or highways. The territory shall be mutually agreeable to us and you. You have the right to market and install Re-Bath Products as long as you comply with the terms and conditions of the Dealership Agreement.

1. A large market territory will be defined before the execution of the Dealership Agreement and will consist of 150,000 population or greater. The population will be charged at the rate of six cents (\$.06) per person. A nonstandard territory, or small market territory, shall consist of less than 150,000 population.

2. You may transact or conduct business in any other area or territory unless the area has been assigned as an exclusive Re-Bath territory to another Re-Bath Dealer. Upon notice of those territory assignments, you will immediately stop any activity within that area. Any sales and/or soliciting activity outside of your assigned territory may help a new Dealer of Re-Bath in its newly assigned territory. If so, you will receive no compensation or other consideration for any previous sales, pre-selling or soliciting activities.

a. Subject to paragraphs 3 - 6 below, Re-Bath will not franchise another, or operate a company-owned dealership, in an exclusive territory of another Re-Bath dealership.

b. Re-Bath does not and will not license others or operate its own similar business under a different name or service mark within the exclusive territory.

c. Re-Bath does not offer the first right of refusal for an expansion or addition of an existing exclusive territory.

3. You must use your best efforts to promote your Franchised Business in your territory. We will not grant another Re-Bath Dealership in your territory for as long as the Dealership Agreement is effective, and as long as you meet or exceed the following sales quotas for each 50,000 of population in your territory.

a. During the first full calendar year of operation of your Dealership, you must purchase from Re-Bath, pay for, and take delivery of, a minimum of five Quota Units for each 50,000 of population in order to maintain exclusivity in your Territory. A "Quota Unit" is defined as (a) one bathtub liner, shower base liner, or wall system consisting of three wall panels (a "Required Product"), (b) a replacement acrylic bathtub, (c) a replacement shower base, (d) three shower doors, or (e) the purchase of \$500 worth of Re-Bath Products other than items included in (a) - (d) above.

b. During the second full calendar year of operation of your Dealership, you must purchase from Re-Bath, pay for, and take delivery of, a minimum of 15 Quota Units for each 50,000 of population within your territory to maintain your exclusivity in your territory.

c. During the third full calendar year of operation of your Dealership, you must purchase from Re-Bath, pay for, and take delivery of, a minimum of 20 Quota Units for each 50,000 of population within your territory to maintain your exclusivity in your territory.

d. During the fourth full calendar year of operation of the Dealership and thereafter, Dealer must purchase from Re-Bath, pay for, and take delivery of, a minimum of 25 Quota Units per year for each 50,000 of population within your territory to maintain your exclusivity.

e. The Sales Quotas shall begin on the first January 1 after you commence operation, which shall be defined as the day following the day of completion by you of the initial Installation and Operations training program.

f. If you fail to meet the Sales Quotas set fourth above for any calendar year of operation, you will lose the rights of exclusivity in your territory. If your rights to exclusivity are lost, Re-Bath will, by written notice to you, declare your territory non-exclusive. Non-exclusive means other Re-Bath dealers may solicit sales and install Re-Bath Products in your territory. Once your territory is declared non-exclusive, you shall have up to 12 months after the date of written notice of non-exclusivity to regain exclusive status. If you purchase, pay for, and takes delivery of, (a) the remaining Sales Quotas for the calendar year during which you failed to meet the Sales Quotas, and (b) the Sales Quotas (on a calendar quarter pro rata basis) for the then current calendar year, the exclusivity will be returned to you when the Sales Quotas are met. This may take less than a full 12 months. For example, if you fail to meet the Sales Quotas for calendar year 2006, but by the second calendar quarter of 2007, you have purchased from Re-Bath, paid for, and taken delivery of, the remaining Sales Quotas for 2006, plus the entire Sales Quotas (on a pro rata basis) for the first two calendar quarters of 2007, you will be returned to exclusive status in your territory on the date that is the later of the date you paid for, or installed all such Quota Units. If you fail to regain exclusive status within 12 months after the date of written notice of non-exclusivity, your Dealership will be subject to termination (extraordinary circumstances will be considered).

4. If you transact or conduct business in any area or territory that has been assigned as an exclusive Re-Bath territory to another Re-Bath dealer, then Re-Bath may require you to immediately pay to Re-Bath, and you shall immediately pay to Re-Bath, as liquidated damages, and in addition to any other rights of Re-Bath in this Agreement or otherwise, 300% of your gross profits (total income less cost of goods sold) earned in transacting or conducting business in another Re-Bath dealer's exclusive territory. Re-Bath shall deliver to the dealers in whose exclusive territories you wrongfully conducted business one-half of all such funds actually received by Re-Bath from you (after deduction by Re-Bath for costs and expenses incurred by Re-Bath with respect to the investigation of the wrongful transactions and the collection of such funds from you).

5. AmBath, and its predecessor, AmBath Corporation, have since their inception, sold and installed bathtub liners nationally and primarily to the hospitality industry and will continue to solicit and sell its products to the hospitality industry, even in your territory. This in no way prevents you from soliciting within this same market within your territory. As a result of these activities, certain product inquiries or leads for other types of uses, such as apartment properties, dormitories, or HUD multi-housing properties are obtained by AmBath. These inquiries are passed on to us for distribution to our dealers in their respective territories, and the applicable dealer is given the opportunity to bid on these inquiries. If the dealer in the applicable territory cannot, or chooses not to, bid on or install any such project, AmBath and/or Re-Bath may, without violation of the terms of the Dealership Agreement, bid on and/or install any such projects. AmBath may also appoint agents, representatives and/or license others to sell its Re-Bath Products within the hospitality industry.

6. Sales and installation of Re-Bath Products by AmBath within your territory provides increased awareness and product acceptance by the public at large. No commissions, overrides or other monetary compensation is paid by AmBath to Re-Bath or to you for AmBath's sales and installations, other than under the

Re-Bath commercial program, whereby any installations by AmBath or another Re-Bath dealer in your territory that are not in the hospitality industry will result in a 6% Re-Bath Product credit to you. Any such installations shall be accomplished only with your prior written consent.

7. Re-Bath has entered into an agreement with Home Depot to place participating dealers and/or displays in selected Home Depot stores throughout the country. If a participating Home Depot store is in your territory, you shall have the option to participate in the Home Depot in that store. This is a voluntary program. If a participating Home Depot store is in an area that is not designated as a territory for a Re-Bath dealer, Re-Bath may offer the opportunity to participate in the Home Depot program in that store to a nearby dealer selected by Re-Bath. If a dealer does not meet Home Depot's standards of service quality, Home Depot will have the right to immediately terminate the dealer from the Home Depot program. If a dealer is terminated from the Home Depot program, that dealer's exclusivity in its territory shall be revoked solely as to the Home Depot program. For purposes of clarification, Re-Bath may place another Re-Bath dealer in your territory, solely for the Home Depot program if you are terminated from the Home Depot program. This reservation of rights only applies to the Home Depot program or other similar programs with other home improvement retailers or mass merchandise retailers that we may enter into in the future, and only for Re-Bath Product orders that are the result of these programs. If your territory becomes non-exclusive, during the period of non-exclusivity, other Re-Bath dealers may apply to any Home Depot stores in your territory to participate in the Home Depot program. If you regain exclusivity in your territory, Re-Bath shall require that any such dealer cease participating in the Home Depot program in your territory.

ITEM 13 **TRADEMARKS**

The Dealership Agreement grants you the right to use the trade name "Re-Bath" and other symbols and marks of the Re-Bath system ("Proprietary Marks"). Through an assignment from Re-Bath Corp., effective January 18, 2002, Re-Bath is the sole and exclusive owner of the trademarks, trade names and service marks provided. You must follow our rules when you use these marks. You cannot use our name or any of our marks as part of a corporate name.

The "Re-Bath" trademark is registered on the Principal Register with the United States Patent and Trademark Office. The registration was issued on July 10, 1984 and bears registration number 1,285,159. It was renewed in 2004.

The "Re-Bath" trademark is also registered with the Registrar of Trademarks in Canada. The registration was issued on July 7, 1989 and bears registration number TMA 358,263.

The "tub-over-tub" bathtub design is a registered service mark on the Principal Register of the United States Patent and Trademark Office. The registration was issued on November 29, 1994 and bears registration number 1,864,893. The "tub-over-tub" bathtub design is also a registered trademark on the Principal Register of the United States Patent and Trademark Office. The registration was issued on January 31, 1995 and bears registration number 1,876,486. Renewals have been filed for both of these trademarks.

The "Rebath & Design" bathtub design is registered on the Principal Register with the United States Patent and Trademark Office. The registration was issued on July 16, 2002 and bears registration number 2,594,685.

In addition to the registered trademarks above, Re-Bath has filed federal trademark applications with the United States Patent and Trademark Office for the following:

- REFRESHING REMODEL (based on actual use) (Serial Number 78/295,384);
- RELAX REFRESH RENEW (based on intent to use) (Serial Number 78/374,769); and
- DURABATH (based on intent to use) (Serial Number 78/390,229).

There is no presently effective determination of the Patent Office, the trademark administrator of this state, or any court, and no pending interference, opposition or cancellation proceeding or any pending material litigation involving the Proprietary Marks. There are no agreements currently in effect which significantly limit our rights to

use or license the use of such trademarks, service marks, trade names, logotypes or other commercial symbols in any manner material to the franchise. We have filed all required affidavits with respect to our registered marks.

You shall not advertise or use in advertising or any other form of promotion, the trademarks, service marks, trade names, logotypes or other commercial symbols of Company in any manner without the appropriate ® registration marks or the designations [™] or SM where applicable.

You must promptly notify us of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use the Proprietary Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We have the right to defend you against any third-party claim, suit or demand coming from your use of the Proprietary Marks. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with the Dealership Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us.

If we, in our sole discretion, determine that you have not used the Proprietary Marks in accordance with the Dealership Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by you.

If there is any litigation relating to your use of the Proprietary Marks, you must execute any and all documents and do those acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except to the extent that this litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of the Dealership Agreement, we will reimburse you for your out-of-pocket cost in doing those acts.

There are no superior prior rights or infringing uses actually known to us that could materially effect the Dealer's use of the Proprietary Marks in this state or the state in which the Dealership is to be located.

We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it, at our sole discretion. We will have no obligation or liability to you to bear the costs of modifying your signs and advertising materials to conform with our new Proprietary Marks as a result of this substitution.

ITEM 14 **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

Re-Bath, Corp. has the following copyright registrations with the United States Copyright Office: On October 23, 1995 Re-Bath, Corp. obtained registration number TX 41999226 for the Re-Bath Consumer Brochure; on January 16, 1996 Re-Bath, Corp. obtained registration number TX 4242612 for the Re-Bath Information Sheets series. Both of these were assigned to Re-Bath on January 18, 2002. We intend to renew these copyrights.

AmBath Corporation has the following patent: On May 11, 1999 AmBath Corporation received a patent number 5,902,444 for the Flowable Silicone Product and Process. AmBath Corporation's rights under this patent were transferred to AmBath on January 18, 2002, and then assigned to us.

Re-Bath has filed a design patent application for each of the following:

- CAPE COD WAINSCOT SYSTEM (Serial Number 29/206,405 in the United States);
- CAPE COD WAINSCOT SYSTEM (Serial Number 109,126 in Canada);
- HAMPTON TILE WALL SURROUND SYSTEM (Serial Number 29/206,406 in the United States);
- HAMPTON TILE WALL SURROUND SYSTEM (Serial Number 109,127 in Canada);
- ONE-PIECE MOLDED MOSAIC TILE SYSTEM (Serial Number 29/245,799 in the United States);
- ONE-PIECE MOLDED NEWPORT TILE SYSTEM (Serial Number 29/245,804 in the United States);
- ONE-PIECE MOLDED SUBWAY TILE SYSTEM (Serial Number 29/245,798 in the United States).

You may use the proprietary information in Re-Bath's Confidential Operations Manuals as described in Item 11. Although Re-Bath has not filed an application for a copyright registration for the Operations Manuals we claim common law rights and copyright protection for the proprietary information. Item 11 describes limitations on the use of the Manuals by you and your employees. You must also promptly tell us when you learn about unauthorized use of this proprietary information. Re-Bath is not obligated to take any action but will respond to this information as we think appropriate.

When it becomes advisable at any time in Re-Bath's sole discretion, to acquire a patent or copyright, you are obligated to use such patent or copyright as prescribed by us.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

During the term of the Dealership Agreement, you (or if you are a corporation, limited liability company, or partnership, a principal or member or general partner of the corporation, limited liability company, or partnership) do not have to devote personal, day-to-day participation in the Dealership. But, you should be involved in the overall management of the Franchised Business, and you or your fully-trained manager must devote full time and best efforts to the management and operation of the Franchised Business. You must also have a competent, conscientious, trained staff, including a fully-trained manager (which may be you), a sales representative and an installation technician. If you are an individual, we recommend that you be the fully-trained manager. There are no limitations as to whom you may hire as the manager, except that you must comply with all applicable laws and that you must not harm the goodwill associated with the System and the Proprietary Marks (this requirement may affect who you hire as your manager).

The manager will not be required to have an equity interest in the Franchised Business. The manager and the installation technician will be required to complete our training program, as described in Item 11. The manager and other key employees are required to enter into an agreement not to compete with businesses under the System while employed by you and for 18 months after termination, and an agreement not to reveal confidential information obtained in the course of their employment with you (Exhibit E). We must receive this agreement for managers and all key employees within 60 days after completion of initial training or within 10 days after they start working for you.

You must comply with all applicable Federal, state and local laws, ordinances and regulations in operating your Franchised Business. These vary from place to place and are amendable or may be implemented or interpreted in a different manner from time to time. It is your sole responsibility to know of the existence and requirements of all laws, ordinances and regulations applicable to the Franchised Business and to follow them.

Each individual (and his or her spouse) who is an owner (directly or indirectly) of 15% or more of your equity, which includes stock, membership interests, and partnership interests, must sign the Dealership Agreement and thus agree to be bound by the following sections of the Dealership Agreement 6, 8, 14, 15, 16, 17, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, and 35, and any other provisions necessary to interpret or enforce any of those sections. In addition, each such individual (and his or her spouse) must also sign and deliver to us a Certificate, Guarantee and Assumption of Obligations by Owners in the form of Exhibit C to the Dealership Agreement, personally guaranteeing the obligations of Dealer under the Dealership Agreement for the first four years of the term of the Dealership Agreement up to an aggregate of \$75,000 (plus certain costs). If any person becomes the owner or holder (or spouse of a owner or holder), directly or indirectly, of 15% or more of any class of stock or ownership interests at any time between the date of the Dealership Agreement, and the date that is four years after the date of the Dealership Agreement, you must cause that person (and his or her spouse) to immediately sign and deliver to us a Certificate, Guarantee and Assumption of Obligations.

The System may be supplemented, improved and otherwise modified from time to time by us. You must comply (within a reasonable time, not to exceed ninety days) with all of our reasonable requirements in that regard, including, offering and selling new or different products or services as specified by us as if such changes were part of the Dealership Agreement at the time of its execution.

Except as described above, you are not restricted by the Dealership Agreement, or any other practice or custom with respect to the goods or services which you may offer, or with respect to the customers whom you may solicit.

ITEM 16
RESTRICTIONS ON WHAT THE DEALER MAY SELL

You are required to operate the Franchised Business in conformity with those standards, techniques and procedures we may, from time to time, give you in writing, and you cannot change those standards without our prior written consent. You are required to operate the Franchised Business a minimum of eight hours during each weekday, Monday through Friday, and a minimum of four hours each weekend, unless the Franchised Business is in a mall or other similar shopping area that requires fewer minimum hours of operation, in which case, your dealership hours may be the minimums required in writing by the mall or shopping area. Your telephone must be answered by a “live” person (i.e., answering service or employee) during normal business hours.

You must sell the Re-Bath Products. The Required Products may only be purchased from us or from an approved or designated source of supply. (See Item 8). You may offer other types of products and services to your customers as long as they are not directly competitive (such as another bathtub liner company’s products) with Re-Bath Products. Selling and installing non-approved products from non-approved sources of supply are grounds for termination of your Dealership. We have the right to change the types of authorized products and services and there are no limits on our right to do so. You must install all Required Products that you sell.

We also reserve the right to review or approve any products or any other item or service. You must immediately cease selling or providing any product or any other such item we disapprove.

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.

<u>PROVISION</u>	<u>SECTION IN DEALERSHIP AGREEMENT</u>	<u>SUMMARY</u>
a. Term of the franchise	Article 3	7 years
b. Renewal or extension of the term	Article 21	One renewal term of 7 years, subject to company approval and contractual requirements
c. Requirements for you to renew or extend	Article 21	Notice, \$1,000 renewal fee, compliance with Dealership Agreement, execute then current Dealership Agreement, which may include material changes
d. Termination by you	None	
e. Termination by us without cause	None	
f. Termination by us with cause	Article 25	See Note 1
g. “Cause” defined - defaults which can be cured	Article 25	You have 30 days to cure. See Note 1
h. “Cause” defined – defaults which cannot be cured	Article 25	Breach of Dealership Agreement and other grounds. See Note 1

<u>PROVISION</u>	<u>SECTION IN DEALERSHIP AGREEMENT</u>	<u>SUMMARY</u>
i. Your obligations on termination/non-renewal	Article 26	Obligations include complete de-identification and payment of amounts due (also see r., following)
j. Assignment of contract by us	Article 23	No restriction on right to transfer
k. "Transfer" by you-definition	Article 23	Includes transfer of interest in Dealership Agreement, Franchise, all or substantially all of the assets of your Dealership, or ownership change
l. Our approval of transfer by you	Article 23	We have the right to approve transfers, which we will not unreasonably withhold
m. Conditions for our approval of transfer	Article 23	Includes payment of money owed, non-default, execution of release, transferee qualifications, payment of transfer fee, execution of then current agreement and training of transferee. (See also r. below)
n. Our right of first refusal to acquire your business	Article 23	We can match any offer for all or part of your business, except for proposed assignments or transfers to one or more adult members of an owner's immediate family who meet the then applicable standards for new dealers and meet certain other conditions set forth in the Dealership Agreement
o. Our option to purchase your business	None	
p. Your death or disability	Article 24	Franchise may be assigned to heir or successor that meets qualifications and training criteria, subject to our right of first refusal (see n. above)
q. Non-competition covenants during the term of the franchise	Article 27	Includes prohibition on owning any interest in, or operating any similar or competing business located in or within 50 miles of any Re-Bath territory
r. Non-competition covenants after the franchise is terminated or expires	Article 27	Includes post termination 18 month prohibition similar to q.
s. Modification of the agreement	Article 31	Must be in writing signed by all parties

<u>PROVISION</u>	<u>SECTION IN DEALERSHIP AGREEMENT</u>	<u>SUMMARY</u>
t. Integration/merger clause	Article 31	Only the terms of the Offering Circular and Dealership Agreement are binding (subject to state law); in conflicts between the two, the terms of the Dealership Agreement will control. Any other promises may not be enforceable
u. Dispute resolution by arbitration or mediation	Article 33	Must arbitrate
v. Choice of forum	Article 33	Arizona. See <u>Exhibit C</u> for specific state information
w. Choice of law	Article 33	Arizona. See <u>Exhibit C</u> for specific state information

Note 1 - Your rights under the Dealership Agreement shall terminate automatically upon delivery of notice of termination to you, if you: make material misrepresentations in your application for the Dealership; are convicted of or plead no contest to a felony or other crime that will adversely affect your reputation, Re-Bath, or the Franchised Business; disclose or duplicate the Confidential Operations Manuals or disclose trade secrets or confidential information; abandon or fail to actively operate the Dealership for 10 consecutive business days in any 12 month period; surrender or transfer control, or make an unauthorized direct or indirect assignment of the operation or ownership of the Dealership; commit or file any petition or affirmative act of insolvency, file for appointment of a receiver or trustee, or make any assignment for the benefit of creditors, or fail to vacate or dismiss within 60 days after filing any such proceedings commenced against you by a third party; are subject to a dismissal of a liquidation proceeding under 11 U.S.C. Section 707, dismissal of a reorganization proceeding under 11 U.S.C. Section 1112, revocation of an order of confirmation under 11 U.S.C. Section 1330(b) or dismissal of a debt adjustment proceeding under 11 U.S.C. Section 1307; materially misuse or make an unauthorized use or materially impair the goodwill associated with any Marks; fail to start operations of the Re-Bath Dealership within 3 months after the completion of training or fail to open an initial showroom as required within 4 months after completion of training; transact or conduct business in the exclusive territory of another Re-Bath dealer during the term; fail to submit reports when due, or to pay for purchases when due to us; duplicate or acquire the Required Products from any source other than us, or approved manufacturers, or use an unauthorized facsimile; install Required Products with unapproved manufacturer's products; conduct any business operation, or market any product under any name or proprietary mark which is confusingly similar to the trademarks and proprietary marks of the Re-Bath System; fail or refuse to comply with our audit of your books and records; fail to comply with our customer satisfaction program, which is set forth in our Operations Manuals; are in default under or breach any terms of any other agreement relating to the Dealership to which you are a party, other than an agreement with Home Depot; fail to remain qualified to transact business in your territory; fail to properly file or record your fictitious name in your territory; or have outstanding amounts due to us that are more than 60 days past due. We will terminate your rights under the Dealership Agreement without further notice if you; fail or refuse to comply with any other provision of the Agreement, or any mandatory specification, standard or operating procedure prescribed in our Operations Manuals or otherwise in writing, and do not correct or make reasonable efforts to correct such failure to comply within 30 days after written notice from us, or you fail to re-gain exclusive status in your territory as described in Article 2 of the Dealership Agreement. See Article 25 of the Dealership Agreement for complete information.

These states have statutes which may supersede the Dealership Agreement with respect to your relationship with us including the areas of termination and renewal of your franchise: 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 482E-1], ILLINOIS [815 ILCS 705/1-44], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], 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 87-401], 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 Dealership Agreement in your relationship with us including the areas of termination and renewal of your franchise. See Exhibit C - State Supplement for the laws in your state.

**ITEM 18
PUBLIC FIGURES**

We do not use any public figure to promote this franchise.

**ITEM 19
EARNINGS CLAIMS**

Re-Bath does not furnish or authorize its salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a Re-Bath Dealership. Actual results vary from unit to unit and Re-Bath cannot estimate the results of any particular franchise.

**ITEM 20
LIST OF OUTLETS**

**Franchised Dealer Status Summary
For Years Ended December 31, 2005/2004/2003**

State	Transfer	Canceled or Terminated	Not Renewed	Reacquired By Franchisor	Otherwise Left the System	Total From Left Columns (1)	Franchises Operating At Year End
Alabama	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	3/3/4
Arizona	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Arkansas	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0
California	0/0/0	2/1/0	0/0/0	0/0/0	0/0/0	2/1/0	5/7/7
Colorado	1/1/0	1/0/1	0/0/0	0/0/0	0/0/0	0/1/1	3/4/4
Connecticut	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	3/3/3
Delaware	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	0/0/1
Florida	0/0/2	0/0/0	0/0/0	0/0/0	0/0/0	0/0/2	10/11/9
Georgia	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	5/6/7
Hawaii	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Idaho	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0
Illinois	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/5/5
Indiana	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/6/6
Iowa	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Kansas	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	3/2/2
Kentucky	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Louisiana	0/0/0	0/0/1	0/0/0	0/0/0	0/0/0	0/0/1	2/2/2
Maine	0/0/0	2/0/0	0/0/0	0/0/0	0/0/0	2/0/0	0/2/2

State	Transfer	Canceled or Terminated	Not Renewed	Reacquired By Franchisor	Otherwise Left the System	Total From Left Columns (1)	Franchises Operating At Year End
Maryland	0/0/1	0/0/0	0/0/0	0/0/0	0/0/0	0/0/1	3/3/3
Massachusetts	0/0/2	0/0/0	0/0/0	0/0/0	0/0/0	0/0/2	6/6/4
Michigan	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	6/6/5
Minnesota	0/0/0	1/1/0	0/0/0	0/0/0	0/0/0	1/1/0	0/1/2
Missouri	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Nevada	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	2/2/2
New Hampshire	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
New Jersey	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	7/7/6
New Mexico	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
New York	1/0/2	1/0/0	0/0/0	0/0/0	0/0/0	2/0/2	10/11/12
North Carolina	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/2/2
Ohio	0/0/1	0/0/0	0/0/0	0/0/0	0/0/0	0/0/1	13/11/8
Oklahoma	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/3/3
Oregon	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Pennsylvania	1/0/1	1/2/0	0/0/0	0/0/0	0/0/0	3/2/1	8/11/12
Rhode Island	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
South Carolina	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	1/0/0	2/3/3
South Dakota	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/2/1
Tennessee	0/1/0	1/0/0	0/0/0	0/0/0	0/0/0	1/1/0	2/3/4
Texas	0/0/0	1/1/1	0/1/1	0/0/0	0/0/0	1/2/2	7/5/5
Utah	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/1/1
Virginia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/5/5
Washington	0/0/0	1/1/0	0/0/0	0/0/0	0/0/0	1/1/0	2/2/3
West Virginia	0/0/1	0/0/0	0/0/0	0/0/0	0/0/0	0/0/1	1/1/1
Wisconsin	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	4/3/3
Puerto Rico	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Bahamas	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
Bermuda	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/0
Canada	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/4/2
TOTAL	8/2/10	11/11/3	0/1/1	1/0/0	0/0/0	20/14/14	155/160/155

1. The numbers in the "Total" column may exceed the number of stores affected because several events may have affected the same store.

**Status of Company Owned Stores
For Years Ended December 31, 2005/2004/2003**

State	Stores Closed During Year	Stores Opened During Year	Total Stores Operating at Year End
TOTAL	0/0/0	0/0/0	0/0/0

Projected Openings Through December 31, 2006

State	Dealership Agreements Signed But Store Not Open	Projected Franchised New Stores In The Next Fiscal Year	Projected Company Owned Openings In Next Fiscal Year
California	0	3	0
Colorado	0	1	0
Idaho	0	1	0
Kansas	0	1	0
Louisiana	0	1	0
Missouri	0	1	0
Nebraska	0	1	0
New Jersey	0	1	0
New York	0	2	0
North Carolina	0	1	0
Ohio	0	1	0
Texas	0	2	0
Washington	0	1	0
Wisconsin	0	1	0
Canada	0	2	0
TOTAL	0	20	0

The list of our dealers is attached to this Offering Circular as Exhibit H.

The name and last known home address and telephone number of every dealer who has had an outlet 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 ten (10) weeks of our application date are as follows:

Dealer	Location	Telephone Number
Dean Allen Cover-All Maintenance dba Austin Re-Bath	430 Lonie Lane Kyle, TX 78640	512-422-9809
Allen McCarthy dba Colorado Re-Bath- Denver	1929 E. Duke Tempe, AZ 85283	602-882-6616
Allen McCarthy dba Colorado Re-Bath	1929 E Duke Tempe, AZ 85283	602-882-6616
James Taylor dba Grand Strand Re-Bath	1006 B Church Street Conway SC 29526	843-254-7793
Keith Trembley Keith Trembley Builder, Inc dba An Authorized Re-Bath Dealer	PO Box 428 Old Town, ME 04468	207-827-4205
Michael Schnorr dba Re-Bath Florida-Gulf Coast	2107 Corporate Drive Boynton Beach, FL 33426	531-734-2284
Daniel Miner dba Re-Bath Northwest	21909 Sweeney Road SE Maple Valley, WA 99038	253-850-8885
Randy Scott dba Re-Bath of Coachella Valley	68713 Perez Road Suite B-4 Cathedral City, CA 92234	760-324-4942
Bryon McFarlane dba Re-Bath of the Bronx	4755-A White Plains Rd Bronx, NY 10470	718-881-6226
Ron Cobb dba Re-Bath of Minnesota	6316 Bass Lake Rd Crystal, MN 55428	763-537-1355
Spike Knadler dba Re-Bath of Las Vegas	1205 W. Warm Springs Road Suite 109 Henderson, NV 89014	702-740-2284
Doug & Joni Frey US Perma Shield dbaa An Authorized Re-Bath Dealer	PO Box 17 22003 Amberson Road Amberson, PA 17210	717-349-7500
Paul Lanham dba Re-Bath of West Central PA	667 New Castle Road Butler, PA 16001	724-477-5581
Ken Warren dba Re-Bath of North Tennessee	P.O. Box 1798 Hendersonville, TN 37077	615-364-8575
Jason Ruginski dba Classic Re-Bath	54 Bean Street Hollis Center, ME 04042	207-939-5979
Larry Gosnell dba Custom Bath Liners	3089 Breckenridge Lane Louisville, KY 40020	502-479-1001
Gary Jones-Jones Plumbing & Heating dba An Authorized Re-Bath Dealer	778 Water Street Meadville, PA 16335	814-333-8156

Dealer	Location	Telephone Number
Albert Khachikyan dba West Coast Re-Bath	10260 Plainview Avenue #44 Tujunga, CA 91042	818-437-8800
Doug & LeVette Hortness	1609 S. Deerberry Trail Sioux Falls, SD 57106	605-362-0162

ITEM 21
FINANCIAL STATEMENTS

The financial statements listed below are attached to the Offering Circular as Exhibit I.

Audited balance sheet of Re-Bath as of December 31, 2005, 2004 and 2003, and related statements of operations, shareholders equity and cash flows for the year then ended.

ITEM 22
CONTRACTS

The following contracts are attached to this Offering Circular in the following order:

1. Dealership Agreement (Exhibit D)
2. Confidential Information/Non-Disclosure/Non-Compete Agreement (Exhibit E)
3. Promissory Notes (Exhibits F1 and F2)
4. Home Depot Agreement (Exhibit K)

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Offering Circular appear as Exhibit L. Please return one copy to us and retain the other for your records.