

ITEM 1  
THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

The Franchisor

"WFP" or "we" means Window Fashions Professionals, Inc., the franchisor. "You" means the person who buys the franchise. If the franchise owner is a corporation or other entity, "you" refers only to the business entity which owns the franchised business unless we indicate otherwise. WFP is a Texas corporation which was incorporated on March 17, 1999. Our principal place of business is at 1611 N. Stemmons Frwy, Ste 318, Carrollton, TX 75006. We conduct business under our corporate name and Gotcha Covered only. We do not maintain a sales office at any location other than our principal place of business. Our agents for service of process are listed in Exhibit B.

WFP has never owned or operated retail businesses for the sale and installation of window covering products, but we reserve the right to open these businesses in the future. We have not offered franchises in any other line of business, but we reserve the right to do so in the future.

Our Predecessor

MDSR, Inc., a Texas corporation owned and operated by Michael and Deborah Rose, our owners, owned and operated a business similar to the franchise we offer from 1995 until December 10, 1999, when MDSR, Inc. sold its business and territory to a Gotcha Covered franchisee. MDSR, Inc. never offered franchises in this or any other line of business.

Our Affiliate

Prestige Plantation Shutters, Inc. ("PPS"), a Texas corporation owned by Michael Rose and Deborah Rose, is located at 1611 N. Stemmons Frwy, Suite 318, Carrollton, Texas 75006. PPS has never operated or granted franchises for the type of business you will operate or in any other line of business, but PPS plans to offer franchises for wholesale plantation shutters distribution businesses to the trade only beginning in 2006.

The Franchise Offered

We have offered a franchise agreement (the "Franchise Agreement") since March, 1999, which grants you the right to operate a mobile, retail sales and installation business offering window covering products (primarily interior blinds, shades, shutters, draperies and accessories) to residential and business customers, which will operate under the name Gotcha Covered (the "Franchised Business"). You must use advertising and marketing techniques, operating procedures, product and service standards, business methods and other expertise we provide (the "Gotcha Covered System"). Your Franchised Business and van will be identified by our proprietary marks described in Item 13 below. You and your employees will use your van to service customers during sales and installation appointments. Our concept for mobile, on-site service eliminates the expense of a retail

store location and stock of inventory, but you must rent a small storage unit to receive deliveries. You may manage and operate the Franchised Business yourself, or you may hire a business manager. We recommend that you hire up to four employees. The Franchised Business is designed to be a mobile, shop-at-home business, but we have allowed some of our franchisees to open and operate from a fixed retail location. You may, at our option, be permitted to operate at a fixed location provided you agree to our terms and conditions such as site selection, design and layout, furnishings, signage and lease terms.

Sales leads are generated primarily from print and electronic media advertising, as well as by word of mouth and membership in community associations. When you place an order for a customer, the product is shipped directly to you from vendors we approve, then you or your employees will schedule and perform installation at the customer's home or place of business.

The general market for window coverings is developed and includes new homes and businesses, as well as existing homes and businesses which desire to upgrade or remodel. Your competition will come primarily from conventional retail stores and other shop-at-home retailers which offer window covering products, or businesses offering decorating services. Information concerning industry specific licenses required by state law, where applicable, for you to operate the Franchised Business in your state is set forth in Exhibit L. Some cities or other local governmental entities may impose licensing requirements. We are not aware of any other laws or regulations which specifically regulate the sale or installation of window coverings, but you must check and comply with all laws applicable to operating the Franchised Business before you begin your business.

## ITEM 2 BUSINESS EXPERIENCE

The following is the list of directors, principal officers and other executives who have management responsibility in the operation of our business which relates to the franchises described in this offering circular or with our franchise brokers. The principal occupation and business experience of each person during the past five years is described below.

### Michael K. Rose, Director, President and General Manager

Mr. Rose has served as our only Director and as our General Manager since we were founded in March, 1999. He has been our President since May, 2005. From March, 1999 until May, 2005, Mr. Rose was also our Vice President.

### Deborah R. Rose, Vice President and Corporate Secretary

Mrs. Rose has been our Vice President and Secretary since May, 2005. She was our President from March, 1999 to May, 2005.

>

### Franchise Brokers

We use national franchise referral organizations which employ independent consultants to refer prospective franchise candidates to us, for which we pay a fee. These consultants are listed in Exhibit K. After a consultant has referred a candidate to us, we coordinate sales activity with the candidate. The consultant does not have authority to negotiate the sale or to sell a Gotcha Covered franchise, or to make any representations on our behalf to any prospective franchise candidate.

### ITEM 3 LITIGATION

David and Faye Lackey v. Window Fashions Professionals, Inc. (American Arbitration Association, Dallas, Texas), No. 71 114 00347 05. After their franchise agreement was terminated on June 30, 2005, David and Faye Lackey, our former franchisee, filed a demand for arbitration against us on July 1, 2005, and at the time of the arbitration hearing sought \$250,000.00 in damages. The Lackeys asserted claims for alleged violations of the Texas Deceptive Trade Practices Act, misrepresentation and fraud. We answered and denied all claims. We filed a counterclaim asserting that the Lackeys committed multiple violations of the Franchise Agreement, and we sought \$137,500 in damages for lost royalties, plus our costs and attorney's fees. On April 5, 2006, the arbitrator rejected all of the claimants' claims, but awarded them the sum of \$67,523.96, plus pre-judgment interest of \$5,013.32 and one-half of the claimants' attorneys fees in the amount of \$50,855.40 because we allowed the Lackeys to attend training class before they signed the franchise agreement.

Budget Blinds, Inc. v. A Voice for Direction, Inc. and Window Fashions Professionals, Inc. dba Gotcha Covered (Cause No. 03-11422-F; 116<sup>th</sup> Judicial District Court, Dallas County, Texas). Budget Blinds, Inc., our competitor, filed this lawsuit on March 29, 2004, seeking injunctive relief and an unspecified amount in damages. The claimant asserts claims that the co-defendant, A Voice for Direction, Inc., through a former employee of the claimant, misappropriated and offered to us and other competitors of the claimant trade secrets and proprietary information of the claimant. They allege that we engaged in unfair competition by using the claimant's trade secrets and proprietary information. The lawsuit is pending, and we are vigorously defending against all claims.

Other than this 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  
INITIAL FRANCHISE FEE

You must pay us a lump sum initial franchise fee of \$24,950.00 when you sign the Franchise Agreement. You may be eligible to finance the initial franchise fee through us. See Item 10 for details of financing arrangements. We are a member of the International Franchise Association and participate in the IFA's VetFran Program. We provide a 10% discount on the initial franchise fee to veterans of the U.S. armed forces who otherwise meet the requirements of our VetFran program, which we will provide to you upon request.

At the time you sign the Franchise Agreement, you must also pay us an initial territory fee of \$40,000.00 for your first territory of approximately 50,000 households. If you purchase additional territories at the time you sign the Franchise Agreement, you must pay us an additional territory fee of \$30,000.00 for each additional territory.

The initial franchise fee, the initial territory fee, and any additional territory fee(s) are fully earned and are not refundable under any circumstances, except we will reimburse you up to \$1,000.00 of your travel expenses for hotel, air fare or car rental during initial training. Following payment (or financing) of the initial franchise fee and your territory fee(s), we will provide you with a New Franchise Business Start-Up Package, which will include product samples, business forms, lap-top computer, portable printer, software, business apparel, brochures, and signs for your van.

In addition, you must deposit in your business checking account an advertising and marketing campaign fund of at least \$4,500.00 when you sign the Franchise Agreement. You must use your initial advertising and marketing campaign fee for a start-up advertising campaign for your Franchised Business. See Item 11 below for more details regarding advertising.

You may reserve a territory prior to signing a Franchise Agreement by signing a Territory Deposit Agreement in the form of Exhibit L, and paying us a non-refundable deposit of \$5,000.00 for each territory. We will hold each territory for up to sixty days from the date you sign the Territory Deposit Agreement and pay the deposit. If you fail to sign a Franchise Agreement within the sixty day period, the Territory Deposit Agreement will expire, your deposit fees will be forfeited, and we may sell the territory to someone else. All initial fees, less the amount of the deposit paid, will be due upon signing the Franchise Agreement.

ITEM 6  
OTHER FEES

Name of fee (1)	Amount	Due Date	Remarks
Royalty	\$300 (2) per month \$700 (2) per month \$1,100 (2) per month	Payable on the <u>1st</u> day each month (2)	May be adjusted annually based on increases in the Consumer Price Index
National Advertising Fund	\$150 per month (3)	Payable on the <u>1st</u> day of each month	May be adjusted annually on increase in the Consumer Price Index
Toll-free telephone	Varies depending on usage (4)	Upon receipt of the monthly bill	
Renewal	\$1,000	At renewal for new term	
Delinquent fees	\$100 late fee plus interest on overdue balance at lower of (i) 1½% per month or (ii) maximum rate allowed by law	Upon demand	Payable on overdue amounts; interest accrues from date payment is due
Transfer	\$1,500	Payable before sale of franchise	Not applicable for transfer to a corporation you form and own/control
Additional territory fee	\$30,000 if you acquire a second territory when you sign Franchise Agreement; otherwise the then-current Initial Territory Fee (5)	At the time you agree to purchase an additional territory	Subject to our approval and availability
Additional training (6)	\$250.00 per day per person	<u>Payable 10 days prior to training</u>	Applies only if you want initial training for more than two persons
Violation of covenant not to compete	\$50,000	Upon demand	Payable if you violate cov- enant not to compete within 25 miles of your designated territory for two years

(1) All fees are imposed by and payable to WFP for our benefit or for payment to another party if applicable. All fees are non-refundable.

(2) Your royalty fee is \$300.00 per month for months 1 through 4; \$700.00 per month for months 5 through 8; and \$1,100.00 per month for months 9 through the remainder of the term. If your royalty payment is more than five days late, we will impose a \$100.00 late fee, plus interest.

(3) Your monthly advertising fee will be contributed to our National Advertising Fund, which is discussed in Item 11 below. We may increase the advertising fee each year on the anniversary date of your Franchise Agreement by the percentage increase in the U. S. Consumer Price Index.

(4) We have established toll-free telephone numbers for customers to call. Unless otherwise authorized in writing by us, you must display only our toll-free telephone numbers in all advertising and promotional materials. The telephone service provider will provide monthly statements detailing usage of the toll-free numbers, and you must promptly reimburse us, or pay the telephone company if they bill you directly, the portion of the expense for the toll-free numbers attributable to usage in your territory.

(5) You must sign an Additional Territory Agreement in the form of Exhibit O to acquire the rights to operate an additional territory. If you sign an agreement for an additional territory on the date of your original Franchise Agreement, you may delay operations, royalties and advertising fees in each additional territory for up to six months from the date of your original Franchise Agreement. If you purchase an additional territory after the date of your franchise agreement, you must begin operations in the new territory immediately, and you must pay all fees and meet your sales quota described in Item 12 in each territory.

(6) At the present time, we do not have a formal program for ongoing or additional training beyond our 21 week initial training program. We have offered additional training in the past, and we may offer additional training periodically in the future if we deem it to be advisable. We consider any additional training for up to two persons to be covered by your payment of monthly royalty payments, and we have never charged franchisees for this training. If we schedule additional training and you want more than two persons to attend, we will determine on a case by case basis whether to charge you for the additional training. Travel expenses from your location to the training site and living expenses during additional training would be your expense.

ITEM 7  
INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Item	Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Initial franchise fee	\$24,950 (Note 1)	Lump sum or financed	At signing of Franchise Agreement	WFP
Territory fee	<u>\$40,000</u> (Note 2)	Lump sum	At signing of Franchise Agreement	WFP
Real estate/retail store	<u>\$87 to \$214</u> (Note 3)	<u>As arranged and incurred</u>	<u>Before opening</u>	<u>Landlord or storage unit vendor</u>
Credit card terminal; telephone & service, furniture, supplies high-speed internet	<u>\$635 to \$1,280</u> (Note 4)	As arranged and incurred	Before opening	Telephone company and vendors or suppliers
Van	<u>\$350 to \$20,500</u> (Note 5)	As arranged by lease or purchase	Before opening	Auto dealer and Lender
Insurance	<u>\$475 to \$675</u> (Note 6)	As arranged	As arranged	Insurers
Contractor's license and license bond	<u>\$450 to \$1,500</u> (Note 7)	As arranged and incurred	Before opening as required by local law	Governmental authority; insurance or bond company
Miscellaneous opening costs	<u>\$1,000</u> (Note 8)	As arranged	As incurred	Shipper
Travel and living expenses while training	<u>\$250 to \$1,000</u> (Note 9)	As incurred	As incurred	Airlines, car rental company, hotel, restaurants
Initial advertising and marketing campaign	<u>\$4,500</u> (Note 10)	Lump sum	At signing of Franchise Agreement	<u>Vendors/suppliers</u>
Tools	<u>\$600</u> (Note 11)	Lump sum	Before opening	Vendors
Additional funds-- 3 to 6 months	<u>\$25,000 to \$50,000</u> (Note 12)	As incurred	As incurred	Employees, suppliers

TOTAL                      \$98,297 to \$146,219 (Note 13) (Note 14)

Notes:

(1) See Item 5 for discussion of New Franchise Business Start-Up Package included with your initial franchise fee. If you qualify, we may finance the Initial Franchise Fee for 12 or 24 months. See Item 10 for details of our financing program. Veterans of the U. S. Armed Forces may be eligible for a 10% discount on the initial franchise fee. See Item 5 for additional information.

(2) You may purchase additional territories, subject to availability. See Item 5 and Item 6 for discussions of additional territory fees.

(3) We do not require a retail store location or office for your Franchised Business. If you are approved for a retail store and elect to lease a location, we estimate that you will need a minimum of 1,000 to 2,500 square feet of space. You must rent at least 100 square feet of storage space in a managed facility. The numbers in the chart represent our estimate of the rent for one month for storage space in the Dallas, Texas area. The cost for storage space in your area may be different.

(4) You will need a telephone line and equipment (a security deposit may be required), fax machine, high speed internet connection and credit card terminal. We provide you with a lap-top computer and portable printer. ^ You may need a desk, file cabinet and office supplies. The amount in the chart ^ includes the optional equipment and furniture. The cost of high speed connection to the Internet varies, but we estimate a cost of approximately \$60.00 per month.

(5) You must acquire a white commercial cargo van, not more than four years old and in good condition, to serve as your mobile sales unit. The cargo van may be standard size or a mini size. We will supply all signs (which will remain our property) with the Gotcha Covered logo for the van and have them installed on your van if you bring it to your initial training. If you don't bring the van to training, you must have the signs professionally installed on the van at your expense before opening. If we agree to allow you to change the van wrap, the cost of any changes will be at your expense. The cost of a van varies widely depending on the make, model, whether you buy or lease, and whether the van is new or used. The numbers in the chart are our estimate of monthly lease or purchase price for a new van.

(6) The figures in the chart are our estimate for three months of auto insurance for a new medium priced van, plus a general liability policy to cover your business with coverage amounts specified in the Franchise Agreement. You may be required to pay the entire annual premium initially. Rates may vary by state or market.

(7) You may be required to obtain a contractor's license or a business license or permit, all of which may vary from one municipality to another. A bond may be required only in states that require a contractor's license. See Exhibit L for information on state requirements.

(8) Shipping expense to ship product samples to your home or place of business, which will vary, but we estimate to be approximately \$100.00.



(9) The figures are our estimate for two persons to attend our initial training program, including eleven days at our facility in Carrollton, Texas or at another location we determine. The travel expenses will vary according to the distance traveled, the mode of transportation and the accommodations you select. We will reimburse up to \$1,000.00 of your travel expense for hotel, air fare or car rental for the initial training course. We do not charge for two persons to attend initial training, but you must pay \$250.00 per day for each additional attendee you want to attend.

(10) You must use your initial advertising and marketing campaign fee  $\wedge$  for your start-up advertising and marketing campaign for your Franchised Business. This introductory local advertising and marketing campaign is primarily focused on local media, including newspapers, direct mail, magazines, and  $\wedge$  memberships in local associations. See Item 11 below for more information concerning our advertising program.

(11) Before opening your Franchised Business, you may need to purchase various tools required to operate the Franchised Business. A list of tools will be provided to you during training.

(12) You will need capital to support ongoing expenses to the extent these costs are not covered by revenues generated by the business. We estimate that the amounts given will be sufficient to cover on-going expenses, including royalty and advertising fees  $\wedge$  for the start-up phase of the business, which we calculate to be three to six months. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during the start-up phase or after. The amount of additional funds will vary based on several factors, including whether you elect to maintain an office outside your home and its location, the number of employees you hire and the salaries and benefits you pay, gasoline, vehicle maintenance, local economic conditions, and the level of sales you reach during the start-up phase. Another factor is whether you will be actively involved in operating the business, plus your levels of skill, experience and business acumen. We encourage you to contact existing franchisees for information concerning cash flow during the start-up phase, keeping in mind that conditions and results will vary from franchisee to franchisee.

(13) We have based these estimates on our experience, research, franchise operators' business reports,  $\wedge$  and the best information otherwise available. You should review these figures carefully with your business and financial advisors before making your decision to purchase the franchise.

(14) Other than security deposits included in Note 4, these expenses are not refundable. If you meet our credit standards, we will finance up to 100% of your initial franchise fee (\$24,950.00) for a period of either 12 or 24 months at an annual percentage rate of interest of five percent for 12 months, or ten percent for 24 months. You must pay the entire territory fee of \$40,000.00, and \$30,000 for each additional territory you purchase, upon signing the Franchise Agreement. If you finance the entire initial franchise fee for 12 months, your monthly payments will be \$3,533.33. If you finance the entire initial franchise fee for 24 months, your monthly payments will be \$1,920.63. See Item 10 for more information concerning the terms of our financing program.

ITEM 8  
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are not required to purchase any item from us other than the New Franchise Business Start-Up Package described in Item 5. All window covering products must be purchased only from suppliers we have approved. A list of approved suppliers is included in the Training and Operations Manual. Of our total revenues of \$2,032,984 for the fiscal year ended March 31, 2006, we derived no revenue from the sale of required purchases or leases to our franchisees. Prestige Plantation Shutters, Inc. ("PPS"), our affiliate, is an approved supplier of plantation shutters. Revenues from the sale of plantation shutters by PPS to our franchisees during the year ended December 31, 2005 were approximately \$1,495,850 of PPS's total revenues of approximately \$1,560,006. Neither we nor PPS is the only approved supplier for any product or service you purchase. You must also buy printed materials and materials bearing our marks from approved suppliers. You may request that additional suppliers be added to your list of approved suppliers. Our approval of suppliers is based on a careful review of the quality of their products, our experience with the supplier, the ability of the supplier to meet our delivery requirements, the supplier's willingness to promote the Gotcha Covered franchise system, and the warranties offered by the supplier. Suppliers who are not on the approved list will be considered if the supplier or a franchisee submits a request to us for approval. We typically complete our review within thirty days, and approval will not be unreasonably withheld. We will furnish you or potential suppliers with our standards and specifications for approval upon request on a confidential basis. A trial or probation period may be necessary, at our discretion, to determine the consistency of the supplier's product, service, quality, ability to meet delivery requirements, willingness to promote the Gotcha Covered franchise system and warranties.

Our suppliers' product discounts to our franchisees are based on the aggregate purchase volume of our entire franchise system. If the volume of purchases of your Franchised Business exceeds the volume of our average franchise operator, you may request greater discounts directly from our suppliers. Some suppliers pay commissions to us based on the aggregate purchases by all franchisees. These commissions range up to 7% on purchases. We retain these commissions and use them as general operating revenues, including payment of expenses such as the cost of developing retail sales brochures, maintaining an Internet web site, and improvement of our training facilities. Our suppliers have agreed with us not to charge our franchisees any additional amount for commissions paid to WFP. Some products suppliers offer incentives to increase their sales, such as rebates, vacations or trips, based on total sales to all of our franchisees. All incentives are given to the franchisees directly by the suppliers. There are no purchasing or distribution cooperatives for any of the items described above. We negotiate purchase arrangements with suppliers for the benefit of our franchisees, but you may also negotiate with suppliers if you wish to do so. Neither we nor our predecessor is an approved supplier for any products or supplies. We estimate that your required purchases of window covering products from approved suppliers will represent approximately 8% to 10% of your total purchases to establish the Franchised Business, and approximately 50% to 55% of your cost to operate the Franchised Business. After your initial purchase of product samples, you will only order products when your customers place orders.

ITEM 9  
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Item in Offering Circular
a. Site selection and acquisition/lease	Sections 1.01, 1.04 and 4.01.A of Franchise Agreement	Items 8 and 11
b. Pre-opening purchases/leases	Sections 4.01.B and 5.01 of Franchise Agreement	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Section 5.01 of Franchise Agreement	Items 5, 6, 7 and 8
d. Initial and ongoing training	Sections 5.01.A and 5.01.E of Franchise Agreement	Items 7 and 11
e. Opening	Section 14.01.G of Franchise Agreement	Item 11
f. Fees	Section 3.01 of Franchise Agreement	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Sections 1.02, 5.01.N, 5.01.S, 8.01, and 8.03 of Franchise Agreement	Items 8, 11 and 14
h. Trademarks and proprietary information	Sections VII, 8.02, XIII and 16.02 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 1.02, 5.01.J and 6.01 of Franchise Agreement	Item 16
j. Warranty and customer service requirements	Sections 5.01.U and 6.01 of Franchise Agreement	None
k. Territorial development and sales quotas	Sections 1.02, 1.04, 5.01.U and 5.01.V of Franchise Agreement	Item 12
l. Ongoing product/service purchases	Sections 1.02, 5.01.I, 5.01.J and VI of Franchise Agreement	Item 8
m. Maintenance, appearance and remodeling requirements	Section 5.01.D of Franchise Agreement	Items 15 and 17
n. Insurance	Section XI of Franchise Agreement	Item 7
o. Advertising	Sections X of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section XVII of Franchise Agreement	None
q. Owner's participation/management/staffing	Sections 5.01.A, 5.01.G and 16.01 of Franchise Agreement	Item 15
r. Records and reports	Section IX of Franchise Agreement	None
s. Inspections and audits	Sections 5.01.R, 9.04 and 9.05 of Franchise Agreement	Item 6

t. Transfer	Section XII of Franchise Agreement	Item 17
u. Renewal	Section 2.02 of Franchise Agreement	Item 17
v. Post-termination obligations	Sections XIII and XV of Franchise Agreement	Item 17
w. Non-competition covenants	Sections 5.01.H; XIII; 16.02 and 16.03 of Franchise Agreement	Item 17
x. Dispute resolution	Section 18.01 of Franchise Agreement	Item 17

ITEM 10  
FINANCING

If you meet our credit standards, we will finance up to 100% of your initial franchise fee (\$24,950.00) for a period of either 12 or 24 months at an annual percentage rate of interest of 6% for 12 months, or 10% for 24 months. You must sign a Promissory Note in the form of Exhibit M, and a Security Agreement in the form of Exhibit N granting us a security interest in all of the assets of your Franchised Business. If your Franchised Business is owned by a corporation or limited liability company, all shareholders or members must sign a personal guarantee of the business debts for us. Payments will begin on the date your first royalty payment is due. All or any portion of the balance may be prepaid without penalty at any time. If you default in payment of the Promissory Note, we may terminate your Franchise Agreement (Franchise Agreement Section 14.02.A) and accelerate the entire balance. You will also be liable for our court costs and attorney fees to collect the balance. We do not require you to waive any defenses, but you must waive all notices, demands for payment, presentment for payment, notices of intention to accelerate the maturity and actual acceleration of maturity, notice of non-payment, protest, and notices of protest as to the Promissory Note, diligence in collection, or bringing suit on the Promissory Note. It has not been our practice or intent to sell, assign or discount to a third party all or part of your financing, but we reserve the right to do so. If we do sell or assign our rights to your Promissory Note to a third party, you may lose some or all of your defenses against us in defending against payment of the Promissory Note as a result of the sale or assignment. The following chart is a summary of the financing we offer:

Item Financed	Amount Financed	Minimum Territory Payment	Term Months	APR	Monthly Payments	Prepayment Penalty	Liability Upon Default	Loss of Rights
Initial Franchise Fee (12 month term)	\$24,950	<u>\$40,000</u>	12	<u>6%</u>	<u>\$2,203.91</u>	None	Termination; pay balance, attorney fees, costs.	Waive Notice
Initial Franchise Fee (24 month term)	\$24,950	<u>\$40,000</u>	24	10%	<u>\$1,197.99</u>	None	Termination; pay balance, attorney fees, and costs.	Waive Notice

We do not offer any other direct or indirect financing. We do not guarantee your note, lease or any obligation.

ITEM 11  
FRANCHISOR'S OBLIGATIONS

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

Pre-Opening Obligations

Before you open the Franchised Business, we will:

1) Agree with you as to the Designated Territory or authorized location for your Franchised Business (Franchise Agreement Sections 1.01 and 4.01.A)

2) Provide you with a New Franchise Business Start-Up Package with our specifications and requirements, plus a computer, a printer, supplies, samples, forms, all signs for your van, and an initial apparel package, which we deem necessary to assist you in opening the Franchised Business (Franchise Agreement Section 4.01.B).

3) Provide an initial training program for two persons, one of whom must be responsible for the full-time day-to-day operation of the Franchised Business (Franchise Agreement Section 4.01.C). We will reimburse up to \$1,000.00 of your travel expenses for hotel, air fare, car rental or mileage if you drive, for the initial training program. Following your completion of our three week Pre-Training and our one week Operations Training programs, we will also provide you with Business Development Training for a period of 16 weeks in which we provide you with training assignments by Internet e-mail and follow-up consultations by telephone, following which you will return to our headquarters for one week of Soft Side Training, including draperies and related accessories.

4) Provide you, on loan, one copy of our Training and Operations Manual (Franchise Agreement Section 4.01.D).

5) Provide you with a list of approved suppliers to supply approved products (Franchise Agreement Section 4.01.E).

6) Assist you in implementing an initial advertising and marketing campaign for the start-up of the Franchised Business (Franchise Agreement Section 4.01.F).

Continuing Obligations

During the operation of the Franchised Business, we will:

1) Provide daily consultation by telephone as you may reasonably request during the operation of the Franchised Business (Franchise Agreement Section 4.02.A).

2) Provide continuing general advice and assistance concerning the management and operation of the Franchised Business as we deem necessary (Franchise Agreement Section 4.02.B).

3) Provide you with updates, revisions and amendments to the Training and Operations Manual as we may deem necessary (Franchise Agreement Section 4.02.C).

4) Publish a monthly newsletter for you and other franchisees to provide information concerning general trends in the window covering industry and our franchise system (Franchise Agreement Section 4.02.D).

5) Provide training programs or seminars as we deem appropriate (Franchise Agreement Section 4.02.E).

6) Provide you with updates and improvements, if any, to our franchise system without charge (Franchise Agreement Section 4.02.F).

7) Promptly respond to your requests for approval of new suppliers of window covering products (Franchise Agreement Section 4.02.G).

8) Administer our National Advertising Fund and provide an advertising program which we will determine and manage (Franchise Agreement Section 4.02.H).

9) Assist you in the design and administering the spending of your initial advertising and marketing campaign fund during your first four months of operation (Franchise Agreement Section 4.02.I).

10) Provide an advertising incentive program for you during your first four months of operation (Franchise Agreement Section 4.02.J).

11) Maintain a toll-free telephone number(s) for use by you or potential customers to generate sales leads for franchisees. You will share in paying the cost (Franchise Agreement Section 4.03).

12) Maintain the exclusive Internet web site to promote the Gotcha Covered System and to generate sales leads for franchisees (Franchise Agreement Section 4.04).

### Advertising Program

We have a National Advertising Fund (the "Fund") to develop advertising and pay costs associated with the creation of marketing support and advertising materials to promote and enhance the value, general public recognition and acceptance of the Licensed Marks and the Gotcha Covered franchise system. The Fund consists of franchisees' monthly advertising fees described in Item 6. Fund expenditures may include media production, distribution, and placement of local, state or national advertising programs, such as direct mail programs, newspaper ads, magazine ads, direct

promotional and public relations programs and other distribution materials, market research, Internet web site, internet yellow page ads, search engine optimization campaigns, and public relations programs (possibly including memberships in various organizations) to generate sales leads. We generally use our graphic artist on staff, but we may out-source to a local advertising agency for production of advertising. Advertising funds may also be used to pay our reasonable expenses in administering the Fund. We have sole discretion to determine how to spend the Fund, and there is no guarantee that any portion of it will be spent in your territory or for your direct benefit. Our intent is to use the Fund to benefit all franchisees. Any funds not expended during any fiscal year will be carried over and used during the following year. The Fund is not a trust or escrow account, and we have no fiduciary obligations regarding the Fund. We will provide you upon request a statement detailing the income and expenditures for the Fund for the previous fiscal year within 90 days following the end of each fiscal year (Franchise Agreement Section 10.02). The Fund received \$23,550 in contributions from franchisees during the fiscal year ended March 31, 2006, while spending \$18,225 for the creation of advertising (primarily creation of a web site) and ^ for placement of advertising in an Internet yellow pages. No funds were spent during fiscal year 2006 for administrative expenses.

You must also deposit an initial advertising and marketing campaign fund described in Items 5 and 7 of this offering circular. You must use all of your initial advertising and marketing campaign fund for a start-up advertising campaign for your Franchised Business within the first four months of operation. We also have a program to provide you with incentive to expand your initial advertising and marketing campaign during your first four months of operation for your first territory only. If you provide us with documentation that you have spent in excess of \$5,000.00 in excess of your required initial advertising and marketing campaign fee on advertising we approve during the four months of operation of your Franchised Business, we will reimburse you for the amount of approved advertising over the additional \$5,000.00 spent to a maximum of \$5,000.00. For example, if you spend \$15,000.00 on approved advertising in excess of the initial advertising and marketing campaign fund during your initial four months of operation, we will reimburse you our maximum amount of \$5,000.00. To claim your reimbursement, you must provide us with receipts or other documentation satisfactory to us to verify that the approved advertisements were placed and ran during the first four months after you began operating your Franchised Business.

You may conduct your own advertising in your territory at your cost, but you must submit any advertising we have not previously approved for our approval before use. We must notify you of our approval or disapproval within fourteen days from the day we receive the advertising for review (Franchise Agreement Section 10.01). We maintain toll-free telephone numbers, which we use to refer customers to all franchisees according to the location of the customer. You must include only our toll-free numbers in your advertising, unless we authorize you in writing to include another number. Our experience has indicated, and we strongly recommend, that the most effective use of your local advertising dollars will be for the direct distribution of brochures and a Yellow Pages ad, newspaper and magazine ads, direct mail and memberships in local associations. We hire a printer to produce the design and art work for the brochures. You may purchase the brochures directly from the printer at your option in quantities you desire. We receive no income on the brochures.

We also maintain an exclusive internet web site that provides information about the Gotcha Covered System and the products and services offered by Gotcha Covered franchisees. All franchisees are identified on the web site. We will provide you with a link and a customized page for your Franchised Business. You may not create your own Gotcha Covered web site.

None of the advertising fees are used specifically to solicit sales of franchises, but advertising may include a telephone number for persons interested in franchise opportunities. See Items 6, 8 and 9 for additional information on your advertising obligations.

We are not obligated by the Franchise Agreement or any other agreement to provide any other supervision, assistance or services in connection with the ongoing operation of the franchised business. Any duty or obligation imposed on us by the Franchise Agreement or otherwise may be performed by any of our designees, employees or agents, as we may direct.

### Computer System

We will provide you with a lap-top computer and a portable printer (the "hardware") and various business software packages for your use in the Franchised Business. You must use the computer system in preparing quotes and orders for products and services for Gotcha Covered customers, and in preparing various business reports and correspondence we require. You must acquire a high speed internet connection at your expense, unless high speed service is not available in your area. You must maintain e-mail capability to communicate with us. We will provide maintenance, repairs and upgrades (at our election) on our proprietary software without charge. The hardware carries the standard product warranties of the suppliers. You may incur fees to maintain the hardware, but you will not incur any maintenance fees from us for the hardware or software. If the hardware needs to be replaced, you must purchase the replacement equipment at your expense. Any PC compatible lap-top computer with at least 30 gigabytes of memory and portable printer will be acceptable. We will not have independent access to your computer data and information.

### Training and Operations Manual

Attached as Exhibit I is a copy of the table of contents of our Training and Operations Manual as of the end of our last fiscal year. As of that date, the manual had a total of 814 pages covering the subjects and with the number of pages for each subject set forth in Exhibit I.

### Selection of Designated Territory

The designated territory for your franchised business must be agreed upon at the time of execution of the Franchise Agreement and defined in the Agreement (Franchise Agreement Section 1.01). We do not require you to establish a retail store for the Franchised Business or an office outside your home, but we require you to rent a small storage space to receive product deliveries. We determine your designated territory, after consulting with you, following our evaluation of the number of qualifying homes and housing developments in the area. Your designated territory will



consist of approximately 50,000 households, and the boundaries will be defined by postal zip codes. We will not adjust your territory due to population changes, but your territory may be affected if the U. S. Postal Service changes the zip code boundaries.

Franchisees typically open their Franchised Businesses upon the completion of our Pre-Training Program and our Operations Training Program, which you must attend within four weeks from the date you sign the Franchise Agreement (Franchise Agreement Section 5.01.A). Your operations starting date is considered to be the first business day of the first month after you complete the Operations Training program. The only factor what might affect this time is your availability to begin training.

### Training Program

Before opening the Franchised Business and within four weeks of execution of the Franchise Agreement, you (or, if you are a corporation or partnership, a principal owner) and your full-time general manager if you will not manage the Franchised Business full time, must complete our Pre-Training Program, and must attend and complete to our reasonable satisfaction our <sup>^</sup>Operations Training Program, which includes three weeks of Pre-Training assignments prior to attendance at our <sup>^</sup>one week Operations Training at our headquarters. After you begin operating the Franchised Business, you must complete our sixteen week Business Development Training Program at your location, following which you must return to our headquarters to attend our Soft Side Academy, consisting of one week of training for draperies. All training programs will be at times and places we designate. The sixteen week Business Development Training will consist of training assignments we will send you by computer e-mail and follow-up consultations by telephone. We will not charge you for the training of two persons, but you will be responsible for all expenses you or your employees incur in connection with the training programs, including the costs of transportation, lodging, meals, wages and other incidental or living expenses. We will reimburse up to \$1,000.00 of your travel expense for hotel, air fare, rental car or mileage if your drive, during the initial training program. If you want more than two persons to attend the training programs, additional persons may attend at a cost to you of \$250.00 per day each (Franchise Agreement Section 5.01.A and 5.01.E).

The <sup>^</sup>Operations Training Program will consist of classroom training, <sup>^</sup>and is conducted on an as-needed basis. The training will be conducted at our headquarters in Carrollton, Texas by Michael Rose <sup>^</sup> listed in Item 2, by our TEAM Trainers and by our vendor and supplier representatives. Our TEAM Trainers include: Linda Shumate (administration), with over eleven years experience in franchise development with Pro-Cuts Franchise Corporation and Pet Love Mobile Solutions; Michael McMenemy (advertising and marketing), with over three years experience as a supervisor for Inner City Investments and over two years in the window coverings industry; and Michael Williams (product installations and customer service), with over seventeen years experience in window coverings manufacturing, sales and installation. <sup>^</sup> The instructional materials will include the Training and Operations Manual, product samples, power point presentations, videos, business forms and handouts. All training materials remain the sole property of WFP. We reserve the right to exclude from further training anyone who has failed to attend

previous training courses which we deem essential before further training. The subjects covered in the initial training program are described below:

OPERATIONS TRAINING PROGRAM

Subject	Hours of Class-Room Training	Hours of On-the-Job Training	Location	How Often Held
Welcome reception, business development, administration, employees	9	-0-	Headquarters	As needed
Office set-up, operations flow and accounting	6	-0-	Headquarters	As needed
Lead generation, advertising and marketing/canvassing	10.5	-0-	Headquarters	As needed
Product knowledge and specifications; measuring and ordering	9	-0-	Headquarters	As needed
Point of sale; suggestive selling-I, profit margins; contracts, closing the sale	16.5	-0-	Headquarters	As needed
Product installation, customer service; graduation reception	9	-0-	Headquarters	As needed

DRAPERY TRAINING

Subject	Hours of Class-room Training	Hours of On-the-Job Training	Location	How Often Held
Welcome to the soft side; product knowledge and Specifications	13	-0-	Headquarters	As needed
Point of sales; suggestive selling-II; profit margins	6	-0-	Headquarters	As needed
Measuring / Ordering	4	-0-	Headquarters	As needed
Product installation; customer service	6	-0-	Headquarters	As needed
Vendor's factory tour; graduation	3	-0-	Vendor's workroom	As needed

We may also conduct additional training at meetings and conventions. You must attend any meeting if we designate it as mandatory. We will not charge you a fee to attend mandatory meetings, but you must pay your travel and living expenses. We may elect to make available to you and your employees training courses or annual meetings at locations we will determine. These courses or meetings may include sales techniques, accounting, personnel training, performance standards, advertising and marketing programs, and the window covering industry in general.

## ITEM 12 TERRITORY

You will receive an exclusive territory in which to conduct your advertising and marketing campaign, and if you are not in default under the terms of the Franchise Agreement and you meet your sales quota, we will not permit any other franchisee or company owned Gotcha Covered outlets ^to solicit customers in your designated territory. Your franchise will cover, and you will be responsible for developing, the entire designated territory. A customer is considered to be located in your territory if the structure (home or business) in which the products will be installed is located in your territory. You may solicit business anywhere for the sale of products to be installed at structures in your territory. You may also sell and install products at structures located in an unassigned territory until the territory is assigned to another franchisee. Other than as stated above, you may not solicit the sale of products outside your territory under any other circumstance. You will have no rights, or right-of-first-refusal to acquire rights, to any unassigned territory.

You may either operate the franchised business out of your home using your "Gotcha Covered" Mobile Sales Unit (van), or you may establish an office, warehouse or retail showroom in the designated territory, subject to our approval of the location.

You must exert your best efforts to fully develop and maximize the market for Gotcha Covered approved products and services in the designated territory. Your minimum sales quota (total revenue excluding sales taxes) is \$10,000.00 per month, beginning with the third month of operation. If you fail to meet the sales quota in any month, we have the right at our option to cancel your exclusivity in your designated territory and authorize others to market and sell products there. You could then operate the business in your designated territory without the exclusivity. We have the right to increase the monthly sales quota each year on the anniversary date of the Franchise Agreement by the percentage increase of the U. S. Consumer Price Index during the previous year. We may respond to customer complaints in your designated territory and use our discretion to resolve them.

You do not receive an option to open additional territories. However, you will be eligible to purchase additional territories if you are in good standing and additional territories are available. See Item 5 and Item 6 for more information about the purchase of additional territories.

ITEM 13  
TRADEMARKS

We grant you the right to operate under the name Gotcha Covered. You may also use other current or future trademarks to operate your franchised business as we may designate. By trademark, we mean trademarks, trade names, service marks and logos used to identify your franchised business.

MDSR, Inc., our predecessor, began using the Gotcha Covered service mark in 1995, and registered the mark in Texas on August 13, 1999, Registration No. 58954. WFP acquired the rights to the mark from MDSR, Inc. We have registered Gotcha Covered on the principal register of the United States Patent and Trademark Office, Registration No. 2,452,500; registration date May 22, 2001, and Registration No. 2,470,971, registration date July 24, 2001. No agreements, pending litigation or determinations limit our right to use or license the use of our mark.

You must follow our rules when you use our mark. You cannot use our mark as part of your corporate or legal name or with modifying words, designs or symbols except for those which we license to you. You may not use our licensed mark in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

You must notify us immediately when you learn about an infringement of or challenge to your use of our mark. We will take the action we think appropriate, and we have the right to control administrative proceedings or litigation. We will defend you at our expense against any third party claim arising out of your use of our trademark in accordance with our Franchise Agreement. If you haven't used the mark in accordance with the Franchise Agreement, we will defend you at your expense. You are required to participate in the defense or prosecution of infringement of our trademarks. We will reimburse you for your out-of-pocket costs and bear the cost of any judgment or settlement, except to the extent the litigation is the result of your use of our trademark in a manner inconsistent with the terms of the Franchise Agreement.

We reserve the right to substitute different marks for use in identifying the Gotcha Covered System, and you must comply with our requirements relating thereto.

We do not know of any infringing uses that could materially affect your use of our trademark.

ITEM 14  
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or copyrights currently registered or which we have applied for which are material to the franchise, but you can use the proprietary information in our Training and Operations Manual. Although we have not filed an application for a copyright registration for the Training and Operations Manual, we claim a copyright, and the information is proprietary. Section VIII of the Franchise Agreement describes the restrictions on your use of our Training and Operations Manual and your obligation to maintain the contents of the Training and Operations

Manual in confidence. We have no obligation under the Franchise Agreement to defend the above described copyrights, and you have no obligation to report infringement of these to us. We will take action as we deem appropriate, and we have the right to control all litigation involving these copyrights. We know of no infringement which could materially affect you.

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

We do not require that you personally manage the Franchised Business, but we recommend that you do so. The Franchised Business must be directly managed on a full-time day-to-day basis by you or by a general manager who has successfully completed our initial training program. If you hire a general manager, you must provide us with written notice of the name of the general manager, or any change of the general manager. If you do not manage the business, the general manager must sign a Nondisclosure and Noncompetition Agreement in the form of Exhibit G to maintain confidentiality of the proprietary information described in Item 14. If the franchisee is a corporation, the individual stockholders must sign a Personal Guarantee (Exhibit H) of all of the corporation's obligations to us.

ITEM 16  
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to sell only window covering products which we have approved (see Items 8 and 9). There is no restriction on our ability to approve new suppliers or to disapprove suppliers whom we have previously approved if their products or services cease to meet our standards.

We have the right to change or add authorized goods and services that you must offer. There are no limits on our right to do so, except the investment required of you for equipment, supplies and initial inventory samples will not exceed \$5,000.00 per year for each Franchise Agreement without your consent.

ITEM 17  
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

Provision	Section in Franchise Agreement	Summary
a. Term of the franchise	Section 2.01	10 years
b. Renewal or extension of the term	Section 2.02	Unlimited 10 year renewal terms, subject to contractual requirements
c. Requirements for you to renew or extend	Section 2.02	Notice, good standing, fee, execute new agreement, training, execute release
d. Termination by you	None	
e. Termination by us without cause	None	
f. Termination by us with cause	Section XIV	We can terminate only if you default
g. "Cause" defined—defaults which can be cured	Section 14.02	You have 30 days to cure defaults other than those listed in 14.01 or elsewhere
h. "Cause" defined—defaults which cannot be cured	Section 14.01	Insolvency; failure to open within 60 days; damage to goodwill; danger to public safety; conviction of felony; unauthorized transfer; disclosure of confidential information; other
i. Your obligations on termination/nonrenewal	Section XV	Includes cease using marks; payments of amounts due; return of proprietary information; other
j. Assignment of contract by us	Section 12.01	No restriction on our right to assign
k. "Transfer" by you—definition	Section 12.02.A	Includes transfer of contract, assets or ownership change
l. Our approval of transfer by you	Section 12.02.C	We have the right to approve all transfers but will not unreasonably withhold approval
m. Conditions for our approval	Section 12.02.C	Includes payment of amounts due; no defaults; release signed; new franchisee qualifies and signs new agreement; upgrade business; training; transfer fee
n. Our right of first refusal to acquire your business	Section 12.03	We can match any offer for your Franchised Business
o. Our option to purchase your business	Section 15.01.H	Upon expiration or termination we have the right to buy certain assets

p. Your death or disability	Section 12.04	Spouse or heirs may assume if qualify; franchise must be assigned to approved party within 6 months
q. Non-competition covenants during the term of the franchise	Section 16.02	Cannot engage in competing business, divert customers, or employ persons employed by us or other franchisees
r. Non-competition covenants after the franchise is terminated or expires	Section 16.03	For 2 years after termination, you may not engage in competing business within 25 miles of your designated territory
s. Modification of the agreement	Sections 8.03 and 19.05	No modification generally but Operations Manual subject to change
t. Integration/merger clause	Section 19.05	Only terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 18.01	Except for certain claims, all disputes must be <u>mediated</u> or arbitrated in Dallas County, Texas
v. Choice of forum	Section 19.08	Must arbitrate in Dallas County, Texas
w. Choice of law	Section 19.07	Texas law applies

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

**ITEM 18**  
**PUBLIC FIGURES**

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

ITEM 19  
EARNINGS CLAIMS

The table below includes financial performance numbers, including net sales and gross profit margins, reported to us by 100% of our franchisees who were open and operating their Franchised Businesses during the entire calendar year 2005 (hereinafter referred to as "Qualifying Franchisees").

The "Average—all units" group in the chart includes all 42 Qualifying Franchisees, who collectively operate 90 franchised territories. The "Top 75% average" group includes 32 Qualifying Franchisees, who collectively operate 62 franchised territories. The "Middle 50% average" group includes 22 Qualifying Franchisees, who collectively operate 39 franchised territories. The "Bottom 25% average" group includes 10 Qualifying Franchisees, who collectively operate 23 franchised territories. The "Top 25% average" group includes 10 Qualifying Franchisees, who collectively operate 28 franchised territories.

Other than the net sales and gross profit margin numbers provided below, we do not furnish or authorize our employees, representatives or franchise brokers to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a Gotcha Covered franchise. Results vary from franchise to franchise, and from territory to territory. We do not make any representation that you may or will achieve any income or profit as a Gotcha Covered franchisee.

Percentile Group	Average Annual Net Sales During 2005 (1)	Average Monthly Net Sales During 2005 (1)	Average Annual Gross Profit Margins (2)
Average-all franchisees	\$306,610	\$25,551	40.75%
48% own 1 territory	\$261,513	\$21,792	38.65%
52% own 2 or more terr.	\$356,216	\$29,684	43.06%
Top 75% average	\$367,675	\$30,640	40.66%
50% own 1 territory	\$319,696	\$26,641	38.47%
50% own 2 or more terr.	\$415,653	\$34,637	42.85%
Middle 50% average	\$257,087	\$21,424	38.05%
36% own 1 territory	\$233,875	\$19,489	37.01%
64% own 2 or more terr.	\$297,707	\$24,808	39.88%
Bottom 25% average	\$111,204	\$9,267	41.04%
60% own 1 territory	\$106,358	\$8,863	39.13%
40% own 2 or more terr.	\$118,470	\$9,872	43.90%
Top 25% average	\$610,968	\$50,914	46.39%
20% own 1 territory	\$920,443	\$76,703	48.74%
80% own 2 or more terr.	\$533,598	\$44,466	45.81%



(1) Of the 42 Qualifying Franchisees, 42.85% attained or exceeded Average Annual Net Sales of \$306,610, and a Monthly Net Sale Average of \$25,551, during 2005; 21.42% attained or exceeded Average Annual Net Sales of \$367,675, and a Monthly Net Sale Average of \$30,640, during 2005; 50.00% attained or exceeded Average Annual Net Sales of \$257,087, and a Monthly Net Sale Average of \$21,424, during 2005; 90.47% attained or exceeded Average Annual Net Sales of \$111,204, and a Monthly Net Sale Average of \$9,267, during 2005; 11.90% attained or exceeded Average Annual Net Sales of \$610,968, and a Monthly Net Sale Average of \$50,914, during 2005. NOTE: many of the Qualifying Franchisees operated multiple territories during 2005.

(2) The average gross profit margins in the chart reflect sales less cost of goods sold only. That is, profit before the operating expenses of the Qualifying Franchisees' businesses are deducted. You will incur many operating costs and expenses in operating your Franchised Business, including without limitation those described in Items 6 and 7 of this offering circular such as franchise fees and finance payments, royalty payments, advertising fees, employee expense, lease payments on your van, storage space and office space if you have an office, insurance, telephone and internet fees, supplies and other typical business expenses, all of which must be deducted from gross profit to determine the net profit of the business. Your net profit margin will also be affected by many other factors, including the number of competitors operating in your territory and their product pricing, your adherence to our training and recommended procedures, your business experience, effort and work ethic, the number and quality of employees you employ, the economy and number of persons buying and selling homes and opening businesses in your territory, and many other factors, some of which will be beyond your control of that of Gotcha Covered. You should make your own investigation with your legal and financial advisors to determine whether the Franchised Business and the franchised territory may be profitable. We also recommend that you contact our existing franchisees listed in Exhibit D to this offering circular for additional information.

The financial information in the chart is based entirely on information in monthly reports provided to us by the Qualifying Franchisees. We have attempted to periodically confirm the sales information to the extent we can do so by reports of purchases made by the Qualifying Franchisees from our approved product suppliers, but we have relied on the Qualifying Franchisees to accurately report their sales and gross profit margins. We do not otherwise have access to the Qualifying Franchisees' business records, and we have no information whether the Qualifying Franchisees' monthly reports were prepared in accordance with generally accepted accounting principals, nor can we verify the accuracy of such reports.

**NOTE: NEW FRANCHISEES' FINANCIAL RESULTS ARE LIKELY TO DIFFER FROM THE RESULTS STATED IN THE ABOVE CHART.**

Substantiation of the data used in preparing the above chart will be made available to you upon reasonable request.

ITEM 20  
LIST OF OUTLETS

FRANCHISED STORE STATUS SUMMARY FOR YEARS 2006/2005/2004

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired by WFP	Left the System Other	(2) Total From Left Columns	Franchises Operating at Year End
Alabama	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	5/2/1
Arizona	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/2/2
Calif.	1/0/1	0/0/0	0/0/0	0/0/0	0/0/0	1/0/1	4/4/2
Colorado	0/0/0	0/0/0	0/0/0	0/0/0	2/0/0	2/0/0	5/8/5
Florida	0/0/0	5/0/0	0/0/0	0/1/0	1/1/0	6/2/0	10/17/5
Georgia	0/0/0	0/0/0	0/0/0	0/0/1	0/0/0	0/0/1	5/0/0
Iowa	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	3/1/1
Illinois	0/0/0	0/0/0	0/0/0	0/0/0	2/0/1	2/0/1	14/14/3
Kansas	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	6/6/3
Louisiana	0/0/0	0/0/1	0/0/0	0/0/0	0/0/0	0/0/1	1/1/1
Mass.	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	6/5/1
Maryland	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/0
Mich.	0/0/0	0/0/0	0/0/0	0/1/0	1/0/0	1/1/0	1/1/2
Minn.	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/0/0	2/2/2
Missouri	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/1
Montana	0/0/0	0/1/0	0/0/0	0/0/0	0/0/0	0/1/0	0/0/1
Nevada	0/0/0	0/0/1	0/0/0	0/0/0	0/0/0	0/0/1	3/3/2
N. Hamp.	0/0/0	0/0/0	0/0/0	0/0/0	0/0/1	0/0/1	0/0/1
N. Mex.	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/1
N. Caro.	0/0/0	0/0/0	0/0/0	0/0/0	2/0/0	2/0/0	3/4/2
Okla.	0/0/0	0/0/0	3/0/0	0/0/0	0/0/0	3/0/0	3/5/2
Penn.	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/3/2
Tenn.	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/0/0	0/1/1
Texas	0/0/0	2/0/0	3/0/2	0/1/2	11/0/0	16/1/4	31/42/13
Virginia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	3/3/1
Wash.	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/0/0	3/4/0
Total	2/0/1	7/1/2	6/0/2	0/3/2	22/1/2	37/5/9/2	127/133/57

1) Note: All numbers are as of March 31 for each year.

2) The numbers in the "Total" column may exceed the number of stores affected because several events may have affected the same store. For example, the same store may have had multiple owners.

STATUS OF COMPANY OWNED STORES FOR YEARS 2006/2005/2004

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

PROJECTED OPENINGS AS OF MARCH 31, 2006

State	Franchise Agreements Signed But Store Not Open (1)	Projected Franchised New Stores In The Next Fiscal Year	Projected Company Owned Openings In Next Fiscal Year
California	-0-	6	-0-
Colorado	-0-	2	-0-
Florida	-0-	10	-0-
Georgia	1	6	-0-
Idaho	1	1	-0-
Illinois	-0-	4	-0-
N. Carolina	-0-	4	-0-
Ohio	1	1	-0-
Texas	-0-	10	-0-
Virginia	-0-	4	-0-
Totals	-0-	50	-0-

Note (1): As of March 31, 2006.

Attached to this offering circular as Exhibit D is a list of the names, addresses and telephone numbers of all franchisees as of March 31, 2006. Attached to this offering circular as Exhibit E is a list of the name and last known address and telephone number of every Gotcha Covered franchisee 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 10 weeks of the date of this offering circular.

ITEM 21  
FINANCIAL STATEMENTS

The financial statements listed below are attached to this offering circular as Exhibit C:

Audited balance sheets of WFP as of March 31, 2006 and March 31, 2005, and related statements of income, shareholders equity and cash flows for each of the years in the period ended March 31, 2006, March 31, 2005 and March 31, 2004.

ITEM 22  
CONTRACTS

The following contracts are attached to this offering circular as exhibits:

Franchise Agreement.....	Exhibit F
Nondisclosure and Noncompetition Agreement.....	Exhibit G
Personal Guarantee.....	Exhibit H
Promissory Note.....	Exhibit M
Security Agreement.....	Exhibit N
Additional Territory Agreement.....	Exhibit O

ITEM 23  
RECEIPT

THIS OFFERING CIRCULAR SUMMARIZES PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS OFFERING CIRCULAR AND ALL AGREEMENTS CAREFULLY.

IF WFP OFFERS YOU A FRANCHISE, WE MUST PROVIDE THIS OFFERING CIRCULAR TO YOU BY THE EARLIEST OF:

- (1) THE FIRST PERSONAL MEETING TO DISCUSS OUR FRANCHISE; OR
- (2) TEN BUSINESS DAYS BEFORE SIGNING OF A BINDING AGREEMENT; OR
- (3) TEN BUSINESS DAYS BEFORE ANY PAYMENT TO US.

YOU MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST FIVE BUSINESS DAYS BEFORE YOU SIGN ANY FRANCHISE AGREEMENT.

IF WE DO NOT DELIVER THIS OFFERING CIRCULAR ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND ANY APPLICABLE STATE AGENCY.

I HAVE RECEIVED A UNIFORM FRANCHISE OFFERING CIRCULAR DATED JUNE 28, 2006. THIS OFFERING CIRCULAR INCLUDED THE FOLLOWING EXHIBITS:

Exhibit A	List of State Administrators
Exhibit B	List of Agents for Service of Process
Exhibit C	Financial Statements
Exhibit D	List of Current Franchisees
Exhibit E	List of Franchisees Who Have Left the System Within the Past 12 Months
Exhibit F	Franchise Agreement
Exhibit G	Nondisclosure and Noncompetition Agreement
Exhibit H	Personal Guarantee
Exhibit I	Table of Contents of Training and Operations Manual
Exhibit J	State Addenda to the UFOC and Franchise Agreement
Exhibit K	Franchise Brokers
Exhibit L	State Contractor's Licenses and License Bonds
Exhibit M	Promissory Note
Exhibit N	Security Agreement
Exhibit O	Additional Territory Agreement

\_\_\_\_\_  
Date

\_\_\_\_\_  
Franchisee