

franchise agreement and seeking damages of \$500,000. On August 28, 2000, after a hearing on the matter, a panel of 3 arbitrators rendered a decision in our favor finding that we were not liable to our former franchisee for any amount. The decision was not appealed.

TWO MEN AND A TRUCK®/INTERNATIONAL, Inc. v. KMSP, Inc. and J.W. Tackett, United States District Court for the Western District of Arkansas, File Number 05-2073. We filed this action in April 2005 against a former franchisee and its principal to enforce the termination of its franchise and to protect our service marks. They filed a counterclaim alleging breach of contract, tortious interference with business expectancy and abuse of process. In January 2006, the parties entered into an Agreed Order of Dismissal whereby Defendants agreed to tender business telephone numbers to us sought in our Complaint against them. Defendants were also barred from using any of our service marks in any form or fashion to promote any of Defendant's businesses and were further ordered to comply with all of the non-competition provisions of the Franchise Agreement. All the claims brought in the Defendant's counterclaim against us were dismissed, with prejudice.

Other than these actions, 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

INITIAL FRANCHISE FEE

Generally, you must pay an initial licensing fee of \$37,000 for a Marketing Area where we have had no prior presence. This fee grants you the right to operate within a specified area that has a population of 500,000 or less. Generally, the population will be between 250,000 and 400,000. In some circumstances, we can approve a Marketing Area of more than 500,000, but you must pay an additional \$10,000 initial licensing fee for every additional 100,000 population within that area. Population numbers are determined using the ARCVIEW GIS 9.1 software. Where we have had a prior presence in a Marketing Area (or "protected territory" for a few franchisees holding older Franchise Agreements) with a population of 500,000 or less, the initial franchise fee charged to a new Franchisee is \$77,000. This licensing fee must generally be paid in a lump sum when you sign the Franchise Agreement and is not refundable.

We are members of the International Franchise Association and participate in the International Franchise Association's VetFran Program, which provides a 10% discount on initial franchise fees to veterans of U.S. Armed Forces who otherwise meet the requirements of the VetFran program.

If you become an Area Developer by signing an Area Development Agreement, you pay us the initial fees for each of the Marketing Areas you have a right to develop under the Area Development Agreement at the time you sign the Area Development Agreement. For example, if you sign an Area Development Agreement for three Marketing Areas where we've never had a prior presence, then the initial fee would be \$111,000 (\$37,000 x 3). If you sign an Area Development Agreement for three Marketing Areas, and we've had a prior presence in one of the

three Marketing Areas, then the initial fee you would pay us is \$151,000 (\$37,000 + \$37,000 + \$77,000). These fees are not refundable, even if you fail to develop one or more locations for any reason. We are obligated to extend the time for you, as an Area Developer, to open one or more of the locations, if the delay for opening a location did not occur as a result of your own actions.

Item 6
OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of all Gross Receipts	The 15 th day of each month; payments by automated clearing house transfers	Gross receipts include all income from any source
Franchisee Advertising	3% of all Gross Receipts from previous year (2)	As incurred	You must spend these funds for advertising in your marketing area as defined
Advertising Fund	1% of all Gross Receipts	The 15 th day of each month; payments by automated clearing house transfers	See item 11
Advertising Cooperative	As assessed by cooperative (3)	As assessed	Cooperatives can impose assessments for advertising of up to 2% of Gross Receipts
Monthly Technology Support and Development Fee	\$275	The 15 th day of each month; payments by automated clearing house transfers	Fee can change depending on the amount required to support and develop computer system
Miscellaneous Fees and Charges	As assessed for goods or services provided	As assessed	Includes payments for merchandise purchased from PRO SHOP
Processing Fee for entry of data on reports	\$50 per report	14 days after invoiced	Payable only by Franchisee failing to submit reports via internet using "Movers Who Care®" software
Late Charge and Interest	Interest of 18%	As incurred	These charges must be paid on all amounts not paid by due date
Audit Fee	Cost of Audit	On receipt of our invoice	You must pay this cost if our audit shows an under-statement of more than 2%
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we incur liability from the operation of your franchise
Attorney's Fees and Costs	Will vary under circumstances	As incurred	You must pay our costs if we must take action to en-force your obligation to us
Insurance (4)	\$20,000 – 38,000	As incurred	These fees are paid directly to the insurance company
Tax Reimbursement Fees (5)	Will vary with circumstance	As incurred	These fees will be paid to us to reimburse us for sales, use, personal property and other taxes we pay.
Renewal Fee	10% of initial franchise fee	At time of renewal	This fee must be paid if you renew your Franchise Agreement
Fee for Adding a Person as a Franchisee or as a Principal of the Franchisee	12 ½ % of initial franchise fee for each person added	Before person is added and before training has started for that person	This fee must be paid for each person you add as a Franchisee or principal of your franchise
Transfer/Marketing Area Division Fee	25% of initial franchise fee at time of transfer	Before transfer and before training of proposed transferee	This fee must be paid if you transfer your franchise or divide your Marketing Area

Notes to Item 6 Table

1. We charge all the listed fees and they are payable to us, except for Franchisee Advertising, which you will pay directly to advertising sources, Insurance, which you will pay directly to insurance companies and Attorney Fees and Costs, which you will pay directly to your attorney. All fees paid to us are non-refundable.
2. A first year Franchise must spend a minimum of \$1,000.00 per month on local advertising. A first year Franchise does not include transfers.
3. We can require you to participate in an advertising cooperative. An advertising cooperative can impose advertising fees of up to 2% of annual gross receipts, unless all members of the cooperative agree to a higher rate. See Item 11. We do not currently require our Franchisees' participation in cooperatives, however, we have Franchisees in 5 markets participating voluntarily in advertising cooperatives.
4. You must purchase insurance in the amounts and with the coverage (at a minimum) that we specify. See Item 7 for a description of the minimum insurance coverage and amounts currently specified by us.
5. You must pay us, or our affiliate or designee promptly when due the amount of all sales taxes, use taxes, personal property taxes and other taxes imposed upon us or collected from us on account of goods or services furnished by us to you through the sale, lease or otherwise, or on account of collection by us of the initial franchise fee, other fees, royalties or payments required by the Franchise Agreement.
6. We offer Franchisees the option to license the use of our mascot, "Truckie," in advertising and promoting the franchisees' businesses. There are two options available for licensing a "Truckie" mascot:

Option A: Franchisees electing to have exclusive use of a "Truckie," must sign a Franchise Agreement Addendum and can keep a "Truckie" in their possession for the term of their Franchise Agreement by paying us in advance a royalty fee equal to: the cost of manufacturing and transporting the "Truckie" to the Franchisee's business location; in addition Franchisees must pay \$100 per calendar year, pro-rated for portions of calendar years. In December 2003, the cost of manufacturing a "Truckie" was \$3,195 (which is subject to change without notice). All payments made to us are licensing fees or payments to cover the incidental costs of manufacture and transport of "Truckie," and are not included as a part of the 3% local advertising fee Franchisees must expend under the terms of their Franchise Agreements, or

Option B: A group of Franchisees (if each member of the group is in compliance with its respective Franchise Agreement), may form a cooperative to share the rights to use a "Truckie" subject to payment of the following royalties:

- (i) a royalty equal to the cost of manufacturing and delivering a "Truckie" to any location (It cost \$3,195 to manufacture a "Truckie" as of December 2003, which amount may change without notice), and
- (ii) a \$100 annual royalty fee, pro-rated among participating franchisees.

The "Truckie" Franchisee Cooperative must submit a signed "Truckie" Addendum from each Franchisee member of the cooperative along with the following:

- (i) a list of the Franchisee Cooperative members;
- (ii) a plan describing how "Truckie" will be scheduled for use among members and how date-conflicts will be addressed;
- (iii) a plan describing how Truckie's appearance will be maintained and fees for maintenance pro-rated; and
- (iv) a description of how the annual "Truckie" royalty fee will be pro-rated

Franchisee members of the cooperative cannot allow any non-member to use the "Truckie" licensed to the cooperative group without prior written authorization from us. We will grant or deny such requests based on our best business judgment.

All Franchisee cooperative members agree that "Truckie" will be available for inspection at every franchise business consultation.

If a member of the cooperative transfers its franchise rights to a new franchisee pursuant to our policy, the new franchisee can sign a "Truckie" Addendum replacing the prior cooperative member provided the prior member was in good standing with the cooperative at the time of the transfer. All payments for the use of "Truckie" are licensing fees, and not included as a part of the 3% local advertising fee Franchisee must expend under the terms of its Franchise Agreement.

7. If you fail to comply with policies we establish to operate our System, we reserve the right to charge you an amount of liquidated damages, which you agree to pay. These liquidated damages amounts will be used to cover the amount of damages we suffer as a result of you policy violation. They typically cover administrative expenses we would not otherwise have incurred if you had followed our policy. In addition, they cover damages to our System's reputation, which would not have occurred if there had been no violations. If we determine that the liquidated damages amount paid to us exceeds our expenses and damages to our reputation and other damages we incur, then we place the remainder of the liquidated damages in our National Advertising Fund to support advertising for the System. The liquidated damages amounts vary from policy to policy. Liquidated damages can be imposed for failure to comply with: (a) marketing policy regarding non-approved ads (\$1,000 per violation), (b) telephone directory or other advertising policy (\$1,000 per month), (c) vehicle safety and appearance policies (\$100 per day per violation), (d) employee uniform and appearance policy (\$200 per violation), (e) uniform form policy (\$200 per violation), (f) daily electronic transmission of data policy (\$100 per day per violation), (g) standard of appearance policies for office locations (\$100 per day per each violation for each day the violation is not cured), and (h) signage lettering removal policy (\$2,500 for failure to remove lettering from buildings and trucks upon termination or expiration of Franchise Agreement).

8. If we become aware of a bona fide dispute between you and one or more third parties regarding your **TWO MEN AND A TRUCK®** business, we may (in our sole discretion) undertake one or more of the following actions:

- (i) take no action, except to direct you to resolve the dispute in a manner that will not cause injury to the reputation of our Marks and the **TWO MEN AND A TRUCK®** franchise system;
- (ii) assist you and the third party(ies) in the resolution of the dispute, if we in our sole discretion, determine that we can constructively do so, and/or
- (iii) if we determine in our sole discretion that you cannot or will not resolve the dispute, and that such failure to resolve it has or is reasonably likely to cause damage to our Marks and/or the **TWO MEN AND A TRUCK®** franchise system's business reputation, then upon notice to you, we may resolve the dispute directly with the third party(ies) by payment of damages, including attorney's fees, alleged and supported by documentary evidence by the third party(ies), and you agree to indemnify us for all such payments. If we pay such damages to a third party(ies), we will invoice you for the damages paid, and payment from you will be due to us within fourteen (14) days from the date of invoice. In our sole discretion, we may consult a designated franchisee group to provide us with an advisory opinion regarding resolution of the dispute. We would not be obligated to comply with the advice of the designated franchisee group. If we consulted with a designated franchisee group, we would provide the designated group with the facts and circumstances of the dispute, but we would not provide it with the identity of any of the parties to the dispute.

Item 7

INITIAL INVESTMENT

<u>EXPENDITURES</u>	<u>ESTIMATED AMOUNT OR LOW- HIGH RANGE</u>	<u>METHOD OF PAYMENT</u>	<u>WHEN PAYABLE</u>	<u>IF REFUNDABLE</u>	<u>TO WHOM PAID</u>
Initial Licensing Fee	\$37,000 (1) \$77,000 (2)	Lump Sum	On signing franchise (3)	Not refundable (4)	Us
First Months Rent & Security Deposit (5)	\$1,000 – 3,200	Lump Sum	As specified in lease	As Agreed	Landlord
Miscellaneous Start-up Expense (6)	\$8,700– 27,000	As Incurred	As Incurred	As Agreed	Third Parties
Insurance (7)	\$20,000 – 38,000	As Agreed	Before opening as incurred	As Agreed	Third Parties
Licensing Requirements (8)	\$100 – 80,000	As Incurred	Before opening as incurred	As Agreed	Third Parties, Regulatory Agencies
Legal and Accounting fees (9)	\$500 – 2,000	As Incurred	Before opening as incurred	As Agreed	Third Party
2 Trucks (10)	\$30,000 – 150,000	As Incurred	As Incurred	As Agreed	Third Party
Additional Funds – 3 Months (11)	\$15,000 – 30,000	As Incurred	As Incurred	As Agreed	Us and Third Party
TOTAL ESTIMATED INITIAL INVESTMENT	\$112,300 – 367,200 (12) \$152,300 – 407,200 (13)				

Notes to Item 7 Table

1. The initial licensing fee may be more than \$37,000 for some areas. See Item 5. We are members of the International Franchise Association and participate in the International Franchise Association's VetFran Program, which provides a 10% discount on initial franchise fees to veterans of U.S. Armed Forces who otherwise meet the requirements of the VetFran program.

2. The initial licensing fee is \$77,000 for a new Franchisee purchasing an area where we have had a prior presence.

3. In the case of an Area Developer, the aggregate amount of the initial licensing fees for all Marketing Areas for which the Area Developer acquires a right to develop under the Area Development Agreement must be paid at the time the Area Development Agreement is signed.
4. Non-refundable initial licensing fees includes the aggregate amount of the initial licensing fees required to be paid to us when you sign an Area Development Agreement to develop a multiple number of Marketing Areas.
5. You will need at least 800 square feet of office space to operate a franchise unit. You must also have space available to park your trucks. We estimate that your rent will be between \$500 and \$1600 a month, depending on the size, condition and location of the leased premises.
6. Miscellaneous start-up expenses includes computer hardware, telephone installation, telephone deposit, copier, fax machine, initial inventory of boxes, wall map, minimum initial advertising campaign, supplies, equipment including 2 appliance dollies, 2 4-wheel dollies, 2 piano boards, 72 rubber bands, and 192 moving pads (72"x 80"), travel and living expenses during training and other miscellaneous expenses.
7. We currently require that you carry the following insurance policies, with the coverage and amounts described, as a minimum:
 - a. Commercial general liability insurance coverage in the amount of \$1,000,000, per person/per occurrence for bodily injury and property damage combined with a general aggregate of \$2,000,000; this insurance must also have products/completed operations coverage with an aggregate limit of \$1,000,000, personal and advertising insurance with a limit of \$1,000,000, fire damage coverage with a limit for any one fire of \$50,000, medical expense coverage with a limit for any one person of \$5,000;
 - b. Motor vehicle liability coverage must include bodily injury, property damage, on all leased, owned, rented or borrowed motor vehicles having a combined single limit of at least \$1,000,000 resulting from each occurrence;
 - c. Cargo insurance - in addition to insurance coverage for damage or loss to the cargo while it is being moved, there must be coverage while items are being loaded and unloaded or otherwise in the possession of your franchise. The minimum cargo insurance coverage must be \$50,000 per truck, regardless of size.
 - d. Umbrella policy (covering general liability, auto, and employer's liability) with a limit of \$2,000,000;
 - e. Business personal property insurance in the amount of at least \$10,000 per location;
 - f. Employee dishonesty insurance in the amount of at least \$10,000, and third-party dishonesty bond insurance of \$10,000;
 - g. Worker's Compensation coverage in an amount required by law;
 - h. All other insurance coverage required by the law where Franchisee is located or that we otherwise require.

We recommend that you also obtain gap insurance coverage, if available, that pays the difference between the amount the insurer pays under the liability policy for a totaled vehicle and the amount you owe on the lease or loan. We also recommend that you obtain employment practices insurance (including sexual harassment, wrongful termination and discrimination coverage) in the amount of at least \$500,000 for each incident and a general aggregate of \$1,000,000.

All insurance policies must name us as an additional insured and policyholder.

We may require you to authorize your insurance carrier(s), to provide us with monthly, quarterly and/or annual reports of losses your insurance carrier(s) pay on your behalf for losses you suffer under your insurance policies. These policies may include Worker's Compensation, Cargo, Automobile Liability, General Liability and Excess Liability. We may exercise our right to receive these monthly, quarterly and/or annual reports at any time that we, in our sole discretion, determine that the information is necessary to protect the integrity of our trademarks, service marks and/or franchise business system or for any other reasonable business purpose.

When you sign the Franchise Agreement, you will provide us with a power of attorney authorizing us to obtain Insurance Loss Reports from your liability and other insurance carrier(s). You promise to cooperate with us and your insurance carrier(s) to enable us to obtain the Insurance Loss Reports as promptly and efficiently as possible. Such cooperation may require you to provide insurance carrier(s) or other third parties with additional written authorization to permit us to obtain the report(s).

You should check the cost of workers compensation and all other insurances within the state in which you intend to operate before signing the Franchise Agreement.

8. You must satisfy all requirements of applicable law for operating a local moving business within the state and area for which you intend to operate. The requirements for legally operating a local moving company vary greatly. These requirements may include obtaining a business license from local authorities and/or an authority from the applicable state or federal agency. You may incur legal fees to acquire your authority. While a particular jurisdiction may not require any authority for local moves, generally any moves across state lines require an authority. You should review the legal requirements of operating in the area in which you anticipate you will be licensed and obtain an estimate of the costs you will incur before you enter into the Franchise Agreement.

9. You should have your attorney and accountant review all of the franchise documents and advise you on the start-up.

10. You must have at least two trucks at start up. Used trucks generally cost between \$5,000 and \$40,000 each. New trucks generally cost between \$45,000 and \$70,000 each. Trucks must meet our specifications for appearance. Many franchisees finance or lease their trucks. If you finance the trucks, we estimate that you will be required to pay approximately 20% down (between \$2,000 and \$16,000 for two used trucks) and should be able to finance the balance over a three to five year period. Your monthly payments will vary depending on the cost of the trucks, the time period of the financing and the interest rate. If you lease the trucks, your down payment and monthly payments will probably be less.

11. This is an estimate of the expenses you will incur during the three-month initial phase of operations. These expenses include royalty and Advertising Fund payments, insurance

premiums, local advertising, additional supplies and payroll costs. These are estimates and we cannot guarantee that you will not have additional expenses starting the franchise unit. We also recommend that you reserve 3% of your monthly gross sales to cover your customers' damage claims made against your franchise.

Your costs during this initial phase will depend on factors such as: your ability to follow the guidelines of the Operations Manual and System, your managerial skill and business experience, local market for this type of business, prevailing wage rate, local economic conditions, local competition and sales level during your initial period of business operation. In addition, if you will be relying on this business as your sole source of income, these expenses will have to be increased accordingly. To assist you to grow the business, we recommend that you have available at least an additional \$10,000 for advertising during the first six months of operation.

12. This is the range of the estimated initial investment for a new Franchisee purchasing an area where we have had no prior presence.

13. This is the range of the estimated initial investment for a new Franchisee purchasing an area where we have had a presence.

We have relied on our years of experience in the business and the opening of a substantial number of franchises since 1989 to compile these estimates. You should, of course, review these figures carefully with your accountant and/or business advisor before making a decision to enter into the franchise agreement.

We do not generally offer direct or indirect financing for your initial investment, although if a candidate has documentary proof that it has spent \$50,000 or more to obtain a trucking authority, we may, in our discretion, agree to accept the initial franchise fee over a period of time, subject to appropriate terms, including the payment of reasonable interest. The availability and terms of any financing you obtain will depend on several factors such as the general availability of financing, your credit worthiness, collateral you may have, policies of lending institutions concerning this type of business and similar considerations.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We reserve the right to approve your franchise location, and we will act timely to give you notice if we disapprove of the site. You must purchase all the equipment, inventory and supplies for your business in accordance with our specifications. Our specifications are described in our Operations Manual.

Our specifications for equipment, inventory, supplies and suppliers may include minimum standards for quality, performance, uniformity, reporting of shipments and other relevant standards that we establish. We will formulate and revise our specifications based on our knowledge and experience in the industry. We approve products sold through our System based on the ability of the products to meet or exceed our specifications. When and if we approve suppliers, they will be approved based on the ability of the suppliers to consistently furnish products, services, equipment, inventory and supplies that meet or exceed our specifications. You can request that we authorize a product or supplier you recommend. Your request should be in writing and must include a description of the product or supplier. You must

also submit any additional information we request. We will attempt to notify you of our decision within 90 days of the date of your request. We have the right to charge you a reasonable fee to cover the cost of testing, if it is necessary to test the product.

You must purchase insurance coverage that we specify. See Item 7 for a description of the types and amounts of insurance we currently specify.

Any advertising or marketing materials that you desire to use that we have not produced must be approved by us before their use. See Item 11.

We are currently the only approved supplier of "Move Sheet" Forms and Signage. In order to keep uniforms consistent, our store, called the **PRO SHOP**, is the only approved supplier of uniform items, except for shoes, socks, coats and belts. We are also the only approved supplier of the computer software, and updates, you will be licensed to use in your business. We are not an approved supplier of any other goods, services or real estate relating to your franchise. We will derive revenue from the items you purchase from us, although at the present time it is our policy to charge you only the cost we incur to supply the uniforms. In our fiscal year ended December 31, 2006, our total revenue received from Franchisees for required purchases from us was \$810,756 out of total adjusted revenue for 2006 of \$16,083,672. This constituted 5% of our total revenue for the year ending December 31, 2006.

All of your purchases from us or approved suppliers or that must be purchased in accordance with our specifications represent approximately 90% to 100% of your total purchases in the establishment of your franchise and 90% to 100% of your total purchases in the on-going operation of your franchise unit.

Item 9

FRANCHISEE'S OBLIGATIONS

FRANCHISE AGREEMENT AND EXHIBITS

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

<u>Obligation</u>	<u>Section in Franchise Agreement</u>	<u>Item in Offering Circular</u>
Site Selection & Acquisition Lease	Article I, Section 1	Items 7, 11
Pre-opening Purchases and Leases	Article II, Section 3	Items 7, 8
Site development and other opening issues	Article II, Sections 3, 5, 18 and 19	Items 5, 7
Initial and on-going training	Article I, Sec. 5-7, Art. V, Sec. 5(e)	Item 11
Opening	Article II, Sec. 3, Art. V, Sec. 5(a)	Items 7, 11, 17
Fees	Article IV	Items 5, 6, 7
Compliance with standards and policies	Article II, Sec 6, Art. V, Sec. 4, 5	Items 11, 14
Trademarks and Proprietary Information	Article I, Sections 2, 3, 4	Items 8, 13, 14
Restrictions on products/ services offered	Article II, Section 4	Items, 8, 16
Warranty on customer service requirements	Article II, Sections 3, 6	Item 11
Marketing Area development and sales quotas	Article II, Sections 3, 19	Item 12
On-going product/service purchases	Article II, Section 4	Items 8, 16
Maintenance, appearance and remodeling	Article II, Section 4	Items 11, 17
Insurance	Article II, Section 5	Items 7, 8
Computers and Telephone System	Article II, Section 8, Art. IV, Section 4	Items 6, 11
Advertising	Article II, Sections 9, 10	Items 6,7, 8,11
Indemnification	Article IX, Section 5	None
Owner's participation/management/ staffing restrictions operating other businesses	Article II, Sections 7, 12	Item 15
Records/reports	Article II, Sections 13, 14	Item 6
Inspections/audits	Article II, Section 2	Items 6, 17
Transfer	Article VII	Item 17
Renewal	Article V, Section 1	Item 17
Post-termination obligations	Article VI	Item 17
Non-competition covenants	Article VIII, Section 2	Item 17
Dispute Resolution	Article II, Section 16 Article IV, Section 5 Article X, Sections 1, 2	Items 6, 17

AREA DEVELOPER'S OBLIGATIONS

THIS TABLE LISTS AN AREA DEVELOPER'S PRINCIPAL OBLIGATIONS UNDER THE AREA DEVELOPMENT AGREEMENT. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THE AREA DEVELOPMENT AGREEMENT AND OTHER ITEMS OF THIS OFFERING CIRCULAR.

<u>Obligation</u>	<u>Section in Area Development Agreement</u>	<u>Item in Offering Circular</u>
Development Schedule for Opening Each Franchise Subject to Agreement	Section 3(A)	Item 12
Fulfill Franchise Agreement Obligations for Each Franchise Location	Section 3(A)	Item 12
Fees	Section 5(A)	Items 5, 7
No Right to Use Marks and Franchise System; Acknowledgement of Ownership of Marks	Sections 6(A), 7	Item 13
Site Approval, Submission of Offering Circular and Signing of Franchise Agreement	Section 6(B)	Item 11
Confidentiality and Restrictions on Competition	Section 8(A), (B)	Item 17
No Right to Sub-franchise	Section 9(A)	Item 17
No General Right to Assign Rights Under Agreement	Section 9(B)	Item 17
Right to Transfer in Case of Death or Disability	Section 9(C)	Item 17
Termination of Agreement	Section 10	Item 17
Enforcement of the Terms of the Agreement	Section 11(A), (B), (C)	Item 17
Party Obligated to Pay Costs of Enforcement	Section 11(D)	Item 17
Indemnification	Section 12(B)	Item 17
Obtaining Our Consent or Approval	Section 12(E)	Item 17
Written Notices	Section 12(F)	Item 17

Item 10

FINANCING

We do not generally offer direct or indirect financing, excepting that we may, in our sole discretion, offer financing under the circumstances described in Item 7 above, where you spend \$50,000 or more to obtain a trucking authority. We do not guarantee your promissory note(s), lease(s) or any other obligation(s).